



**STATE OF NEVADA**  
**457(b) Deferred Compensation and OBRA Plans**  
March 31, 2023 Performance Report

Rasch Cousineau  
Senior Consultant  
rcousineau@hyasgroup.com

Geoff Hildreth  
Performance Analyst  
ghildreth@hyasgroup.com

~For Institutional Use Only – Not for Public Distribution~  
Hyas Group is a separate business unit within Morgan Stanley Institutional Investment Advisors LLC

# TABLE OF CONTENTS

**Section 1** Market Overview

**Section 2** Plan Reviews

Plan Review – Combined 457(b) DC Plans

Plan Review – State Employees 457(b) DC Plan

Plan Review – Political Subdivisions 457(b) DC Plan

Plan Review – Nevada System of Higher Education 457(b) DC Plan

Plan Review – FICA Alternative OBRA Plan

**Section 3** Investment Performance Review

**Section 4** Plan Fee/Revenue Reviews

Plan Fee/Revenue Review – Combined 457(b) DC Plans

Plan Fee/Revenue Review – FICA Alternative OBRA Plan

**Section 5** Fund Attributions

# Section 1

**GLOBAL ECONOMIC LANDSCAPE**

- ▶ Following seven rate hikes in 2022, the Federal Open Markets Committee raised rates by a total of 0.50% in 1Q23 (0.25% in February and 0.25% again in March) while continuing its monetary tightening program. Together with more restrictive lending standards from banks, these monetary effects tighten financial conditions and threaten to slow economic activity<sup>1</sup>.
- ▶ Global markets have been faced with divergent central bank policies. On the contractionary side, the Federal Reserve and the European Central Bank (ECB) have embarked on aggressive tightening campaigns, seeking to curb inflationary pressures. Since February 2022, the Fed has unwound about \$530 billion of its balance sheet assets (a -6% change), while the ECB has unwound \$1.6 trillion of its balance sheet assets (a -16% change). However, the Bank of Japan (BoJ) and People's Bank of China's (PBoC) vigorous asset purchases have largely offset these actions. The PBOC added ~\$600 billion to its balance sheet (a +11% change) from October to December 2022, responding to the economic implications of lockdowns. The BoJ, hoping to maintain its yield curve control policy, bought \$850 billion worth of assets (a +18% change) from October 2022 to February 2023<sup>2</sup>.
- ▶ European headline inflation declined substantially during the first quarter of 2023. Welcome as this development may appear, much of it was due to declining energy prices while core inflation in areas like services and food remain high. Wages, which typically lag, are showing signs of rising. The overall composition and direction of inflation indicates its potential to stay higher for longer, reducing the probability for central bank policy easing<sup>3</sup>.
- ▶ China's property sector accounts for \$4.5 trillion of the country's GDP (versus \$3.4 trillion for the United States). After 17 months of decline due to the combination of quarantine and policy tightening, property prices increased by 0.3% in February 2023. Continued demand growth here may support commodity prices, considering that the country accounts for nearly half of the global demand for iron ore, aluminum, copper, nickel, zinc, and steel<sup>4</sup>.
- ▶ The US Banking system exhibited increasing funding pressure as yields on bank deposits struggled to compete with those of money market funds. In the first quarter of 2023, money market assets exceeded deposits of all domestically chartered banks for the first time since 2021 and by a substantial margin. This may place continued earnings stress on bank stocks, which in turn have been shown to be leading economic indicators<sup>5</sup>.

<sup>1</sup> Source: Morgan Stanley, Portfolio Construction and Cross-Asset Strategy, April 4, 2023

<sup>2</sup> Source: Morgan Stanley, Topics in Portfolio Construction, March 14, 2023

<sup>3</sup> Source: Morgan Stanley, Euro Inflation Watch, March 31, 2023

<sup>4</sup> Source: Morgan Stanley, China's Reopening and Property Sector Improvement Are Key to Commodity Demand, April 5, 2023

<sup>5</sup> Source: Morgan Stanley, Weekly Warm-up: April 3, 2023

## FIXED INCOME MARKETS<sup>6</sup>

- Bond market performance was broadly positive in 1Q23, with most bond sectors posting returns of low- to mid-single digits. Longer-term bonds were among the highest performers as rates fell on the expectation of an earlier end to the Federal Reserve's rate-hiking cycle. The thirty-year Treasury for example returned 5.99% versus 2.96% for the US Aggregate Bond Market.
- Yields across the US Treasury curve declined in largely parallel fashion in 1Q23, dropping from 0.3% to 0.4% for Treasuries maturing two-years and beyond. Only the very front-end of the yield curve increased during the quarter, with 3-month and one-year Treasury bills eclipsing year-end levels by smaller margins.
- 1Q23's general decline in yields notwithstanding, a broad range of fixed income indices ended the quarter at the upper end of their ten-year range, contrasting the more recent rate environment with the low-rate regime of the prior decade. While yields in most fixed income sectors stood between 1.5% to 3.5% above their trailing ten-year median, leveraged loans were notably higher, ending the quarter at 11.3% versus a median of 5.7%, suggesting a higher degree of market apprehension being priced into this sector.
- Credit spreads on US High Yield bonds continued to appear range-bound, ending the quarter at 4.99% versus a long-term average of 5.66%. Default rates ended the quarter below long-term averages as well but continued their upward trend. Although market commentators have communicated concern about how this sector may fare during a downturn, credit spreads are not yet at levels typically consistent with recessions.

## EQUITY MARKETS

- By the end of 1Q23, equity indices improved, the growth style outperformed value, large-cap beat mid- and small-cap stocks, and information technology was the strongest performing sector. Interestingly, a smaller portion of the constituents of the S&P 500 Index outperformed it than in the preceding quarter, indicating a decline in market breadth<sup>7</sup>.
- The US equity risk premium (ERP), computed as the difference between the S&P 500's trailing earnings yield and the US 10-year Treasury yield, provides a proxy for how much equity investors may expect to receive in compensation for their additional risk versus bonds. A review of data since the early 1900s indicates that investors do not appear to be adequately compensated for assuming equity risk versus Treasuries. In fact, over the 120-year history, the ERP has rarely been lower than where it is today (excluding the unique periods of high Treasury yields in the 1970s to 1990s)<sup>8</sup>.

<sup>6</sup> Source: JP Morgan Guide to the Markets, 2Q2023

<sup>7</sup> Source: Morgan Stanley, Portfolio Construction and Cross-Asset Strategy, April 4, 2023

<sup>8</sup> Source: Morgan Stanley, Topics in Portfolio Construction, March 14, 2023

- ▶ The MSCI Emerging Markets Index entered a bull market (up 20% from its trough) in mid-January. Features such as stabilization in earnings estimate revisions, fund flows showing relative strength, and China’s re-opening bringing high savings amounts to markets support the view that Emerging Market Equities may have additional upside<sup>9</sup>.
- ▶ The US Technology sector posted strong returns relative to the S&P 500 Index for 1Q23. This strong outperformance, in the context of increasing economic pessimism, has prompted the question of if the sector may be counted as defensive one alongside others that are typically categorized as such (for example Consumer Staples, Healthcare, and Utilities). Research indicates however, that Technology tends to perform strongly versus the broader market, including its defensive sectors, when US Bank Reserves are increasing, as has been the case towards the end of the quarter, suggesting that Technology’s recent outperformance is more a product of liquidity rather than economic durability<sup>10</sup>.

## **ALTERNATIVE INVESTMENTS<sup>11</sup>**

- ▶ With property prices posting negative year-over-year comparisons and the office vacancy rate nearing a 20-year high, the commercial real estate (CRE) market may be vulnerable to adverse developments in interest rates or bank lending. More than half of the nearly \$2.9 trillion in CRE mortgages will be up for refinancing in the next 24 months, and regional banks account for 70% to 80% of the loans. Even if current rates stay flat, the new lending rates may well be higher. For building owners themselves, secular headwinds from the embrace of remote/hybrid work options pose additional complications that may accelerate CRE markdowns.
- ▶ The collapse of Silicon Valley Bank puts the spotlight on venture capital (VC) appearing over-valued and exposed to liquidity shortages. At current burn rates, it is estimated that the median VC-backed company will run out of cash in the second half of this year. Limited partners, (that is, the funds’ investors), face more than \$500 billion of capital calls at a time when many portfolios have been marked only modestly lower. The impact of the potential collision of a need for cash versus a dearth of attractive value opportunities could be economically significant. VC-backed companies employ upward of five million workers and drive revenue in important public companies.
- ▶ The Private Equity industry sits on roughly \$2.3 trillion of so-called “dry powder” and can certainly insert itself right now as an opportunistic provider of capital for new vintage funds. However, investments made during the past two years face valuation markdowns and may themselves need capital that has been previously provided through other funding channels. But with unfunded capital calls still in front of many asset allocators and recent distributions scant, the fundraising environment could get tougher. Prior cycles have had 50% peak-to-trough declines in new capital raised.

<sup>9</sup> Source: Morgan Stanley, Asia EM Equity Strategy, April 6, 2023

<sup>10</sup> Source: Morgan Stanley, From the Director of Global Research, Charts That Caught My Eye, April 4, 2023

<sup>11</sup> Source: Morgan Stanley, Global Investment Committee Weekly, April 3, 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.

It is not an offer to buy or sell or a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. This material does not provide individually tailored investment advice and has been prepared without regard to the individual financial circumstances and objectives of persons who receive it.

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

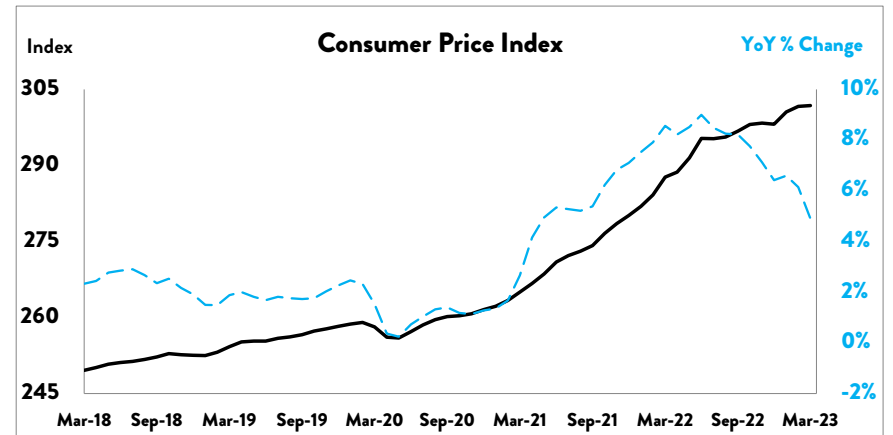
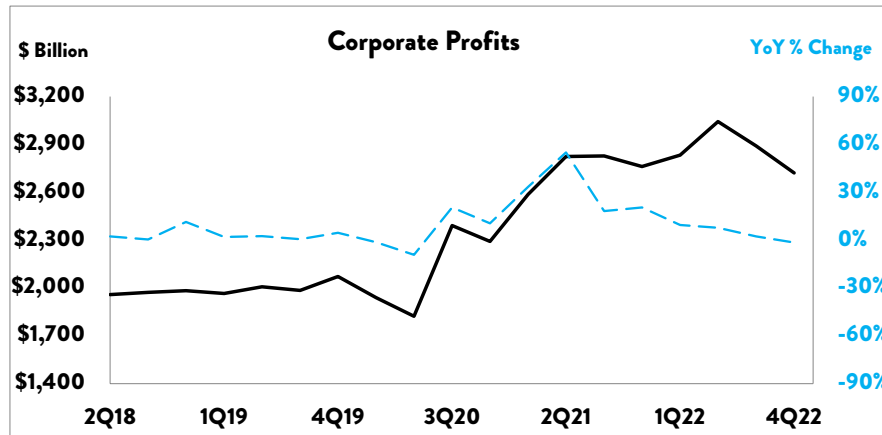
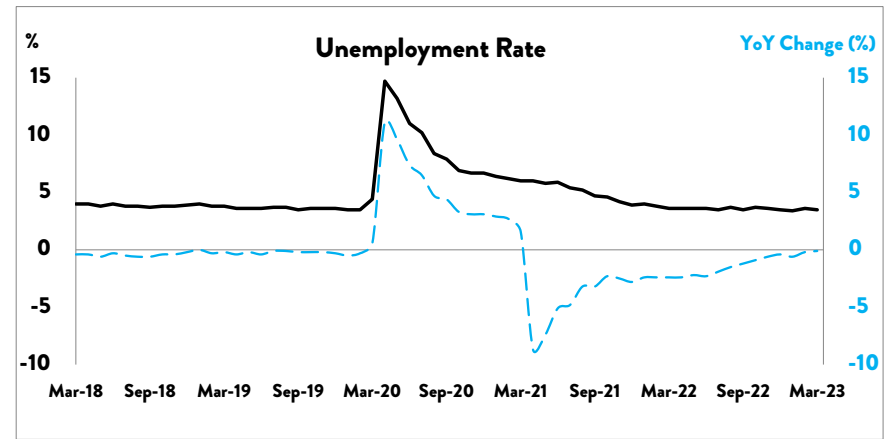
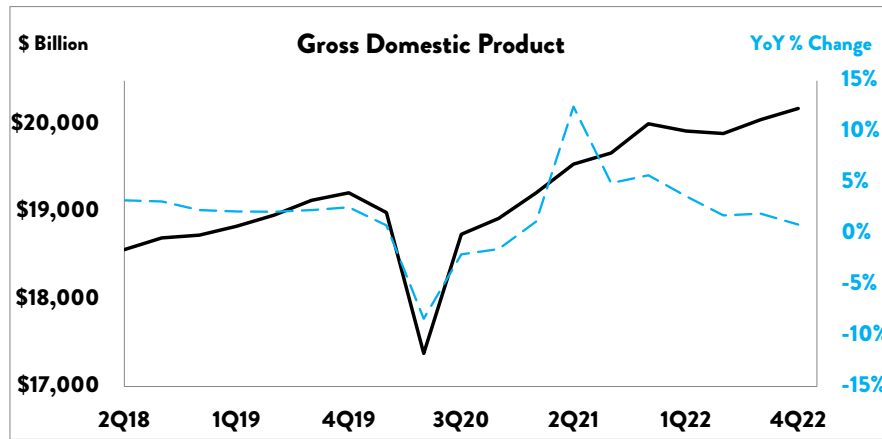
Hyas Group is a separate business unit within Morgan Stanley Institutional Investment Advisors LLC

CRC 5620831 4/23

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.

©Morgan Stanley, 2023

# 1Q2023 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	236,000	4,505,000	-20,493,000	112,333	Mar-23
Unemployment Rate	3.5%	14.7%	3.4%	4.9%	Mar-23
Median Unemployment Length (Weeks)	9.6	22.2	4.0	11.1	Mar-23
Average Hourly Earnings	\$33.18	\$33.18	\$26.89	\$29.77	Mar-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	\$3.40	\$4.84	\$1.80	-29.7%	Mar-23
Spot Oil	\$73.28	\$114.84	\$16.55	-36.2%	Mar-23
Case-Shiller Home Price Index	300.4	316.2	208.7	43.9%*	Jan-23
Medical Care CPI	547.0	557.4	483.5	13.1%*	Mar-23

\*% Off Low

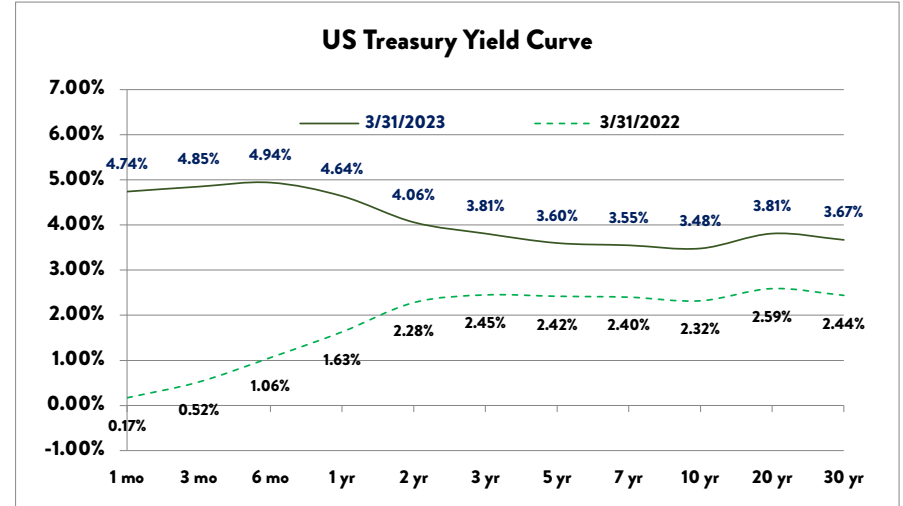
Morningstar data as of 3/31/2023



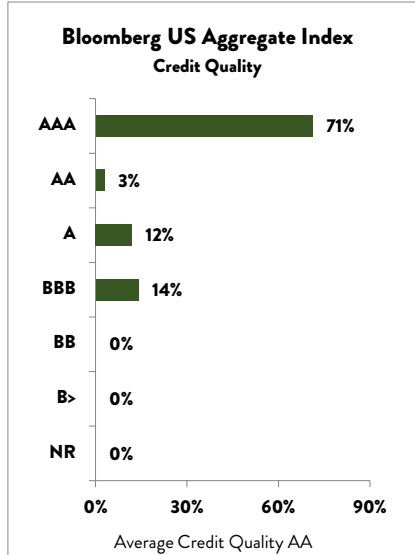
# 1Q2023 Bond Market Data

Index	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
90-Day T-Bill	1.16%	1.16%	3.17%	1.12%	1.46%	0.91%
Bloomberg US Aggregate	2.96%	2.96%	-4.78%	-2.77%	0.91%	1.36%
Bloomberg Short US Treasury	1.15%	1.15%	2.27%	0.76%	1.43%	0.91%
Bloomberg Int. US Treasury	2.27%	2.27%	-1.54%	-2.33%	1.06%	0.90%
Bloomberg Long US Treasury	6.17%	6.17%	-16.00%	-11.33%	-0.35%	1.45%
Bloomberg US TIPS	3.34%	3.34%	-6.06%	1.75%	2.94%	1.49%
Bloomberg US Credit	3.45%	3.45%	-5.31%	-0.70%	1.54%	2.18%
Bloomberg US Mortgage-Backed	2.53%	2.53%	-4.85%	-3.31%	0.20%	1.00%
Bloomberg US Asset-Backed	1.86%	1.86%	0.37%	0.58%	1.63%	1.41%
Bloomberg US 20-Yr Municipal	3.22%	3.22%	-1.02%	0.16%	2.32%	2.97%
Bloomberg US High Yield	3.57%	3.57%	-3.34%	5.91%	3.21%	4.10%
Bloomberg Global	3.01%	3.01%	-8.07%	-3.43%	-1.34%	0.07%
Bloomberg International	3.06%	3.06%	-10.72%	-4.13%	-3.17%	-0.99%
Bloomberg Emerging Market	2.15%	2.15%	-4.64%	0.06%	0.31%	2.07%

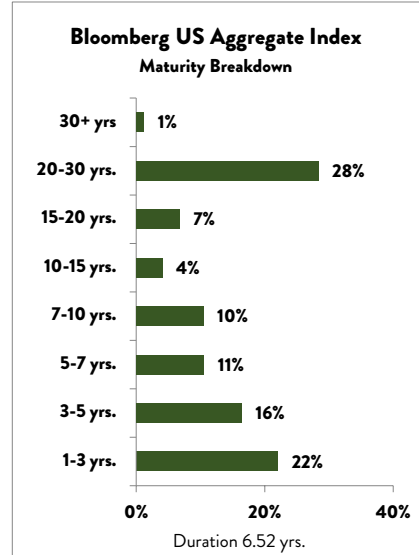
Source: Morningstar



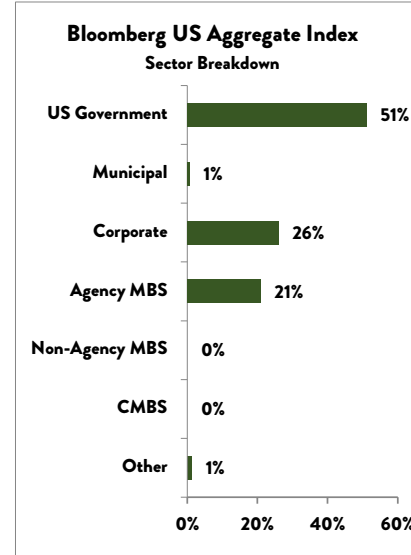
Source: Department of US Treasury



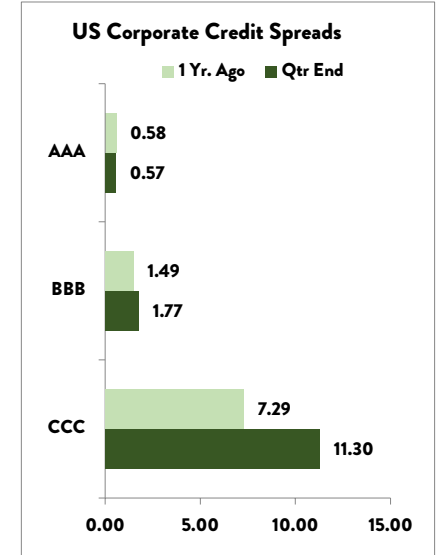
Source: Morningstar



Source: Morningstar



Source: Morningstar



Source: Federal Reserve / Bank of America

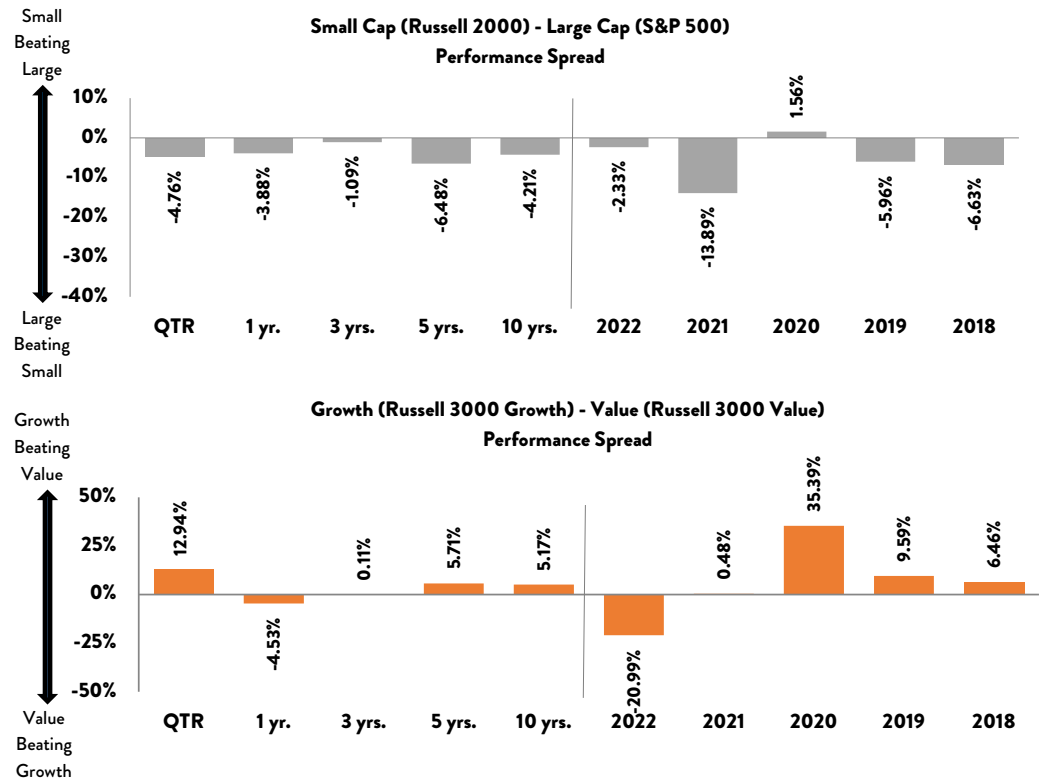
# 1Q2023 US Equity Market Data

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

S&P 500 Index	Wgt.	Sector	QTR	YTD	1 yr.
	8%	Communication Services	20.50%	20.50%	-17.76%
	10%	Consumer Discretionary	16.13%	16.13%	-19.62%
	3%	Materials	4.29%	4.29%	-6.28%
	9%	Industrials	3.47%	3.47%	0.17%
	3%	Real Estate	1.95%	1.95%	-19.69%
	7%	Consumer Staples	0.83%	0.83%	1.22%
	3%	Utilities	-3.24%	-3.24%	-6.21%
	14%	Health Care	-4.31%	-4.31%	-3.70%
	5%	Energy	-4.67%	-4.67%	13.63%
13%	Financials	-5.56%	-5.56%	-14.24%	
S&P Midcap 400 Index	Wgt.	Sector	QTR	YTD	1 yr.
	10%	Information Technology	14.62%	14.62%	-0.83%
	22%	Industrials	8.55%	8.55%	4.07%
	15%	Consumer Discretionary	8.00%	8.00%	-0.23%
	7%	Materials	7.16%	7.16%	-3.49%
	2%	Communication Services	4.42%	4.42%	-13.64%
	4%	Consumer Staples	3.78%	3.78%	5.56%
	8%	Real Estate	0.98%	0.98%	-23.48%
	9%	Health Care	0.42%	0.42%	-12.95%
	4%	Utilities	-2.44%	-2.44%	-4.12%
15%	Financials	-7.54%	-7.54%	-9.39%	
4%	Energy	-8.46%	-8.46%	-7.69%	
S&P Smallcap 600 Index	Wgt.	Sector	QTR	YTD	1 yr.
	14%	Consumer Discretionary	12.73%	12.73%	-2.73%
	2%	Communication Services	11.10%	11.10%	-20.63%
	13%	Information Technology	10.10%	10.10%	-5.12%
	6%	Materials	8.97%	8.97%	1.39%
	5%	Consumer Staples	8.49%	8.49%	11.03%
	18%	Industrials	7.74%	7.74%	4.67%
	11%	Health Care	-0.45%	-0.45%	-18.25%
	2%	Utilities	-0.86%	-0.86%	-1.84%
	7%	Real Estate	-3.61%	-3.61%	-29.55%
5%	Energy	-8.46%	-8.46%	-5.68%	
16%	Financials	-11.51%	-11.51%	-19.75%	

## Index Performance Data

Index	QTR	YTD	1 yr.
Russell 1000 Value	-4.76%	-3.88%	-1.09%
Russell Mid Cap	-6.48%	-4.21%	-2.33%
Russell Mid Cap Growth	-13.89%	1.56%	-5.96%
Russell 2000 Value	-6.63%	-	-



Source: Morningstar

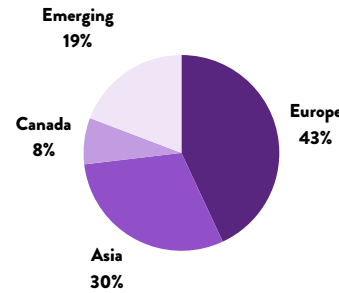
# 1Q2023 International Market Data

## Index Performance Data (net)

Index (US\$)	QTR	YTD	1 yr.	3 yrs.	5 yrs.	10 yrs.
<b>MSCI ACWI ex-US</b>	<b>6.87%</b>	<b>6.87%</b>	<b>-5.07%</b>	<b>11.80%</b>	<b>2.47%</b>	<b>4.17%</b>
<b>MSCI EAFE</b>	<b>8.47%</b>	<b>8.47%</b>	<b>-1.38%</b>	<b>12.99%</b>	<b>3.52%</b>	<b>5.00%</b>
<b>Europe</b>	<b>10.56%</b>	<b>10.56%</b>	<b>1.38%</b>	<b>15.00%</b>	<b>4.35%</b>	<b>5.36%</b>
United Kingdom	6.11%	6.11%	-0.84%	14.59%	2.98%	3.43%
Germany	14.69%	14.69%	2.24%	12.76%	0.40%	4.06%
France	14.62%	14.62%	8.79%	19.48%	6.20%	7.54%
<b>Pacific</b>	<b>4.71%</b>	<b>4.71%</b>	<b>-6.01%</b>	<b>9.49%</b>	<b>2.02%</b>	<b>4.40%</b>
Japan	6.19%	6.19%	-5.23%	7.39%	1.27%	5.03%
Hong Kong	-2.39%	-2.39%	-5.27%	4.59%	-0.50%	4.16%
Australia	2.79%	2.79%	-9.19%	20.18%	5.96%	3.36%
<b>Canada</b>	<b>4.31%</b>	<b>4.31%</b>	<b>-13.09%</b>	<b>18.50%</b>	<b>6.56%</b>	<b>4.02%</b>
<b>MSCI EM</b>	<b>3.96%</b>	<b>3.96%</b>	<b>-10.70%</b>	<b>7.83%</b>	<b>-0.91%</b>	<b>2.00%</b>
<b>MSCI EM Latin America</b>	<b>3.93%</b>	<b>3.93%</b>	<b>-11.05%</b>	<b>18.15%</b>	<b>-1.84%</b>	<b>-1.86%</b>
<b>MSCI EM Asia</b>	<b>4.81%</b>	<b>4.81%</b>	<b>-9.44%</b>	<b>7.15%</b>	<b>0.15%</b>	<b>4.18%</b>
<b>MSCI EM Eur/Mid East</b>	<b>-1.23%</b>	<b>-1.23%</b>	<b>-16.64%</b>	<b>1.96%</b>	<b>-4.65%</b>	<b>-3.88%</b>
<b>MSCI ACWI Value ex-US</b>	<b>5.16%</b>	<b>5.16%</b>	<b>-4.00%</b>	<b>13.82%</b>	<b>1.26%</b>	<b>3.06%</b>
<b>MSCI ACWI Growth ex-US</b>	<b>8.59%</b>	<b>8.59%</b>	<b>-6.35%</b>	<b>9.49%</b>	<b>3.36%</b>	<b>5.08%</b>
<b>MSCI ACWI Sm Cap ex-US</b>	<b>4.70%</b>	<b>4.70%</b>	<b>-10.37%</b>	<b>15.04%</b>	<b>1.67%</b>	<b>5.06%</b>

## Regional Exposure

MSCI ACWI ex-USA

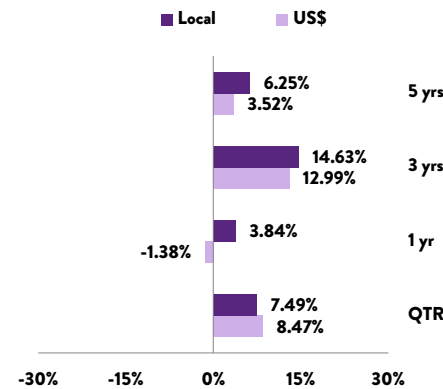


## Top 10 Countries (MSCI AC World ex-USA)

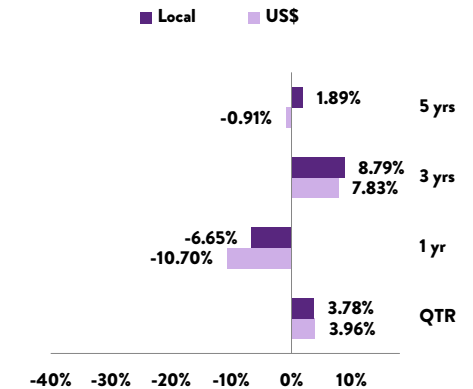
Japan	14%
UK	10%
China	9%
France	8%
Canada	8%
Switzerland	6%
Germany	6%
Australia	5%
Taiwan	4%
India	4%

Source: Morningstar

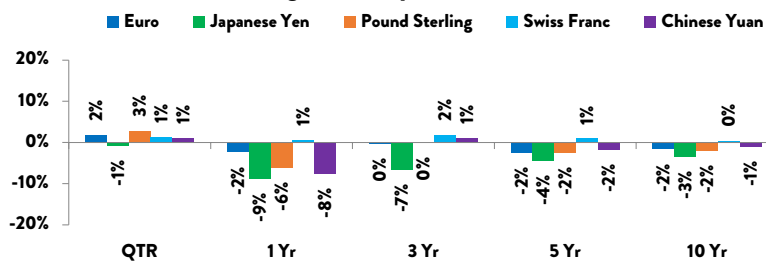
## MSCI EAFE Index Return



## MSCI Emerging Index Return



## Foreign Currency v. US\$ Returns

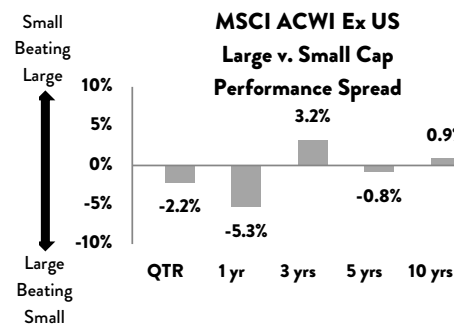


Exchange Rates	QTR	4Q22	3Q22	2Q22	1Q22	4Q21
<b>Japanese Yen</b>	132.75	131.81	144.71	135.69	121.44	115.17
<b>Euro</b>	0.92	0.93	1.02	0.96	0.90	0.88
<b>British Pound</b>	0.81	0.83	0.90	0.82	0.76	0.74
<b>Swiss Franc</b>	0.91	0.92	0.98	0.96	0.92	0.91
<b>Chinese Yuan</b>	6.87	6.90	7.11	6.70	6.34	6.37

Source: Federal Reserve Bank of St. Louis

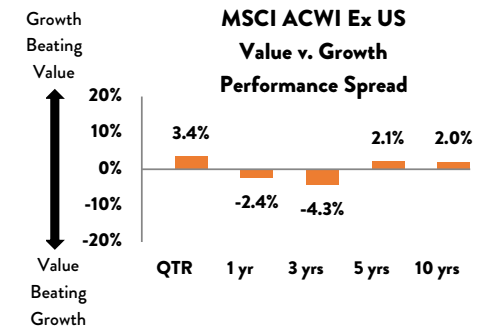
## MSCI ACWI Ex US

### Large v. Small Cap Performance Spread



## MSCI ACWI Ex US

### Value v. Growth Performance Spread



Performance Source: Morningstar

## Historical Market Returns

Ranked by Performance

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD	1Q23
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 7.50%	Large Cap 7.50%
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%	Intl 6.87%	Intl 6.87%
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%	Global Balanced 5.75%	Global Balanced 5.75%
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 4.06%	Mid Cap 4.06%
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%	Emerging Markets 3.96%	Emerging Markets 3.96%
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 3.57%	High Yield 3.57%
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%	TIPS 3.34%	TIPS 3.34%
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%	Global Bonds 3.01%	Global Bonds 3.01%
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 2.96%	US Bonds 2.96%
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%	Small Cap 2.74%	Small Cap 2.74%
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%	Cash 1.16%	Cash 1.16%
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 -3.33%	Core Real Estate -3.33%
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. -5.36%	Commod. -5.36%

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

# STATE OF NEVADA

Combined 457(b) DC Plans

# PLAN ASSET ALLOCATION

First Quarter 2023

Fixed Income	Ticker	Assets	%
Voya Fixed Account	-	\$338,648,493	34.3%
Vanguard Total Bond Market Index I	VBPIX	\$34,919,687	3.5%
Sterling Capital Total Return Bond R6	STRDX	\$1,512,603	0.2%
<b>Total</b>		<b>\$375,080,783</b>	<b>38.0%</b>

Large Cap	Ticker	Assets	%
MFS Value R4	MEIUX	\$21,416,132	2.2%
Vanguard Institutional Index Instl Plus	VIIIIX	\$134,826,676	13.7%
T. Rowe Price Growth Stock I	PRUFX	\$59,094,950	6.0%
<b>Total</b>		<b>\$215,337,758</b>	<b>21.8%</b>

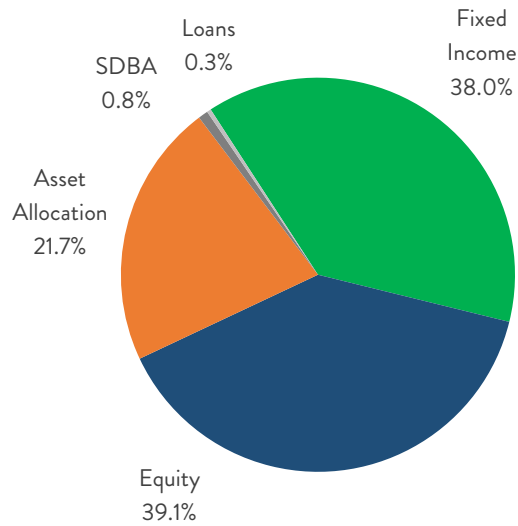
Mid Cap	Ticker	Assets	%
Vanguard Mid-Cap Value Index Adm	VMVAX	\$8,530,628	0.9%
Vanguard Extended Market Index Instl Plus	VEMPX	\$93,904,967	9.5%
Vanguard Mid-Cap Growth Index Adm	VMGMX	\$20,224,532	2.0%
<b>Total</b>		<b>\$122,660,127</b>	<b>12.4%</b>

International	Ticker	Assets	%
Vanguard Instl Total Intl Stock Mkt Index Trust	-	\$41,831,859	4.2%
American Funds EuroPacific Growth R6	RERGX	\$6,452,861	0.7%
<b>Total</b>		<b>\$48,284,719</b>	<b>4.9%</b>

Asset Allocation	Ticker	Assets	%
Vanguard Target Retirement Income Trust II	-	\$40,951,191	4.2%
Vanguard Target Retirement 2020 Trust II	-	\$11,952,184	1.2%
Vanguard Target Retirement 2025 Trust II	-	\$42,861,867	4.3%
Vanguard Target Retirement 2030 Trust II	-	\$14,905,715	1.5%
Vanguard Target Retirement 2035 Trust II	-	\$51,420,050	5.2%
Vanguard Target Retirement 2040 Trust II	-	\$8,428,933	0.9%
Vanguard Target Retirement 2045 Trust II	-	\$26,527,488	2.7%
Vanguard Target Retirement 2050 Trust II	-	\$5,675,707	0.6%
Vanguard Target Retirement 2055 Trust II	-	\$7,650,321	0.8%
Vanguard Target Retirement 2060 Trust II	-	\$2,370,050	0.2%
Vanguard Target Retirement 2065 Trust II	-	\$1,340,864	0.1%
Vanguard Target Retirement 2070 Trust II	-	\$1,812	0.0%
<b>Total</b>		<b>\$214,086,182</b>	<b>21.7%</b>

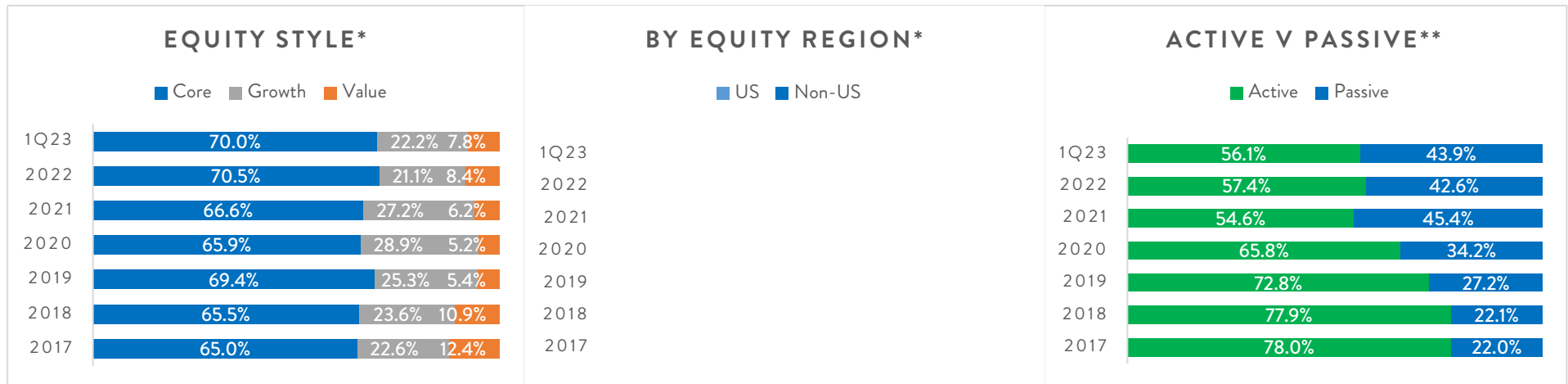
Miscellaneous	Ticker	Assets	%
Self-Directed Brokerage Account	-	\$7,931,880	0.8%
Participant Loans	-	\$3,333,180	0.3%
<b>Total</b>		<b>\$11,265,060</b>	<b>1.1%</b>

**TOTAL PLAN ASSETS** **\$986,714,629**  
 Administrative Account Balance (4/26/23) \$216,434



**HISTORICAL PLAN ALLOCATION**

Asset Class	1Q23	2022	2021	2020	2019	2018	2017	2016
<b>Fixed Income</b>	38.0%	39.7%	34.0%	36.7%	38.1%	43.8%	41.5%	N/A
<b>Large Cap</b>	21.8%	20.9%	24.4%	22.4%	21.8%	18.8%	20.4%	N/A
<b>Mid Cap</b>	12.4%	12.2%	14.5%	14.9%	14.4%	13.4%	14.2%	N/A
<b>International</b>	4.9%	4.8%	4.7%	4.3%	4.2%	4.0%	4.4%	N/A
<b>Asset Allocation</b>	21.7%	21.3%	21.3%	20.7%	20.7%	19.2%	18.7%	N/A
<b>SDBA</b>	0.8%	0.8%	0.9%	0.6%	0.4%	0.3%	0.3%	N/A
<b>Loans</b>	0.3%	0.4%	0.3%	0.3%	0.4%	0.5%	0.4%	N/A



\*Excludes Fixed Income, Asset Allocation, Brokerage, and Loan assets

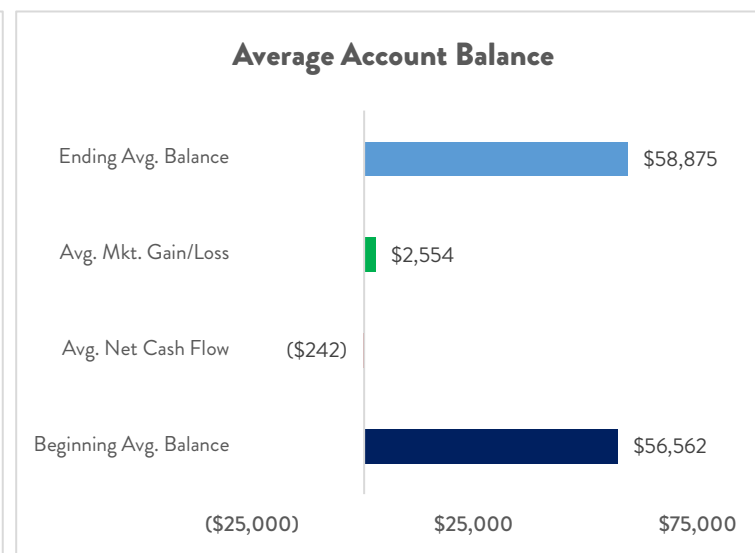
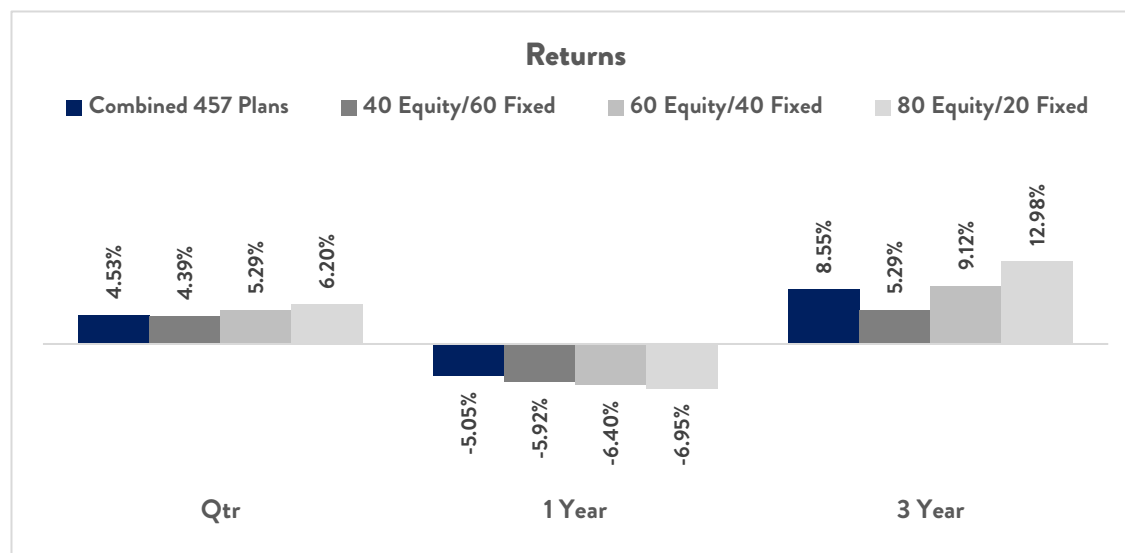
\*\*Excludes Asset Allocation, Brokerage, and Loan assets

**PLAN LEVEL CASH FLOWS**

	Beginning Value	Cash Flow (+)	Cash Flow (-)	Transfer	Market Gain/Loss	Ending Value
<b>Fixed Income</b>	\$376,376,264	\$4,318,389	(\$10,750,488)	\$1,497,614	\$3,639,004	\$375,080,783
<b>Large Cap</b>	\$197,972,174	\$3,184,035	(\$3,075,732)	(\$46,863)	\$17,304,144	\$215,337,758
<b>Mid Cap</b>	\$115,965,588	\$1,850,961	(\$2,086,465)	\$140,550	\$6,789,493	\$122,660,127
<b>International</b>	\$45,150,710	\$908,808	(\$912,608)	(\$70,249)	\$3,208,058	\$48,284,719
<b>Asset Allocation</b>	\$201,960,607	\$6,986,337	(\$4,497,791)	(\$1,544,095)	\$11,181,123	\$214,086,182
<b>SDBA</b>	\$7,335,587	\$0	\$0	\$54,207	\$542,087	\$7,931,880
<b>Total</b>	\$944,760,930	\$17,248,530	(\$21,323,083)	\$31,163	\$42,663,910	\$983,381,450

**HISTORICAL PLAN CASH FLOWS**

	Beginning Value	Net Cash Flow	Market Gain/Loss	Ending Value
<b>1Q23</b>	\$944,760,930	(\$4,043,390)	\$42,663,910	\$983,381,450
<b>YTD</b>	\$944,760,930	(\$4,043,390)	\$42,663,910	\$983,381,450
<b>2022</b>	\$1,103,984,931	(\$9,111,229)	(\$150,112,772)	\$944,760,930
<b>2021</b>	\$1,012,211,305	(\$19,402,347)	\$111,175,973	\$1,103,984,931
<b>2020</b>	\$890,766,732	\$942,462	\$120,502,111	\$1,012,211,305
<b>2019</b>	\$771,229,524	(\$7,494,189)	\$127,031,396	\$890,766,732



Equity Indices: Russell 3000, MSCI ACWI ex USA; Fixed Indices: US Treasury 3 Mo T-Bill, Bloomberg Global

Aggregate Bond (rebalanced quarterly)



# STATE EMPLOYEES PLAN

## 457(b) Deferred Compensation Plan

# PLAN ASSET ALLOCATION

First Quarter 2023

Fixed Income	Ticker	Assets	%
Voya Fixed Account	-	\$239,736,783	36.7%
Vanguard Total Bond Market Index I	VBPIX	\$22,012,966	3.4%
Sterling Capital Total Return Bond R6	STRDX	\$577,663	0.1%
<b>Total</b>		<b>\$262,327,412</b>	<b>40.1%</b>

Large Cap	Ticker	Assets	%
MFS Value R4	MEIJX	\$13,744,379	2.1%
Vanguard Institutional Index Instl Plus	VIIIX	\$86,380,796	13.2%
T. Rowe Price Growth Stock I	PRUFX	\$37,145,559	5.7%
<b>Total</b>		<b>\$137,270,734</b>	<b>21.0%</b>

Mid Cap	Ticker	Assets	%
Vanguard Mid-Cap Value Index Adm	VMVAX	\$4,732,071	0.7%
Vanguard Extended Market Index Instl Plus	VEMPX	\$61,041,870	9.3%
Vanguard Mid-Cap Growth Index Adm	VMGMX	\$13,197,049	2.0%
<b>Total</b>		<b>\$78,970,991</b>	<b>12.1%</b>

International	Ticker	Assets	%
Vanguard Instl Total Intl Stock Mkt Index Trust	-	\$25,001,471	3.8%
American Funds EuroPacific Growth R6	REGX	\$3,773,723	0.6%
<b>Total</b>		<b>\$28,775,194</b>	<b>4.4%</b>

Asset Allocation	Ticker	Assets	%
Vanguard Target Retirement Income Trust II	-	\$31,646,326	4.8%
Vanguard Target Retirement 2020 Trust II	-	\$6,925,450	1.1%
Vanguard Target Retirement 2025 Trust II	-	\$28,513,119	4.4%
Vanguard Target Retirement 2030 Trust II	-	\$8,082,334	1.2%
Vanguard Target Retirement 2035 Trust II	-	\$35,847,019	5.5%
Vanguard Target Retirement 2040 Trust II	-	\$4,586,181	0.7%
Vanguard Target Retirement 2045 Trust II	-	\$15,008,506	2.3%
Vanguard Target Retirement 2050 Trust II	-	\$2,621,264	0.4%
Vanguard Target Retirement 2055 Trust II	-	\$4,033,042	0.6%
Vanguard Target Retirement 2060 Trust II	-	\$1,009,609	0.2%
Vanguard Target Retirement 2065 Trust II	-	\$628,713	0.1%
Vanguard Target Retirement 2070 Trust II	-	\$1,276	0.0%
<b>Total</b>		<b>\$138,902,839</b>	<b>21.2%</b>

Miscellaneous	Ticker	Assets	%
Self-Directed Brokerage Account	-	\$4,512,988	0.7%
Participant Loans	-	\$3,328,646	0.5%
<b>Total</b>		<b>\$7,841,634</b>	<b>1.2%</b>

### TOTAL PLAN ASSETS

**\$654,088,804**

Administrative Account Balance (4/26/23)

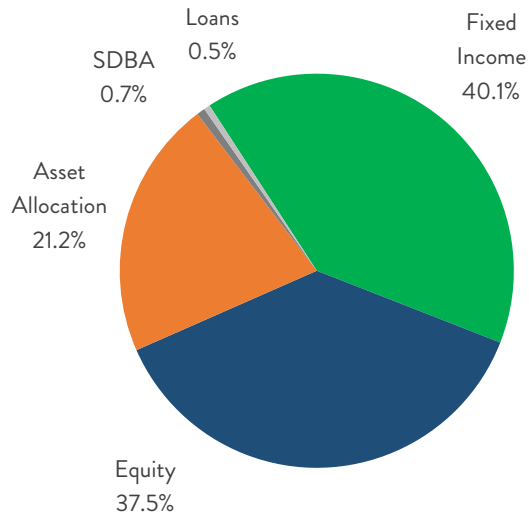
\$216,434

# STATE EMPLOYEES PLAN

457(b) Deferred Compensation Plan

# PLAN ASSET ALLOCATION

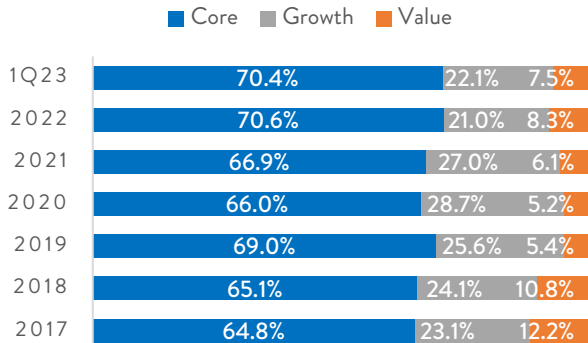
First Quarter 2023



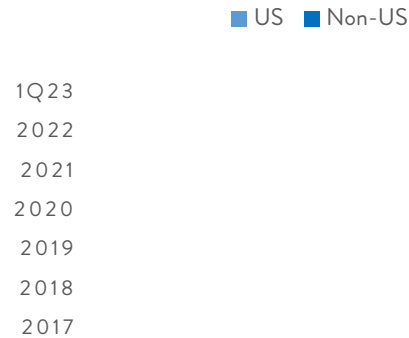
## HISTORICAL PLAN ALLOCATION

Asset Class	1Q23	2022	2021	2020	2019	2018	2017	2016
<b>Fixed Income</b>	40.1%	41.7%	35.4%	38.0%	40.1%	44.9%	42.8%	N/A
<b>Large Cap</b>	21.0%	20.0%	23.7%	21.5%	20.6%	18.6%	19.1%	N/A
<b>Mid Cap</b>	12.1%	11.8%	14.2%	14.5%	13.8%	12.6%	13.6%	N/A
<b>International</b>	4.4%	4.3%	4.2%	3.8%	3.5%	3.4%	4.0%	N/A
<b>Asset Allocation</b>	21.2%	20.9%	21.3%	21.2%	21.1%	19.4%	19.6%	N/A
<b>SDBA</b>	0.7%	0.7%	0.7%	0.5%	0.3%	0.3%	0.3%	N/A
<b>Loans</b>	0.5%	0.6%	0.5%	0.5%	0.6%	0.7%	0.6%	N/A

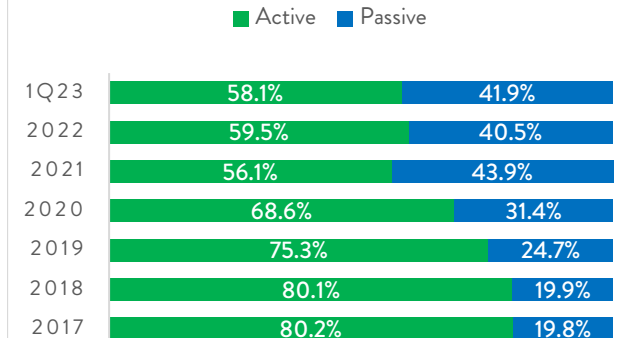
### EQUITY STYLE\*



### BY EQUITY REGION\*



### ACTIVE V PASSIVE\*\*



\*Excludes Fixed Income, Asset Allocation, Brokerage, and Loan assets

\*\*Excludes Asset Allocation, Brokerage, and Loan assets

# STATE EMPLOYEES PLAN

## 457(b) Deferred Compensation Plan

# PLAN ASSET ALLOCATION

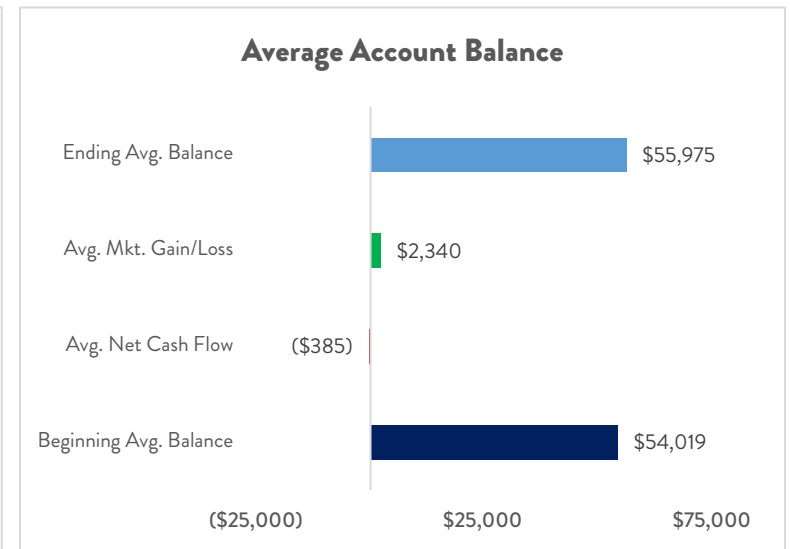
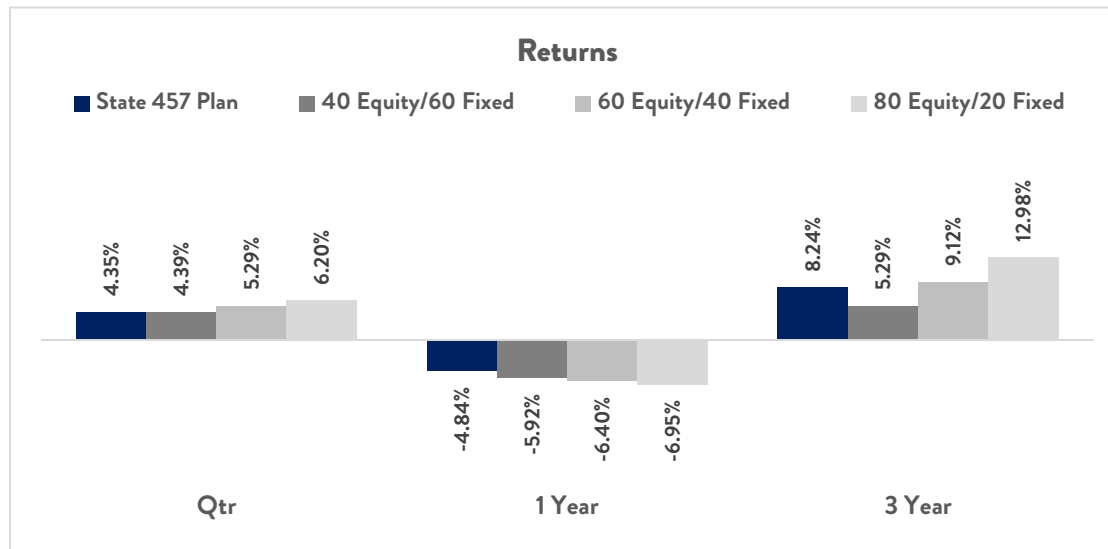
First Quarter 2023

### PLAN LEVEL CASH FLOWS

	Beginning Value	Cash Flow (+)	Cash Flow (-)	Transfer	Market Gain/Loss	Ending Value
<b>Fixed Income</b>	\$263,490,009	\$2,811,939	(\$7,193,579)	\$727,032	\$2,492,010	\$262,327,412
<b>Large Cap</b>	\$126,283,625	\$2,026,964	(\$2,070,611)	\$63,739	\$10,967,018	\$137,270,734
<b>Mid Cap</b>	\$74,821,338	\$1,203,777	(\$1,724,672)	\$250,457	\$4,420,090	\$78,970,991
<b>International</b>	\$27,010,437	\$560,249	(\$630,671)	(\$75,838)	\$1,911,017	\$28,775,194
<b>Asset Allocation</b>	\$132,185,598	\$3,961,387	(\$3,441,010)	(\$996,864)	\$7,193,728	\$138,902,839
<b>SDBA</b>	\$4,239,420	\$0	\$0	\$48,839	\$224,728	\$4,512,988
<b>Total</b>	\$628,030,428	\$10,564,316	(\$15,060,543)	\$17,365	\$27,208,591	\$650,760,157

### HISTORICAL PLAN CASH FLOWS

	Beginning Value	Net Cash Flow	Market Gain/Loss	Ending Value
<b>1Q23</b>	\$628,030,428	(\$4,478,861)	\$27,208,591	\$650,760,157
<b>YTD</b>	\$628,030,428	(\$4,478,861)	\$27,208,591	\$650,760,157
<b>2022</b>	\$736,232,396	(\$11,933,591)	(\$96,268,377)	\$628,030,428
<b>2021</b>	\$680,605,231	(\$16,866,120)	\$72,493,284	\$736,232,396
<b>2020</b>	\$608,234,330	(\$6,442,157)	\$78,813,059	\$680,605,231
<b>2019</b>	\$537,863,111	(\$14,358,576)	\$84,729,795	\$608,234,330



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

## POLITICAL SUBDIVISIONS

457(b) Deferred Compensation Plan

## PLAN ASSET ALLOCATION

First Quarter 2023

Fixed Income	Ticker	Assets	%
Voya Fixed Account	-	\$83,499,381	34.1%
Vanguard Total Bond Market Index I	VBPIX	\$8,895,234	3.6%
Sterling Capital Total Return Bond R6	STRDX	\$524,189	0.2%
<b>Total</b>		<b>\$92,918,805</b>	<b>37.9%</b>

Large Cap	Ticker	Assets	%
MFS Value R4	MEIJX	\$6,111,318	2.5%
Vanguard Institutional Index Instl Plus	VIIIIX	\$33,697,057	13.7%
T. Rowe Price Growth Stock I	PRUFIX	\$16,924,773	6.9%
<b>Total</b>		<b>\$56,733,147</b>	<b>23.1%</b>

Mid Cap	Ticker	Assets	%
Vanguard Mid-Cap Value Index Adm	VMVAX	\$2,406,117	1.0%
Vanguard Extended Market Index Instl Plus	VEMPX	\$24,415,669	10.0%
Vanguard Mid-Cap Growth Index Adm	VMGMX	\$4,313,974	1.8%
<b>Total</b>		<b>\$31,135,759</b>	<b>12.7%</b>

International	Ticker	Assets	%
Vanguard Instl Total Intl Stock Mkt Index Trust	-	\$12,309,761	5.0%
American Funds EuroPacific Growth R6	RERGX	\$1,438,952	0.6%
<b>Total</b>		<b>\$13,748,714</b>	<b>5.6%</b>

Asset Allocation	Ticker	Assets	%
Vanguard Target Retirement Income Trust II	-	\$4,506,170	1.8%
Vanguard Target Retirement 2020 Trust II	-	\$2,432,709	1.0%
Vanguard Target Retirement 2025 Trust II	-	\$8,248,542	3.4%
Vanguard Target Retirement 2030 Trust II	-	\$3,581,244	1.5%
Vanguard Target Retirement 2035 Trust II	-	\$10,606,808	4.3%
Vanguard Target Retirement 2040 Trust II	-	\$2,372,916	1.0%
Vanguard Target Retirement 2045 Trust II	-	\$8,965,131	3.7%
Vanguard Target Retirement 2050 Trust II	-	\$2,272,223	0.9%
Vanguard Target Retirement 2055 Trust II	-	\$2,957,920	1.2%
Vanguard Target Retirement 2060 Trust II	-	\$1,281,756	0.5%
Vanguard Target Retirement 2065 Trust II	-	\$450,853	0.2%
Vanguard Target Retirement 2070 Trust II	-	\$463	0.0%
<b>Total</b>		<b>\$47,676,735</b>	<b>19.5%</b>

Miscellaneous	Ticker	Assets	%
Self-Directed Brokerage Account	-	\$2,879,737	1.2%
Participant Loans	-	\$4,533	0.0%
<b>Total</b>		<b>\$2,884,270</b>	<b>1.2%</b>

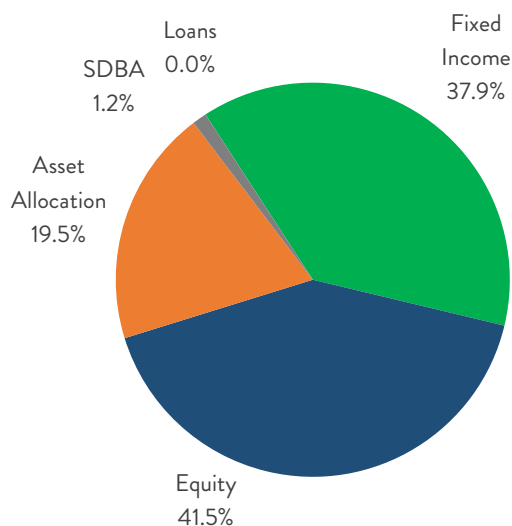
**TOTAL PLAN ASSETS** **\$245,097,429**

# POLITICAL SUBDIVISIONS

457(b) Deferred Compensation Plan

# PLAN ASSET ALLOCATION

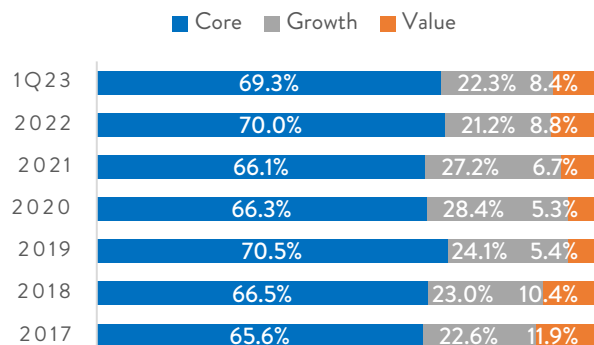
First Quarter 2023



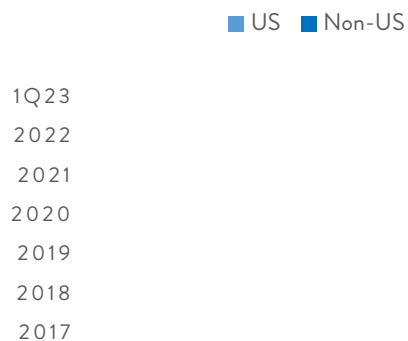
## HISTORICAL PLAN ALLOCATION

Asset Class	1Q23	2022	2021	2020	2019	2018	2017	2016
<b>Fixed Income</b>	37.9%	39.6%	34.5%	37.9%	37.5%	46.2%	42.5%	N/A
<b>Large Cap</b>	23.1%	22.3%	25.5%	24.5%	24.4%	17.5%	22.8%	N/A
<b>Mid Cap</b>	12.7%	12.6%	15.1%	15.2%	15.3%	15.1%	15.0%	N/A
<b>International</b>	5.6%	5.5%	5.5%	5.3%	5.5%	5.2%	5.1%	N/A
<b>Asset Allocation</b>	19.5%	18.9%	18.0%	16.2%	16.6%	15.6%	14.0%	N/A
<b>SDBA</b>	1.2%	1.1%	1.5%	0.9%	0.7%	0.5%	0.6%	N/A
<b>Loans</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N/A

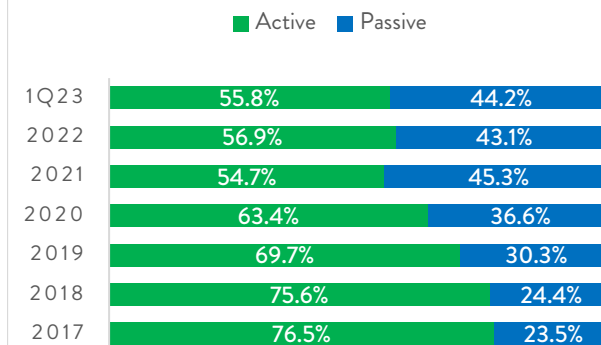
### EQUITY STYLE\*



### BY EQUITY REGION\*



### ACTIVE V PASSIVE\*\*



\*Excludes Fixed Income, Asset Allocation, Brokerage, and Loan assets

\*\*Excludes Asset Allocation, Brokerage, and Loan assets

# POLITICAL SUBDIVISIONS

## 457(b) Deferred Compensation Plan

# PLAN ASSET ALLOCATION

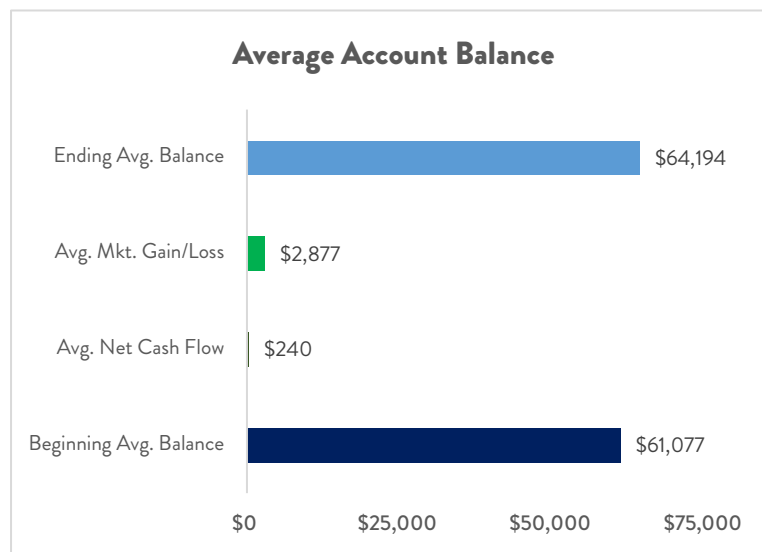
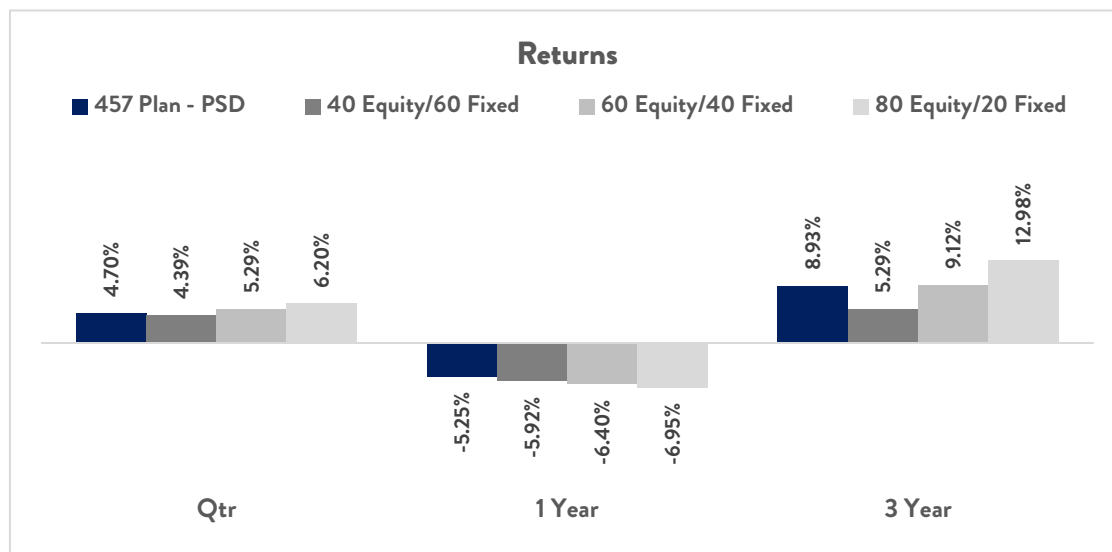
First Quarter 2023

### PLAN LEVEL CASH FLOWS

	Beginning Value	Cash Flow (+)	Cash Flow (-)	Transfer	Market Gain/Loss	Ending Value
<b>Fixed Income</b>	\$92,330,577	\$1,279,256	(\$2,075,755)	\$490,180	\$894,546	\$92,918,805
<b>Large Cap</b>	\$51,934,246	\$844,084	(\$845,063)	\$180,311	\$4,619,569	\$56,733,147
<b>Mid Cap</b>	\$29,364,064	\$497,901	(\$231,762)	(\$176,702)	\$1,682,258	\$31,135,759
<b>International</b>	\$12,840,868	\$268,329	(\$205,989)	(\$54,380)	\$899,885	\$13,748,714
<b>Asset Allocation</b>	\$44,159,455	\$2,247,630	(\$875,495)	(\$430,978)	\$2,576,122	\$47,676,735
<b>SDBA</b>	\$2,563,021	\$0	\$0	\$5,367	\$311,349	\$2,879,737
<b>Total</b>	\$233,192,231	\$5,137,201	(\$4,234,062)	\$13,798	\$10,983,728	\$245,092,896

### HISTORICAL PLAN CASH FLOWS

	Beginning Value	Net Cash Flow	Market Gain/Loss	Ending Value
<b>1Q23</b>	\$233,192,231	\$916,936	\$10,983,728	\$245,092,896
<b>YTD</b>	\$233,192,231	\$916,936	\$10,983,728	\$245,092,896
<b>2022</b>	\$268,237,618	\$2,772,040	(\$37,817,427)	\$233,192,231
<b>2021</b>	\$244,053,779	(\$3,563,244)	\$27,747,083	\$268,237,618
<b>2020</b>	\$211,520,904	\$2,964,561	\$29,568,315	\$244,053,779
<b>2019</b>	\$174,082,438	\$7,146,048	\$30,292,417	\$211,520,904



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

# NEVADA SYSTEM OF HIGHER EDUCATION

457(b) Deferred Compensation Plan

# PLAN ASSET ALLOCATION

First Quarter 2023

Fixed Income	Ticker	Assets	%
Voya Fixed Account	-	\$15,412,329	17.6%
Vanguard Total Bond Market Index I	VBPIX	\$4,011,486	4.6%
Sterling Capital Total Return Bond R6	STRDX	\$410,750	0.5%
<b>Total</b>		<b>\$19,834,566</b>	<b>22.7%</b>

Large Cap	Ticker	Assets	%
MFS Value R4	MEIIX	\$1,560,435	1.8%
Vanguard Institutional Index Instl Plus	VIIIIX	\$14,748,823	16.9%
T. Rowe Price Growth Stock I	PRUFX	\$5,024,618	5.7%
<b>Total</b>		<b>\$21,333,877</b>	<b>24.4%</b>

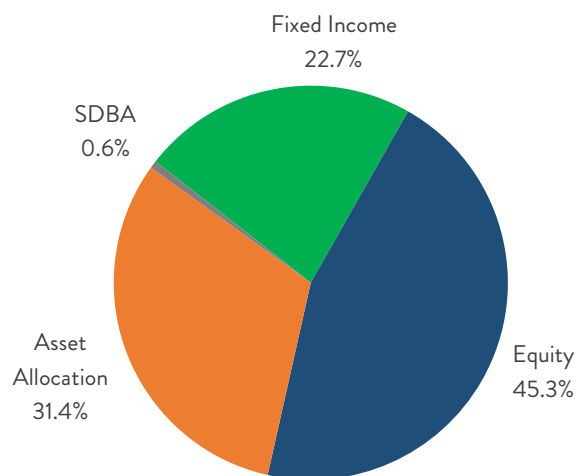
Mid Cap	Ticker	Assets	%
Vanguard Mid-Cap Value Index Adm	VMVAX	\$1,392,440	1.6%
Vanguard Extended Market Index Instl Plus	VEMPX	\$8,447,428	9.7%
Vanguard Mid-Cap Growth Index Adm	VMGMX	\$2,713,509	3.1%
<b>Total</b>		<b>\$12,553,378</b>	<b>14.3%</b>

International	Ticker	Assets	%
Vanguard Instl Total Intl Stock Mkt Index Trust	-	\$4,520,626	5.2%
American Funds EuroPacific Growth R6	RERGX	\$1,240,186	1.4%
<b>Total</b>		<b>\$5,760,812</b>	<b>6.6%</b>

Asset Allocation	Ticker	Assets	%
Vanguard Target Retirement Income Trust II	-	\$4,798,696	5.5%
Vanguard Target Retirement 2020 Trust II	-	\$2,594,025	3.0%
Vanguard Target Retirement 2025 Trust II	-	\$6,100,206	7.0%
Vanguard Target Retirement 2030 Trust II	-	\$3,242,136	3.7%
Vanguard Target Retirement 2035 Trust II	-	\$4,966,223	5.7%
Vanguard Target Retirement 2040 Trust II	-	\$1,469,836	1.7%
Vanguard Target Retirement 2045 Trust II	-	\$2,553,852	2.9%
Vanguard Target Retirement 2050 Trust II	-	\$782,220	0.9%
Vanguard Target Retirement 2055 Trust II	-	\$659,359	0.8%
Vanguard Target Retirement 2060 Trust II	-	\$78,686	0.1%
Vanguard Target Retirement 2065 Trust II	-	\$261,297	0.3%
Vanguard Target Retirement 2070 Trust II	-	\$73	0.0%
<b>Total</b>		<b>\$27,506,609</b>	<b>31.4%</b>

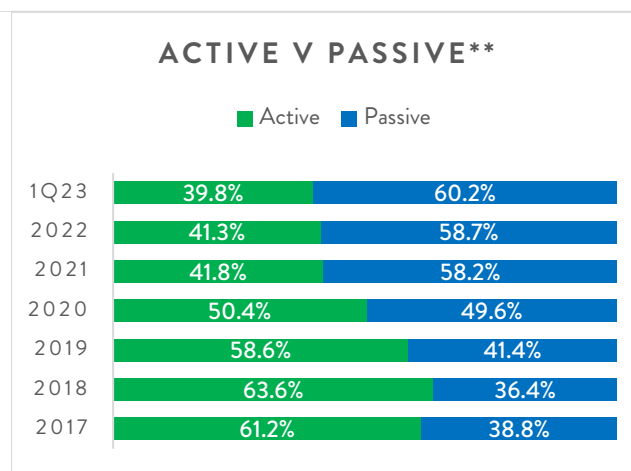
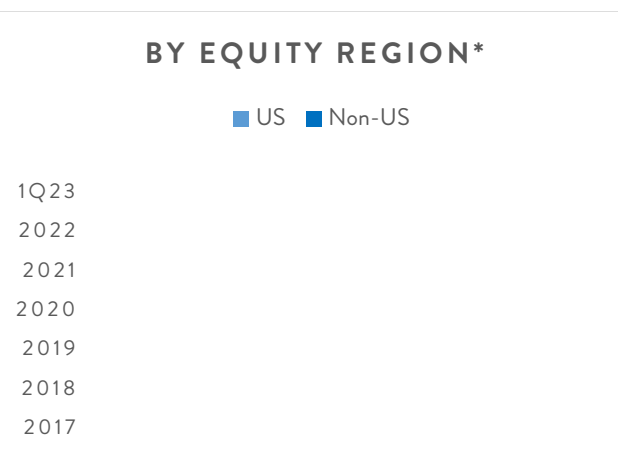
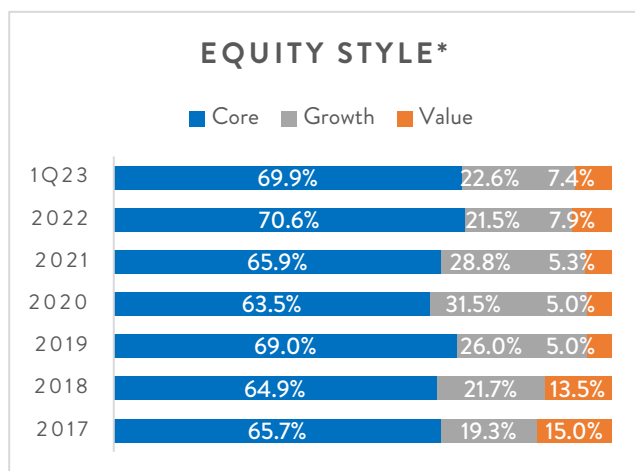
Miscellaneous	Ticker	Assets	%
Self-Directed Brokerage Account	-	\$539,156	0.6%
<b>Total</b>		<b>\$539,156</b>	<b>0.6%</b>

**TOTAL PLAN ASSETS** **\$87,528,396**



HISTORICAL PLAN ALLOCATION

Asset Class	1Q23	2022	2021	2020	2019	2018	2017	2016
<b>Fixed Income</b>	22.7%	24.6%	22.3%	22.9%	22.4%	27.3%	26.9%	N/A
<b>Large Cap</b>	24.4%	23.7%	26.1%	24.4%	24.4%	24.1%	24.7%	N/A
<b>Mid Cap</b>	14.3%	14.1%	15.6%	17.3%	17.1%	15.7%	16.8%	N/A
<b>International</b>	6.6%	6.3%	6.1%	5.8%	5.9%	5.8%	6.8%	N/A
<b>Asset Allocation</b>	31.4%	30.7%	29.4%	29.1%	29.9%	26.8%	24.7%	N/A
<b>SDBA</b>	0.6%	0.6%	0.6%	0.5%	0.3%	0.3%	0.1%	N/A



\*Excludes Fixed Income, Asset Allocation, and Brokerage assets

\*\*Excludes Asset Allocation and Loan assets



# NEVADA SYSTEM OF HIGHER EDUCATION

## 457(b) Deferred Compensation Plan

# PLAN ASSET ALLOCATION

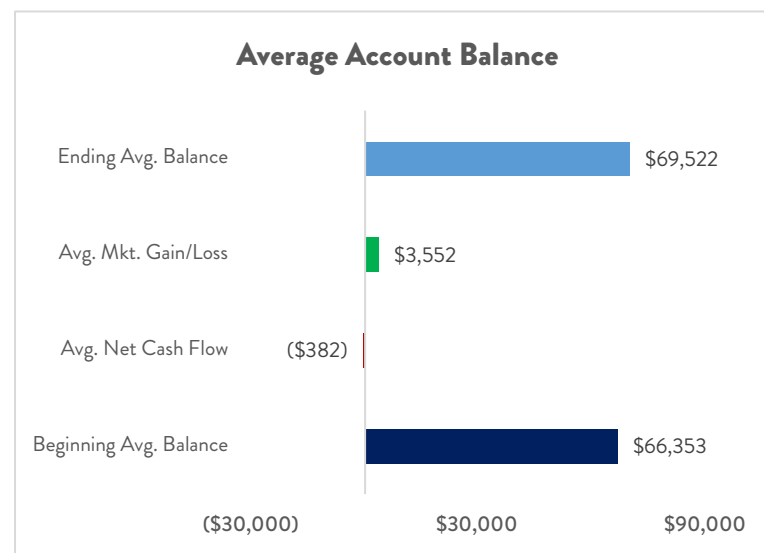
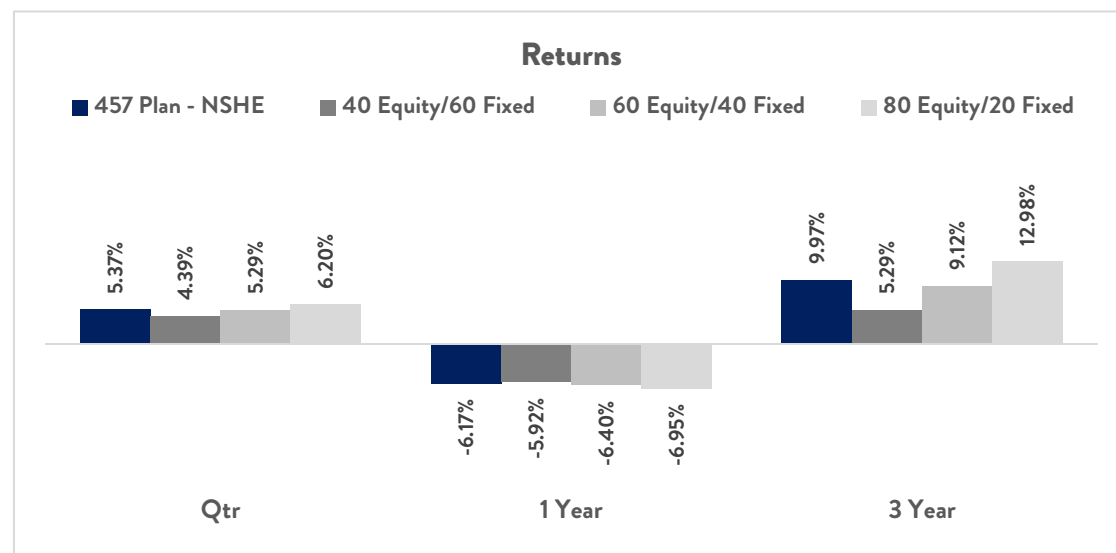
First Quarter 2023

### PLAN LEVEL CASH FLOWS

	Beginning Value	Cash Flow (+)	Cash Flow (-)	Transfer	Market Gain/Loss	Ending Value
<b>Fixed Income</b>	\$20,555,677	\$227,193	(\$1,481,155)	\$280,402	\$252,448	\$19,834,566
<b>Large Cap</b>	\$19,754,303	\$312,987	(\$160,059)	(\$290,913)	\$1,717,557	\$21,333,877
<b>Mid Cap</b>	\$11,780,186	\$149,282	(\$130,031)	\$66,794	\$687,146	\$12,553,378
<b>International</b>	\$5,299,404	\$80,230	(\$75,948)	\$59,969	\$397,156	\$5,760,812
<b>Asset Allocation</b>	\$25,615,555	\$777,320	(\$181,286)	(\$116,253)	\$1,411,274	\$27,506,609
<b>SDBA</b>	\$533,146	\$0	\$0	\$0	\$6,010	\$539,156
<b>Total</b>	\$83,538,271	\$1,547,013	(\$2,028,478)	\$0	\$4,471,591	\$87,528,396

### HISTORICAL PLAN CASH FLOWS

	Beginning Value	Net Cash Flow	Market Gain/Loss	Ending Value
<b>1Q23</b>	\$83,538,271	(\$481,465)	\$4,471,591	\$87,528,396
<b>YTD</b>	\$83,538,271	(\$481,465)	\$4,471,591	\$87,528,396
<b>2022</b>	\$99,514,917	\$50,322	(\$16,026,968)	\$83,538,271
<b>2021</b>	\$87,552,294	\$1,027,017	\$10,935,606	\$99,514,917
<b>2020</b>	\$71,011,498	\$4,420,058	\$12,120,738	\$87,552,294
<b>2019</b>	\$59,283,975	(\$281,661)	\$12,009,184	\$71,011,498



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

Fixed Income	Ticker	Assets	%
Voya Fixed Account - FICA	-	\$59,447,230	100.0%
<b>Total</b>		<b>\$59,447,230</b>	<b>100.0%</b>

**HISTORICAL PLAN CASH FLOWS**

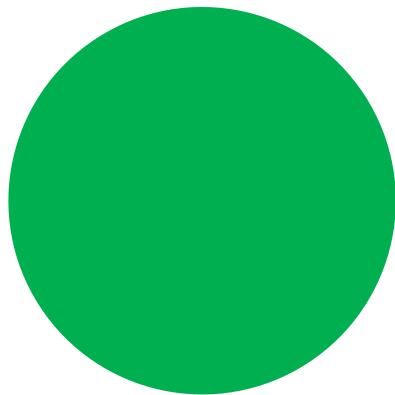
	Beginning Value	Net Cash Flow	Market Gain/Loss	Ending Value
<b>1Q23</b>	\$58,595,787	\$523,093	\$328,349	\$59,447,230
<b>YTD</b>	\$58,595,787	\$523,093	\$328,349	\$59,447,230
<b>2022</b>	\$53,114,954	\$4,247,755	\$1,233,078	\$58,595,787
<b>2021</b>	\$48,389,052	\$3,600,343	\$1,125,559	\$53,114,954
<b>2020</b>	\$45,103,420	\$2,240,312	\$1,045,320	\$48,389,052
<b>2019</b>	\$40,981,957	\$3,480,620	\$640,843	\$45,103,420

**TOTAL PLAN ASSETS**

**\$59,447,230**

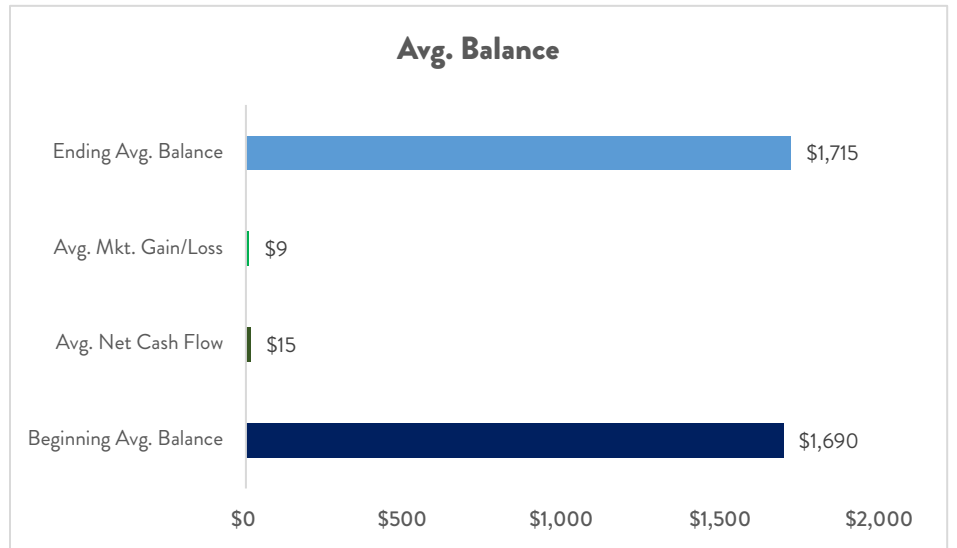
Administrative Account Balance (4/26/23)

\$18,970



Fixed Income  
100.0%

**Avg. Balance**



# Section 3

Investment Policy Status

	Investment Policy Status		Investment Policy Status		Added to Plan
	Performance Factors	Qualitative Factors	On-Watch Information	Notes	
Key: <span style="color: green;">Ⓟ</span> Pass / <span style="color: orange;">Ⓢ</span> Caution / <span style="color: red;">●</span> Fail					
Voya Fixed Account	Ⓟ	Ⓟ	-		4Q2004
Voya Fixed Account - FICA	Ⓟ	Ⓟ	-		4Q2004
Vanguard Total Bond Market Index I	Ⓟ	Ⓟ	-		1Q2010
Sterling Capital Total Return Bond R6	Ⓟ	Ⓟ	-		3Q2021
MFS Value R4	Ⓟ	Ⓟ	-		3Q2016
Vanguard Institutional Index Instl Plus	Ⓟ	Ⓟ	-		3Q2021
T. Rowe Price Growth Stock I	●	Ⓟ	1Q22 (Performance)	Trailing benchmark and Peer Group for 5-year period. To be replaced with JP Morgan Large Growth R6 (JLGMX).	4Q2017
Vanguard Mid-Cap Value Index Adm	Ⓟ	Ⓟ	-		2Q2017
Vanguard Extended Market Index Instl Plus	Ⓟ	Ⓟ	-		3Q2021
Vanguard Mid-Cap Growth Index Adm	Ⓟ	Ⓟ	-		2Q2022
Vanguard Instl Total Intl Stock Mkt Index Trust	Ⓟ	Ⓟ	-		4Q2022
American Funds EuroPacific Growth R6	Ⓟ	Ⓟ	-	Trailing Peer Group for 5-year period.	1Q2019
Vanguard Target Retirement Income Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2020 Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2025 Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2030 Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2035 Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2040 Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2045 Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2050 Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2055 Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2060 Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2065 Trust II	Ⓟ	Ⓟ	-		4Q2022
Vanguard Target Retirement 2070 Trust II	Ⓟ	Ⓟ	-		4Q2022

# STATE OF NEVADA

## Combined Retirement Plans

	QTR	YTD	1Yr	<i>Annualized</i>				2022	2021	2020	2019	2018
				3Yr	5Yr	10Yr	15Yr					
<b>Voya Fixed Account</b>	<b>0.74</b>	<b>0.74</b>	<b>3.00</b>	<b>3.06</b>	<b>2.91</b>			<b>3.00</b>	<b>3.10</b>	<b>3.10</b>	<b>2.70</b>	<b>2.54</b>
5 Yr Constant Maturity US Treasury Yield	0.94	0.94	3.49	1.68	1.88	1.75	1.75	3.00	0.85	0.54	1.96	2.75
+/- Index	(0.20)	(0.20)	(0.49)	1.38	1.03	-	-	0.00	2.25	2.56	0.74	(0.21)
US Stable Value	6	6	1	1	1	-	N/A	1	2	1	4	5
<b>Voya Fixed Account FICA</b>	<b>0.56</b>	<b>0.56</b>	<b>2.25</b>	<b>2.25</b>	<b>1.99</b>			<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>1.50</b>	<b>1.50</b>
5 Yr Constant Maturity US Treasury Yield	0.94	0.94	3.49	1.68	1.88	1.75	1.75	3.00	0.85	0.54	1.96	2.75
+/- Index	(0.38)	(0.38)	(1.24)	0.57	0.11	-	-	(0.75)	1.40	1.71	(0.46)	(1.25)
US Stable Value	46	46	15	5	25	-	N/A	8	3	10	97	83
<b>Vanguard Total Bond Market Index I</b>	<b>3.16</b>	<b>3.16</b>	<b>4.70</b>	<b>2.77</b>	<b>0.93</b>	<b>1.34</b>	<b>2.70</b>	<b>13.15</b>	<b>1.65</b>	<b>7.74</b>	<b>8.73</b>	<b>0.01</b>
Bloomberg US Aggregate Bond Index	2.96	2.96	-4.78	-2.77	0.91	1.36	2.71	-13.01	-1.54	7.51	8.72	0.01
+/- Index	0.20	0.20	0.08	0.00	0.02	(0.02)	(0.01)	(0.14)	(0.11)	0.23	0.01	(0.02)
US Fund Intermediate Core Bond	44	44	25	76	37	40	N/A	34	55	54	34	27
<b>Sterling Capital Total Return Bond R6</b>	<b>3.01</b>	<b>3.01</b>	<b>4.68</b>	<b>1.34</b>	<b>1.36</b>	<b>1.85</b>	<b>3.41</b>	<b>13.15</b>	<b>1.12</b>	<b>9.35</b>	<b>9.37</b>	<b>0.27</b>
Bloomberg US Aggregate Bond Index	2.96	2.96	-4.78	-2.77	0.91	1.36	2.71	-13.01	-1.54	7.51	8.72	0.01
+/- Index	0.05	0.05	0.10	1.43	0.45	0.49	0.70	(0.14)	0.42	1.84	0.65	(0.28)
US Fund Intermediate Core Bond	58	58	23	14	12	8	N/A	34	28	15	18	42
<b>MFS Value R4</b>	<b>1.46</b>	<b>1.46</b>	<b>3.78</b>	<b>16.59</b>	<b>7.87</b>	<b>9.75</b>	<b>8.32</b>	<b>5.90</b>	<b>25.42</b>	<b>3.91</b>	<b>30.08</b>	<b>9.87</b>
Russell 1000 Value Index	1.01	1.01	-5.91	17.93	7.50	9.13	7.68	-7.54	25.16	2.80	26.54	-8.27
+/- Index	(2.47)	(2.47)	2.13	(1.34)	0.37	0.62	0.64	1.64	0.26	1.11	3.54	(1.60)
US Fund Large Value	83	83	30	74	45	26	N/A	53	59	37	7	68

# STATE OF NEVADA

## Combined Retirement Plans

	QTR	YTD	1Yr	Annualized				2022	2021	2020	2019	2018
				3Yr	5Yr	10Yr	15Yr					
<b>Vanguard Institutional Index Instl Plus</b>	<b>7.49</b>	<b>7.49</b>	<b>7.75</b>	<b>18.59</b>	<b>11.18</b>	<b>12.23</b>	<b>10.07</b>	<b>18.13</b>	<b>28.69</b>	<b>18.41</b>	<b>31.48</b>	<b>4.41</b>
<b>S&amp;P 500 Index</b>	7.50	7.50	-7.73	18.60	11.19	12.24	10.06	-18.11	28.71	18.40	31.49	-4.38
<b>+/- Index</b>	(0.01)	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)	0.01	(0.02)	(0.02)	0.01	0.00	(0.02)
<b>US Fund Large Blend</b>	<b>20</b>	<b>20</b>	<b>52</b>	<b>25</b>	<b>15</b>	<b>9</b>	<b>N/A</b>	<b>49</b>	<b>21</b>	<b>32</b>	<b>22</b>	<b>22</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>T. Rowe Price Growth Stock I</b>	<b>16.17</b>	<b>16.17</b>	<b>18.06</b>	<b>10.35</b>	<b>7.48</b>	<b>12.19</b>	<b>10.42</b>	<b>40.05</b>	<b>20.18</b>	<b>37.09</b>	<b>30.98</b>	<b>0.89</b>
<b>Russell 1000 Growth Index</b>	14.37	14.37	-10.90	18.58	13.66	14.59	12.11	-29.14	27.60	38.49	36.39	-1.51
<b>+/- Index</b>	1.80	1.80	(7.16)	(8.23)	(6.18)	(2.40)	(1.69)	(10.91)	(7.42)	(1.40)	(5.41)	0.62
<b>US Fund Large Growth</b>	<b>19</b>	<b>19</b>	<b>86</b>	<b>89</b>	<b>86</b>	<b>52</b>	<b>N/A</b>	<b>91</b>	<b>60</b>	<b>40</b>	<b>63</b>	<b>40</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Mid-Cap Value Index Adm</b>	<b>0.36</b>	<b>0.36</b>	<b>8.26</b>	<b>20.86</b>	<b>6.61</b>	<b>9.46</b>	<b>9.28</b>	<b>7.90</b>	<b>28.76</b>	<b>2.54</b>	<b>27.99</b>	<b>12.42</b>
<b>Vanguard US Mid Cap Value Index</b>	-0.36	-0.36	-8.23	20.89	6.63	9.50	9.32	-7.84	28.83	2.50	28.05	-12.42
<b>+/- Index</b>	0.00	0.00	(0.03)	(0.03)	(0.02)	(0.04)	(0.04)	(0.06)	(0.07)	0.04	(0.06)	0.00
<b>US Fund Mid-Cap Value</b>	<b>86</b>	<b>86</b>	<b>78</b>	<b>60</b>	<b>47</b>	<b>18</b>	<b>N/A</b>	<b>45</b>	<b>47</b>	<b>52</b>	<b>42</b>	<b>36</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Extended Market Index Instl Plus</b>	<b>5.86</b>	<b>5.86</b>	<b>14.13</b>	<b>17.16</b>	<b>6.06</b>	<b>8.94</b>	<b>8.93</b>	<b>26.45</b>	<b>12.48</b>	<b>32.24</b>	<b>28.07</b>	<b>9.35</b>
<b>Vanguard Extended Market Index</b>	5.80	5.80	-14.27	17.04	5.93	8.81	8.82	-26.54	12.35	32.17	27.95	-9.57
<b>+/- Index</b>	0.06	0.06	0.14	0.12	0.13	0.13	0.11	0.09	0.13	0.07	0.12	0.22
<b>US Fund Mid-Cap Blend</b>	<b>17</b>	<b>17</b>	<b>90</b>	<b>74</b>	<b>70</b>	<b>52</b>	<b>N/A</b>	<b>98</b>	<b>95</b>	<b>2</b>	<b>43</b>	<b>29</b>
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Mid-Cap Growth Index Adm</b>	<b>8.74</b>	<b>8.74</b>	<b>11.75</b>	<b>16.18</b>	<b>9.28</b>	<b>10.55</b>	<b>9.37</b>	<b>28.84</b>	<b>20.48</b>	<b>34.48</b>	<b>33.86</b>	<b>5.60</b>
<b>Vanguard US Mid Cap Growth Index</b>	8.76	8.76	-11.72	16.22	9.33	10.57	9.34	-28.83	20.51	34.56	33.93	-5.57
<b>+/- Index</b>	(0.02)	(0.02)	(0.03)	(0.04)	(0.05)	(0.02)	0.03	(0.01)	(0.03)	(0.08)	(0.07)	(0.04)
<b>US Fund Mid-Cap Growth</b>	<b>32</b>	<b>32</b>	<b>54</b>	<b>28</b>	<b>32</b>	<b>47</b>	<b>N/A</b>	<b>55</b>	<b>15</b>	<b>54</b>	<b>49</b>	<b>56</b>

# STATE OF NEVADA

## Combined Retirement Plans

	QTR	YTD	1Yr	Annualized				2022	2021	2020	2019	2018
				3Yr	5Yr	10Yr	15Yr					
<b>Vanguard Instl Total Intl Stock Mkt Index Trust</b>	<b>6.71</b>	<b>6.71</b>	<b>4.51</b>	<b>12.80</b>	<b>2.62</b>			<b>15.92</b>	<b>8.73</b>	<b>11.48</b>	<b>21.68</b>	<b>14.35</b>
Vanguard Total International Stock Index	6.42	6.42	-5.71	12.47	2.61	4.48	2.76	-16.10	8.84	11.24	21.81	-14.62
+/- Index	0.29	0.29	1.20	0.33	0.01	-	-	0.18	(0.11)	0.24	(0.13)	0.27
US Fund Foreign Large Blend	81	81	79	51	59	-	N/A	50	63	38	58	38
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>American Funds EuroPacific Growth R6</b>	<b>9.87</b>	<b>9.87</b>	<b>3.26</b>	<b>12.13</b>	<b>3.25</b>	<b>5.99</b>	<b>4.33</b>	<b>22.72</b>	<b>2.84</b>	<b>25.27</b>	<b>27.40</b>	<b>14.91</b>
MSCI ACWI Ex-USA (Net) Index	6.87	6.87	-5.07	11.80	2.47	4.17	2.62	-16.00	7.82	10.65	21.51	-14.20
+/- Index	3.00	3.00	1.81	0.33	0.78	1.82	1.71	(6.72)	(4.98)	14.61	5.89	(0.71)
US Fund Foreign Large Blend	14	14	65	67	37	9	N/A	96	95	2	10	47
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Target Retirement Income Trust II</b>	<b>4.27</b>	<b>4.27</b>	<b>4.47</b>	<b>3.87</b>	<b>3.31</b>	<b>3.84</b>	<b>4.41</b>	<b>12.73</b>	<b>5.25</b>	<b>10.08</b>	<b>13.28</b>	<b>2.00</b>
Vanguard Retirement Income Index	4.13	4.13	-4.45	4.06	3.52	4.03	4.52	-12.44	5.43	10.70	13.40	-1.98
+/- Index	0.14	0.14	(0.02)	(0.19)	(0.21)	(0.19)	(0.11)	(0.29)	(0.18)	(0.63)	(0.12)	(0.03)
US Fund Target-Date Retirement	32	32	29	51	26	26	N/A	49	64	29	44	18
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Target Retirement 2020 Trust II</b>	<b>4.78</b>	<b>4.78</b>	<b>5.22</b>	<b>6.93</b>	<b>4.36</b>	<b>5.84</b>	<b>5.63</b>	<b>14.14</b>	<b>8.24</b>	<b>12.10</b>	<b>17.69</b>	<b>4.19</b>
Vanguard Retirement 2020 Index	4.67	4.67	-5.12	7.17	4.66	6.06	5.79	-13.77	8.43	12.86	17.87	-4.14
+/- Index	0.11	0.11	(0.10)	(0.24)	(0.30)	(0.22)	(0.16)	(0.37)	(0.19)	(0.76)	(0.18)	(0.05)
US Fund Target-Date 2020	25	25	28	53	31	19	N/A	40	60	38	32	45
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Target Retirement 2025 Trust II</b>	<b>5.33</b>	<b>5.33</b>	<b>5.79</b>	<b>8.42</b>	<b>4.88</b>	<b>6.45</b>	<b>5.99</b>	<b>15.44</b>	<b>9.90</b>	<b>13.39</b>	<b>19.75</b>	<b>5.07</b>
Vanguard Retirement 2025 Index	5.21	5.21	-5.68	8.69	5.21	6.68	6.16	-15.02	10.10	14.19	19.93	-5.01
+/- Index	0.12	0.12	(0.11)	(0.27)	(0.33)	(0.23)	(0.17)	(0.42)	(0.20)	(0.79)	(0.18)	(0.07)
US Fund Target-Date 2025	14	14	43	30	21	14	N/A	48	45	29	17	43

# STATE OF NEVADA

## Combined Retirement Plans

	QTR	YTD	1Yr	<i>Annualized</i>				2022	2021	2020	2019	2018
				3Yr	5Yr	10Yr	15Yr					
<b>Vanguard Target Retirement 2030 Trust II</b>	<b>5.65</b>	<b>5.65</b>	<b>6.14</b>	<b>9.74</b>	<b>5.30</b>	<b>6.97</b>	<b>6.27</b>	<b>16.16</b>	<b>11.46</b>	<b>14.19</b>	<b>21.15</b>	<b>5.79</b>
Vanguard Retirement 2030 Index	5.59	5.59	-6.00	10.03	5.64	7.21	6.46	-15.71	11.65	14.96	21.33	-5.74
+/- Index	0.06	0.06	(0.14)	(0.29)	(0.34)	(0.24)	(0.19)	(0.45)	(0.19)	(0.78)	(0.18)	(0.05)
US Fund Target-Date 2030	18	18	38	42	28	21	N/A	43	53	33	35	37
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Target Retirement 2035 Trust II</b>	<b>5.94</b>	<b>5.94</b>	<b>6.29</b>	<b>11.22</b>	<b>5.77</b>	<b>7.52</b>	<b>6.65</b>	<b>16.52</b>	<b>13.07</b>	<b>14.92</b>	<b>22.57</b>	<b>6.54</b>
Vanguard Retirement 2035 Index	5.87	5.87	-6.21	11.48	6.10	7.76	6.82	-16.22	13.24	15.67	22.76	-6.48
+/- Index	0.07	0.07	(0.08)	(0.26)	(0.33)	(0.24)	(0.17)	(0.30)	(0.17)	(0.75)	(0.19)	(0.06)
US Fund Target-Date 2035	26	26	32	58	31	26	N/A	35	74	37	45	29
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Target Retirement 2040 Trust II</b>	<b>6.21</b>	<b>6.21</b>	<b>6.50</b>	<b>12.65</b>	<b>6.20</b>	<b>7.99</b>	<b>7.00</b>	<b>16.94</b>	<b>14.68</b>	<b>15.57</b>	<b>23.97</b>	<b>7.30</b>
Vanguard Retirement 2040 Index	6.16	6.16	-6.43	12.93	6.56	8.25	7.18	-16.51	14.85	16.31	24.19	-7.22
+/- Index	0.05	0.05	(0.07)	(0.28)	(0.36)	(0.26)	(0.18)	(0.43)	(0.17)	(0.73)	(0.22)	(0.08)
US Fund Target-Date 2040	34	34	31	61	29	21	N/A	33	78	39	44	32
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Target Retirement 2045 Trust II</b>	<b>6.49</b>	<b>6.49</b>	<b>6.67</b>	<b>14.10</b>	<b>6.65</b>	<b>8.29</b>	<b>7.19</b>	<b>17.33</b>	<b>16.33</b>	<b>16.27</b>	<b>25.07</b>	<b>7.86</b>
Vanguard Retirement 2045 Index	6.44	6.44	-6.66	14.38	7.01	8.55	7.38	-16.84	16.45	17.03	25.36	-7.77
+/- Index	0.05	0.05	(0.01)	(0.28)	(0.36)	(0.26)	(0.19)	(0.49)	(0.12)	(0.76)	(0.29)	(0.10)
US Fund Target-Date 2045	28	28	32	42	22	18	N/A	30	61	35	36	39
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Target Retirement 2050 Trust II</b>	<b>6.62</b>	<b>6.62</b>	<b>6.70</b>	<b>14.22</b>	<b>6.73</b>	<b>8.32</b>	<b>7.22</b>	<b>17.45</b>	<b>16.60</b>	<b>16.42</b>	<b>25.05</b>	<b>7.83</b>
Vanguard Retirement 2050 Index	6.58	6.58	-6.72	14.51	7.08	8.59	7.41	-17.07	16.77	17.18	25.36	-7.77
+/- Index	0.04	0.04	0.02	(0.29)	(0.35)	(0.27)	(0.19)	(0.38)	(0.17)	(0.76)	(0.31)	(0.06)
US Fund Target-Date 2050	25	25	28	42	21	18	N/A	28	62	35	42	32



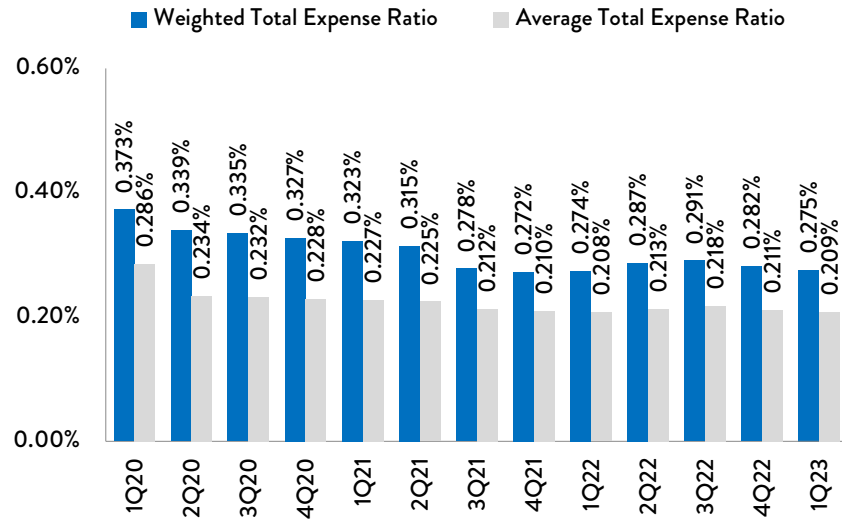
# STATE OF NEVADA

## Combined Retirement Plans

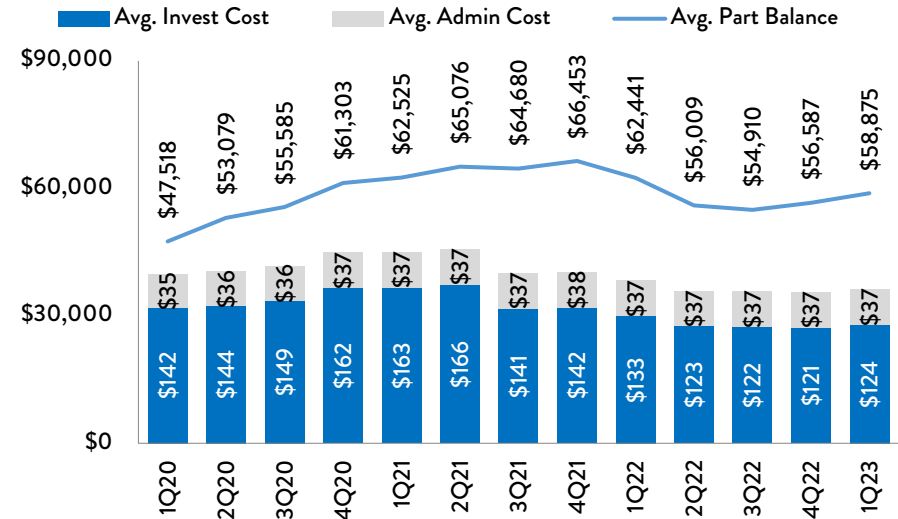
	QTR	YTD	1Yr	<i>Annualized</i>				2022	2021	2020	2019	2018
				3Yr	5Yr	10Yr	15Yr					
<b>Vanguard Target Retirement 2055 Trust II</b>	<b>6.65</b>	<b>6.65</b>	<b>6.68</b>	<b>14.23</b>	<b>6.73</b>	<b>8.31</b>		<b>17.44</b>	<b>16.59</b>	<b>16.41</b>	<b>25.07</b>	<b>7.85</b>
Vanguard Retirement 2055 Index	6.58	6.58	-6.72	14.51	7.08	8.59	-	-17.07	16.77	17.18	25.36	-7.77
+/- Index	0.07	0.07	0.04	(0.28)	(0.35)	(0.28)	-	(0.37)	(0.18)	(0.76)	(0.29)	(0.09)
US Fund Target-Date 2055	28	28	28	51	22	23	N/A	25	68	38	43	34
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Target Retirement 2060 Trust II</b>	<b>6.67</b>	<b>6.67</b>	<b>6.65</b>	<b>14.26</b>	<b>6.75</b>	<b>8.34</b>		<b>17.41</b>	<b>16.56</b>	<b>16.50</b>	<b>25.09</b>	<b>7.85</b>
Vanguard Retirement 2060 Index	6.58	6.58	-6.72	14.51	7.08	8.59	-	-17.07	16.77	17.18	25.36	-7.77
+/- Index	0.09	0.09	0.07	(0.25)	(0.33)	(0.25)	-	(0.34)	(0.21)	(0.68)	(0.27)	(0.09)
US Fund Target-Date 2060	28	28	26	55	23	13	N/A	24	73	38	48	30
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Target Retirement 2065 Trust II</b>	<b>6.67</b>	<b>6.67</b>	<b>6.62</b>	<b>14.26</b>	<b>6.76</b>			<b>17.40</b>	<b>16.54</b>	<b>16.45</b>	<b>25.11</b>	<b>7.70</b>
Vanguard Retirement 2065 Index	6.58	6.58	-6.72	14.51	7.08	-	-	-17.07	16.77	17.18	25.36	-7.77
+/- Index	0.09	0.09	0.10	(0.25)	(0.32)	-	-	(0.33)	(0.23)	(0.73)	(0.25)	0.07
US Fund Target-Date 2065+	34	34	17	58	19	-	N/A	18	64	51	59	-
	<b>QTR</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>10Yr</b>	<b>15Yr</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Vanguard Target Retirement 2070 Trust II</b>	<b>6.59</b>	<b>6.59</b>										
Vanguard Retirement 2070 Index	6.58	6.58	-	-	-	-	-	-	-	-	-	-
+/- Index	0.01	0.01	-	-	-	-	-	-	-	-	-	-
US Fund Target-Date 2065+	36	36	-	-	-	-	N/A	-	-	-	-	-

# Section 4

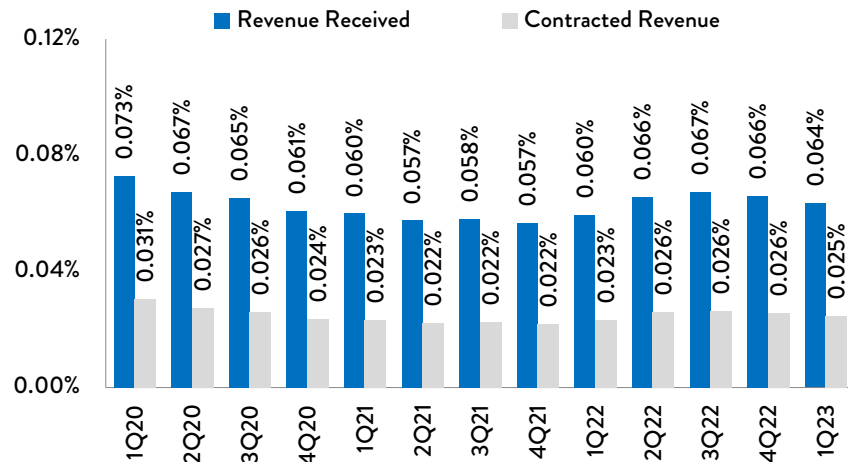
Annualized Plan Cost (%)



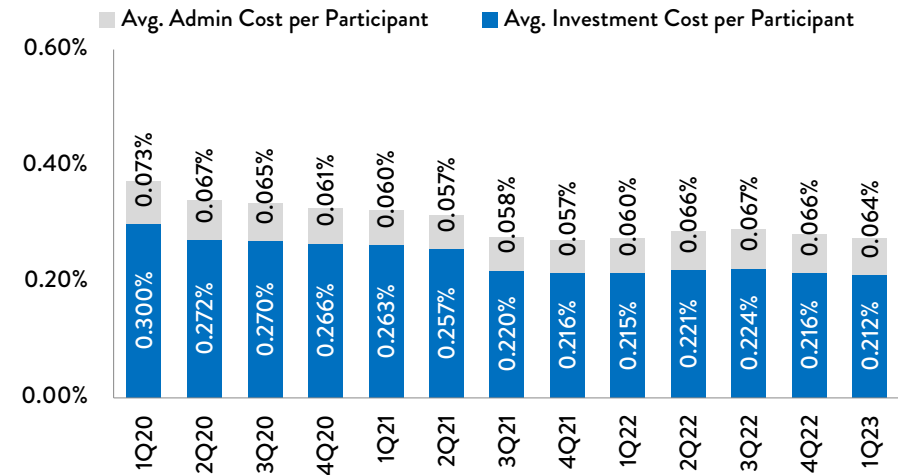
Average Participant Balance and Cost (\$)



Annualized Contracted Revenue v. Revenue Received (as a % of total assets)



Annualized Total Cost Summary (as a % of total assets)



\*Administration costs are only charged to accounts with balances over \$1,000. For reporting purposes the total amounts charged are displayed relative to all participant accounts with a balance.

**STATE OF NEVADA**  
**Combined 457(b) DC Plans**

**PLAN FEE ANALYSIS**  
**First Quarter 2023**

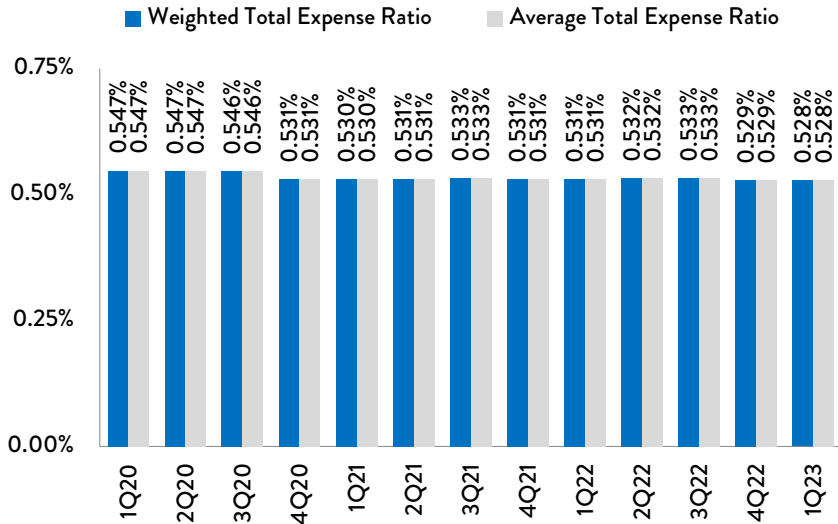
*Annualized*

Fund	Ticker	Quarter End Balance	Net Expense Ratio	Admin Fee	Est. Total Invest. Cost	Est. Total Admin. Cost
Voya Fixed Account	-	\$338,648,493	0.400%	0.06%	\$1,354,594	\$215,078
Vanguard Total Bond Market Index I	VBPIX	\$34,919,687	0.035%	0.06%	\$12,222	\$22,178
Sterling Capital Total Return Bond R6	STRDX	\$1,512,603	0.350%	0.06%	\$5,294	\$961
MFS Value R4*	MEIJX	\$21,416,132	0.400%	0.06%	\$85,665	\$13,602
Vanguard Institutional Index Instl Plus	VIIIX	\$134,826,676	0.020%	0.06%	\$26,965	\$85,629
T. Rowe Price Growth Stock I	PRUFX	\$59,094,950	0.510%	0.06%	\$301,384	\$37,532
Vanguard Mid-Cap Value Index Adm	VMVAX	\$8,530,628	0.070%	0.06%	\$5,971	\$5,418
Vanguard Extended Market Index Instl Plus	VEMPX	\$93,904,967	0.040%	0.06%	\$37,562	\$59,640
Vanguard Mid-Cap Growth Index Adm	VMGMX	\$20,224,532	0.070%	0.06%	\$14,157	\$12,845
Vanguard Instl Total Intl Stock Mkt Index Trust	-	\$41,831,859	0.080%	0.06%	\$33,465	\$26,568
American Funds EuroPacific Growth R6	RERGX	\$6,452,861	0.460%	0.06%	\$29,683	\$4,098
Vanguard Target Retirement Income Trust II	-	\$40,951,191	0.075%	0.06%	\$30,713	\$26,008
Vanguard Target Retirement 2020 Trust II	-	\$11,952,184	0.075%	0.06%	\$8,964	\$7,591
Vanguard Target Retirement 2025 Trust II	-	\$42,861,867	0.075%	0.06%	\$32,146	\$27,222
Vanguard Target Retirement 2030 Trust II	-	\$14,905,715	0.075%	0.06%	\$11,179	\$9,467
Vanguard Target Retirement 2035 Trust II	-	\$51,420,050	0.075%	0.06%	\$38,565	\$32,657
Vanguard Target Retirement 2040 Trust II	-	\$8,428,933	0.075%	0.06%	\$6,322	\$5,353
Vanguard Target Retirement 2045 Trust II	-	\$26,527,488	0.075%	0.06%	\$19,896	\$16,848
Vanguard Target Retirement 2050 Trust II	-	\$5,675,707	0.075%	0.06%	\$4,257	\$3,605
Vanguard Target Retirement 2055 Trust II	-	\$7,650,321	0.075%	0.06%	\$5,738	\$4,859
Vanguard Target Retirement 2060 Trust II	-	\$2,370,050	0.075%	0.06%	\$1,778	\$1,505
Vanguard Target Retirement 2065 Trust II	-	\$1,340,864	0.075%	0.06%	\$1,006	\$852
Vanguard Target Retirement 2070 Trust II	-	\$1,812	0.075%	0.06%	\$1	\$1
Self-Directed Brokerage Account	-	\$7,931,880	-	0.06%	-	\$5,038
<b>TOTAL</b>		<b>\$983,381,450</b>			<b>\$2,067,528</b>	<b>\$624,553</b>

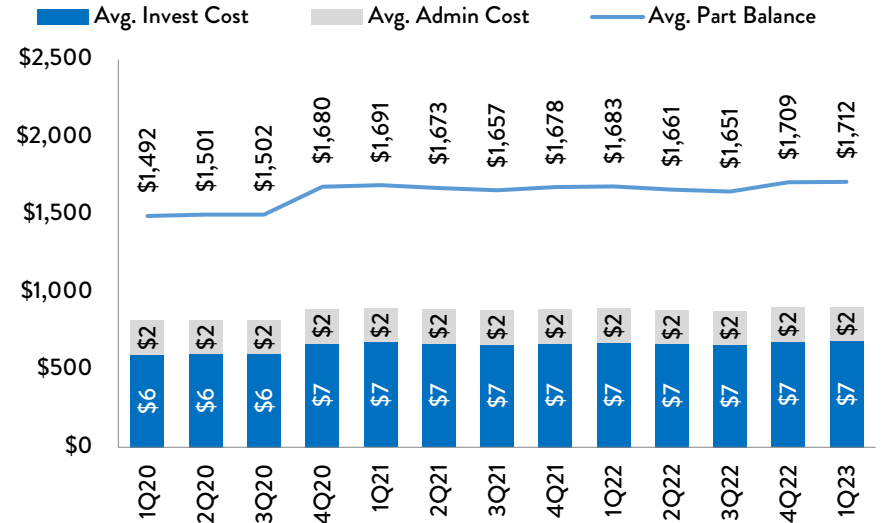
Plan Administration Cost	Quarter	Annualized
Plan Generated Revenue (\$41.00 per ppt with >\$1,000 bal) (est):	\$156,138	\$624,553
Contracted Revenue (\$14.50 per participant) (est):	\$60,548	\$242,194
<b>Net Excess/(Deficit) (est):</b>	<b>\$95,590</b>	<b>\$382,360</b>

\*Revenue derived from funds credited to participant accounts in which they are held. For fee reporting purposes, the credit has been used to offset the reported fund expense ratio. An expense ratio of 0.40% was assumed for the Voya Fixed Account.

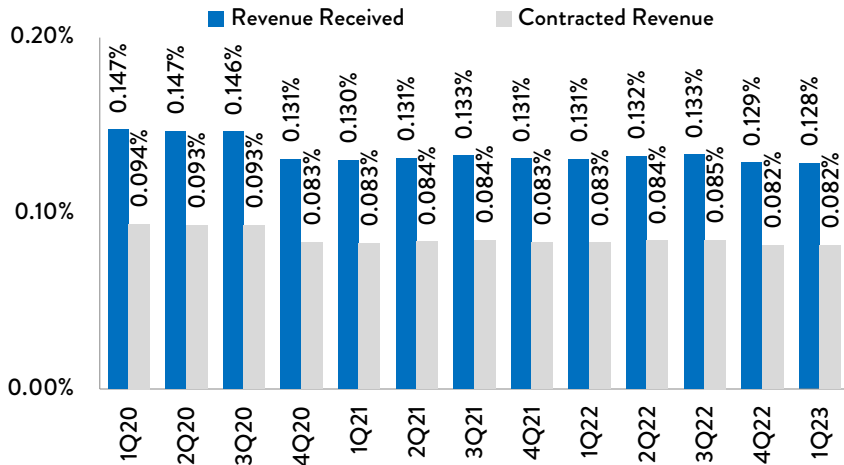
Annualized Plan Cost (%)



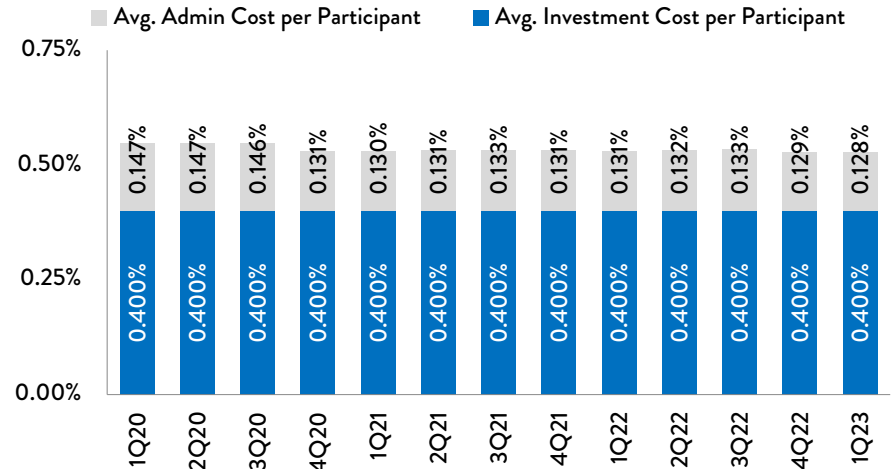
Average Participant Balance and Cost (\$)



Annualized Contracted Revenue v. Revenue Received (as a % of total assets)



Annualized Total Cost Summary (as a % of total assets)



**STATE OF NEVADA**  
**FICA Alternative OBRA Plan**

**PLAN FEE ANALYSIS**  
**First Quarter 2023**

*Annualized*

Fund	Ticker	Quarter End Balance	Net Expense Ratio	Admin Fee	Est. Total Invest. Cost	Est. Total Admin. Cost
Voya Fixed Account - FICA	-	\$59,447,230	0.40%	0.13%	\$237,789	\$76,384
TOTAL		\$59,447,230			\$237,789	\$76,384

Plan Administration Cost	Quarter	Annualized
Plan Generated Revenue (\$2.20 per participant) (est):	\$19,096	\$76,384
Contracted Revenue (\$1.40 per participant) (est):	\$12,152	\$48,608
Net Excess/(Deficit) (est):	\$6,944	\$27,776

An expense ratio of 0.40% was assumed for the Voya Fixed Account.

# Section 5

# American Funds Europacific Growth R6 (USD)

<b>Morningstar Medalist Rating™</b> Gold 07-29-2022	<b>Analyst-Driven %</b> 100.00 <b>Data Coverage %</b> 100.00	<b>Morningstar Rating™</b> ★★★ 403 US Fund Foreign Large Growth	<b>Standard Index</b> MSCI ACWI Ex USA NR USD	<b>Category Index</b> MSCI ACWI Ex USA Growth NR USD	<b>Morningstar Cat</b> US Fund Foreign Large Growth
---	---	---	---	--	---

Performance 04-30-2023					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	-0.43	6.97	-2.35	-1.13	2.84
2022	-12.24	-14.65	-9.33	13.78	-22.72
2023	9.87	—	—	—	11.03
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	5.71	9.33	3.42	5.74	7.88
Std 03-31-2023	-3.26	—	3.25	5.99	7.84
Total Return	5.71	9.33	3.42	5.74	7.88
+/- Std Index	2.66	-0.40	0.91	1.77	—
+/- Cat Index	3.51	2.46	0.00	0.87	—
% Rank Cat	38	33	58	38	—
No. in Cat	449	403	350	234	—

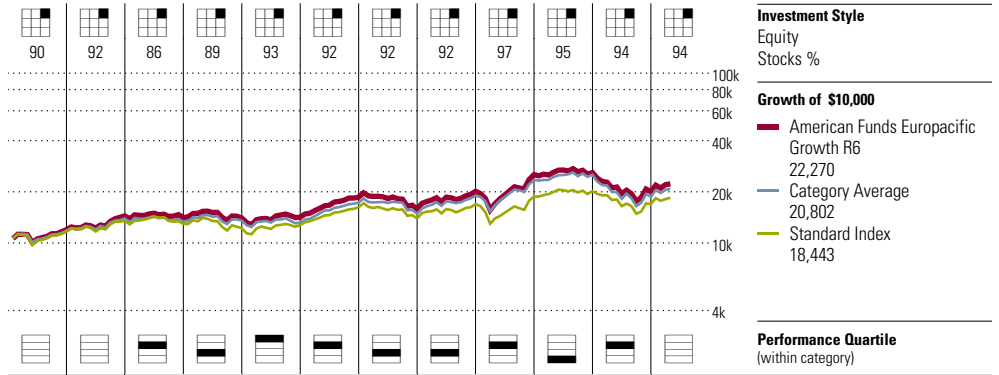
7-day Yield	Subsidized	Unsubsidized
30-day SEC Yield 04-30-23	0.71	0.71

**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 800-421-4225 or visit [www.americanfunds.com](http://www.americanfunds.com).

<b>Sales Charges</b>	
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA
<b>Fund Expenses</b>	
Management Fees %	0.41
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.46</b>
<b>Gross Expense Ratio %</b>	<b>0.46</b>

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	3★	3★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	Avg	Avg	Avg
Standard Deviation	19.32	19.06	15.45
Mean	9.33	3.42	5.74
Sharpe Ratio	0.49	0.19	0.38

MPT Statistics	Standard Index	Best Fit Index Morningstar Gbl xUS Growth TME
Alpha	-0.92	NR USD 2.02
Beta	1.10	1.09
R-Squared	93.33	95.40
12-Month Yield		1.32%
Potential Cap Gains Exp		31.34%



2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
41.18	49.03	47.09	45.32	45.04	56.14	44.99	55.55	69.30	64.73	49.03	54.44
19.64	20.58	-2.29	-0.48	1.01	31.17	-14.91	27.40	25.27	2.84	-22.72	11.03
2.81	5.29	1.57	5.18	-3.48	3.98	-0.71	5.89	14.61	-4.99	-6.72	2.31
2.97	5.09	0.36	0.77	0.89	-0.84	-0.48	0.06	3.06	-2.26	0.33	1.34
—	—	27	66	20	44	58	59	33	80	38	—
—	—	341	361	363	399	439	469	447	450	443	450

Portfolio Analysis 03-31-2023									
Asset Allocation %	Net %	Long %	Short %	Share Chg since 12-2022	Share Amount	Holdings : 380 Total Stocks , 10 Total Fixed-Income, 29% Turnover Ratio	Net Assets %		
Cash	5.51	5.51	0.00						
US Stocks	1.69	1.69	0.00	⊖	35 mil	Novo Nordisk A/S Class B	3.97		
Non-US Stocks	91.96	91.96	0.00	⊖	5 mil	LVMH Moet Hennessy Louis Vuitton SE	3.17		
Bonds	0.42	0.42	0.00	⊖	6 mil	ASML Holding NV	2.71		
Other/Not Clsfd	0.42	0.42	0.00	⊖	59 mil	Canadian Natural Resources Ltd	2.33		
Total	100.00	100.00	0.00	⊕	114 mil	Reliance Industries Ltd	2.32		
Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat					
P/E Ratio TTM	17.1	1.29	0.79	⊖	84 mil	Daiichi Sankyo Co Ltd	2.20		
P/C Ratio TTM	12.2	1.36	0.81	⊖	23 mil	Airbus SE	2.18		
P/B Ratio TTM	3.0	1.79	0.95	⊖	169 mil	Taiwan Semiconductor Manufacturing	2.15		
Geo Avg Mkt Cap \$mil	59238	1.36	1.02	⊖	34 mil	Sea Ltd ADR	2.08		
				⊕	262 mil	AIA Group Ltd	1.98		
				⊖	44 mil	Shopify Inc Registered Shs -A- Sub	1.51		
				⊕	1 mil	MercadoLibre Inc	1.37		
				⊕	14 mil	AstraZeneca PLC	1.36		
				⊕	10 mil	Flutter Entertainment PLC	1.34		
				⊕	124 mil	Fortescue Metals Group Ltd	1.34		

Sector Weightings			Stocks %	Rel Std Index
<b>Cyclical</b>			<b>35.7</b>	<b>0.86</b>
Basic Materials			8.7	1.08
Consumer Cyclical			14.8	1.33
Financial Services			11.9	0.59
Real Estate			0.4	0.16
<b>Sensitive</b>			<b>42.6</b>	<b>1.18</b>
Communication Services			3.3	0.55
Energy			8.8	1.51
Industrials			14.6	1.12
Technology			16.0	1.41
<b>Defensive</b>			<b>21.7</b>	<b>0.98</b>
Consumer Defensive			6.6	0.74
Healthcare			14.1	1.39
Utilities			1.0	0.32

©2023 Morningstar. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions contained herein (1) include the confidential and proprietary information of Morningstar, (2) may include, or be derived from, account information provided by your financial professional which cannot be verified by Morningstar, (3) may not be copied or redistributed, (4) do not constitute investment advice offered by Morningstar, (5) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (6) are not warranted to be correct, complete or accurate. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. Opinions expressed are as of the date written and are subject to change without notice. Investment research is produced and issued by subsidiaries of Morningstar, Inc. including, but not limited to, Morningstar Research Services LLC, registered with and governed by the U.S. Securities and Exchange Commission. This report is supplemental sales literature. If applicable it must be preceded or accompanied by a prospectus, or equivalent, and disclosure statement. Please see important disclosures at the end of this report.





# American Funds Europacific Growth R6 (USD)

Morningstar Medalist Rating™	Analyst-Driven %	Morningstar Rating™	Standard Index	Category Index	Morningstar Cat
Gold 07-29-2022	100.00 Data Coverage % 100.00	★★★ 403 US Fund Foreign Large Growth	MSCI ACWI Ex USA NR USD	MSCI ACWI Ex USA Growth NR USD	US Fund Foreign Large Growth

## Operations

Family:	American Funds	Ticker:	REGX	Purchase Constraints:	A
Manager:	Multiple	ISIN:	US2987068218	Incept:	05-01-2009
Tenure:	21.9 Years	Minimum Initial Purchase:	\$250	Type:	MF
Objective:	Foreign Stock	Min Auto Investment Plan:	\$250	Total Assets:	\$136,919.62 mil
Base Currency:	USD	Minimum IRA Purchase:	\$25		

# MFS Value R4 (USD)

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

**Gold** **Data Coverage %** 1,135 US Fund Large Value **08-04-2022**

Performance 04-30-2023					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	8.66	5.63	0.65	8.57	25.42
2022	-3.64	-9.91	-4.58	13.58	-5.90
2023	-1.46	—	—	—	0.27
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	3.47	13.36	8.45	9.68	8.30
Std 03-31-2023	-3.78	—	7.87	9.75	8.24
Total Return	3.47	13.36	8.45	9.68	8.30
+/- Std Index	0.80	-1.16	-3.00	-2.53	—
+/- Cat Index	2.25	-1.02	0.70	0.55	—
% Rank Cat	22	76	42	29	—
No. in Cat	1221	1135	1087	806	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield 04-30-23	1.77 <sup>1</sup>	1.80

1. Contractual waiver, Expires 12-31-2023

**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.

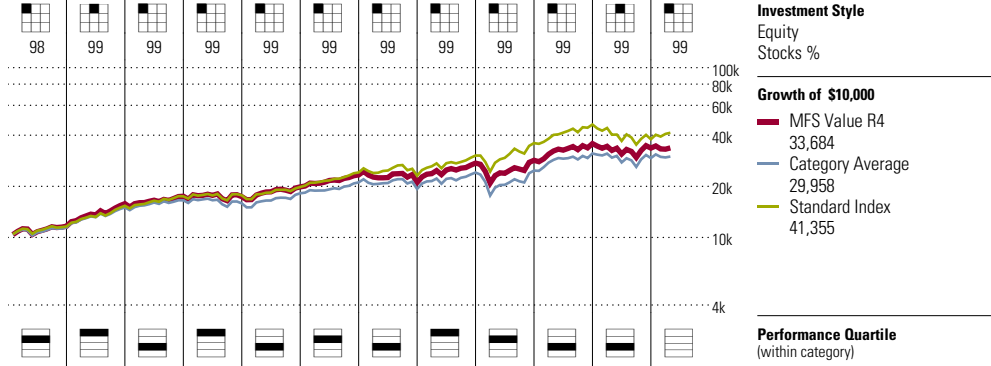
Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-225-2606 or visit <http://www.mfs.com>.

## Fees and Expenses

<b>Sales Charges</b>	
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA
<b>Fund Expenses</b>	
Management Fees %	0.43
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.55</b>
<b>Gross Expense Ratio %</b>	<b>0.56</b>

## Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	1,135 funds	1,087 funds	806 funds
Morningstar Rating™	2★	3★	4★
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	-Avg	Avg	+Avg
Standard Deviation	16.09	17.73	14.40
Mean	13.36	8.45	9.68
Sharpe Ratio	0.78	0.46	0.65
MPT Statistics	Standard Index	Best Fit Index Morningstar US LM Brd Val TR USD	
Alpha	1.05	-1.37	
Beta	0.83	0.95	
R-Squared	85.51	97.25	
12-Month Yield	1.83%		
Potential Cap Gains Exp	45.93%		



2012												NAV/Price	
25.35	33.20	34.94	32.79	36.05	40.56	35.30	44.42	44.83	54.34	47.47	47.39	NAV/Price	
16.42	35.81	10.57	-0.54	14.14	17.74	-9.87	30.08	3.91	25.42	-5.90	0.27	Total Return %	
0.41	3.42	-3.12	-1.92	2.18	-4.09	-5.49	-1.40	-14.49	-3.29	12.21	-8.90	+/- Standard Index	
-1.09	3.28	-2.89	3.29	-3.20	4.08	-1.60	3.54	1.11	0.26	1.63	-2.26	+/- Category Index	
29	13	51	12	52	30	68	9	39	58	52	—	% Rank Cat	
1208	1213	1290	1378	1268	1260	1244	1209	1200	1207	1229	1245	No. of Funds in Cat	

Asset Allocation %	Net %	Long %	Short %	Share Chg since 02-2023	Share Amount	Holdings :	Net Assets %
Cash	0.83	0.83	0.00			73 Total Stocks, 0 Total Fixed-Income, 12% Turnover Ratio	
US Stocks	91.36	91.36	0.00				
Non-US Stocks	7.81	7.81	0.00	⊖	16 mil	JPMorgan Chase & Co	3.77
Bonds	0.00	0.00	0.00	⊖	10 mil	Johnson & Johnson	2.78
Other/Not Clsfd	0.00	0.00	0.00	⊖	10 mil	Progressive Corp	2.62
Total	100.00	100.00	0.00	⊖	8 mil	Texas Instruments Inc	2.60
				⊖	5 mil	Aon PLC Class A	2.56

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat	Value	Blend	Growth	Large	Mid	Small	High	Mid	Low
	P/E Ratio TTM	17.7	0.83	1.24				⊖	3 mil	Northrop Grumman Corp			2.40
	P/C Ratio TTM	13.5	0.88	1.19				⊖	36 mil	Comcast Corp Class A			2.39
	P/B Ratio TTM	2.9	0.76	1.24				⊖	5 mil	The Cigna Group			2.38
	Geo Avg Mkt Cap \$mil	93639	0.48	0.82				⊖	8 mil	Marsh & McLennan Companies Inc			2.36
								⊖	31 mil	Pfizer Inc			2.20
								⊕	12 mil	ConocoPhillips			2.12
								⊕	6 mil	Lowe's Companies Inc			2.05
								⊕	6 mil	Chubb Ltd			1.98
								⊖	12 mil	Duke Energy Corp			1.97
								⊖	4 mil	Accenture PLC Class A			1.94

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>34.9</b>	<b>1.26</b>
Basic Materials	4.3	1.83
Consumer Cyclical	3.3	0.33
Financial Services	25.4	2.01
Real Estate	1.8	0.69
<b>Sensitive</b>	<b>33.0</b>	<b>0.69</b>
Communication Services	3.5	0.42
Energy	4.6	0.97
Industrials	17.0	2.07
Technology	8.0	0.30
<b>Defensive</b>	<b>32.1</b>	<b>1.30</b>
Consumer Defensive	7.3	1.00
Healthcare	17.6	1.21
Utilities	7.2	2.52

Operations	Family:	Manager:	Tenure:	Objective:	Base Currency:	Ticker:	ISIN:	Minimum Initial Purchase:	Purchase Constraints:	Incept:	Type:	Total Assets:
	MFS	Multiple	17.0 Years	Growth	USD	MEIUX	US55273H6356	\$0	A	04-01-2005	MF	\$55,840.87 mil

©2023 Morningstar. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions contained herein (1) include the confidential and proprietary information of Morningstar, (2) may include, or be derived from, account information provided by your financial professional which cannot be verified by Morningstar, (3) may not be copied or redistributed, (4) do not constitute investment advice offered by Morningstar, (5) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (6) are not warranted to be correct, complete or accurate. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. Opinions expressed are as of the date written and are subject to change without notice. Investment research is produced and issued by subsidiaries of Morningstar, Inc. including, but not limited to, Morningstar Research Services LLC, registered with and governed by the U.S. Securities and Exchange Commission. This report is supplemental sales literature. If applicable it must be preceded or accompanied by a prospectus, or equivalent, and disclosure statement. Please see important disclosures at the end of this report.

# Sterling Capital Total Return Bond R6 (USD)

<b>Morningstar Medalist Rating™</b> Neutral 03-31-2023	<b>Analyst-Driven %</b> 10.00 <b>Data Coverage %</b> 100.00	<b>Morningstar Rating™</b> ★★★★ 416 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
--	--	---	---	---	--

Performance 04-30-2023					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	-3.00	2.16	0.04	-0.26	-1.12
2022	-6.15	-4.69	-4.42	1.57	-13.15
2023	3.01	—	—	—	3.63
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-0.69	-1.86	1.60	—	1.35
Std 03-31-2023	-4.68	—	1.36	—	1.25
Total Return	-0.69	-1.86	1.60	1.80	1.35
+/- Std Index	-0.27	1.29	0.43	0.48	—
+/- Cat Index	-0.27	1.29	0.43	0.48	—
% Rank Cat	53	15	13	7	—
No. in Cat	461	416	380	282	—

7-day Yield 05-16-23	Subsidized	Unsubsidized
30-day SEC Yield 04-30-23	3.41 <sup>1</sup>	3.78
<i>1. Contractual waiver, Expires 01-31-2024</i>		

**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.

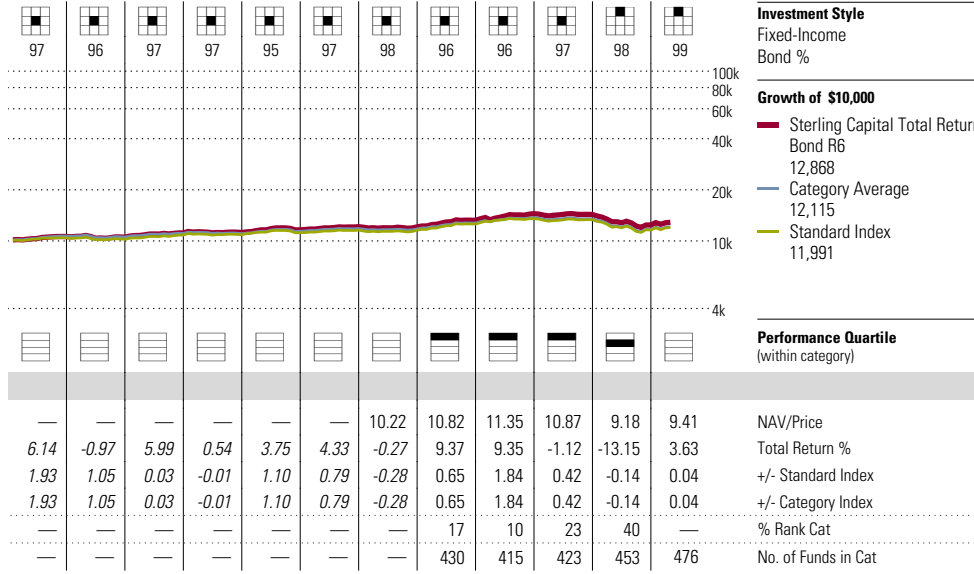
Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-228-1872 or visit [www.sterlingcapitalfunds.com](http://www.sterlingcapitalfunds.com).

<b>Sales Charges</b>	
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA
<b>Fund Expenses</b>	
Management Fees %	0.25
12b1 Expense %	0.00
<b>Net Expense Ratio %</b>	<b>0.35</b>
<b>Gross Expense Ratio %</b>	<b>0.48</b>

	3 Yr	5 Yr	10 Yr
	416 funds	380 funds	282 funds
Morningstar Rating™	4★	4★	5★
Morningstar Risk	-Avg	Avg	Avg
Morningstar Return	+Avg	+Avg	High

	3 Yr	5 Yr	10 Yr
Standard Deviation	5.96	5.44	4.32
Mean	-1.86	1.60	1.80
Sharpe Ratio	-0.51	0.03	0.21

MPT Statistics	Standard Index	Best Fit Index Bloomberg US Universal TR USD
Alpha	1.07	0.42
Beta	0.94	0.95
R-Squared	95.78	97.08
12-Month Yield		3.05%
Potential Cap Gains Exp		-19.17%



<b>Asset Allocation %</b>	Net %	Long %	Short %	Share Chg since 03-2023	Share Amount	Holdings :	Net Assets %
Cash	0.83	0.83	0.00			0 Total Stocks, 266 Total Fixed-Income, 48% Turnover Ratio	
US Stocks	0.00	0.00	0.00	⊕	40 mil	United States Treasury Notes 4.125%	4.09
Non-US Stocks	0.00	0.00	0.00		52 mil	United States Treasury Bonds 2.5%	4.08
Bonds	98.90	98.90	0.00		43 mil	United States Treasury Notes 2.625%	4.02
Other/Not Clsfd	0.27	0.27	0.00	⊕	60 mil	United States Treasury Bonds 1.375%	3.49
Total	100.00	100.00	0.00	⊖	21 mil	ONEMAIN FINANCIAL ISSUANCE TRUST 1	1.78

<b>Equity Style</b>	<b>Portfolio Statistics</b>	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	—	—	⊖
	Avg Eff Maturity	—	9.00	⊖
	Avg Eff Duration	—	6.29	⊖
	Avg Wtd Coupon	—	3.48	⊖
	Avg Wtd Price	—	91.45	⊖

<b>Fixed-Income Style</b>		
Ltd	Mod	Ext

<b>Credit Quality Breakdown</b> 03-31-2023	Bond %
AAA	67.65
AA	8.06
A	12.10
BBB	11.93
BB	0.24
B	0.00
Below B	0.02
NR	0.00

<b>Regional Exposure</b>	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

<b>Sector Weightings</b>	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	—	—

©2023 Morningstar. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions contained herein (1) include the confidential and proprietary information of Morningstar, (2) may include, or be derived from, account information provided by your financial professional which cannot be verified by Morningstar, (3) may not be copied or redistributed, (4) do not constitute investment advice offered by Morningstar, (5) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (6) are not warranted to be correct, complete or accurate. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. Opinions expressed are as of the date written and are subject to change without notice. Investment research is produced and issued by subsidiaries of Morningstar, Inc. including, but not limited to, Morningstar Research Services LLC, registered with and governed by the U.S. Securities and Exchange Commission. This report is supplemental sales literature. If applicable it must be preceded or accompanied by a prospectus, or equivalent, and disclosure statement. Please see important disclosures at the end of this report.



# Sterling Capital Total Return Bond R6 (USD)

Morningstar Medalist Rating™	Analyst-Driven %	Morningstar Rating™	Standard Index	Category Index	Morningstar Cat
Neutral	10.00	★★★★	Bloomberg US Agg Bond TR USD	Bloomberg US Agg Bond TR USD	US Fund Intermediate Core Bond
03-31-2023	Data Coverage % 100.00	416 US Fund Intermediate Core Bond			

## Operations

Family:	Sterling Capital Funds	Ticker:	STRDX	Incept:	02-01-2018
Manager:	Multiple	ISIN:	US85918D6242	Type:	MF
Tenure:	15.3 Years	Minimum Initial Purchase:	\$10 mil	Total Assets:	\$1,021.57 mil
Objective:	Growth and Income	Min Auto Investment Plan:	\$10 mil		
Base Currency:	USD	Purchase Constraints:	A		

# T. Rowe Price Growth Stock I (USD)

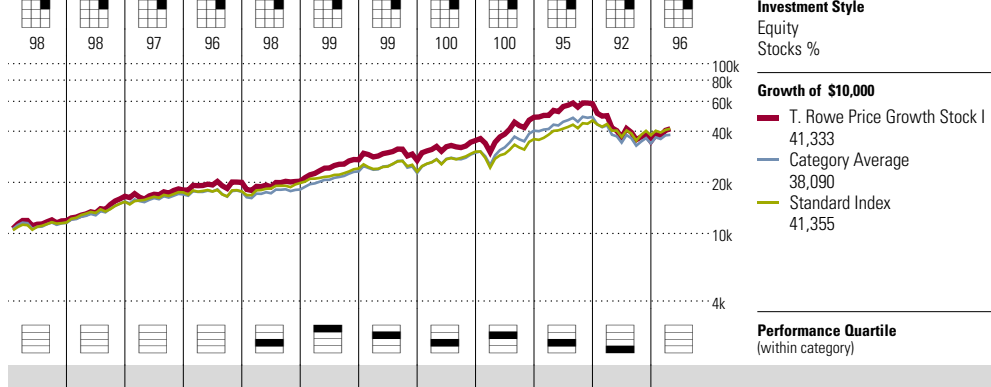
Performance 04-30-2023					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	2.58	12.73	-0.80	4.77	20.18
2022	-15.01	-25.40	-3.29	-2.23	-40.05
2023	16.17	—	—	—	18.65
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-1.22	6.28	7.66	—	10.40
Std 03-31-2023	-18.06	—	7.48	—	10.21
Total Return	-1.22	6.28	7.66	12.24	10.40
+/- Std Index	-3.88	-8.24	-3.79	0.04	—
+/- Cat Index	-3.55	-7.33	-6.14	-2.22	—
% Rank Cat	71	86	85	49	—
No. in Cat	1228	1123	1042	798	—

	Subsidized	Unsubsidized
7-day Yield 05-16-23	0.00	—
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 800-638-5660 or visit [www.troweprice.com](http://www.troweprice.com).

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.51
12b1 Expense %	NA
Net Expense Ratio %	0.53
Gross Expense Ratio %	0.53
Risk and Return Profile	
Morningstar Rating™	2★
Morningstar Risk	+Avg
Morningstar Return	-Avg
Standard Deviation	23.09
Mean	6.28
Sharpe Ratio	0.32
MPT Statistics	Standard Index
Alpha	-8.82
Beta	1.17
R-Squared	83.47
12-Month Yield	—
Potential Cap Gains Exp	34.68%

Morningstar Medalist Rating™	Analyst-Driven %	Morningstar Rating™	Standard Index	Category Index	Morningstar Cat
Silver	100.00	★★	S&P 500 TR USD	Russell 1000 Growth TR USD	US Fund Large Growth
03-06-2023	Data Coverage %	1,123 US Fund			
	100.00	Large Growth			



	18.92	39.20	8.83	10.93	1.58	33.84	-0.89	30.98	37.09	20.18	-40.05	18.65	NAV/Price
	2.91	6.81	-4.86	9.55	-10.38	12.01	3.49	-0.51	18.69	-8.52	-21.94	9.47	Total Return %
	3.66	5.72	-4.22	5.27	-5.50	3.63	0.62	-5.41	-1.40	-7.42	-10.91	3.15	+/- Standard Index
	—	—	—	—	63	15	37	61	38	62	92	—	+/- Category Index
	—	—	—	—	1463	1363	1405	1360	1289	1237	1235	1248	% Rank Cat
	—	—	—	—	—	—	—	—	—	—	—	—	No. of Funds in Cat

Asset Allocation %	Net %	Long %	Short %	Share Chg since 12-2022	Share Amount	Holdings :	Net Assets %
Cash	0.05	0.05	0.00			76 Total Stocks, 0 Total Fixed-Income, 26% Turnover Ratio	
US Stocks	86.57	86.57	0.00			Microsoft Corp	13.14
Non-US Stocks	9.69	9.69	0.00		21 mil	Apple Inc	9.99
Bonds	0.00	0.00	0.00		28 mil	Amazon.com Inc	5.11
Other/Not Clsfd	3.69	3.69	0.00		7 mil	NVIDIA Corp	4.29
Total	100.00	100.00	0.00		19 mil	Alphabet Inc Class A	4.27
					81 mil	Aggregate Miscellaneous Equity	3.69
					3 mil	UnitedHealth Group Inc	3.26
					7 mil	Visa Inc Class A	3.19
					3 mil	Mastercard Inc Class A	2.61
					3 mil	Intuit Inc	2.44
					1 mil	ASML Holding NV ADR	2.14
					9 mil	Advanced Micro Devices Inc	1.82
					2 mil	Eli Lilly and Co	1.68
					7 mil	Fiserv Inc	1.60
					4 mil	Meta Platforms Inc Class A	1.58

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	31.7	1.50	1.14
	P/C Ratio TTM	22.6	1.48	1.14
	P/B Ratio TTM	6.8	1.81	1.04
	Geo Avg Mkt Cap \$mil	307401	1.57	0.96

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

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

Regional Exposure	Stocks %	Rel Std Index
Americas	90.2	0.91
Greater Europe	8.8	8.38
Greater Asia	1.0	32.44

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>24.4</b>	<b>0.88</b>
Basic Materials	1.1	0.48
Consumer Cyclical	16.4	1.61
Financial Services	6.9	0.55
Real Estate	0.0	0.00
<b>Sensitive</b>	<b>60.5</b>	<b>1.27</b>
Communication Services	10.7	1.29
Energy	0.0	0.00
Industrials	3.3	0.40
Technology	46.6	1.76
<b>Defensive</b>	<b>15.1</b>	<b>0.61</b>
Consumer Defensive	1.9	0.26
Healthcare	13.2	0.91
Utilities	0.0	0.00

Operations			
Family:	T. Rowe Price	Base Currency:	USD
Manager:	Joseph Fath	Ticker:	PRUFX
Tenure:	9.3 Years	ISIN:	US7414794062
Objective:	Growth	Minimum Initial Purchase:	\$500,000
		Purchase Constraints:	—
		Incept:	08-28-2015
		Type:	MF
		Total Assets:	\$47,177.23 mil

©2023 Morningstar. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions contained herein (1) include the confidential and proprietary information of Morningstar, (2) may include, or be derived from, account information provided by your financial professional which cannot be verified by Morningstar, (3) may not be copied or redistributed, (4) do not constitute investment advice offered by Morningstar, (5) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (6) are not warranted to be correct, complete or accurate. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. Opinions expressed are as of the date written and are subject to change without notice. Investment research is produced and issued by subsidiaries of Morningstar, Inc. including, but not limited to, Morningstar Research Services LLC, registered with and governed by the U.S. Securities and Exchange Commission. This report is supplemental sales literature. If applicable it must be preceded or accompanied by a prospectus, or equivalent, and disclosure statement. Please see important disclosures at the end of this report.



# Vanguard Extended Market Index InstlPlus (USD)

Performance 04-30-2023						
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %	
2021	7.79	7.12	-3.27	0.70	12.48	
2022	-9.33	-20.67	-2.73	5.11	-26.45	
2023	5.85	—	—	—	3.56	
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept	
Load-adj Mthly	-6.07	10.74	5.55	8.64	8.99	
Std 03-31-2023	-14.13	—	6.06	8.94	9.25	
Total Return	-6.07	10.74	5.55	8.64	8.99	
+/- Std Index	-8.73	-3.78	-5.90	-3.57	—	
+/- Cat Index	-4.38	-3.04	-2.43	-1.22	—	
% Rank Cat	92	89	79	61		
No. in Cat	417	380	356	228		

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield 05-16-23	1.38	1.38

**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.

<b>Sales Charges</b>	
<b>Front-End Load %</b>	<b>NA</b>
<b>Deferred Load %</b>	<b>NA</b>

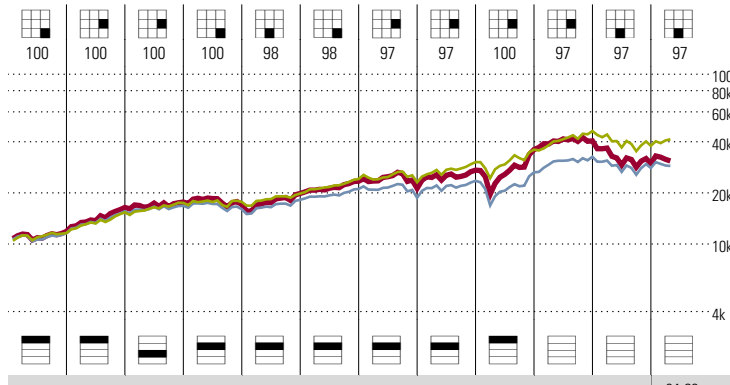
<b>Fund Expenses</b>	
Management Fees %	0.03
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.04</b>
<b>Gross Expense Ratio %</b>	<b>0.04</b>

<b>Risk and Return Profile</b>				
	3 Yr	5 Yr	10 Yr	
	380 funds	356 funds	228 funds	
Morningstar Rating™	1★	2★	2★	
Morningstar Risk	High	+Avg	+Avg	
Morningstar Return	-Avg	-Avg	Avg	
	3 Yr	5 Yr	10 Yr	
Standard Deviation	22.31	23.95	18.87	
Mean	10.74	5.55	8.64	
Sharpe Ratio	0.51	0.28	0.48	

MPT Statistics	Standard Index	Best Fit Index
	Morningstar US Sml	Morningstar US TR USD
Alpha	-3.86	2.01
Beta	1.09	1.01
R-Squared	77.67	96.35
12-Month Yield		1.34%
Potential Cap Gains Exp		-3.83%

<b>Operations</b>	
Family:	Vanguard
Manager:	Multiple
Tenure:	25.4 Years
Objective:	Growth

<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> ★★ 380 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
---	---	---	---	---	---



<b>Investment Style</b> Equity Stocks %
<b>Growth of \$10,000</b>
Vanguard Extended Market Index InstlPlus: 30,835
Category Average: 28,811
Standard Index: 41,355
<b>Performance Quartile</b> (within category)
<b>History</b>
NAV/Price
Total Return %
+/- Standard Index
+/- Category Index
% Rank Cat
No. of Funds in Cat

113.18	154.84	164.36	156.89	179.47	209.16	186.80	235.94	307.84	342.27	248.85	256.85
18.52	38.43	7.60	-3.23	16.18	18.13	-9.35	28.07	32.24	12.48	-26.45	3.56
2.52	6.04	-6.09	-4.62	4.22	-3.70	-4.96	-3.42	13.84	-16.23	-8.34	-5.62
1.24	3.67	-5.62	-0.79	2.38	-0.39	-0.29	-2.48	15.14	-10.10	-9.14	0.05
24	18	59	45	37	29	33	36	1	—	—	—
412	399	369	432	427	443	464	404	407	—	—	429

<b>Asset Allocation % 03-31-2023</b>	Net %	Long %	Short %	Share Chg since 03-2023	Share Amount	Holdings : 3,611 Total Stocks, 0 Total Fixed-Income, 11% Turnover Ratio	Net Assets %
Cash	3.00	3.18	0.18				
US Stocks	95.88	95.88	0.00				
Non-US Stocks	1.12	1.12	0.00	⊕	28 mil	Uber Technologies Inc	1.03
Bonds	0.00	0.00	0.00	⊕	10 mil	Blackstone Inc	1.01
Other/Not Clsfd	0.00	0.00	0.00	⊕	4 mil	Palo Alto Networks Inc	0.98
Total	100.00	100.18	0.18	⊕	5 mil	Airbnb Inc Ordinary Shares - Class	0.77
				⊕	4 mil	Snowflake Inc Ordinary Shares - Cl	0.69

<b>Equity Style</b>	Value	Blend	Growth
	Large	Mid	Small
	High	Med	Low

<b>Portfolio Statistics</b>	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	13.9	0.65	0.93
P/C Ratio TTM	10.4	0.68	0.93
P/B Ratio TTM	2.2	0.59	0.90
Geo Avg Mkt Cap \$mil	5836	0.03	0.58

<b>Fixed-Income Style</b>	Ltd	Mod	Ext
	High	Med	Low
	High	Med	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	0.65
Greater Asia	0.2	7.03

<b>Sector Weightings</b>	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>37.4</b>	<b>1.35</b>
Basic Materials	3.8	1.60
Consumer Cyclical	12.4	1.22
Financial Services	14.2	1.13
Real Estate	7.0	2.66
<b>Sensitive</b>	<b>44.0</b>	<b>0.92</b>
Communication Services	4.0	0.48
Energy	4.5	0.95
Industrials	14.9	1.81
Technology	20.7	0.78
<b>Defensive</b>	<b>18.6</b>	<b>0.75</b>
Consumer Defensive	3.1	0.42
Healthcare	13.5	0.93
Utilities	2.0	0.71

©2023 Morningstar. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions contained herein (1) include the confidential and proprietary information of Morningstar, (2) may include, or be derived from, account information provided by your financial professional which cannot be verified by Morningstar, (3) may not be copied or redistributed, (4) do not constitute investment advice offered by Morningstar, (5) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (6) are not warranted to be correct, complete or accurate. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. Opinions expressed are as of the date written and are subject to change without notice. Investment research is produced and issued by subsidiaries of Morningstar, Inc. including, but not limited to, Morningstar Research Services LLC, registered with and governed by the U.S. Securities and Exchange Commission. This report is supplemental sales literature. If applicable it must be preceded or accompanied by a prospectus, or equivalent, and disclosure statement. Please see important disclosures at the end of this report.



# Vanguard Institutional Index Instl PI (USD)

**Morningstar Medalist Rating™** 100.00 **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 %** 100.00 **1,268 US Fund Large Blend**

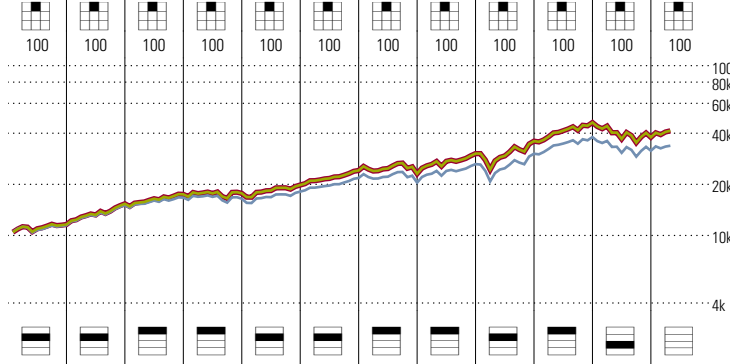
02-21-2023

**Performance 04-30-2023**

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	6.18	8.54	0.57	11.02	28.69
2022	-4.61	-16.11	-4.89	7.55	-18.13
2023	7.49	—	—	—	9.17

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	2.64	14.50	11.43	12.19	8.08
Std 03-31-2023	-7.75	—	11.18	12.23	8.05
Total Return	2.64	14.50	11.43	12.19	8.08
+/- Std Index	-0.02	-0.02	-0.01	-0.01	—
+/- Cat Index	0.82	0.28	0.37	0.24	—
% Rank Cat	36	32	19	10	—
No. in Cat	1405	1268	1169	867	—



**Investment Style**  
Equity  
Stocks %

**Growth of \$10,000**  
■ Vanguard Institutional Index  
■ Instl PI  
■ Category Average  
■ Standard Index

**Performance Quartile**  
(within category)

**History**

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield 05-16-23	1.58	1.58

**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 %	0.02
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.02</b>
<b>Gross Expense Ratio %</b>	<b>0.02</b>

**Risk and Return Profile**

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	3★	4★	5★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	+Avg	+Avg	High
Standard Deviation	18.03	18.64	14.85
Mean	14.50	11.43	12.19
Sharpe Ratio	0.77	0.59	0.79

MPT Statistics	Standard Index	Best Fit Index
Alpha	-0.02	-0.02
Beta	1.00	1.00
R-Squared	100.00	100.00
12-Month Yield	—	1.63%
Potential Cap Gains Exp	—	59.50%

	04-23	History
NAV/Price	348.30	NAV/Price
Total Return %	9.17	Total Return %
+/- Standard Index	-0.01	+/- Standard Index
+/- Category Index	0.38	+/- Category Index
% Rank Cat	—	% Rank Cat
No. of Funds in Cat	1464	No. of Funds in Cat

**Asset Allocation % 03-31-2023**

	Net %	Long %	Short %	Share Chg since 03-2023	Share Amount	Holdings : 504 Total Stocks, 0 Total Fixed-Income, 3% Turnover Ratio	Net Assets %
Cash	0.48	0.48	0.00				
US Stocks	98.44	98.44	0.00				
Non-US Stocks	1.08	1.08	0.00	⊖	103 mil	Apple Inc	7.11
Bonds	0.00	0.00	0.00	⊖	52 mil	Microsoft Corp	6.22
Other/Not Clsfd	0.00	0.00	0.00	⊕	62 mil	Amazon.com Inc	2.67
Total	100.00	100.00	0.00	⊖	17 mil	NVIDIA Corp	1.98
				⊖	41 mil	Alphabet Inc Class A	1.79
				⊖	19 mil	Tesla Inc	1.62
				⊖	12 mil	Berkshire Hathaway Inc Class B	1.61
				⊖	36 mil	Alphabet Inc Class C	1.57
				⊖	15 mil	Meta Platforms Inc Class A	1.37
				⊖	29 mil	Exxon Mobil Corp	1.31
				⊖	6 mil	UnitedHealth Group Inc	1.28
				⊖	18 mil	Johnson & Johnson	1.17
				⊖	20 mil	JPMorgan Chase & Co	1.11
				⊖	11 mil	Visa Inc Class A	1.06
				⊖	16 mil	Procter & Gamble Co	1.02

**Equity Style**

Value	Blend	Growth	Large	Mid	Small
█	█	█	█	█	█

**Portfolio Statistics**

	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	21.2	1.00	1.01
P/C Ratio TTM	15.3	1.00	0.95
P/B Ratio TTM	3.8	1.00	0.95
Geo Avg Mkt Cap \$mil	195802	1.00	0.80

**Fixed-Income Style**

Ltd	Mod	Ext	High	Mid	Low
█	█	█	█	█	█

**Credit Quality Breakdown** — Bond %

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

**Sector Weightings**

	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>27.7</b>	<b>1.00</b>
Basic Materials	2.4	1.00
Consumer Cyclical	10.2	1.00
Financial Services	12.6	1.00
Real Estate	2.6	1.00
<b>Sensitive</b>	<b>47.6</b>	<b>1.00</b>
Communication Services	8.3	1.00
Energy	4.7	1.00
Industrials	8.2	1.00
Technology	26.4	1.00
<b>Defensive</b>	<b>24.7</b>	<b>1.00</b>
Consumer Defensive	7.3	1.00
Healthcare	14.5	1.00
Utilities	2.9	1.00

**Operations**

Family:	Vanguard	Base Currency:	USD	Purchase Constraints:	—
Manager:	Multiple	Ticker:	VIII	Incept:	07-07-1997
Tenure:	22.4 Years	ISIN:	US9220402096	Type:	MF
Objective:	Growth and Income	Minimum Initial Purchase:	\$100 mil	Total Assets:	\$239,612.84 mil

# Vanguard Institutional Total International Stock Market Index Trust

International stock fund

## Fund facts

Risk level Low <-----> High					Total net assets	Inception date	Fund number
1	2	3	4	5	\$22,216 MM	06/24/16	2069

## Investment objective

Vanguard Institutional Total International Stock Market Index Trust seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in developed and emerging markets, excluding the United States.

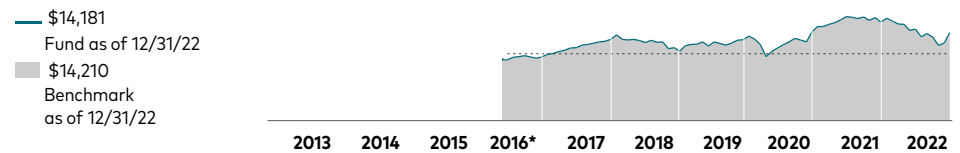
## Investment strategy

The trust portfolio employs an indexing investment approach designed to track the performance of the FTSE Global All Cap ex US Index, a free-float-adjusted market-capitalization-weighted index designed to measure equity market performance of companies located in developed and emerging markets, excluding the United States. The index includes more than 5,300 stocks of companies located in 46 countries. The trust invests substantially all of its assets in the common stocks included in its target index.

## Benchmark

FTSE Global All Cap ex US Index

### Growth of a \$10,000 investment: June 30, 2016–December 31, 2022



## Annual returns

	2013	2014	2015	2016*	2017	2018	2019	2020	2021	2022
<b>Fund</b>	—	—	—	8.29	27.61	-14.35	21.68	11.48	8.73	-15.92
<b>Benchmark</b>	—	—	—	8.36	27.41	-14.61	21.80	11.24	8.84	-16.10

## Total returns

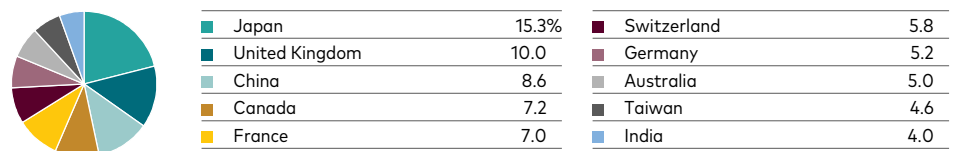
Periods ended March 31, 2023

	Quarter	Year to date	One year	Three years	Five years	Since inception
<b>Fund</b>	6.71%	6.71%	-4.51%	12.80%	2.62%	6.86%
<b>Benchmark</b>	6.42%	6.42%	-5.71%	12.47%	2.61%	—

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.

## Market allocation—stocks



\* Partial return since fund started, June 24, 2016.

FTSE Global All Cap ex US Index: Consists of large-, mid-, and small-cap stocks globally, excluding the U.S. The index is derived from the FTSE Global Equity Index Series (GEIS), which covers approximately 98% of the world's investable market capitalization. Index returns are adjusted for withholding taxes.



# Vanguard Institutional Total International Stock Market Index Trust

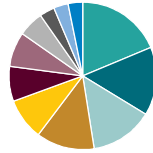
International stock fund

## Ten largest holdings\*

1	Taiwan Semiconductor Manufacturing Co. Ltd.	
2	Nestle SA	
3	Tencent Holdings Ltd.	
4	ASML Holding NV	
5	Samsung Electronics Co. Ltd.	
6	Novo Nordisk A/S	
7	LVMH Moët Hennessy Louis Vuitton SE	
8	Roche Holding AG	
9	AstraZeneca plc	
10	Shell plc	
Top 10 as % of total net assets		9.6%

\* The holdings listed exclude any temporary cash investments and equity index products.

## Sector Diversification



Financials	18.7%	Consumer Staples	7.6
Industrials	15.0	Energy	5.6
Consumer Discretionary	13.8	Utilities	3.3
Technology	12.8	Real Estate	3.2
Health Care	9.1	Telecommunications	3.2
Basic Materials	7.7	Other	0.0

Sector categories are based on the Industry Classification Benchmark system ("ICB"), except for the "Other" category (if applicable), which includes securities that have not been provided an ICB classification as of the effective reporting period.

Connect with Vanguard • [vanguard.com](https://www.vanguard.com)

## Plain talk about risk

An investment in the trust portfolio could lose money over short or even long periods. You should expect the trust portfolio's share price and total return to fluctuate within a wide range, like the fluctuations of the overall stock market. The trust portfolio's performance could be hurt by:

**Stock market risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices. The fund's investments in foreign stocks can be riskier than U.S. stock investments. Foreign stocks tend to be more volatile and less liquid than U.S. stocks. The prices of foreign stocks and the prices of U.S. stocks may move in opposite directions. In addition, the fund's target index may, at times, become focused in stocks of a particular market sector, which would subject the fund to proportionately higher exposure to the risks of that sector.

**Country/regional risk:** The chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of securities issued by companies in foreign countries or regions. Because the fund may invest a large portion of its assets in securities of companies located in any one country or region, its performance may be hurt disproportionately by the poor performance of its investments in that area. Country/regional risk is especially high in emerging markets.

**Currency risk:** The chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates.

**Investment style risk:** The chance that returns from small- and mid-capitalization stocks, to the extent that the fund invests in them, will trail returns from the overall stock market. Historically, these stocks have been more volatile in price than the large-cap stocks that dominate the overall market, and they often perform quite differently.

**Emerging markets risk:** The chance the stocks of companies located in emerging markets will be substantially more volatile, and substantially less liquid, than the stocks of companies located in more developed foreign markets.

## Note on frequent trading restrictions

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://www.vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

London Stock Exchange Group companies include FTSE International Limited ("FTSE"), Frank Russell Company ("Russell"), MTS Next Limited ("MTS"), and FTSE TMX Global Debt Capital Markets Inc. ("FTSE TMX"). All rights reserved. "FTSE", "Russell", "MTS", "FTSE TMX" and "FTSE Russell" and other service marks and trademarks related to the FTSE or Russell indexes are trademarks of the London Stock Exchange Group companies and are used by FTSE, MTS, FTSE TMX and Russell under licence. All information is provided for information purposes only. No responsibility or liability can be accepted by the London Stock Exchange Group companies nor its licensors for any errors or for any loss from use of this publication. Neither the London Stock Exchange Group companies nor any of its licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Indexes or the fitness or suitability of the Indexes for any particular purpose to which they might be put.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**For more information about Vanguard funds or to obtain a prospectus, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://www.vanguard.com) or call 800-523-1188.

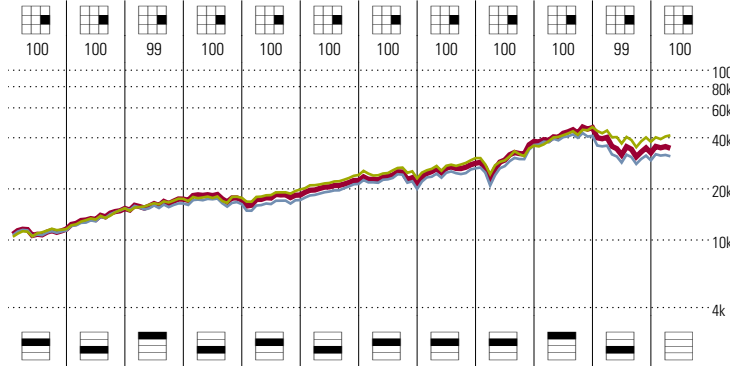
If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call 855-402-2646.

**Visit [vanguard.com](https://www.vanguard.com) to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.**

# Vanguard Mid-Cap Growth Index Admiral (USD)

<b>Morningstar Medalist Rating™</b> Gold 01-23-2023	<b>Analyst-Driven %</b> 100.00 <b>Data Coverage %</b> 100.00	<b>Morningstar Rating™</b> ★★★ 527 US Fund Mid-Cap Growth	<b>Standard Index</b> S&P 500 TR USD	<b>Category Index</b> Russell Mid Cap Growth TR USD	<b>Morningstar Cat</b> US Fund Mid-Cap Growth
---	---	---	---	--	--

Performance 04-30-2023					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	1.25	10.25	0.16	7.76	20.48
2022	-12.32	-21.19	-2.58	5.69	-28.84
2023	8.74	—	—	—	6.28
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-2.61	9.77	8.95	10.22	11.62
Std 03-31-2023	-11.75	—	9.28	10.55	11.93
Total Return	-2.61	9.77	8.95	10.22	11.62
+/- Std Index	-5.27	-4.75	-2.49	-1.98	—
+/- Cat Index	-4.21	0.56	-0.01	-0.62	—
% Rank Cat	56	44	32	48	—
No. in Cat	570	527	497	386	—



<b>Investment Style</b> Equity Stocks %
<b>Growth of \$10,000</b> Vanguard Mid-Cap Growth Index Admiral: 34,688 Category Average: 31,123 Standard Index: 41,355
<b>Performance Quartile</b> (within category)

7-day Yield	Subsidized	Unsubsidized
30-day SEC Yield 05-15-23	0.81	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 800-662-7447 or visit www.vanguard.com.

<b>Sales Charges</b>	
<b>Front-End Load %</b>	NA
<b>Deferred Load %</b>	NA

<b>Fund Expenses</b>	
Management Fees %	0.06
12b1 Expense %	NA

<b>Net Expense Ratio %</b>	0.07
<b>Gross Expense Ratio %</b>	0.07

<b>Risk and Return Profile</b>				
	3 Yr	5 Yr	10 Yr	
	527 funds	497 funds	386 funds	
Morningstar Rating™	3★	4★	3★	
Morningstar Risk	Avg	Avg	Avg	
Morningstar Return	Avg	+Avg	Avg	
	3 Yr	5 Yr	10 Yr	
Standard Deviation	21.61	21.90	17.23	
Mean	9.77	8.95	10.22	
Sharpe Ratio	0.48	0.43	0.60	

MPT Statistics	Standard Index	Best Fit Index
	Morningstar US Mid	Morningstar US Mid
	Brd Grt TR USD	Brd Grt TR USD
Alpha	-4.91	-1.15
Beta	1.10	1.04
R-Squared	83.58	98.99
12-Month Yield		0.77%
Potential Cap Gains Exp		-5.15%

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	NAV/Price	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
29.55	38.83	43.72	42.94	45.46	54.96	51.48	68.34	91.26	109.55	77.37	82.06						
15.96	32.22	13.48	-0.98	6.75	21.83	-5.60	33.86	34.48	20.48	-28.84	6.28						
-0.05	-0.17	-0.21	-2.36	-5.21	0.00	-1.22	2.37	16.08	-8.23	-10.73	-2.90						
0.15	-3.52	1.58	-0.78	-0.58	-3.44	-0.85	-1.61	-1.11	7.75	-2.12	-1.28						
30	68	5	51	40	65	46	42	44	19	64	—						
737	703	749	733	644	617	605	618	604	588	586	573						

Portfolio Analysis 04-30-2023									
Asset Allocation % 03-31-2023	Net %	Long %	Short %	Share Chg since 03-2023	Share Amount	Holdings :	160 Total Stocks , 0 Total Fixed-Income, 22% Turnover Ratio	Net Assets	%
Cash	0.33	0.34	0.01						
US Stocks	98.46	98.46	0.00						
Non-US Stocks	1.21	1.21	0.00	⊕	4 mil	Amphenol Corp Class A		1.64	
Bonds	0.00	0.00	0.00	⊕	1 mil	Motorola Solutions Inc		1.62	
Other/Not Clsfd	0.00	0.00	0.00	⊕	4 mil	Microchip Technology Inc		1.55	
Total	100.00	100.01	0.01	⊕	3 mil	DexCom Inc		1.52	
				⊕	519,022	MSCI Inc		1.44	
				⊕	5 mil	Realty Income Corp		1.42	
				⊕	590,183	Cintas Corp		1.35	
				⊕	2 mil	Arista Networks Inc		1.31	
				⊕	2 mil	Cheniere Energy Inc		1.30	
				⊕	354,398	TransDigm Group Inc		1.29	
				⊕	1 mil	IQVIA Holdings Inc		1.25	
				⊕	2 mil	Hess Corp		1.24	
				⊕	2 mil	Waste Connections Inc		1.21	
				⊕	3 mil	ON Semiconductor Corp		1.20	
				⊕	3 mil	Welltower Inc		1.19	

Equity Style			Portfolio Statistics		
Value	Blend	Growth	Port Avg	Rel Index	Rel Cat
			P/E Ratio TTM	25.3	1.19
			P/C Ratio TTM	17.0	1.11
			P/B Ratio TTM	4.7	1.23
			Geo Avg Mkt Cap \$mil	24881	0.13

Fixed-Income Style			Credit Quality Breakdown		
Ltd	Mod	Ext	AAA	AA	A
			BBB	BB	B
			Below B	NR	

Regional Exposure			Sector Weightings		
Americas	Greater Europe	Greater Asia	Cyclical	Sensitive	Defensive
100.0	0.0	0.0	28.2	54.1	17.6
			Basic Materials	Communication Services	Consumer Defensive
			3.6	4.8	1.5
			Consumer Cyclical	Energy	Healthcare
			12.1	6.8	16.2
			Financial Services	Industrials	Utilities
			5.5	14.5	0.0
			Real Estate	Technology	
			7.1	28.0	

<b>Operations</b>	
Family:	Vanguard
Manager:	Multiple
Tenure:	10.3 Years
Objective:	Growth
Base Currency:	USD
Ticker:	VMGMX
ISIN:	US9219377283
Minimum Initial Purchase:	\$3,000
Purchase Constraints:	—
Incept:	09-27-2011
Type:	MF
Total Assets:	\$9,807.02 mil

# Vanguard Mid-Cap Value Index Admiral (USD)

**Performance 04-30-2023**

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2021	13.70	4.84	-0.19	8.21	28.76
2022	0.04	-13.05	-5.55	12.11	-7.90
2023	-0.36	—	—	—	0.31
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-2.88	16.38	6.67	9.35	11.70
Std 03-31-2023	-8.26	—	6.61	9.46	11.72
Total Return	-2.88	16.38	6.67	9.35	11.70
+/- Std Index	-5.55	1.86	-4.78	-2.85	—
+/- Cat Index	0.59	0.63	0.23	0.68	—
% Rank Cat	75	65	51	21	—
No. in Cat	397	382	362	266	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield 05-15-23	2.31	2.31

**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.

**Sales Charges**

<b>Front-End Load %</b>	<b>NA</b>
<b>Deferred Load %</b>	<b>NA</b>

**Fund Expenses**

Management Fees %	0.06
12b1 Expense %	NA
<b>Net Expense Ratio %</b>	<b>0.07</b>
<b>Gross Expense Ratio %</b>	<b>0.07</b>

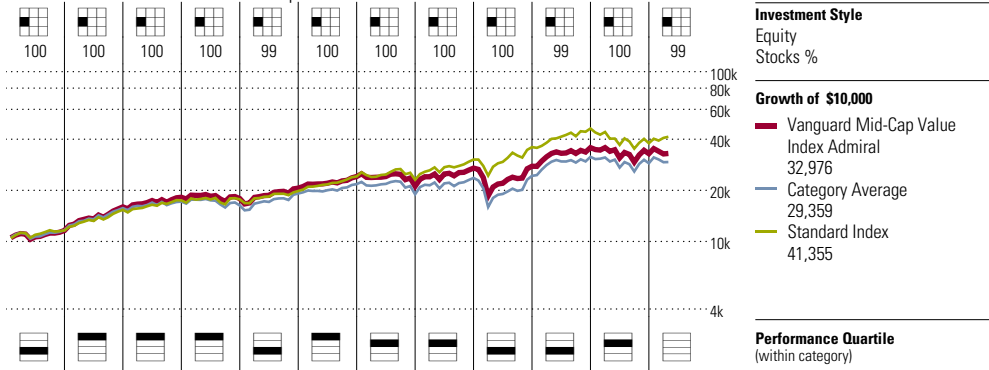
**Risk and Return Profile**

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	3★	3★	4★
Morningstar Risk	-Avg	Avg	Avg
Morningstar Return	Avg	Avg	+Avg
Standard Deviation	18.06	21.22	16.60
Mean	16.38	6.67	9.35
Sharpe Ratio	0.86	0.34	0.57

**MPT Statistics**

	Standard Index	Best Fit Index
Alpha	3.07	-0.97
Beta	0.90	0.98
R-Squared	79.69	99.15
12-Month Yield	—	2.28%
Potential Cap Gains Exp	—	4.96%

**Morningstar Medalist Rating™** 100.00 **Analyst-Driven %** 100.00 **Morningstar Rating™** ★★★★★ **Standard Index** S&P 500 TR USD **Category Index** Russell Mid Cap Value TR USD **Morningstar Cat** US Fund Mid-Cap Value



	2012																	
30.47	41.30	46.30	44.54	50.31	57.74	49.33	61.79	61.61	77.84	70.08	69.92	NAV/Price						
16.02	37.66	13.98	-1.80	15.26	17.04	-12.42	27.99	2.54	28.76	-7.90	0.31	Total Return %						
0.02	5.27	0.30	-3.18	3.30	-4.79	-8.04	-3.49	-15.86	0.05	10.21	-8.86	+/- Standard Index						
-2.48	4.20	-0.77	2.98	-4.74	3.70	-0.13	0.93	-2.42	0.42	4.13	-1.01	+/- Category Index						
57	25	11	17	71	13	45	32	55	53	47	—	% Rank Cat						
425	415	460	471	399	405	417	422	415	413	405	401	No. of Funds in Cat						

**Portfolio Analysis 04-30-2023**

Asset Allocation % 03-31-2023	Net %	Long %	Short %	Share Chg since 03-2023	Share Amount	Holdings : 190 Total Stocks, 0 Total Fixed-Income, 18% Turnover Ratio	Net Assets %
Cash	0.58	0.63	0.05				
US Stocks	97.69	97.69	0.00				
Non-US Stocks	1.74	1.74	0.00	⊕	6 mil	Corteva Inc	1.39
Bonds	0.00	0.00	0.00	⊕	2 mil	Arthur J. Gallagher & Co	1.31
Other/Not Clsfd	0.00	0.00	0.00	⊕	2 mil	Nucor Corp	1.28
Total	100.00	100.05	0.05	⊕	5 mil	PACCAR Inc	1.24
				⊕	7 mil	Carrier Global Corp Ordinary Shares	1.24
				⊕	20 mil	PG&E Corp	1.16
				⊖	5 mil	Centene Corp	1.13
				⊕	3 mil	Consolidated Edison Inc	1.10
				⊕	1 mil	Rockwell Automation Inc	1.09
				⊕	9 mil	VICI Properties Inc Ordinary Shares	1.06
				⊕	940,409	Ameriprise Financial Inc	1.05
				⊕	6 mil	The Kroger Co	1.03
				⊕	3 mil	D.R. Horton Inc	0.98
				⊕	2 mil	Dollar Tree Inc	0.98
				⊕	3 mil	WEC Energy Group Inc	0.97

**Equity Style**

Value	Blend	Growth	Large	Mid	Small
■	■	■	■	■	■

**Portfolio Statistics**

P/E Ratio TTM	14.9	0.70	1.04
P/C Ratio TTM	10.2	0.67	1.08
P/B Ratio TTM	2.1	0.55	1.15
Geo Avg Mkt Cap \$mil	21653	0.11	1.65

**Fixed-Income Style**

Ltd	Mod	Ext	High	Mid	Low
■	■	■	■	■	■

**Credit Quality Breakdown —**

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

**Regional Exposure**

	Stocks %	Rel Std Index
Americas	98.3	0.99
Greater Europe	1.3	1.24
Greater Asia	0.4	11.66

**Sector Weightings**

	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>44.2</b>	<b>1.59</b>
Basic Materials	6.0	2.53
Consumer Cyclical	9.6	0.95
Financial Services	17.7	1.40
Real Estate	11.0	4.17
<b>Sensitive</b>	<b>25.6</b>	<b>0.54</b>
Communication Services	2.7	0.32
Energy	2.9	0.63
Industrials	13.1	1.60
Technology	6.9	0.26
<b>Defensive</b>	<b>30.2</b>	<b>1.22</b>
Consumer Defensive	7.0	0.96
Healthcare	9.4	0.65
Utilities	13.8	4.79

**Operations**

Family:	Vanguard	Base Currency:	USD	Purchase Constraints:	—
Manager:	Multiple	Ticker:	VMVAX	Incept:	09-27-2011
Tenure:	16.8 Years	ISIN:	US9219376947	Type:	MF
Objective:	Growth	Minimum Initial Purchase:	\$3,000	Total Assets:	\$15,273.78 mil

# 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> \$6,800 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1474
---	--	--	--	--	---------------------------------------	---	-----------------------------------	----------------------------

## Investment objective

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

## Investment strategy

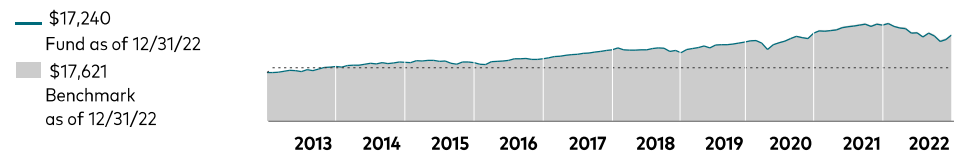
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2020 (the target year). The trust's asset allocation will become more conservative over time, meaning that 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.

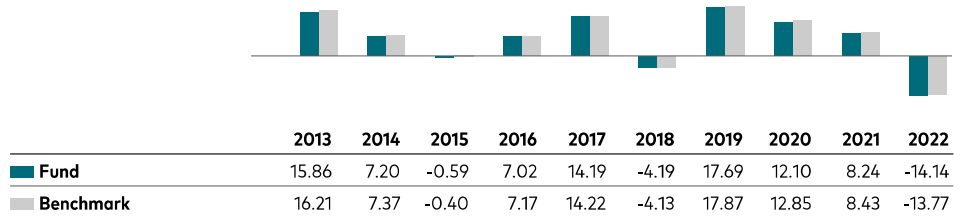
## Benchmark

Target Retirement 2020 Composite Ix

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



## Annual returns



## Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	4.78%	4.78%	-5.22%	6.93%	4.36%	5.84%
<b>Benchmark</b>	4.67%	4.67%	-5.12%	7.17%	4.66%	6.06%

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.

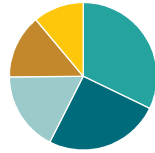
Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 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	32.2%
Total Stock Market Index Plus	25.3
Inst Ttl Intl Stk Idx Trust II	17.3

Total Intl Bnd II	14.1
STerm Inf Pro Sec Idx Fund	11.1

\*Fund holdings are subject to change.

**Connect with Vanguard**® • [vanguard.com](https://vanguard.com)

#### 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 trusts that invest mostly in bonds, but lower than those investing mostly in stocks. As the trust's allocation between underlying funds gradually changes, the trust's overall level of risk also will decline. 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 trust to underperform other trusts 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 2020 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# 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> \$13,952 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1475
---	--	--	--	--	--	---	-----------------------------------	----------------------------

## Investment objective

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

## Investment strategy

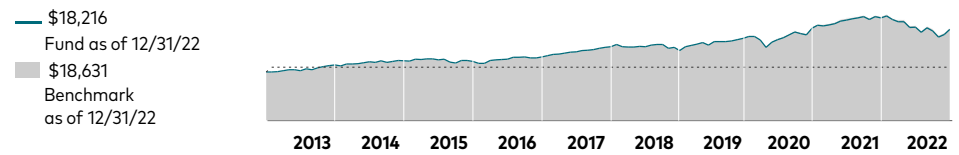
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2025 (the target year). The trust's asset allocation will become more conservative over time, meaning that 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.

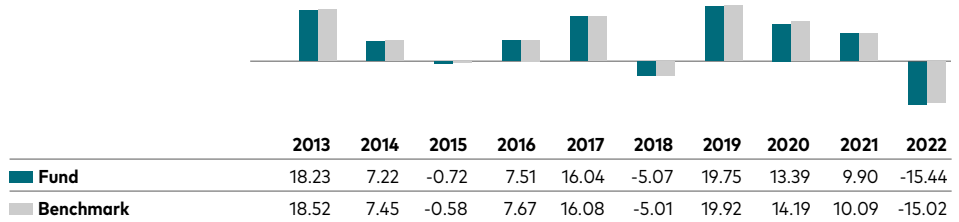
## Benchmark

Target Retirement 2025 Composite Ix

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



## Annual returns



## Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	5.33%	5.33%	-5.79%	8.42%	4.88%	6.45%
<b>Benchmark</b>	5.21%	5.21%	-5.68%	8.68%	5.21%	6.68%

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.

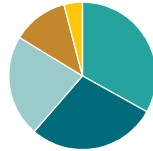
Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 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	33.1%
Total Bond Market II Index	28.3
Inst Ttl Intl Stk Idx Trust II	22.3

Total Intl Bnd II	12.2
STerm Inf Pro Sec Idx Fund	4.1

\*Fund holdings are subject to change.

**Connect with Vanguard** • [vanguard.com](https://vanguard.com)

#### 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 trusts that invest mostly in bonds, but lower than those investing mostly in stocks. As the trust's allocation between underlying funds gradually changes, the trust's overall level of risk also will decline. 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 trust to underperform other trusts 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 2025 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# 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> \$16,956 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1476
---	--	--	--	--	--	---	-----------------------------------	----------------------------

## Investment objective

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

## Investment strategy

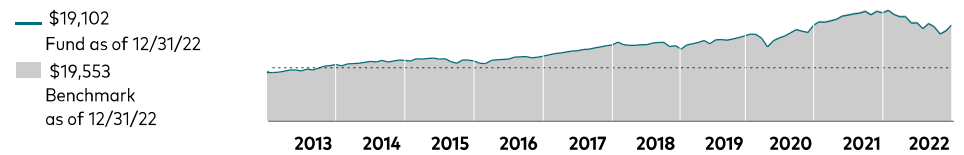
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2030 (the target year). The trust's asset allocation will become more conservative over time, meaning that 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.

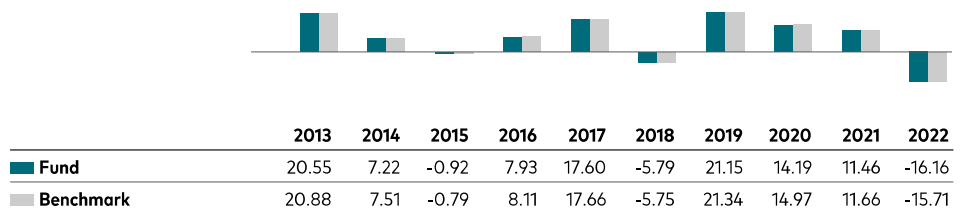
## Benchmark

Target Retirement 2030 Composite Ix

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



## Annual returns



## Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	5.65%	5.65%	-6.14%	9.74%	5.29%	6.97%
<b>Benchmark</b>	5.59%	5.59%	-6.00%	10.04%	5.64%	7.21%

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	38.1%	Total Bond Market II Index	25.2
Inst Ttl Intl Stk Idx Trust II	25.8	Total Intl Bnd II	10.9

\*Fund holdings are subject to change.

**Connect with Vanguard**® • [vanguard.com](https://vanguard.com)

### 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# 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> \$15,960 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1477
--	--	--	--	--	--	---	-----------------------------------	----------------------------

## Investment objective

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

## Investment strategy

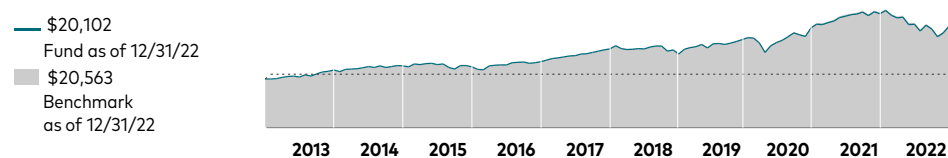
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2035 (the target year). The trust's asset allocation will become more conservative over time, meaning that 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 March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	5.94%	5.94%	-6.29%	11.22%	5.77%	7.52%
<b>Benchmark</b>	5.87%	5.87%	-6.21%	11.48%	6.11%	7.76%

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 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	42.5%
Inst Ttl Intl Stk Idx Trust II	28.7

Total Bond Market II Index	20.1
Total Intl Bnd II	8.7

\*Fund holdings are subject to change.

**Connect with Vanguard** • [vanguard.com](https://vanguard.com)

#### 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 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 trust's allocation between underlying funds gradually changes, the trust's overall level of risk also will decline. 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 trust 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 2035 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# 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> \$14,782 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1478
---	--	--	--	--	--	---	-----------------------------------	----------------------------

## Investment objective

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

## Investment strategy

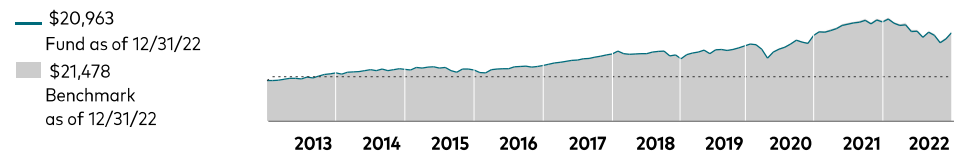
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2040 (the target year). The trust's asset allocation will become more conservative over time, meaning that 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.

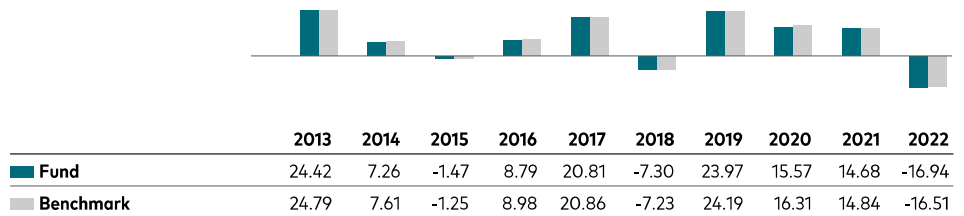
## Benchmark

Target Retirement 2040 Composite Ix

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



## Annual returns



## Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	6.21%	6.21%	-6.50%	12.65%	6.20%	7.99%
<b>Benchmark</b>	6.16%	6.16%	-6.43%	12.93%	6.55%	8.25%

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.

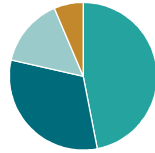
Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 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	46.9%
Inst Ttl Intl Stk Idx Trust II	31.7

Total Bond Market II Index	15.0
Total Intl Bnd II	6.4

\*Fund holdings are subject to change.

**Connect with Vanguard**® • [vanguard.com](https://vanguard.com)

#### 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. As the trust's allocation between underlying funds gradually changes, the trust's overall level of risk also will decline. 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 trust 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 2040 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# Vanguard Target Retirement 2045 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> \$13,298 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 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

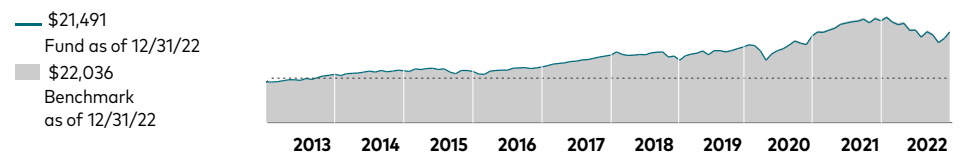
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2045 (the target year). The trust's asset allocation will become more conservative over time, meaning that 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.

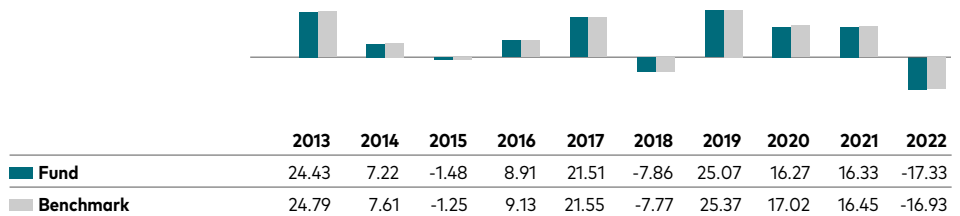
## Benchmark

Target Retirement 2045 Composite Ix

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



## Annual returns



## Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	6.49%	6.49%	-6.67%	14.10%	6.65%	8.29%
<b>Benchmark</b>	6.44%	6.44%	-6.67%	14.38%	7.01%	8.56%

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.

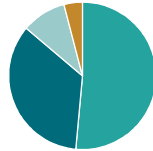
Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 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	51.5%
Inst Ttl Intl Stk Idx Trust II	34.7

Total Bond Market II Index	9.7
Total Intl Bnd II	4.1

\*Fund holdings are subject to change.

**Connect with Vanguard** • [vanguard.com](https://vanguard.com)

#### 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. As the trust's allocation between underlying funds gradually changes, the trust's overall level of risk also will decline. 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 trust 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 2045 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# 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> \$11,880 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 02/29/08	<b>Fund number</b> 1480
--	--	--	--	--	--	---	-----------------------------------	----------------------------

## Investment objective

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

## Investment strategy

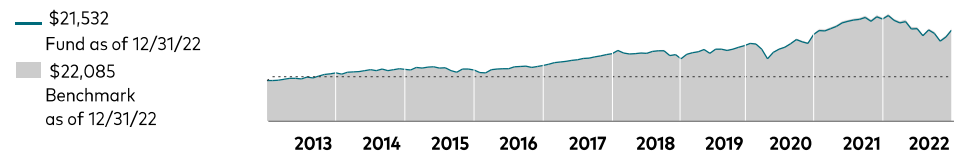
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2050 (the target year). The trust's asset allocation will become more conservative over time, meaning that 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.

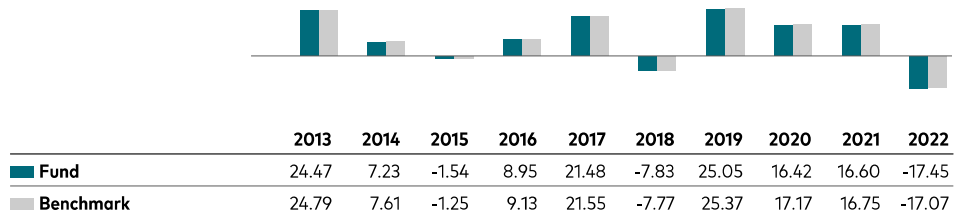
## Benchmark

Target Retirement 2050 Composite Ix

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



## Annual returns



## Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	6.62%	6.62%	-6.70%	14.22%	6.73%	8.32%
<b>Benchmark</b>	6.58%	6.58%	-6.71%	14.51%	7.08%	8.59%

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	54.0%	Total Bond Market II Index	6.7
Inst Ttl Intl Stk Idx Trust II	36.5	Total Intl Bnd II	2.8

\*Fund holdings are subject to change.

**Connect with Vanguard**® • [vanguard.com](https://vanguard.com)

#### 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. As the trust's allocation between underlying funds gradually changes, the trust's overall level of risk also will decline. 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 trust 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 2050 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# Vanguard Target Retirement 2055 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	\$7,691 MM	0.075%	08/31/10	1489

## Investment objective

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

## Investment strategy

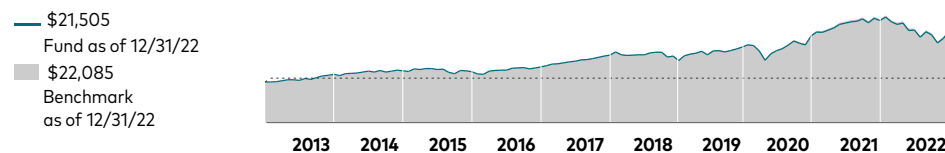
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2055 (the target year). The trust's asset allocation will become more conservative over time, meaning that 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.

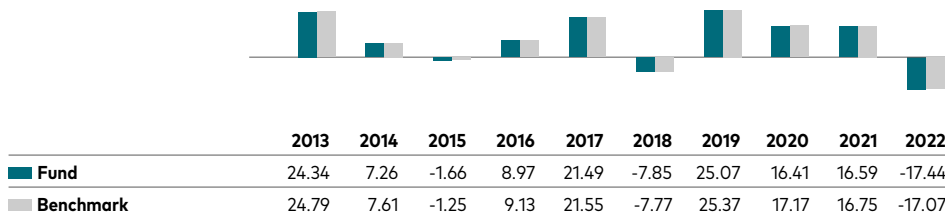
## Benchmark

Target Retirement 2055 Composite Ix

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



## Annual returns



## Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	6.65%	6.65%	-6.68%	14.23%	6.73%	8.31%
<b>Benchmark</b>	6.58%	6.58%	-6.71%	14.51%	7.08%	8.59%

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.

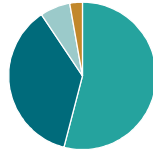
Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 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.

# Vanguard Target Retirement 2055 Trust II

Balanced fund (stocks and bonds)

### Allocation of underlying funds\*



Total Stock Market Index Plus	54.1%
Inst Ttl Intl Stk Idx Trust II	36.5

Total Bond Market II Index	6.6
Total Intl Bnd II	2.8

\*Fund holdings are subject to change.

**Connect with Vanguard** • [vanguard.com](https://vanguard.com)

#### 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. As the trust's allocation between underlying funds gradually changes, the trust's overall level of risk also will decline. 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 trust 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 2055 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# 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> \$3,915 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 03/01/12	<b>Fund number</b> 1693
---	--	--	--	--	---------------------------------------	---	-----------------------------------	----------------------------

## Investment objective

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

## Investment strategy

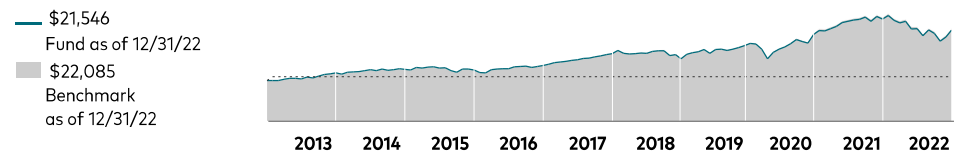
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2060 (the target year). The trust's asset allocation will become more conservative over time, meaning that 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.

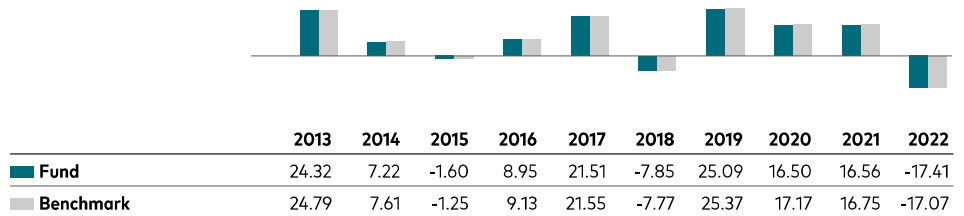
## Benchmark

Target Retirement 2060 Composite Ix

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



## Annual returns



## Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	6.67%	6.67%	-6.65%	14.26%	6.75%	8.34%
<b>Benchmark</b>	6.58%	6.58%	-6.71%	14.51%	7.08%	8.59%

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.

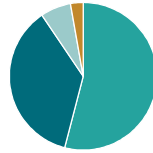
Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Target Retirement 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	54.1%	Total Bond Market II Index	6.7
Inst Ttl Intl Stk Idx Trust II	36.4	Total Intl Bnd II	2.8

\*Fund holdings are subject to change.

**Connect with Vanguard**® • [vanguard.com](https://vanguard.com)

#### 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. As the trust's allocation between underlying funds gradually changes, the trust's overall level of risk also will decline. 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 trust 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 2060 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# 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> \$952 MM	<b>Expense ratio as of 03/31/21</b> 0.075%	<b>Inception date</b> 07/17/17	<b>Fund number</b> 1794
--	--	--	--	--	-------------------------------------	---	-----------------------------------	----------------------------

## 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.

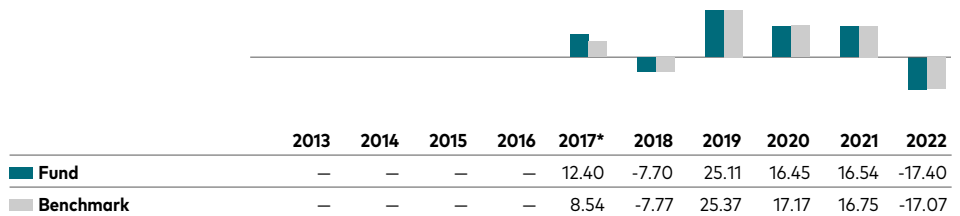
## Benchmark

Target Retirement 2065 Composite Ix

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



## Annual returns



## Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Since inception
<b>Fund</b>	6.67%	6.67%	-6.62%	14.26%	6.76%	8.01%
<b>Benchmark</b>	6.58%	6.58%	-6.71%	14.51%	7.08%	-

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.

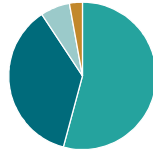
\* Partial return since fund started, July 17, 2017.

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	54.2%	Total Bond Market II Index	6.4
Inst Ttl Intl Stk Idx Trust II	36.5	Total Intl Bnd II	2.9

**Connect with Vanguard** • [vanguard.com](https://vanguard.com)

### 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. As the trust's allocation between underlying funds gradually changes, the trust's overall level of risk also will decline. 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 trust 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 2065 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# Vanguard Target Retirement 2070 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 04/07/22</b>	<b>Inception date</b>	<b>Fund number</b>
1	2	3	4	5	\$31 MM	0.075%	04/07/22	VO06

## Investment objective

Vanguard Target Retirement 2070 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 2070 (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 2070, 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 2070 Composite Index

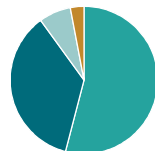
## Total returns

	Periods ended March 31, 2023		
	Quarter	Year to date	Since inception
<b>Fund</b>	6.59%	6.59%	-5.40%
<b>Benchmark</b>	6.58%	6.58%	—

**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.

## Allocation of underlying funds



Total Stock Market Index Plus	54.1%	Total Bond Market II Index	7.0
Inst Ttl Intl Stk Idx Trust II	35.9	Total Intl Bnd II	3.0

Target Retirement 2070 Composite Index: 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 2070 Trust II

Balanced fund (stocks and bonds)

**Connect with Vanguard** • [vanguard.com](https://www.vanguard.com)

**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. As the trust's allocation between underlying funds gradually changes, the trust's overall level of risk also will decline. 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 trust 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 2070 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 2070 Trust II is not guaranteed at any time, including on or after the target date.

**Note on frequent trading restrictions**

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://www.vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**For more information about Vanguard funds or to obtain a prospectus, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://www.vanguard.com) or call 800-523-1188.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call 855-402-2646.

**Visit [vanguard.com](https://www.vanguard.com) to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.**

# 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	\$4,417 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

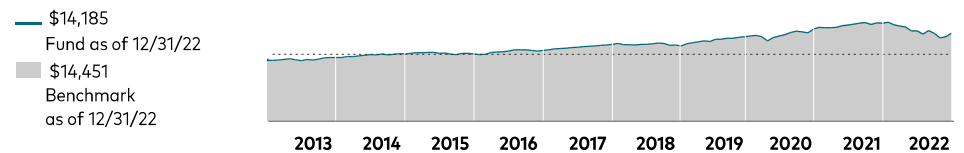
The trust invests in other Vanguard mutual funds and trusts according to an asset allocation strategy designed for investors currently in retirement. The underlying holdings are: Vanguard Total Stock Market Index Fund, Vanguard Total Bond Market II Index Fund, Vanguard Institutional Total International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

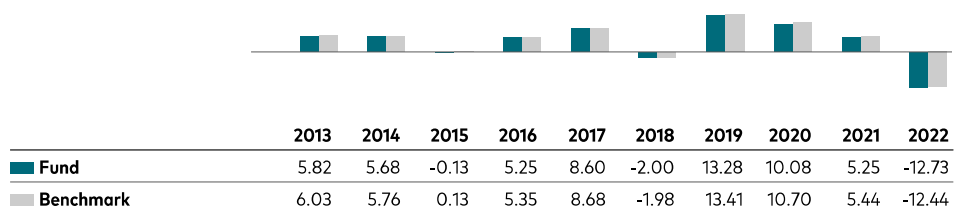
## Benchmark

Target Retirement Income Compos. Ix

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



## Annual returns



## Total returns

	Periods ended March 31, 2023					
	Quarter	Year to date	One year	Three years	Five years	Ten years
<b>Fund</b>	4.27%	4.27%	-4.47%	3.87%	3.31%	3.84%
<b>Benchmark</b>	4.13%	4.13%	-4.45%	4.06%	3.53%	4.03%

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 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	37.1%
Total Stock Market Index Plus	17.7
STerm Inf Pro Sec Idx Fund	16.8

Total Intl Bnd II	16.3
Inst Ttl Intl Stk Idx Trust II	12.1

\*Fund holdings are subject to change.

Connect with Vanguard® • [vanguard.com](https://www.vanguard.com)

#### 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

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://www.vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**This collective trust is managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., and is not a mutual fund. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing.**

**For more information about Vanguard investments, see below for which situation is right for you.**

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://www.vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

# Vanguard Total Bond Market Index I (USD)

<b>Morningstar Medalist Rating™</b> Gold 06-30-2022	<b>Analyst-Driven %</b> 100.00 <b>Data Coverage %</b> 100.00	<b>Morningstar Rating™</b> ★★★ 416 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
---	---	--	---	---	--

Performance 04-30-2023					
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	—	—	—	3.74
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-0.35	-3.14	1.21	1.30	4.31
Std 03-31-2023	-4.70	—	0.93	1.34	4.30
Total Return	-0.35	-3.14	1.21	1.30	4.31
+/- Std Index	0.08	0.01	0.03	-0.02	—
+/- Cat Index	0.08	0.01	0.03	-0.02	—
% Rank Cat	25	64	32	34	—
No. in Cat	461	416	380	282	—

7-day Yield	Subsidized	Unsubsidized
30-day SEC Yield 05-16-23	4.04	4.03

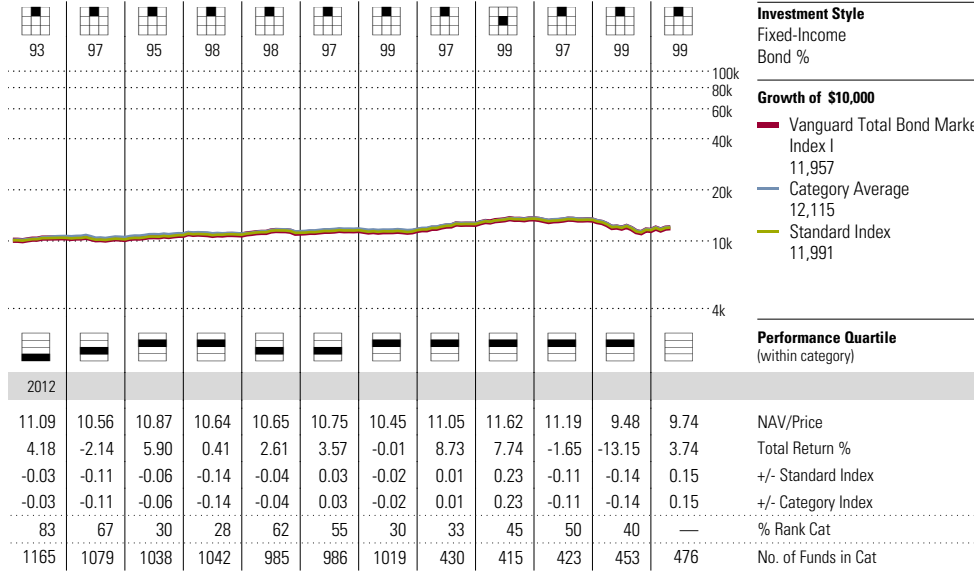
**Performance Disclosure**  
The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.  
The performance data quoted represents past performance and does not guarantee future results. The investment 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.

<b>Sales Charges</b>	
<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>

	3 Yr	5 Yr	10 Yr
	416 funds	380 funds	282 funds
Morningstar Rating™	3★	4★	3★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	Avg	+Avg	Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	6.24	5.50	4.44
Mean	-3.14	1.21	1.30
Sharpe Ratio	-0.69	-0.04	0.09

MPT Statistics	Standard Index	Best Fit Index
	Bloomberg US Agg Bond TR USD	Bloomberg US Agg Bond TR USD
Alpha	0.04	0.04
Beta	1.01	1.01
R-Squared	99.72	99.72
12-Month Yield		2.67%
Potential Cap Gains Exp		12.16%

<b>Operations</b>	
Family:	Vanguard
Manager:	Joshua Barrickman
Tenure:	10.3 Years
Objective:	Income



<b>Asset Allocation % 03-31-2023</b>	Net %	Long %	Short %	Share Chg since 03-2023	Share Amount	Holdings :	Net Assets %
Cash	0.87	0.87	0.00			0 Total Stocks , 14,566 Total Fixed-Income, 40% Turnover Ratio	
US Stocks	0.00	0.00	0.00		1,932 mil	United States Treasury Notes 0.75%	0.60
Non-US Stocks	0.00	0.00	0.00		1,623 mil	United States Treasury Notes 4.125%	0.58
Bonds	99.12	99.45	0.33		1,732 mil	United States Treasury Notes 1.375%	0.50
Other/Not Clsfd	0.01	0.01	0.00	⊕	1,470 mil	United States Treasury Notes 2%	0.48
Total	100.00	100.33	0.33		1,658 mil	United States Treasury Notes 0.875%	0.47

<b>Equity Style</b>	Value	Blend	Growth	Port Avg	Rel Index	Rel Cat
	—	—	—	—	—	—
<b>Portfolio Statistics</b>	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	Avg Eff Maturity	8.90
	—	—	—	Avg Eff Duration	6.56
	—	—	—	Avg Wtd Coupon	2.92
	—	—	—	Avg Wtd Price	91.79

<b>Credit Quality Breakdown 03-31-2023</b>	Bond %
AAA	71.15
AA	2.90
A	11.99
BBB	13.96
BB	0.00
B	0.00
Below B	0.00
NR	0.00

<b>Regional Exposure</b>	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

<b>Sector Weightings</b>	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	—	—

# Voya Fixed Account – 457/401 II - State of Nevada

The Voya Fixed Account – 457/401 II is available through a group annuity or other type of contract issued by Voya Retirement Insurance and Annuity Company (“VRIAC” or the “Company”). The Voya Fixed Account – 457/401 II is an obligation of VRIAC’s general account which supports all of the Company’s insurance and annuity commitments. All guarantees are based on the financial strength and claims-paying ability of VRIAC, which is solely responsible for all obligations under its contracts.

Asset Class: **Stability of Principal**

## Important Information

This information should be read in conjunction with your contract prospectus, contract prospectus summary or disclosure booklet, as applicable. Please read them carefully before investing.

## Voya Retirement Insurance and Annuity Company

One Orange Way  
Windsor, CT 06095-4774  
[www.voyaretirementplans.com](http://www.voyaretirementplans.com)

## Objective

Stability of principal is the primary objective of this investment option. The Voya Fixed Account – 457/401 II guarantees minimum rates of interest and may credit interest that exceeds the guaranteed minimum rates. Daily credited interest becomes part of principal and the investment increases through compound interest. All amounts invested by your plan in the Voya Fixed Account – 457/401 II receive the same credited rate. This is known as a portfolio method of interest rate crediting.

## Key Features

The Voya Fixed Account – 457/401 II is intended to be a long-term investment for participants seeking stability of principal. The assets supporting it are invested by VRIAC with this goal in mind. Therefore, VRIAC may impose restrictions on transfers and withdrawals involving the Voya Fixed Account – 457/401 II if Competing Investment Options (as defined below) are offered, or if you have a choice between multiple service providers. These restrictions help VRIAC to provide stable credited interest rates which historically have not varied significantly from month to month despite the general market’s volatility in new money interest rates.

## Restrictions on Transfers from the Voya Fixed Account – 457/401 II

Transfers from the Voya Fixed Account – 457/401 II will be subject to the equity wash restrictions shown below.

## Equity Wash Restrictions on Transfers

Transfers between investment options are allowed at any time, subject to the following provisions:

- (a) Direct transfers from the Voya Fixed Account – 457/401 II cannot be made to a Competing Investment Option;
- (b) A transfer from the Voya Fixed Account – 457/401 II to other investment options under the contract cannot be made if a transfer to a Competing Investment Option has taken place within 90 days;
- (c) A transfer from the Voya Fixed Account – 457/401 II to other investment options under the contract cannot be made if a non-benefit withdrawal from a non-Competing Investment Option has taken place within 90 days; and
- (d) A transfer from a non-Competing Investment Option to a Competing Investment Option cannot be made if a transfer from the Voya Fixed Account – 457/401 II has taken place within 90 days.

## Competing Investment Option

As used throughout this document, a Competing Investment Option is defined as any investment option that:

- (a) Provides a direct or indirect investment performance guarantee;
- (b) Is, or may be, invested primarily in assets other than common or preferred stock;
- (c) Is, or may be, invested primarily in financial vehicles (such as mutual funds, trusts or insurance company contracts) which are invested in assets other than common or preferred stock;
- (d) Is available through an account with a brokerage firm designated by the Company and made available by the Contract Holder (as defined in the contract) as an additional investment under the plan;
- (e) Is a self-directed brokerage arrangement;
- (f) Is any fund with similar characteristics to the above as reasonably determined by the Company; or

- (g) Is any fund with a targeted duration of less than three years (e.g. money market funds).

For more information regarding Competing Investment Options in your plan, please contact the Customer Contact Center at (800) 584-6001.

## Requests for Full Withdrawals

Withdrawals from the Voya Fixed Account – 457/401 II are allowed to pay benefits to participants at any time. However, if the plan, as the Contract Holder, requests a full withdrawal of all participant accounts held in the Voya Fixed Account – 457/401 II, VRIAC will pay amounts in the Voya Fixed Account – 457/401 II in one of the following two ways, as elected by the plan:

- (a) In equal annual principal payments, with interest, over a period not to exceed 60 months; or
- (b) At the completion of each 5-year period measured from the plan effective date (the “applicable anniversary date”), as a lump sum. Request for this option must be made in writing by the plan and received by us in our home office at least 12 months prior to the applicable anniversary date. Payout of all amounts held within the Voya Fixed Account – 457/401 II would then occur no later than the next applicable anniversary date. Full withdrawal requests at any other time would be subject to the provisions of option (a) above.

## Interest Rate Structure

The Voya Fixed Account – 457/401 II guarantees principal and a guaranteed minimum interest rate (“GMIR”) for the life of the contract, as well as featuring two declared interest rates: a current rate, determined at least monthly, and a guaranteed minimum floor rate declared for a defined period – currently one calendar year. The guaranteed minimum floor rate may change after a defined period, but it will never be lower than the GMIR that applies for the life of the contract. The current rate, the guaranteed minimum floor rate and the GMIR are expressed as annual effective yields. Taking the effect of compounding into account, the interest credited to your account daily yields the then current credited rate.

VRIAC’s determination of credited interest rates reflects a number of

factors, which may include mortality and expense risks, interest rate guarantees, the investment income earned on invested assets and the amortization of any capital gains and/or losses realized on the sale of invested assets. Under this option, VRIAC assumes the risk of investment gain or loss by guaranteeing the principal amount you allocate to this option and promising a minimum interest rate during the accumulation period and also throughout the annuity payout period, if applicable.

Currently, the guaranteed minimum floor rate equals the GMIR. The current rate to be credited under a contract may be higher than the GMIR/guaranteed minimum floor rate and may be changed at any time, except that VRIAC will not apply a decrease to the current rate following a rate change initiated solely by us prior to the last day of the three-month period measured from the first day of the month in which such change was effective. The current rate for a plan's initial investment in the Voya Fixed Account – 457/401 II may be in effect for less than a full three-month period.

**Credited Interest Rate**

The Voya Fixed Account – 457/401 II will earn interest at a rate no less than 3.10% through December 31, 2021, and 3.00% through December 31, 2024.

The Voya Fixed Account – 457/401 II's GMIR for the life of the contract is 1.00%.

Any insurance products, annuities and funding agreements that you may have purchased are issued by Voya Retirement Insurance and Annuity Company ("VRIAC"). VRIAC is solely responsible for meeting its obligations. Plan administrative services provided by VRIAC or Voya Institutional Plan Services, LLC ("VIPS"). Neither VRIAC nor VIPS engage in the sale or solicitation of securities. If custodial or trust agreements are part of this arrangement, they may be provided by Voya Institutional Trust Company. All companies are members of the Voya® family of companies. Securities distributed by Voya Financial Partners, LLC (member SIPC) or other broker-dealers with which it has a selling agreement. All products or services may not be available in all states.

# 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 03-31-2023

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 %
American Funds Europacific Growth R6	—	—	-3.26	3.25	5.99	7.84	05-01-2009	NA	NA	0.46	0.46	NA
MFS Value R4	—	—	-3.78	7.87	9.75	8.24	04-01-2005	NA	NA	0.55 <sup>1</sup>	0.56	NA
Sterling Capital Total Return Bond R6	—	—	-4.68	1.36	—	1.25	02-01-2018	NA	NA	0.35 <sup>2</sup>	0.48	NA
T. Rowe Price Growth Stock I	—	—	-18.06	7.48	—	10.21	08-28-2015	NA	NA	0.53	0.53	NA
Vanguard Extended Market Index InstlPlus	—	—	-14.13	6.06	8.94	9.25	01-14-2011	NA	NA	0.04	0.04	NA
Vanguard Institutional Index Instl Pl	—	—	-7.75	11.18	12.23	8.05	07-07-1997	NA	NA	0.02	0.02	NA
Vanguard Mid-Cap Growth Index Admiral	—	—	-11.75	9.28	10.55	11.93	09-27-2011	NA	NA	0.07	0.07	NA

©2023 Morningstar. All Rights Reserved. Unless otherwise provided in a separate agreement, you may use this report only in the country in which its original distributor is based. The information, data, analyses and opinions contained herein (1) include the confidential and proprietary information of Morningstar, (2) may include, or be derived from, account information provided by your financial professional which cannot be verified by Morningstar, (3) may not be copied or redistributed, (4) do not constitute investment advice offered by Morningstar, (5) are provided solely for informational purposes and therefore are not an offer to buy or sell a security, and (6) are not warranted to be correct, complete or accurate. Except as otherwise required by law, Morningstar shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. Opinions expressed are as of the date written and are subject to change without notice. Investment research is produced and issued by subsidiaries of Morningstar, Inc. including, but not limited to, Morningstar Research Services LLC, registered with and governed by the U.S. Securities and Exchange Commission. This report is supplemental sales literature. If applicable it must be preceded or accompanied by a prospectus, or equivalent, and disclosure statement. Please see important disclosures at the end of this report.

**Annualized returns 03-31-2023**

<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 Mid-Cap Value Index Admiral	—	—	-8.26	6.61	9.46	11.72	09-27-2011	<b>NA</b>	<b>NA</b>	<b>0.07</b>	<b>0.07</b>	<b>NA</b>
Vanguard Total Bond Market Index I	—	—	-4.70	0.93	1.34	4.30	09-18-1995	<b>NA</b>	<b>NA</b>	<b>0.04</b>	<b>0.04</b>	<b>NA</b>
<b>Bloomberg US Agg Bond TR USD</b>			<b>-4.78</b>	<b>0.91</b>	<b>1.36</b>	—	<b>01-03-1980</b>					
<b>Bloomberg US Universal TR USD</b>			<b>-4.61</b>	<b>1.05</b>	<b>1.62</b>	—	<b>12-31-1998</b>					
<b>Morningstar Gbl xUS Growth TME NR USD</b>			<b>-6.04</b>	—	—	—	<b>11-24-2021</b>					
<b>Morningstar US Core Bd TR USD</b>			<b>-4.73</b>	—	—	—	<b>05-01-2019</b>					
<b>Morningstar US LM Brd Growth TR USD</b>			<b>-14.03</b>	—	—	—	<b>12-21-2020</b>					
<b>Morningstar US LM Brd Val TR USD</b>			<b>-4.32</b>	—	—	—	<b>12-21-2020</b>					
<b>Morningstar US Mid Brd Grt TR USD</b>			<b>-9.64</b>	—	—	—	<b>12-21-2020</b>					
<b>Morningstar US Mid Brd Val TR USD</b>			<b>-7.66</b>	—	—	—	<b>12-21-2020</b>					
<b>Morningstar US Sml Brd Grt Ext TR USD</b>			<b>-11.02</b>	—	—	—	<b>12-21-2020</b>					
<b>MSCI ACWI Ex USA Growth NR USD</b>			<b>-6.35</b>	<b>3.36</b>	<b>5.08</b>	—	<b>01-01-2001</b>					
<b>MSCI ACWI Ex USA NR USD</b>			<b>-5.07</b>	<b>2.47</b>	<b>4.17</b>	—	<b>01-01-2001</b>					
<b>MSCI EAFE NR USD</b>			<b>-1.38</b>	<b>3.52</b>	<b>5.00</b>	—	<b>03-31-1986</b>					
<b>Russell 1000 Growth TR USD</b>			<b>-10.90</b>	<b>13.66</b>	<b>14.59</b>	—	<b>01-01-1987</b>					
<b>Russell 1000 TR USD</b>			<b>-8.39</b>	<b>10.87</b>	<b>12.01</b>	—	<b>12-31-1978</b>					
<b>Russell 1000 Value TR USD</b>			<b>-5.91</b>	<b>7.50</b>	<b>9.13</b>	—	<b>01-01-1987</b>					
<b>Russell Mid Cap Growth TR USD</b>			<b>-8.52</b>	<b>9.07</b>	<b>11.17</b>	—	<b>02-01-1995</b>					
<b>Russell Mid Cap TR USD</b>			<b>-8.78</b>	<b>8.05</b>	<b>10.05</b>	—	<b>12-31-1978</b>					
<b>Russell Mid Cap Value TR USD</b>			<b>-9.22</b>	<b>6.54</b>	<b>8.80</b>	—	<b>12-31-1985</b>					
<b>S&amp;P 500 TR USD</b>			<b>-7.73</b>	<b>11.19</b>	<b>12.24</b>	—	<b>01-30-1970</b>					
<b>USTREAS T-Bill Auction Ave 3 Mon</b>			<b>3.28</b>	<b>1.51</b>	<b>0.94</b>	—	<b>02-28-1941</b>					

1. Contractual waiver; Expires 12-31-2023

2. Contractual waiver; Expires 01-31-2024

<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
American Funds Europacific Growth R6	-3.95	2.11	5.02	6.96	05-01-2009	-1.89	2.40	4.61	6.29
MFS Value R4	-5.76	6.48	8.23	6.96	04-01-2005	-1.37	5.75	7.36	6.36
Sterling Capital Total Return Bond R6	-5.84	0.02	—	-0.08	02-01-2018	-2.78	0.52	—	0.44
T. Rowe Price Growth Stock I	-18.70	5.99	—	8.44	08-28-2015	-10.32	5.74	—	7.92
Vanguard Extended Market Index InstlPlus	-14.43	5.67	8.47	8.82	01-14-2011	-8.20	4.66	7.15	7.55
Vanguard Institutional Index Instl Pl	-8.45	10.24	11.40	7.45	07-07-1997	-4.17	8.78	9.98	6.76
Vanguard Mid-Cap Growth Index Admiral	-11.93	9.08	10.30	11.69	09-27-2011	-6.86	7.31	8.64	9.98
Vanguard Mid-Cap Value Index Admiral	-8.80	5.99	8.81	11.04	09-27-2011	-4.58	5.07	7.57	9.63
Vanguard Total Bond Market Index I	-5.71	-0.09	0.26	2.63	09-18-1995	-2.79	0.31	0.57	2.67



# 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, Head of Manager and Quantitative Research is responsible for overseeing the methodology that supports the Quantitatively-Driven Content. As an employee of Morningstar Research Service LLC, Mr. Davidson is guided by the Morningstar Research Service Code of Ethics and Investment Research Integrity Policy in carrying out his responsibilities. Morningstar's Manager Research Group consists of 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, manager 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 experienced 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 Gbl xUS Growth TME NR USD

The index measures the performance of large and mid-cap stocks representing the faster-growing half of global markets excluding US. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

### 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 LM Brd Growth TR USD

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

### Morningstar US LM Brd Val TR USD

The index provides a comprehensive depiction of the performance and fundamental characteristics of the Large-Mid Cap Value segment of U.S. equity markets. It targets stocks representing the cheaper half of the U.S. large- and

mid-cap market. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

#### **Morningstar US Mid Brd Grt TR USD**

The index measures the performance of US mid-cap growth stocks. It targets stocks representing the faster growing half of the mid-cap market. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

#### **Morningstar US Mid Brd Val TR USD**

The index measures the performance of US mid-cap value stocks. It targets stocks representing the cheaper half of the U.S. mid-cap market. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

#### **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 Growth NR USD**

The index measures the performance of the growth large and mid cap segments of the particular regions, excluding USA equity securities, including developed and emerging market. It is free float-adjusted market-capitalization weighted. The constituents displayed for this index are from the following proxy: iShares MSCI ACWI ETF.

#### **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 Growth TR USD**

Tracks the companies within the Russell 1000 with higher price-to-book ratios and higher forecasted growth values. The constituents displayed for this index are from the following proxy: iShares Russell 1000 Growth ETF.

#### **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 1000 Value TR USD**

Tracks the companies within the Russell 1000 with lower price-to-book ratios and lower forecasted growth values. The constituents displayed for this index are from the following proxy: iShares Russell 1000 Value ETF.

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

Tracks the companies within the Russell Midcap Index with higher price-to-book ratios and higher forecasted growth values. The constituents displayed for this index are from the following proxy: iShares Russell Mid-Cap Growth 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.

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

Tracks the companies within the Russell Midcap Index having lower price-to-book ratios and lower forecasted growth values. The constituents displayed for this index are from the following proxy: iShares Russell Mid-Cap Value 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.



## **Important Disclosures:**

The material in this Report is not to be reproduced or distributed to any other persons (other than professional advisors of the investors) and is intended solely for the use of the persons to whom it has been delivered. This material is not for distribution to the general public.

This information is being provided as a service of 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 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.

The returns on a portfolio consisting primarily of Environmental, Social and Governance (“ESG”) aware investments may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because ESG criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria. Diversification does not guarantee a profit or protect against loss in a declining financial market.

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 Hvas Group to measure performance are representative of broad asset classes. Hvas 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 Hvas Group by the plan sponsor. The plan sponsor should inform its Hvas 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.

**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.

Hvas Group is a separate business unit within Morgan Stanley Institutional Investment Advisors LLC. © Morgan Stanley, 2023.



## **STATE OF NEVADA**

### **Voya Fixed Account Summary**

March 31, 2023

Rasch Cousineau  
Senior Consultant  
[rcousineau@hyasgroup.com](mailto:rcousineau@hyasgroup.com)

~For Institutional Use Only – Not for Public Distribution~

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

# Voya Fixed Account Summary

Portfolio Data as of 3/31/2023

Voya General Account	3%	25%	35%	5%	9%	0%	17%	6%
Bloomberg Aggregate	46.6%	21.1%	26.3%	0.5%	1.1%	0.9%	3.6%	0.0%

AAA	17%	71.2%
AA	7%	2.9%
A	24%	12.0%
BBB	47%	14.0%
BB And Below	5%	0.0%

Voya Financial Strength Ratings		
Moody's	A2	Strong
S&P	A+	Strong
Fitch	A	Strong

457 Plans Crediting Rate		
2015		3.50%
2016		3.15%
2017		2.75%
1/1/2018	8/31/2018	2.50%
9/1/2018	7/10/2019	2.65%
7/11/2019	12/31/2019	2.75%
2020	2021	3.10%
2022	2024	3.00%

FICA Alternative Plan Crediting Rate		
2015		2.50%
2016		2.25%
2017		1.50%
2018		1.00%
2019		1.50%
2020	2024	2.25%

Moody's	S&P	Fitch	Credit Worthiness
Aa1	AA+	AA+	Very Strong
Aa2	AA	AA	
Aa3	AA-	AA-	
A1	A+	A+	Strong
A2	A	A	
A3	A-	A-	
Baa1	BBB+	BBB+	Adequate
Baa2	BBB	BBB	
Baa3	BBB-	BBB-	
Ba1	BB+	BB+	Less Vulnerable
Ba2	BB	BB	
Ba3	BB-	BB-	
B1	B+	B+	More Vulnerable than BB
B2	B	B	
B3	B-	B-	
Caa	CCC	CCC	Currently Vulnerable
Ca	CC	CC	Currently Highly-Vulnerable
-	C	C	Currently Highly-Vulnerable to Nonpayment
C	D	D	Has Failed to Pay Obligations Due

Portfolio and financial ratings are representative of Voya Retirement Insurance and Annuity Company (VRIAC) and their General Account Portfolio. Voya General Account information sourced from VRIAC. Benchmark data sourced from Morningstar.

## Important Disclosures

The material in this Report is not to be reproduced or distributed to any other persons (other than professional advisors of the investors) and is intended solely for the use of the persons to whom it has been delivered. This material is not for distribution to the general public.

This information is being provided as a service of 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.

**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.

**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.

Voya General Account information sourced from Voya Retirement Insurance and Annuity Company. Benchmark data sourced from Morningstar.

This document may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. Actual results could and likely will differ, sometimes materially, from those projected or anticipated. We are not undertaking any obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise. You should not take any statements regarding past trends as a representation those trends or activities will continue in the future. Accordingly, you should not put undue reliance on these statements.

Results of any sample client analyses, audits, case studies, or otherwise are representative only and are not necessarily indicative of all client results. Any fee savings, perceived favorable results, positive outcomes or otherwise are not guaranteed to and should be expected by any prospective client.

Hyas Group is a separate business unit within Morgan Stanley Institutional Investment Advisors LLC. ©Morgan Stanley, 2023.



**H Y A S**  
G R O U P

**State of Nevada 457(b) Deferred  
Compensation and OBRA Plans  
Current Investment Managers ESG Overview**

June 2023

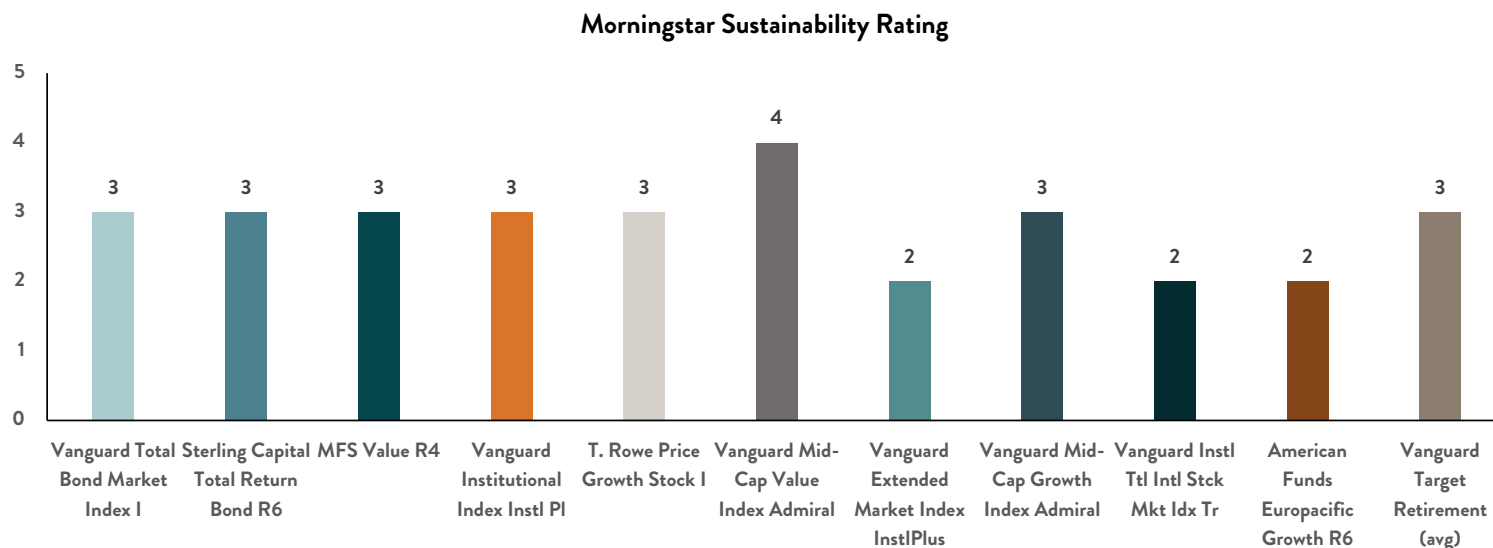
~ For Institutional Use Only - Not for Public Distribution ~

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

# State of Nevada 457(b) Deferred Compensation and OBRA Plans

Current Investment Managers ESG Overview - June 2023

## Environmental, Social, and Governance Overview



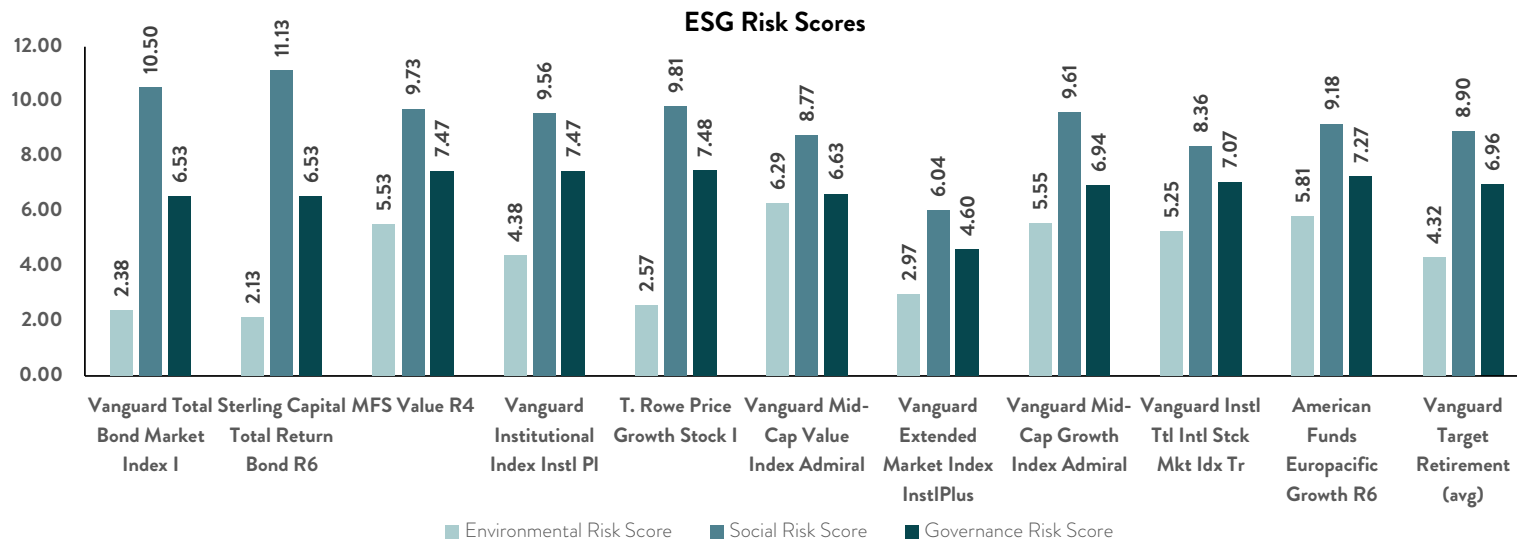
Morningstar assigns Sustainability Ratings by combining a portfolio's Corporate Sustainability Rating and Sovereign Sustainability Rating proportional to the relative weight of the (long only) corporate and sovereign positions, rounded to the nearest whole number. Sovereign Historical Sustainability Scores and Corporate Historical Sustainability Scores are ranked and rated separately, to represent the ESG risk of the portfolio relative to its peers for its respective corporate and sovereign positions, and then combined by their relative weights for the Portfolio Sustainability Rating.

Morningstar assigns Corporate and Sovereign Sustainability Ratings by ranking the respective Corporate and Sovereign Historical Sustainability Scores of all scored funds within a Morningstar Global Category. The ranked funds are divided into five groups, based on a normal distribution, and each receives a rating from "High" to "Low." For each peer group, the median scoring portfolio receives a '3' rating. Ratings are assigned to other portfolios in the peer group to achieve a normal distribution, with an exception made for cases where the scores within the peer group are not meaningfully differentiated. In practice this can mean that all portfolios within some peer groups may receive the same corporate or sovereign rating. Please note that lower risk results in a higher rating. Higher ratings indicate that a fund is, on average, invested in fewer companies or sovereign debt with a high ESG risk under Sustainalytics' ESG Risk and Country Risk methodologies, and therefore exposed to less risk driven by E, S or G factors.

# State of Nevada 457(b) Deferred Compensation and OBRA Plans

Current Investment Managers ESG Overview - June 2023

## Environmental, Social, and Governance Overview



The asset-weighted average of the Company Environmental Risk scores for the covered corporate holdings in a portfolio. Company Environmental Risk Scores from Sustainalytics measure the degree to which a company's economic value may be at risk driven by environmental factors. The environmental risk represents the unmanaged environmental risk exposure after taking into account a company's management of such risks. The Environmental Risk Scores are displayed as a number between 0 and 100, though most scores range between 0 and 25.

The asset-weighted average of the Company Social Risk Scores for the covered corporate holdings in a portfolio. Company Social Risk Scores from Sustainalytics measure the degree to which a company's economic value may be at risk driven by social factors. The social risk represents the unmanaged social risk exposure after taking into account a company's management of such risks. The Social Risk Scores are displayed as a number between 0 and 100, though most scores range between 0 and 25.

The asset-weighted average of the company Governance Risk Scores for the covered corporate holdings in a portfolio. Company Governance Risk Scores from Sustainalytics measure the degree to which a company's economic value may be at risk driven by governance factors. The governance risk represents the unmanaged governance risk exposure after taking into account a company's management of such risks. The Governance Risk Scores are displayed as a number between 0 and 100, though most scores range between 0 and 25.



# State of Nevada 457(b) Deferred Compensation and OBRA Plans

## Current Investment Managers ESG Overview - June 2023

---

### **Important Disclosures**

The material in this Report is not to be reproduced or distributed to any other persons (other than professional advisors of the investors) and is intended solely for the use of the persons to whom it has been delivered. This material is not for distribution to the general public.

This information is being provided as a service of 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.

**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.

**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.

Fund information sourced from Morningstar.

This document may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. Actual results could and likely will differ, sometimes materially, from those projected or anticipated. We are not undertaking any obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise. You should not take any statements regarding past trends as a representation those trends or activities will continue in the future. Accordingly, you should not put undue reliance on these statements.

Results of any sample client analyses, audits, case studies, or otherwise are representative only and are not necessarily indicative of all client results. Any fee savings, perceived favorable results, positive outcomes or otherwise are not guaranteed to and should be expected by any prospective client.

The returns on a portfolio consisting primarily of Environmental, Social and Governance (“ESG”) aware investments may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because ESG criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria. Diversification does not guarantee a profit or protect against loss in a declining financial market.

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

©Morgan Stanley, 2023



**STATE OF NEVADA**  
**457(b) Deferred Compensation and OBRA Plans**  
**Comparison of Capital Preservation Options**  
**May 2023**

Rasch Cousineau, Senior Consultant  
[rcousineau@hyasgroup.com](mailto:rcousineau@hyasgroup.com)

**STATE OF NEVADA**  
**457(b) Deferred Compensation and OBRA Plans**  
**Comparison of Capital Preservation Options**

**Background**

The State of Nevada uses the Voya Fixed Account as a capital preservation option within the participant-directed retirement plans it sponsors for employees and applicable beneficiaries. The rise in short-term interest rates over the past few quarters generally has depressed the market value of traditional stable value funds, causing their crediting rates to decline. In contrast, money market funds have been able to more quickly incorporate these new yield levels. This document has been prepared to provide a comparison of the performance, fees, and expected yields of the current Capital Preservation option versus money market funds.

Money market funds currently appear to offer higher expected returns. Reviewers may note however that such performance differentials typically temporarily appear as rates are rising but may eventually dissipate as rates finish climbing. Additionally, a money market fund could be treated as a competing option and assets leaving the Stable Value fund would be subject to a 90-day equity wash provision.

					<i>Trailing Returns</i>		
Fund	Ticker	Yield*	Expense	1 Year	3 Years	5 Years	
<b>Voya Fixed Account</b>	-	<b>3.00%</b>	-	<b>3.00</b>	<b>3.06</b>	<b>2.91</b>	
Fidelity Government Money Market	SPAXX	4.73%	0.42%	2.34	0.78	1.13	
Vanguard Federal Money Market	VMFXX	5.02%	0.11%	2.66	0.92	1.34	
Vanguard Treasury Money Market	VUSXX	4.82%	0.09%	2.59	0.91	1.33	

*\*Most recently available crediting rate for Stable Value and 7-day SEC Yield for Money Market funds. Performance is as of 3/31/23 and has been provided by the applicable fund company.*

#### Important Disclosures:

The material in this Report is not to be reproduced or distributed to any other persons (other than professional advisors of the investors) and is intended solely for the use of the persons to whom it has been delivered. This material is not for distribution to the general public.

This information is being provided as a service of 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.

**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.

**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.

**Asset and plan activity information provided by plan recordkeeper.** Vendor bids and corresponding information sourced from Request for Proposal responses. Expense information sourced from Morningstar.

This document may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. Actual results could and likely will differ, sometimes materially, from those projected or anticipated. We are not undertaking any obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise. You should not take any statements regarding past trends as a representation those trends or activities will continue in the future. Accordingly, you should not put undue reliance on these statements.

Results of any sample client analyses, audits, case studies, or otherwise are representative only and are not necessarily indicative of all client results. Any fee savings, perceived favorable results, positive outcomes or otherwise are not guaranteed to and should be expected by any prospective client.

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

©Morgan Stanley, 2023



HYAS GROUP

9755 SW Barnes Road, Suite 660  
Portland, Oregon 97225

MAIN 971.634.1500 FAX 503.914.0022  
www.hyasgroup.com

## 1Q | 2023 THE 457 PLAN FIDUCIARY ADVISOR NEWSLETTER

### **President Biden Vetoes Congressional Challenge to the DOL's ESG Rule**

The President exercised the first veto of his presidency on March 20<sup>th</sup> to overturn the resolution under the Congressional Review Act seeking to block and overturn the DOL's final ESG rule, which was passed by Congress on March 1<sup>st</sup>. President Biden was expected to take this action, causing this challenge to fail as neither chamber of Congress had the requisite votes required to overcome the veto. [Read more here<sup>1</sup>](#).

### **Governmental Plans Face Unique Challenges with SECURE Act 2.0 Implementation - NAGDCA asks the Treasury for regulatory guidance and clarification on provisions in SECURE 2.0 that affect government plans.**

"Section 603 requires the enhanced catch-up contributions for participants ages 60 through 63 to be made using after-tax dollars to a Roth account if the participant is a highly compensated employee, starting in 2024. [A]pproximately 20% of government plans do not have a Roth feature and would need state law and collective bargaining agreements to be updated in order to add one. [M]any government retirement plans are planning to suspend catch-up contributions entirely as a temporary solution until they are able to come into compliance with Section 603." [Read more here<sup>2</sup>](#).

### **Generational Changes in 401(k) [Plan] Behaviors**

"Automatic enrollment and the rise of target-date funds are reshaping retirement plan behavior for all generations, but those innovations are having the greatest impact on younger workers. The overall participation rate ... increased from 62% in 2006 to 82% in 2021, largely because more plans have adopted automatic enrollment. Generation Z's participation rate was more than twice as high as similarly aged employees in 2006. Overall, eligible employees deferred nearly 40% more in 2021 than in 2006." [Read more here<sup>3</sup>](#).

### **SECURE Act 2.0 Makes 529 [Plans] an Appealing Financial Wellness Option**

"SECURE 2.0 allows certain assets in a 529 plan maintained for at least 15 years for a designated beneficiary to be rolled over ...to a Roth IRA for the benefit of the beneficiary. This makes the risk an individual of being unable to access excess savings in a college savings plan without incurring the 10% withdrawal penalty (a deterrent to starting a 529 in the first place), less likely. This also makes 529 plan benefits potentially more attractive as a workplace benefit and tool for recruitment and retention." [Read more here<sup>4</sup>](#).

## CONTACT:

### **Rasch Cousineau**

[rcousineau@hyasgroup.com](mailto:rcousineau@hyasgroup.com)  
725.252.0335

### **Ted Grigsby**

[tgrigsby@hyasgroup.com](mailto:tgrigsby@hyasgroup.com)  
971.412.7701

### **Audrey White**

[awhite@hyasgroup.com](mailto:awhite@hyasgroup.com)  
971.990.3961

### **Jayson Davidson, CFA**

[jdavidsn@hyasgroup.com](mailto:jdavidsn@hyasgroup.com)  
503.964.0842

### **Greg Settle**

[gsettle@hyasgroup.com](mailto:gsettle@hyasgroup.com)  
503.707.5930

### **Vincent Galindo**

[vgalindo@hyasgroup.com](mailto:vgalindo@hyasgroup.com)  
917.227.1629

### **Ned Taylor**

[ntaylor@hyasgroup.com](mailto:ntaylor@hyasgroup.com)  
503.964.2333

<sup>1</sup> Source: March 20, 2023, SHRM: "Biden Vetoes Anti-ESG Investing Legislation"

<sup>2</sup> Source: March 28, 2023, Plan Advisor: "Government Plans Face Unique Challenges with SECURE 2.0 Implementation"

<sup>3</sup> Source: April 2023, Vanguard: "Generational Changes in 401(k) Behaviors"

<sup>4</sup> Source: March 24, 2023, Plan Sponsor: "SECURE 2.0 Makes 529s an Appealing Financial Wellness Option"

When Hyas Group, its affiliates and Hyas Group Consultants (collectively, "Hyas Group") provide "investment advice" regarding a qualified retirement plan 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, as amended (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. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a Retirement Account, and (b) regarding any potential tax, ERISA and related consequences of any investments or other transactions made with respect to a qualified retirement account.

This newsletter is being provided for informational purposes only. The information and opinions presented in this newsletter do not constitute investment advice and have been obtained from third-party sources. Hyas Group makes no representation as to their accuracy or completeness. This document contains links to third-party websites. These links are provided only as a convenience. The inclusion of any link is not, and does not imply, an affiliation, sponsorship, endorsement, approval, investigation, verification or monitoring by Morgan Stanley or Hyas Group of any information contained in any third-party website. In no event shall Morgan Stanley or Hyas Group be responsible for the information contained on that site or your use of or inability to use such site. You should also be aware that the terms and conditions of such site and the site's privacy policy may be different from those applicable to your use of any Hyas Group or Morgan Stanley website. All opinions expressed herein are subject to change. Hyas Group is a business of Morgan Stanley.

Hyas Group is not implying an affiliation, sponsorship, endorsement with/of the third party or that any monitoring is being done by Hyas Group of any information contained within the web site. Hyas Group is not responsible for the information contained on the third-party web site or the use of or inability to use such site. Nor do we guarantee their accuracy and completeness.

# NEVADA PUBLIC EMPLOYEES' DEFERRED COMPENSATION PROGRAM



## CYBERSECURITY POLICY STATEMENT

**STATE OF NEVADA**

April 2023

# NEVADA PUBLIC EMPLOYEES' DEFERRED COMPENSATION PROGRAM

## CYBERSECURITY POLICY STATEMENT

### TABLE OF CONTENTS

I.	<u>INTRODUCTION AND PURPOSE</u>	
		<b>Error</b>
	<b>! Bookmark not defined.</b>	
II.	<u>KEY DEFINITIONS</u>	
		<b>Error</b>
	<b>! Bookmark not defined.</b>	
III.	<u>TIPS FOR KEEPING YOUR ACCOUNT</u>	
		<b>Error</b>
	<b>! Bookmark not defined.</b>	
IV.	<u>RECORDKEEPER CYBERSECURITY OVERVIEW</u>	
		<b>Error</b>
	<b>! Bookmark not defined.</b>	
V.	<u>STATE OF NEVADA CYBERSECURITY OVERVIEW</u>	
		<b>Error</b>
	<b>! Bookmark not defined.</b>	
VI.	<u>STATE OF NEVADA CYBERSECURITY INCIDENT RESPONSE OVERVIEW</u>	
		<b>Error</b>



**! Bookmark not defined.**

VII. SUMMARY

EXHIBIT A – RECORDKEEPER SECURITY REQUIREMENTS

**Error**

**! Bookmark not defined.**

EXHIBIT B – STATE OF NEVADA INCIDENT RESPONSE REPORTING FORM

**Error**

**! Bookmark not defined.**

## I. Introduction and Purpose

**Cybersecurity** is defined as “measures taken to protect a computer, device or computer system (as on the internet) against unauthorized access or attack.”<sup>1</sup>

For many individuals, their largest account is not their bank account but rather their retirement account. Accounts such as those within the State of Nevada Public Employees’ Deferred Compensation Program (“NDC”). That is why it is critically important to protect these retirement accounts and their assets from outside threats.

---

The purpose of this Cybersecurity Policy is to define how NDC accounts are protected. It is important to note that Cybersecurity is a shared responsibility. Participating parties include:

- The Plans’ record keeper – currently Voya Financial® (“Voya”)
- The Plans’ consultant – currently Hvas Group, LLC
- The Plans’ audit firm – currently Casey Neilon
- The Plan Sponsor – State of Nevada
- Plan Fiduciaries – NDC Committee
- Key personnel – NDC executive director and staff
- Plan participants

This document provides an overview of the cybersecurity policies and procedures that currently apply to NDC.

It includes key cybersecurity definitions, an overview of recordkeeper cybersecurity requirements, an overview of the State of Nevada cybersecurity policy, and a review of what to do in the event of a cybersecurity incident.

The exhibits feature additional details regarding recordkeeper data security and a form to report a cybersecurity event.

The Committee and NDC Staff will review this document at least annually and update it as needed.

---

<sup>1</sup> <https://www.merriam-webster.com/dictionary/cybersecurity>

## II. Key Definitions

Please note the same Plan definitions apply in this Cybersecurity Policy as are designated in the Plan Document for the State of Nevada Public Employees Deferred Compensation Program and in Nevada Revised Statutes (NRS) 287.250 et seq. Key definitions as related to cybersecurity are as follows:

---

**“Account”** means each separate account established and maintained for a Participant under the Plan, including, as applicable, each Before-Tax Deferral Account, Roth 457(b) Account, Rollover Account, Alternate Payee Account and Beneficiary Account.

**“Administrative Staff”** refers to the appointed Executive Officer and any other administrative personnel under his or her authority or assigned to the Administration of the Plan under the authority of the State of Nevada Department of Administration Director.

**“Affected Persons”** means Client’s and its Affiliate’s former and current employees whose Personal Information (“PII”) may have been disclosed or compromised as a result of an Information Security Incident.

**“Affiliates”** means any entities that, now or in the future, control, are controlled by, or are under common control with Client. An entity will be deemed to control another entity if it has the power to direct or cause the direction of the management or policies of such entity, whether through ownership, voting securities, contract, or otherwise.

**“Committee”** means the Deferred Compensation Committee of the State of Nevada as authorized under Nevada Revised Statute (NRS) 287.250 to 287.370. The Committee has all of the power and authority to formally take action and deliberate on Plan design and Investment options on behalf of the Plan. The Committee may delegate administrative and managerial duties under this Plan to the appointed Executive Officer.

**“Confidential Information”** means (a) non-public information concerning the Disclosing Party; its affiliates; and their respective businesses, products, processes, and services, including technical, marketing, agent, customer, financial, personnel, and planning information; (b) PII; (c) trade secrets; and (d) any other information that is marked confidential or which, under the circumstances surrounding disclosure, the Non-Disclosing Party should know is treated as confidential by the Disclosing Party. Except with respect to PII, which will be treated as Confidential Information under all circumstances, Confidential Information will not include (A) information lawfully obtained or developed by the Non-Disclosing Party independently of the Disclosing Party’s Confidential Information and without breach of any obligation of confidentiality; or (B) information that enters the public domain without breach of any obligation of confidentiality. All Confidential Information will remain the property of the Disclosing Party.

**“Employee”** means any natural person or individual who receives Compensation for services from the Employer, including (a) any elected or appointed officer or employee of the Employer, (b) an officer or employee of an institution under management and control of Nevada System of Higher Education (NSHE), and (c) any employee who is included in a unit of employees covered by a negotiated bargaining agreement that specifically provides for participation in the Plan. An Employee

shall not include an independent contractor, a consultant, or any other individual classified by the Employer as not eligible to participate in the Plan.

**“Employer”** means the State of Nevada and each Participating Employer, including but not limited to the Nevada System of Higher Education (NSHE), any authorized political subdivision of the State of Nevada, and any authorized agency or instrumentality of the State of Nevada.

**“Executive Officer”** means the State of Nevada Department of Administration division administrator for the Plan appointed pursuant to NRS 232.215. The Executive Officer serves as the primary contact and support for the Committee. As delegated by the Committee, the Executive Officer manages the day-to-day operation of the Plan and oversees and serves as the appointed certified contract manager of contracts and contractors of the Plan.

**“Fraud”** is a confirmed compromise of a participant’s financial account by a fraudster using information within the fraudster’s possession or control that results in wrongful financial or personal gain or illegal access to a financial account.

**“Information Security Incident”** means any breach of security or cyber security incident impacting Voya that has a reasonable likelihood of (a) resulting in the loss or unauthorized access, use or disclosure of Client PII; (b) materially affecting the normal operation of Voya; or (c) preventing Voya from complying with all of the privacy and security requirements set forth in this Agreement.

**“Law”** means all U.S. and non-U.S. laws, ordinances, rules, regulations, declarations, decrees, directives, legislative enactments and governmental authority orders and subpoenas.

**“Participant”** means an individual or Employee who is currently deferring Compensation, or who has previously deferred Compensation under the Plan by salary reduction and who has not received a distribution of his or her entire benefit under the Plan. Only individuals who perform services for the Employer as an Employee may defer Compensation under the Plan. This includes any Employee, former Employee, beneficiary, or alternate payee who is not deceased and who has an Account or Rollover Account under the Plan and as defined in Code Section 414(p)(8).

**“Personal Identifiable Information (PII)”** Personal Identifiable Information (PII) is a type of data that identifies the unique identity of an individual.

**“Phishing”** is a type of internet fraud that seeks to acquire a user’s credentials by deception. It includes the theft of passwords, credit card numbers, bank account details, and other confidential information. Phishing messages usually take the form of fake notifications from banks, providers, e-pay systems, and other organizations. The phishing attempt will try to encourage a recipient, for one reason or another, to enter/update personal data. Common reasons given can include “suspicious login to the account,” or “expiration of the password.”

**“Plan”** means the Nevada Public Employees’ Deferred Compensation Plan (NDC) and other participating jurisdictions, as the same may be amended from time to time.

**“Recordkeeper”** means a contracted third-party administrator that the Plan may contract with and delegates certain administrative authority to establish and securely keep track of Participant Accounts, including contributions, withdrawals, balances, transactions (e.g. fund transfers), and other activities authorized by the Committee and Administrative Staff.

**“Security Breach”** is a confirmed compromise of an information system within the authority or responsibility of the recordkeeper that results in: (i) the unauthorized acquisition, disclosure, modification or use of unencrypted personal data , or encrypted personal data where the encryption key has also been compromised; and (ii) a likely risk of identity theft or fraud against the data subject. A good faith but unauthorized or unintentional acquisition, disclosure, modification or use of personal data by an employee or contractor of the recordkeeper or a party who has signed a confidentiality agreement with the recordkeeper does not constitute a Security Breach if the personal data is not subject to further unauthorized acquisition, disclosure, loss, modification, or use.

**“Security Incident Response”** - Incident response is a planned approach to addressing and managing the reaction after a cyber-attack or network security breach. The goal is to have clear procedures defined before an attack occurs to minimize damage, reduce disaster recovery time, and mitigate breach-related expenses

### **III. Tips for Keeping Accounts Safe and Secure**

The State of Nevada Public Employees' Deferred Compensation Program (NDC) and the Plan's contracted recordkeeper, Voya Financial®, recognize the importance of safeguarding participant accounts and personal information against the ongoing risk of fraud, cyber threats, and other unauthorized activity. Plan participants are their own first line of defense when it comes to protecting accounts and identity.

#### **General password security**

- Participants are strongly encouraged to use and regularly update a unique password for each website where they maintain an account.
- Participants should never use date of birth or Social Security number as their password.
- Participants should not allow social networking sites or web browsers to memorize passwords.
- Participants should not share their password or answers to security questions with anyone
- The strongest passwords are comprised of a chain of unrelated common words.

#### **Fraudulent emails or phishing**

- Participants should be suspicious of emails asking for confidential information and never provide credentials.
- Participants should look out for red flags such as urgent requests, unknown email addresses or discrepancies between actual and displayed hyperlinks.
- Participants should be aware that fraudulent emails can appear to come from a business that you are working with.
- Participants should always review the sender's name, email address and URL to ensure they are from a legitimate source.
- Participants should know that any of NDC's contracted parties will never ask for personal information by email.

### **S.A.F.E. Guarantee**

The Plans' recordkeeper, Voya, is committed to safeguarding participant's financial accounts and personal information from the risk of fraud, cyber threats and unauthorized activity. As part of this effort, Voya has established the Voya S.A.F.E.® (Secure Accounts for Everyone) Guarantee.

If any assets are taken from workplace retirement plan accounts or Voya-administered Individual Retirement Accounts due to unauthorized activity and through no fault of the participant, Voya will restore the value of the account subject to satisfying a few key steps.

Voya believes that keeping participant accounts secure is a mutual responsibility.

## IV. Recordkeeper Cyber Security Overview

NDC requires its recordkeeper to meet and maintain the following minimum requirements regarding cybersecurity:

- Multi-factor authentication
- Unique (non-SSN) login
- Minimum password length of eight characters
- End to end data encryption
- Off-site systems backups
- Annual data security audits (SOC-1)
- Annual penetration testing
- Commitment to 100% online account registration for NDC participants
- No personal information disclosure to unaffiliated third parties
- Provide complimentary third-party account monitoring services in the event of a breach

Voya Financial® (Voya) serves as the contracted third-party administrator and meets the above requirements.

As recordkeeper, Voya establishes and securely keeps track of participant accounts, including contributions, withdrawals, balances, transactions (e.g. fund transfers), and other activities authorized by the Committee and administrative staff. The following information was provided by Voya as related to the safekeeping of participant data and accounts.

### 1. Data security

#### 1.1. Security standards and controls

- (a) Voya will establish and maintain:
  - (i) administrative, technical, and physical safeguards against the destruction, loss, or alteration of confidential Information; and
  - (ii) appropriate security measures to protect Confidential Information, which measures meet or exceed the requirements of all applicable Laws relating to personal information security.
- (b) In addition, Voya will implement and maintain the following information security controls:
  - (i) privileged access rights will be restricted and controlled;
  - (ii) an inventory of assets relevant to the lifecycle of information will be maintained;
  - (iii) network security controls will include, at a minimum, firewall and intrusion prevention services;
  - (iv) detection, prevention and recovery controls to protect against malware will be implemented;
  - (v) information about technical vulnerabilities of Voya's information systems will be obtained and evaluated in a timely fashion and appropriate measures taken to address the risk;

- (vi) detailed event logs recording user activities, exceptions, faults, access attempts, operating system logs, and information security events will be produced, retained and regularly reviewed as needed; and
- (vii) development, testing and operational environments will be separated to reduce the risks of unauthorized access or changes to the operational environment.

1.2. Information Security policies. Voya will implement and maintain written policies, standards or procedures that address the following areas:

- (a) information security;
- (b) data governance and classification;
- (c) access controls and identity management;
- (d) asset management;
- (e) business continuity and disaster recovery planning and resources;
- (f) capacity and performance planning;
- (g) systems operations and availability concerns;
- (h) systems and network security;
- (i) systems and application development, quality assurance and change management;
- (j) physical security and environmental controls;
- (k) customer data privacy;
- (l) patch management;
- (m) maintenance, monitoring and analysis of security audit logs;
- (n) vendor and third party service provider management; and
- (o) incident response, including clearly defined roles and decision making authority and a logging and monitoring framework to allow the isolation of an incident.

1.3. Subcontractors. Voya will implement and maintain policies and procedures to ensure the security of Confidential Information and related systems that are accessible to, or held by, third party service providers. Voya will not allow any third parties to access Voya's systems or store or process sensitive data, unless such third parties have entered into written contracts with Voya that require, at a minimum, the following:

- (a) the use of encryption to protect sensitive PII in transit, and the use of encryption or other mitigating controls to protect sensitive PII at rest;
- (b) prompt notice to be provided in the event of a cyber security incident;
- (c) the ability of Voya or its agents to perform information security assessments; and
- (d) representations and warranties concerning adequate information security.

1.4. Encryption standards, multifactor authentication and protection of Confidential Information.

- (a) Voya will implement and maintain cryptographic controls for the protection of Confidential Information, including the following:
  - (i) use of an encryption standard equal to or better than the industry standards included in applicable National Institute for Standards and Technology Special Publications (or such higher encryption standard



- required by applicable Law) to protect Confidential Information at rest and in transit over un-trusted networks;
    - (ii) use of cryptographic techniques to provide evidence of the occurrence or nonoccurrence of an event or action;
    - (iii) use of cryptographic techniques to authenticate users and other system entities requesting access to or transacting with system users, entities and resources; and
    - (iv) development and implementation of policies on the use, protection and lifetime of cryptographic keys through their entire lifecycle.
  - (b) In addition to the controls described in clause (a) above, Voya will:
    - (i) implement multi-factor authentication for all remote access to Voya's networks;
    - (ii) ensure that no Client PII is (A) placed on unencrypted mobile media, CDs, DVDs, equipment, or laptops or (B) stored or transmitted outside the United States; and
    - (iii) ensure that media containing Confidential Information is protected against unauthorized access, misuse or corruption during transport.
- 1.5. Information Security roles and responsibilities. Voya will employ personnel adequate to manage Voya's information security risks and perform the core cyber security functions of identify, protect, detect, respond and recover. Voya will designate a qualified employee to serve as its Chief Information Security Officer ("CISO") responsible for overseeing and implementing its information security program and enforcing its information security policies. Voya will define roles and responsibilities with respect to information security, including by identifying responsibilities for the protection of individual assets, for carrying out specific information security processes, and for information security risk management activities, including acceptance of residual risks. These responsibilities should be supplemented, where appropriate, with more detailed guidance for specific sites and information processing facilities.
- 1.6. Segregation of duties. Voya must segregate duties and areas of responsibility in order to reduce opportunities for unauthorized modification or misuse of Voya's assets and ensure that no single person can access, modify or use assets without authorization or detection. Controls should be designed to separate the initiation of an event from its authorization. If segregation is not reasonably possible, other controls such as monitoring of activities, audit trails and management supervision should be utilized. Development, testing, and operational environments should be separated to reduce the risks of unauthorized access or changes to the operational environment.
- 1.7. Information Security awareness, education and training. Voya will provide regular information security education and training to all Voya Personnel, as relevant for their job function. In addition, Voya will provide mandatory training to information security personnel and require key information security personnel to stay abreast of changing cyber security threats and countermeasures.
- 1.8. Vulnerability assessments. Voya will conduct monthly vulnerability assessments that meet the following criteria:

- (a) all production servers and network devices must be scanned at least monthly;
- (b) all findings must be risk rated;
- (c) all findings must be tracked based on risk; and
- (d) tools used for scanning must have signatures updated at least monthly with the latest vulnerability. Voya will implement and maintain a formal process for tracking and resolving issues in a timely fashion.

1.9. Physical and environmental security. Voya will ensure that all sites are physically secure, including the following:

- (a) sound perimeters with no gaps where a break-in could easily occur;
- (b) exterior roof, walls and flooring of solid construction and all external doors suitable protected against unauthorized access with control mechanisms such as locks, bars, alarms, etc.;
- (c) all doors and windows to operational areas locked when unattended;
- (d) equipment protected from power failures and other disruptions caused by failures in supporting utilities;
- (e) closed-circuit television cameras at site entry/ exit points; badge readings at all site entry points, or other means to prevent unauthorized access; and
- (f) visitor sign-in/ mandatory escort at site.

1.10. Information Security Incident notification

- (a) In the event of any Information Security Incident, Voya will, at its sole expense: promptly (and in any event within 72 hours after Voya confirms an Information Security Incident) report such Information Security Incident to Client by sending an email to Client Contact Information, summarizing in reasonable detail the effect on Client, if known, and designating a single point of contact at Voya who will be
  - (i) available to Client for information and assistance related to the Information Security Incident; investigate such Information Security Incident, perform a root cause analysis, develop a corrective action plan and take all necessary corrective actions;
  - (ii) mitigate, as expeditiously as possible, any harmful effect of such Information Security Incident and cooperate with Client in any reasonable and lawful efforts to prevent, mitigate, rectify and remediate the effects of the Information Security Incident;
  - (iii) provide a written report to Client containing all information necessary for Client to determine compliance with all applicable laws, including the extent to which notification to affected persons or to government or regulatory authorities is required; and
  - (iv) cooperate with Client in providing any filings, communications, notices, press releases or reports related to such Information Security Incident.
- (b) In addition to the other indemnification obligations of Voya set forth in this Agreement, Voya will indemnify, defend and hold harmless Client from and against any and all claims, suits, causes of action, liability, loss, costs and damages, including reasonable attorneys' fees, arising out of or

relating to any Information Security Incident, which may include, without limitation:

- (i) expenses incurred to provide notice to Affected Persons and to law-enforcement agencies, regulatory bodies or other third parties as required to comply with law;
- (ii) expenses related to any reasonably anticipated and commercially recognized consumer data breach mitigation efforts, including, but not limited to, costs associated with the offering of credit monitoring or a similar identify theft protection or mitigation product for a period of at least twelve (12) months or such longer time as is required by applicable laws or any other similar protective measures designed to mitigate any damages to the Affected Persons; and
- (iii) fines or penalties that Client pays to any governmental or regulatory authority under legal or regulatory order as a result of the Information Security Incident.

- 1.11. Risk assessments. Upon Client's request no more than once per year, Voya will complete an industry standard information security questionnaire and provide relevant Service Organization Control ("SOC") audit reports, when available. Voya's standard security requirements are set forth in Exhibit A. Voya represents and warrants that, as of the Effective Date, the statements in Exhibit A are true and correct in all material respects.
- 1.12. Penetration testing. If any Services to be provided by Voya include the hosting or support of one or more externally facing applications that can be used to access systems that store or process Client data, the terms of this Section will apply.
- (a) At least once every 12 months during the Term and prior to any major changes being moved into production, Voya will conduct a Valid Penetration Test (as defined below) on each internet facing application described above. As used herein, a "Valid Penetration Test" means a series of tests performed by a team of certified professionals, which tests mimic real-world attack scenarios on the information system under test and include, without limitation, the following:
    - (i) information-gathering steps and scanning for vulnerabilities;
    - (ii) manual testing of the system for logical flaws, configuration flaws, or programming flaws that impact the system's ability to ensure the confidentiality, integrity, or availability of Client's information assets;
    - (iii) system-compromise steps;
    - (iv) escalation-of-privilege steps; and
    - (v) assignment of a risk rating for each finding based on the level of potential risk exposure to Client's brand or information assets.
  - (vi) upon Client's request, Voya will provide to Client an executive summary of any material issues or vulnerabilities identified by the most recent Valid Penetration Test along with the scope of systems tested. The report may be redacted to ensure confidentiality.

## 2. Privacy and PII

- 2.1. With respect to any PII, Voya will:
- (a) comply with the Voya Privacy Notice at [www.voya.com/privacy-notice](http://www.voya.com/privacy-notice);
  - (b) retain, use, process and disclose all PII accessed, obtained or produced by Voya only to perform its obligations under this Agreement and as specifically permitted by this Agreement, or as otherwise instructed by Client, and not for any other purpose;
  - (c) refrain from selling such PII or using such PII for any other purpose, including for its own commercial benefit;
  - (d) treat all PII as Confidential Information;
  - (e) comply with the provisions of this Agreement to return, store or destroy the PII; and
  - (f) comply with all applicable Laws with respect to processing of PII.

Voya hereby certifies to Client that it understands the restrictions and obligations set forth above and will ensure that Voya and all Voya Personnel comply with the same.

- 2.2. As needed to comply with applicable Laws concerning the processing of PII or personal information security, or to the extent required by any changes in such Laws or the enactment of new Laws, the Parties agree to work cooperatively and in good faith to amend this Agreement in a mutually agreeable and timely manner, or to enter into further mutually agreeable agreements in an effort to comply with any such Laws applicable to the Parties. If the Parties cannot so agree, or if Voya cannot comply with the new or additional requirements, Client may terminate this Agreement upon written notice to Voya.

## 3. Confidential Information

- 3.1. Confidential Information. Either Party (“Disclosing Party”) may disclose Confidential Information to the other Party (“Non-Disclosing Party”) in connection with this Agreement.
- 3.2. Use and disclosure of Confidential Information. The Non-Disclosing Party agrees that it will disclose the Disclosing Party’s Confidential Information only to its employees, agents, consultants, and contractors who have a need to know and are bound by obligations of confidentiality no less restrictive than those contained in this Agreement. In addition, Voya agrees that it will use the Disclosing Party’s Confidential Information only for the purposes of performing its obligations under this Agreement. The Non-Disclosing Party will use all reasonable care in handling and securing the Disclosing Party’s Confidential Information and will employ all security measures used for its own proprietary information of similar nature. These confidentiality obligations will not restrict any disclosure of Confidential Information required by Law or by order of a court, regulatory authority or governmental agency; provided, that the Non-Disclosing Party will limit any such disclosure to the information actually required to be disclosed. Notwithstanding anything to the contrary, Client may fully comply with requests for information from regulators of Client and the Client Affiliates.

- 3.3. Treatment of Confidential Information following termination. Promptly following the termination or expiration of this Agreement, or earlier if requested by the Disclosing Party, the Non-Disclosing Party will return to the Disclosing Party any and all physical and electronic materials in the Non-Disclosing Party's possession or control containing the Disclosing Party's Confidential Information. The materials must be delivered via a secure method and upon such media as may be reasonably required by the Disclosing Party.

Alternatively, with the Disclosing Party's prior written consent, the Non-Disclosing Party may permanently destroy or delete the Disclosing Party's Confidential Information and, if requested, will promptly certify the destruction or deletion in writing to the Disclosing Party.

Notwithstanding the foregoing, if the Non-Disclosing Party, due to requirements of applicable Law, must retain any of the Disclosing Party's Confidential Information, or is unable to permanently destroy or delete the Disclosing Party's Confidential Information as permitted above within 60 days after termination of this Agreement, the Non-Disclosing Party will so notify the Disclosing Party in writing, and the Parties will confirm any extended period needed for permanent destruction or deletion of the Disclosing Party's Confidential Information. All Confidential Information in the Non-Disclosing Party's possession or control will continue to be subject to the confidentiality provisions of this Agreement. The methods used to destroy and delete the Confidential Information must ensure that no Confidential Information remains readable and cannot be reconstructed so to be readable. Destruction and deletion must also comply with the following specific requirements:

Medium	Destruction Method
Hard copy	Shredding, pulverizing, burning, or other permanent destruction method
Electronic tangible media, such as disks and tapes	Destruction or erasure of the media
Hard drive or similar storage device	Storage frame metadata removal to hide the organizational structure that combines disks into usable volumes and physical destruction of the media with a Certificate of Destruction (COD)

- 3.4. Period of confidentiality. The restrictions on use, disclosure, and reproduction of Confidential Information set forth in this Section will, with respect to PII and Confidential Information that constitutes a "trade secret" (as that term is defined under applicable Law), be perpetual, and will, with respect to other Confidential Information, remain in full force and effect during the term of this Agreement and for three years following the termination or expiration of this Agreement.
- 3.5. Injunctive relief. The Parties agree that the breach, or threatened breach, of any of the confidentiality provisions of this Agreement may cause irreparable harm without adequate remedy at law. Upon any such breach or threatened breach, the Disclosing Party will be entitled to injunctive relief to prevent the Non-Disclosing Party from commencing or continuing any action constituting such breach, without having to post a bond or other security and without having to prove the inadequacy of other available

remedies. Nothing in this Section will limit any other remedy available to either Party.

4. **Cyber liability insurance.** During the Term, Voya will, at its own cost and expense, obtain and maintain in full force and effect, with financially sound and reputable insurers, cyber liability insurance to cover Voya's obligations under this Addendum. Upon execution of the Agreement, Voya will provide Client with a certificate of insurance evidencing the following coverage and amount with such insurer:

Risk Covered: Network Security (a.k.a. Cyber/IT) Limits: \$50,000,000

5. **Disaster recovery and business continuity plan.** Voya maintains, and will continue to maintain throughout the Term, (a) a written disaster recovery plan ("Disaster Recovery Plan"), which Disaster Recovery Plan is designed to maintain Client's access to services and prevent the unintended loss or destruction of Client data; and (b) a written business continuity plan ("BCP") that permits Voya to recover from a disaster and continue providing services to customers, including Client, within the recovery time objectives set forth in the BCP. Upon Client's reasonable request, Voya will provide Client with evidence of disaster recovery test date and result outcome.

## V. State of Nevada Cyber Security Overview

In addition to recordkeeper cyber security policies noted, the State of Nevada has its own internal Information Security Policy. You may read the full Information Security Program Policy [here](#).

The Nevada Information Security Program Policy defines a set of minimum-security requirements to protect state data and information technology (IT) systems that all state agencies within the Executive Branch of Nevada State Government must meet. This includes NDC.

Any state agency, based on the business needs and/or specific legal requirements, may exceed the security requirements put forth in this policy, but must, at a minimum, achieve the security levels required by this policy. The primary objective of Nevada Information Security Program Policy is to:

- effectively manage the risk of security exposure or compromise within state agency IT systems;
- communicate the responsibilities for the protection of state agency information;
- establish a secure processing base and a stable processing environment within state agencies and throughout the state;
- reduce to the extent possible the opportunity for errors to be entered into an IT system supporting state agency business processes;
- preserve management's options in the event of state data, information, or technology misuse, loss, or unauthorized access; and
- promote and increase the awareness of information security in all state agencies and with all state employees.

The following state and federal statutes require states to protect their information resources and data by establishing information security programs and imposing special requirements for protecting personal information.

- The Clinger-Cohen Act of 1996
- Federal Information Security Management Act of 2002
- Nevada Revised Statute (NRS) 242.101
- Nevada Revised Statute (NRS) 603A

State of Nevada Enterprise IT Services (EITS) has the statutory responsibility for establishing regulations and providing guidance to state agencies within the Executive Branch of Nevada State Government, for the protection of state information technology (IT) systems, and the data that those systems process, store, and transmit electronically. To support those responsibilities, EITS established the Office of Information Security (OIS) to develop appropriate security regulations and guidance, along with staff as subject matter experts to guide and assist state agencies in establishing agency security policies, standards, processes, and plans. [NRS 242.101]

To ensure the security concerns and needs of state agencies are included in the development of the

State Information Security Program, a State Information Security Committee was established. This committee consists of representatives from state agencies with information technology backgrounds who have a vested interest in the development of the security policies, standards, and guidance.

As the State Information Security Program and the State Information Security Policy evolve, the policy will be subject to review and update, which will occur biennially, or when changes occur that signal the need to revise the State Information Security Policy. These changes may include the following:

- Changes in roles and responsibilities;
- Release of new executive, legislative, technical, or State guidance;
- Identification of changes in governing policies;
- Changes in vulnerabilities, risks, or threats; or
- Legislative Audit findings that stem from security audit.

The National Institute of Standards and Technology (NIST) Special Publications 800 Series documents and the NIST Cybersecurity Framework (CSF) provide continuing guidance for the ongoing development and revision of the security program policy. These publications focus on security requirements and best practices for the Federal government, which requires state compliance due to the state receiving federal funds for information systems, and the state agencies accessing, processing, storing, or transmitting federal data.

In 2019, NRS 603A was amended to identify the Center for Internet Security (CIS) Controls as a baseline security framework for the Executive Branch of Nevada State Government. In situations where neither the state nor the agency has established a policy or standard on a specific security control, the requirements of NIST 800-53 Security and Privacy Controls and 800- 100 Information Security Handbook will be the de facto state standard.

This policy has been developed, revised, and approved by the State Information Security Committee and the State Chief Information Security Officer, and has received final approval by the State Chief Information Officer. Revisions to this document are subject to the review and approval of the State Information Security Committee and the State Chief Information Security Officer, with final approval of the State Chief Information Officer. When revisions are approved, a new version of the State Information Security Policy will be issued, and all affected state agencies will be informed of the changes.

Additionally, compliance with this policy is mandatory. It is the State Chief Information Officer's direction that all state agencies within the Executive Branch of Nevada State Government comply with the direction of this policy.

In cases where a state agency cannot comply with any section of the State Information Security Policy, justifications for the noncompliance must be documented using the Exception Request process provided in Appendix A of this document. The Exception Request must be submitted to EITS, Office of Information Security, Chief Information Security Officer (CISO) for approval. Resulting risks from a deviation to policy must be documented in the appropriate Information Security Plan.



# VI. State of Nevada Cyber Security Incident Response Overview

The State of Nevada also maintains a policy for reporting and responding to information security incidents. The following section further explains the State of Nevada Incident Management Standards and provide details as to how the incident response is implemented. An incident response form is included in this Cybersecurity Policy as Exhibit B.

---

Document ID	Title	Revision	Effective Date	Page
S.4.08.02	Information Security Incident Management	D	12/31/2020	1 of 4

---

**1.0 PURPOSE**

This standard establishes minimum requirements to ensure all information security incidents will be reported and responded to systematically, taking appropriate steps to minimize loss or theft of information, or disruption of services.

**2.0 SCOPE**

This standard applies to all state agencies and authorized users meeting the criteria identified in the State Information Security Program Policy, Section 1.2, Scope and Applicability.

**3.0 EFFECTIVE DATES**

This standard becomes effective at the time of approval of the State Chief Information Officer (CIO).

**4.0 RESPONSIBILITIES**

The agency head and appointed Information Security Officer (ISO) have the responsibility to ensure the implementation of and compliance with this standard.

**5.0 RELATED DOCUMENTS**

NRS 205.473 to 205.513, Unlawful Acts Regarding Computers and Information Systems  
NRS 242.181, Adherence by using agencies and elected officers of State to regulations;  
reporting of certain incidents;  
NRS 281.195, Use of Computers  
State Information Security Program Policy, 100  
Information Security Incident Report Form,  
S.4.08.02.1F

**6.0 STANDARD**

**6.1 Information Security Incident Reporting**

Any and all security incidents that may have, or have, affected, degraded, or violated either production systems; or Federal, State, or agency security policy, standards, or procedures shall be documented.

A. All information security incidents shall be documented by completing an

Information Security Incident Report Form (S.4.08.02.1F) containing at a minimum:

1. Description of incident
  2. Date and time
  3. Impact on the agency and/or IT resource
  4. Estimated financial impact
  5. Mitigation action taken
  6. Preventative Action Recommendations
  7. Name, title and date of the person completing the report
- B. All documented Information Security Incident Reports shall be provided to the Office of Information Security (OIS) within three (3) working days. If the incident is critical, as determined by the unit manager or designee, immediate notification of OIS must occur.
- C. OIS shall review and maintain all Information Security Incident Reports and follow through with required actions or recommendations. Follow through actions must also be documented and attached to the original Information Security Incident Report.
- D. OIS shall provide statistics on incidents to the Chief Information Officer (CIO), Chief Information Security Officer (CISO), and State Information Security Committee at minimum quarterly.

## **6.2 Information Security Incident Response**

- A. When a security incident occurs, the initial incident response must follow these minimum response steps. There are two types of information security incidents, characterized incidents and uncharacterized incidents.
1. When a **characterized** security incident occurs, the functional unit responsible for the affected systems will follow the unit's existing desk procedures to correct or mitigate the impact. If the incident or related outage exceeds two hours of production (six hours non-production system) downtime, the functional unit will create a report describing the root cause of the issue and the steps taken to resolve the incident, with submission to OIS who will track incidents and consolidate into the CIO and CISO report.
  2. When an **uncharacterized** security incident occurs, the functional unit will inform OIS after two hours of production (six hours non-production system) downtime and work to mitigate, isolate, identify the issue, and otherwise protect the forensic integrity of the situation while working to resolve the incident. During this time the functional unit will take every care to preserve all available data for analysis and future investigation. Once the incident has been characterized the functional unit will submit a report to OIS.
- B. If an incident remains uncharacterized for six hours the functional unit will submit a status report to OIS.

## **6.3 Cyber Security Incident Response Team**

At any time during an information security incident, characterized or uncharacterized,

the CIO or CISO may create a Cyber Security Incident Response Team (CSIRT).

- A. The CISO shall coordinate the establishment of an incident response team, if necessary; identify the individuals who will participate in the incident response; and consult with the agency on whether technical resources available to the agency have the expertise required for the type of incident, or if external incident response resources are needed.
- B. The function of this team is to ensure a systematic response to an incident, minimizing loss of information, minimizing disruption of services, and maximizing preservation of data, log files, and configuration information pertinent to the incident.
- C. Post-incident actions include ensuring functional units update their desk procedures, configurations, and documentation as required to minimize future impacts of the same incident. The CSIRT Lead will follow-up with a finalized report to the CIO and CISO.

## 7.0 INCIDENT RESPONSE DEFINITIONS

**Characterized Incident:** An incident or event that is precisely defined and understood. Characterized incidents may have occurred previously. Documentation of characterized incidents should include corrective actions.

**Uncharacterized Incident:** An incident or event that is not understood. Un-characterized incidents have not occurred previously.

**Information Security Incident:** Any abnormal occurrence that negatively impacts the operation of state IT systems or information, or the ability of users to utilize state IT resources; and may include a loss of data confidentiality; disruption of data or system integrity; disruption or denial of availability; or a violation or imminent threat of violation of computer security policies, acceptable use policies, or standard security practices.

**Physical Security Incident:** An occurrence which impacts or jeopardizes the controls in place to protect the physical structure or environment of a building, office, vehicle, and all resources within; such as secure doors being propped open, vandalism, theft, suspicious vehicles located near the department's sensitive buildings, inappropriate location of IT equipment (i.e., lack of environmental or physical protection for the device), etc.

**Administrative Security Incident:** An occurrence to where administrative security controls are violated such as badges not being worn, sign in/out logs not completed, etc.

**Desk Procedure:** A set of documented steps to perform a specific function. An example is the set of actions required to update virus signature files on a desktop.

## 8.0 EXCEPTIONS

Requests for exception to the requirements of this Information Security Standard must be documented, provided to the Office of Information Security (OIS), and approved by the State Chief Information Security Officer (CISO).

## **VII. Summary**

This Cybersecurity Policy Statement provided an overview of the policies and procedures that safeguard Nevada Deferred Compensation participant account data. With the increasing threats of cyber-attacks, the Committee also receives training and information related to these policies on a regular basis.

This policy will be reviewed at least annually and updated as needed by the Committee and NDC staff.

## Exhibit A: Voya Security Requirements

<b>FC:</b>	<b>Foundation controls</b>
<b>FC-1:</b>	<b>Information asset management</b>
FC-1.1	Voya implements and maintains an inventory list and assigns ownership for all computing assets including, but not limited to, hardware and software used in the accessing, storage, processing, or transmission of Client PII.
FC-1.2	Voya reviews and updates the inventory list of assets for correctness and completeness at least once every 12 months and updates the inventory list as changes are made to the computing assets.
<b>FC-2:</b>	<b>Data privacy and confidentiality</b>
FC-2.1	Voya will maintain an Information and Risk Management policy that is reviewed and approved by management at least every 2 years.
FC-2.2	Voya protects the privacy and confidentiality of all Client PII received, disclosed, created, or otherwise in Voya's possession by complying with the following requirements:
FC-2.2A	Such information is encrypted at rest on mobile devices (including mobile storage devices), portable computers, and in transit over un-trusted networks with an encryption standard equal to or better than Advanced Encryption Standard (AES) 256 bit encryption or such higher encryption standard required by applicable law.
FC-2.2B	All hardcopy documents and removable media are physically protected from unauthorized disclosure by locking them in a lockable cabinet or safe when not in use and ensuring that appropriate shipping methods (tamper-proof packaging sent by special courier with signatures) are employed whenever the need to physically transport such documents and removable media arises.
FC-2.2C	All media is labeled and securely stored in accordance with Voya policies.
FC-2.2D	All electronic media is securely sanitized or destroyed when no longer required in accordance with industry standards.
<b>FC-3:</b>	<b>Configuration management</b>
FC-3.1	Voya implements and maintains accurate and complete configuration details (e.g., Infrastructure Build Standards) for all computing assets used in accessing, storing, processing or transmitting Client PII.
FC-3.2	Voya reviews configuration details of the computing assets at least once every 12 months to validate that no unauthorized changes have been made to the assets.
FC-3.3	Voya updates the configuration details of all computing assets used to access, process, store, or transmit Client PII as configuration changes take place.
<b>FC-4:</b>	<b>Operating procedures and responsibilities</b>
FC-4.1	Voya implements and maintains operational procedures for information processing facilities and designates specific roles or personnel responsible for managing and maintaining the quality and security of such facilities, including, but not limited to, formal handover of activity, status updates, operational problems, escalation procedures and reports on current responsibilities.  Voya IT policies and standards document the policies and procedures for job scheduling processes and tools.

FC-4.2	Voya updates the operational procedures as changes take place and performs a comprehensive review and update of the procedures at least once every 2 years.
<b>FC-5:</b>	<b>Security awareness and training</b>
FC-5.1	Voya performs pre-employment background checks, including criminal history for 7 years, credit score and history (if applicable), credentials verification (if applicable), and educational background.
FC-5.2	Voya implements and maintains a documented security awareness program for all Voya Personnel which covers access to Client PII.
FC-5.3	Voya's security awareness program includes security requirements, acceptable use of computing assets, legal responsibilities, and business controls, as well as training in the correct use of information processing facilities and physical security controls.
FC-5.4	Voya ensures that all Voya Personnel complete security awareness training prior to being provided access to Client PII and at least annually thereafter. Voya provides mandatory annual training programs that include security awareness training to all Personnel.
<b>UA:</b>	<b>User access controls</b>
<b>UA-1:</b>	<b>User access controls</b>
UA-1.1	Voya implements and maintains identity management system(s) and authentication process (es) for all systems that access, process, store, or transmit Client PII.
UA-1.2	Voya ensures that the following user access controls are in place:
UA-1.2A	The "Least Privilege" concept is implemented ensuring no user has more privileges than they require in performing their assigned duties.
UA-1.2B	Users requiring elevated privileges as a normal part of their job responsibilities have a regular, non-privileged account to perform regular business functions.
UA-1.2C	All users have an individual account which cannot be shared
UA-1.2D	Account Names/IDs are constructed not to reveal the privilege level of the account or position of the account holder.
UA-1.2E	System- or application-level service accounts are owned by a member of management or an IT system administration delegate and only have the privileges necessary to function as required by the application, system, or database the account has been created for.
UA-1.2F	Network access is disabled within 24 hours of termination. Automated processes disable access upon termination and initiate manager review on employee position changes, in accordance with Voya policies.
<b>UA-2:</b>	<b>Access Control Management</b>
UA-2.1	Voya maintains a comprehensive physical security program. Access to Voya facilities is restricted and logs are maintained for all access. Physical security and environmental controls are present in Voya buildings.
UA-2.2	Voya ensures that access to systems that access, process, store, or transmit Client PII is limited to only those personnel who have been specifically authorized to have access in accordance with the users' assigned job responsibilities.
UA-2.3	Voya ensures that accounts for systems that access, process, store, or transmit Client PII are controlled in the following manner:
UA-2.3A	Users must provide a unique ID and Password for access to systems. Access to applications/systems is limited to a need-to-know basis, and is enforced through role based access controls.

UA-2.3B	Accounts are protected on computing assets by screen-savers that are configured with an inactivity time-out of not more than 15 minutes.
UA-2.3C	Accounts are locked after no more than 10 consecutive failed logon attempts, depending upon the system and platform.
UA-2.3D	Accounts remain locked until unlocked by an Administrator or through an approved and secure end-user self-service process.
UA-2.3E	Accounts are reviewed on a periodic and regular basis (semi-annually for non-privileged and privileged accounts) to ensure that the account is still required, access is appropriate, and the account is assigned to the appropriate user.
UA2.4	Voya ensures that wireless mobile devices are secured against threats coming from these wireless networks and wireless connections are required to be encrypted.
<b>UA-3:</b>	<b>User access management</b>
UA-3.1	Voya ensures that passwords for all accounts on systems that access, process, store, or transmit Client PII are configured and managed in accordance with industry standards:
<b>UA-4:</b>	<b>Information access restriction</b>
UA-4.1	Voya implements information access restrictions on all systems used to access, process, store, or transmit Client Information.
UA-4.2	Voya ensures the following Information Access Restrictions are in place:
UA-4.2A	Access to underlying operating systems and application features that the user does not require access to in the performance of their assigned responsibilities are strictly controlled.
UA-4.2B	Access to source code and libraries are restricted to only those individuals who have been specifically approved to have access. A person who develops code changes cannot be the same person who migrates the code change into production.
UA-4.2C	Access between Development, Test, and Production environments are strictly controlled. The version management system provides segregation of code, data and environments.
UA-4.2D	Temporary privileged access to production data is granted to authorized personnel based on job function for emergency support and only via access control and logging security tools.
<b>PS:</b>	<b>Platform security controls</b>
<b>PS-1:</b>	<b>Computer System Security (Servers and Multi-user Systems only)</b>
PS-1.1	Voya implements and manages a formal process for ensuring that all computer systems that access, process, store, or transmit Client PII are protected and configured as follows prior to and while remaining in a production status:
PS-1.1A	Systems are assigned to an asset owner within Voya's organization.
PS-1.1B	Systems are located in a data center or similarly controlled environment with appropriate physical security mechanisms and environmental controls to ensure systems are protected from theft, vandalism, unplanned outages, or other intentional or unintentional hazards.
PS-1.1C	All systems are configured to meet Voya standards, monitored to ensure a compliant state, and patched as required to maintain a high degree of security. Issues found to be out of compliance are required to be tracked to closure.

PS-1.1D	Systems are configured with commercially available and licensed anti-virus software which is set to perform active scans, perform scans of uploaded or downloaded data/files/web content, and is updated on at least on a daily basis.
PS-1.1E	System clocks are configured to synchronize with a reputable time source (e.g., NTP).
PS-1.1F	Systems display a warning banner to all individuals during the logon process that indicates only authorized users may access the system.
PS-1.1G	Systems that have been implemented into a production environment are routinely tested for vulnerabilities and risks using industry best practice tools and methods.
PS-1.1H	All high and medium vulnerability and risk issues identified are remediated utilizing a risk based approach and in alignment with application team code release schedules.
PS-1.1I	Voya ensures that only authorized and trained personnel have access to configure, manage, or monitor systems.
<b>PS-2: Network security</b>	
PS-2.1	To ensure systems accessing, processing, storing, or transmitting Client PII are protected from network related threats, Voya implements the following network security controls prior to connecting any network component to a production network and for the duration that the component remains in a production status.
PS-2.1A	Networks are constructed using a defense-in-depth architecture, are terminated at a firewall where there are connections to external networks, and are routinely scanned for unapproved nodes and networks.
PS-2.1B	Business-to-Business (B2B) and Third Party network connections (Trusted) to systems accessing, processing, storing, or transmitting Client PII are permitted only after a rigorous risk assessment and formal approval by Voya management. Network connections from un-trusted sources to internal resources are not permitted at any time.
PS-2.1C	Network components (switches, routers, load balancers, etc.) are located in a data center or a secure area or facility.
PS-2.1D	Voya systems are configured to provide only essential capabilities and restrict the use of any unneeded functions, ports, protocols and services.
PS-2.1E	Intrusion detection/prevention technologies, firewalls, and proxy technologies are implemented, monitored and managed to ensure only authorized and approved traffic is allowed within and between segments of the network.
PS-2.1F	Internal Voya wireless networks are configured with the most robust security standards available, including but not limited to, 802.11i/n, strong authentication, IP/MAC address filtering, firewall protection, and intrusion detection/prevention.
PS-2.1G	Wireless networks are not used to access Client Information unless the information is encrypted at either the file or transport level.
PS-2.1H	Network components that have been implemented into a production environment are routinely tested for vulnerabilities and risks using industry best practice tools and methods.
PS-2.1I	Voya ensures that only authorized and trained personnel have access to configure, manage, or monitor network components.
<b>PS-3: Generic application and database security</b>	



PS-3.1	Voya implements and maintains an application security certification and assurance process that ensures that all applications that access, process, store, or transmit Client PII provide the following:
PS-3.1A	Application and database design ensures security, accuracy, completeness, timeliness, and authentication/authorization of inputs, processing, and outputs.
PS-3.1B	All data inputs are validated for invalid characters, out of range values, invalid command sequences, exceeding data limits, etc. prior to being accepted for production. Voya implements static source code analysis tools to validate data inputs.
PS-3.1C	Application source code developed in house by Voya is protected through the use of a source code repository that ensures version and access control. The version management system provides segregation of code, data and environments.
PS-3.1D	Applications and databases are tested for security robustness and corrective measures are applied prior to the application being placed into a production environment. All systems are configured to meet Voya standards, monitored to ensure compliance state, and patched as required to maintain a high degree of security.
PS-3.1E	Applications and databases are implemented into a production environment with minimal privileges and critical configuration files and storage subsystems are protected from unauthorized access.
PS-3.1F	Applications and databases that have been implemented into a production environment are routinely tested for vulnerabilities and risks using industry best practice tools and methods.
PS-3.1G	Voya ensures that Consumer/Internet facing applications have been designed and implemented using multi-factor authentication architecture. Web sessions require the use of an HTTPS (encrypted) connection, as well as authorization to approved data and services.
PS-3.1H	Voya ensures that only authorized and trained personnel have access to configure, manage, or monitor applications and databases.
<b>PS-4: Workstation and mobile devices security (end user devices)</b>	
PS-4.1	Voya ensures that the following security controls have been implemented and are maintained to protect Client PII accessed, processed, stored, or transmitted on workstations and mobile devices.
PS-4.1A	Workstations are located in a physically secure environment with mechanisms in place to prevent unauthorized personnel from accessing data stored on the device, reconfiguring the BIOS or system components, or from booting the device from unauthorized media. Portable devices are configured for boot-up encryption.
PS-4.1B	Laptops/portable computers and other mobile devices are assigned to an owner who is responsible for physically securing the device at all times, and the owner of the device must receive adequate awareness training on mobile device physical security.
PS-4.1C	Portable devices are configured for boot-up encryption. All laptop hard drives are encrypted using AES 256. Any device deemed "remote" requires hard drive encryption.
PS-4.1D	All workstations, laptops/portable computers and other mobile devices (where applicable) are configured with commercially available and licensed anti-virus software which is set to perform active scans, to perform scans of uploaded or downloaded data/files/web content, and is updated on at least a daily basis.

PS-4.1E	All workstations, laptops/portable computers and other mobile devices (where applicable) are configured with a commercially available and licensed operating system, patched according to manufacturer's recommendations, hardened according to best industry practices and standards and configured so that regular users do not have administrative privileges.
PS-4.1F	Laptops/portable computers and other mobile devices (where applicable) are configured with personal firewall technology.
PS-4.1G	Workstations, laptops/portable computers and other mobile devices (where applicable) display a warning banner to all individuals during the logon process that indicates that only authorized users may access the system or device.
PS-4.1H	Voya implements and maintains processes for recovering laptops/portable computers and mobile devices from terminated Voya Personnel.
<b>PS-5: Backup and restore</b>	
PS-5.1	Voya implements and maintains backup and restore procedures to ensure that all Client PII received, disclosed, created, or otherwise in the possession of Voya is appropriately protected against loss.
PS-5.2	Voya ensures that backups are securely stored and storage systems are physically and logically protected.
PS-5.3	Voya implements a backup and availability schedule to meet business and regulatory requirements.
<b>PS-6: Remote network access controls</b>	
PS-6.1	Voya implements and maintains a remote network access control strategy or process.
PS-6.2	Voya ensures the following remote network access controls are in place:
PS-6.2A	Users requiring remote access are appropriately authorized by Voya management.
PS-6.2B	Remote access connections are established through the use of Virtual Private Networking (VPN) or secure VDI mechanisms that provide transmission security, encryption and connection timeout (e.g. split-tunneling disabled.)
PS-6.2C	Only Voya approved and controlled (managed) computing devices are used when remotely accessing (where applicable) Voya's computing environments where Client PII is held. Any device deemed "remote" requires data encryption. Encrypted communications are required for all remote connections.
PS-6.2D	Users are thoroughly authenticated using multi-factor authentication prior to being provided remote access.
<b>ITR: IT resilience controls</b>	
<b>ITR-1: Architecture</b>	
ITR-1.1	Voya ensures that the architecture of computing environments where Client PII is accessed, processed, stored, or transmitted incorporates reasonable industry best practices for authentication/authorization, monitoring/management, network design, connectivity design, firewall and intrusion prevention technologies and storage and backup capabilities.
<b>ITR-2: Hardware and software infrastructure resilience</b>	

ITR-2.1	<p>Voya ensures all hardware and software components classified with an availability rating of “critical” used in the accessing, processing, storage, or transmission of Client PII is:</p> <ul style="list-style-type: none"> <li>• Identified and cataloged</li> <li>• Supported by the manufacturer of the component (or if developed in- house, follows Voya’s SDLC Policy which includes quality/security)</li> <li>• Applications and systems classified as A4 may be designed with high availability features and have no single point of failure</li> <li>• Reviewed on a regular basis for capacity implications (at minimum once every 12months)</li> </ul>
ITR-2.2	<p>Voya maintains Business Continuity Plans to address business unit and departmental actions to be undertaken before, during and after an incident or disaster. Voya’s Disaster Recovery Plan addresses the recovery and availability of systems and data.</p>
<b>ITR-3: Capacity assurance</b>	
ITR-3.1	<p>Voya ensures that computing environments used to access, process, store, or transmit Client PII are assessed for capacity and performance on a periodic basis (at minimum once every 12 months) and appropriate corrective actions are taken to make the environment sufficiently robust enough to perform its stated mission.</p>
<b>CM: Change management controls</b>	
<b>CM-1: Change management process</b>	
CM-1.1	<p>Voya implements and maintains a change control process to ensure that all changes to the environment where Client PII is accessed, processed, stored, or transmitted is strictly documented, assessed for impact, and approved by personnel authorized by Voya to provide approval for such changes, thoroughly tested, accepted by management, and tracked.</p>
CM-1.2	<p>Voya implements an emergency change control process to manage changes required in an emergency situation where a computing system is down or there are imminent threats/risks to critical systems involving Client PII.</p>
<b>CM-2: Separation of environments</b>	
CM-2.1	<p>Voya maintains physically and/or logically separate development, test, and production computing environments. Development, testing, and acceptance environments are separate from the production environment.</p>
CM-2.2	<p>Voya ensures that Client data used for development or testing purposes is completely depersonalized/desensitized of confidential values prior to entering a development or test environment. Data is depersonalized in non-production controlled environments for testing purposes with required approvals. PII elements are required to be depersonalized in non- production environments.</p>
<b>SM: Security monitoring controls</b>	
<b>SM-1: Security event monitoring and incident management</b>	
SM-1.1	<p>Voya implements and maintains a security event monitoring process and associated mechanisms to ensure events on computing systems, networks, and applications that can impact the security level of that asset or the data residing therein are detected in as close to real-time as possible for those assets used to access, process, store, or transmit Client PII.</p>

SM-1.2	Voya implements and maintains an incident management process to ensure that all events with a potential security impact are identified, investigated, contained, remediated, and reported to Client effectively and in a timely manner.
SM-1.3	Voya has implemented monitoring controls that provide real-time notifications of events related to loss of confidentiality, the integrity, or the availability of systems.
SM-1.4	Event logs (audit trails) are stored for analysis purposes for a minimum period of 3 years.
<b>SM-2: Technical state compliance</b>	
SM-2.1	Voya ensures computing environments that access, process, store, or transmit Client PII are continually in compliance with quality and security requirements including, but not limited to, authentication/authorization, monitoring/management, network design, connectivity design, firewall and intrusion prevention technologies, and storage and backup capabilities.
SM-2.2	Voya ensures IT Risk Management facilitates risk assessments of information technology processes and procedures in accordance with the annual IT Risk Assessment Plan approved by the IT/Privacy Risk Committee. Risk Assessment results are communicated to management for awareness and resolution or risk acceptance of findings based on management's risk appetite.
<b>SM-3: Security and penetration testing</b>	
SM-3.1	Voya implements and maintains vulnerability and penetration testing (Ethical Hacking) processes to ensure the computing environment where Client PII is accessed, processed, stored, or transmitted is continually protected from internal and external security threats.
SM-3.2	Voya implements and maintains a process for vulnerability scanning on at least a monthly basis and ensures issues are remediated, utilizing a risk based approach within a reasonable timeframe.
SM-3.3	Penetration testing (Ethical Hacking) of Internet facing systems or systems exposed to un-trusted networks is conducted prior to the system being deployed into a production status, after any significant changes, and then at least once every 12 months thereafter.

**For plan sponsor, Financial Professional, Consultant and TPA use only. Not for use with participants.**

1111551\_1221 © 2021 Voya Services Company. All rights reserved. CN1966532\_1223

**Exhibit B**  
**State of Nevada Security Incident Report Form**

**State of Nevada**  
**Information Security Committee**

**INFORMATION SECURITY INCIDENT REPORT**

<b>SECTION 1</b>
<b>Type of Incident:</b>
<b>Start Date/Time:</b> <span style="float: right;"><b>Ending Date/Time:</b></span>
<b>Description of Incident**:</b>

<b>SECTION 2</b>
<b>Impact/Damage Sustained**:</b>
<b>Estimate of Financial Impact**:</b>
<b>Mitigation Action Taken**:</b>

<b>SECTION 3 (Office of Information Security Use Only)</b>
<b>Corrective Action Taken**:</b>
<b>Additional Preventative Action Recommended**:</b>

<b>Reporter:</b> <span style="float: right;"><b>Title:</b></span> <span style="float: right;"><b>Date:</b></span>
<b>Previous Reports on this Incident Dated:</b>

*\*\* Expand on additional paper as necessary*

# Voya Administration of Roth Age 50+ Catch-up Secure Act 2.0 – Section 603

## Provision Overview

### Q1: What is the new Age 50+ Roth Catch-up Requirement of the SECURE 2.0 Act of 2022 Section 603?

A1: Under current law, Age 50+ catch-up contributions to a qualified retirement plan can be made on a pre-tax or Roth basis (if permitted by the plan sponsor). Section 603 requires that all Age 50+ catch-up contributions be made on a Roth basis for those participants whose prior year 3121(a) wages from the employer sponsoring the plan exceeded \$145,000. The \$145,000 threshold is subject to IRS annual cost of living adjustments in \$5,000 increments.

### Q2: Is the Age 50+ Roth Catch-Up Provision optional or mandatory?

A2: If a plan offers Age 50+ Catch-up contributions, then this provision is mandatory for any plan that will offer Age 50+ Catch-up on 1/1/24.

### Q3: What is the effective date of the new Age 50+ Roth Catch-up Provision?

A3: Taxable years after December 31, 2023.

### Q4: What plan types are impacted?

A4: 401(k), 403(b), Governmental 457(b).

### Q5: Does this provision apply to the Special 457(b) three-year catch-up provision?

A5: No. Section 603 did not amend the Special 457(b) three year catch-up.

## How Voya Will Help

### Q6: What if my plan doesn't currently offer Roth Contributions?

A6: Voya will make a Roth contribution source available to your plan, to be used for Age 50+ Catch-up only. We will also request plan sponsors to consider adding Roth Deferrals and Roth Rollovers to their plans at the same time for administrative efficiency since these changes require coordination with payroll vendors.

### Q7. How will Voya know to allocate Age 50+ contributions to a Roth account for participants that meet the Section 603 threshold (i.e., prior year 3121(a)wages that exceed \$145,000) (referred to herein as "Impacted Participants")?

A7. Since the Impacted Participants will contribute to the Plan on Roth basis, employers will need to apply the appropriate payroll withholding *prior* to sending the Age 50+ Roth Catch-up contributions to Voya. **If Voya is engaged to monitor contribution limits**, Voya will recognize these Impacted Participants via a new indicator *provided by the sponsor to Voya on, at a minimum, an annual basis*. The indicator will be provided via the sponsor's payroll demographic file, other designated file, or Voya PayCloud and must be received before Age 50+ Catch-up contributions are remitted.

### **Q8: How will Voya restrict Impacted Participants from electing Age 50+ contributions on a pre-tax basis?**

A8: If a participant uses the participant website to elect Age 50+ Catch-up contribution rates separate from the regular pre-tax or Roth deferral rates, Voya will require the Impacted Participant indicator from the plan sponsor to continue to support catch-up specific elections online. This indicator is necessary for Voya to display the appropriate catch-up election option(s) available to the participant (i.e., pre-tax catch up and/or Roth catch-up). Voya will use the Impacted Participant indicator to drive the participant experience on our participant website and limit Impacted Participants from electing pre-tax catch-up where applicable.

In addition, **if Voya monitors for contribution limits**, Voya will use the Impacted Participant indicator provided by the plan sponsor to restrict contributions identified as Age 50+ pre-tax catch-up contributions from being applied to the respective participant accounts. If a sponsor remits identified pre-tax catch-up contributions for someone who they have indicated as an Impacted Participant, Voya's systems will not allow the contribution and the sponsor or their designated contact will receive notification.

### **Q9: For clients who currently provide on-going 415 compensation to Voya, can Voya use that compensation to determine which participants are mandated to receive Roth and feed that information back to the sponsor?**

A9: Unfortunately, no. The definition of 415 compensation used by a plan may differ from the 3121(a) wages definition that applies to Section 603. Sponsors should work with their payroll vendor to understand its tracking functionality and determine assistance it can provide to determine Impacted Participants required to make Age 50+ Catch-up contributions on a Roth basis.

## **Sponsor Considerations**

### **Q10: What does this provision mean for sponsors that do not currently offer Roth Contributions?**

A10: Plan sponsors who currently offer Age 50+ Catch-up contributions, but do not offer Roth contributions, must either add a Roth feature for catch-up contributions or eliminate the plan's Age 50+ Catch-up contribution feature.

### **Q11: What does Voya need from plan sponsors?**

A11: **If Voya monitors for contribution limits**, Voya will require plan sponsors provide an Impacted Participant indicator on their payroll demographic file, other designated file, or Voya PayCloud on an annual basis to identify participants who were employed by the plan sponsor and earned prior year 3121(a) wages above \$145,000.

1. Finalize prior year 3121(a) wages as early as possible and prior to remitting Age 50+ Catch-up contributions. Until prior year 3121(a) wages are finalized, sponsors should not collect or remit catch-up contributions. This will ensure that there is proper tax withholding, and the Impacted Participants are appropriately identified.
2. Because sponsors may not have finalized prior year 3121(a) wages prior to the first payroll(s) of the new year, sponsors may want to consider remitting catch-up contributions only after a participant has met the 402(g) limit.

## Q12: What does incorrect remittance mean to the sponsor, participant, and Voya?

A12: Scenario 1: If a plan fails to identify an employee with 3121(a) wages above \$145k, deducts and remits Age 50+ Catch-up contribution(s) in pre-tax instead of Roth:

- **Plan Sponsor Impact:** The Plan Sponsor or their payroll vendor will have to determine payroll procedures for incorrect contributions requiring correction (i.e., dates and amounts of contributions that were withheld on a pre-tax instead of after-tax basis and incorrectly remitted to a participant's pre-tax source in error). The sponsor will have to determine tax amounts that should have been withheld from participant pay and withhold that amount from the participant's next paycheck. This could be further complicated if the error crosses tax years and an IRS Form W-2 has already been issued.
- **Participant Impact:** the contribution(s) and earnings for their Age 50+ catch-up contribution will need to be calculated and transferred in their retirement account. There will be impacts on their future paychecks as the plan sponsor or payroll vendor determines the additional tax liability to be withheld in arrears and prospectively. The amount recovered in arrears could be an unexpected hardship for the employee.
- **Voya Impact:** once informed that money was applied to the pre-tax source in error, that money and earnings will have to be transferred from the participant's pre-tax account to their Roth account. Complexities may be compounded based on the length of time that has elapsed since incorrect remittance, or number of incorrectly remitted contributions, as well as investment fund trading activity in the participant's account.

Scenario 2: If a plan sponsor identifies an employee with 3121(a) wages above \$145k and Voya monitors for contribution limits, provides the information on their annual file BUT remits catch-up contribution(s) in pre-tax instead of Roth:

- **Voya:** Voya will receive the catch-up contribution on a pre-tax basis and because the participant is listed as an Impacted Participant, the contribution will be rejected and returned to the plan sponsor.
- **Plan Sponsor Impact:** The Plan Sponsor or their payroll vendor will have to determine tax amounts that should have been withheld from participant pay and withhold that amount from the participant's next paycheck. This could be further complicated if the error crosses tax years and an IRS Form W-2 has already been issued. They will need to resubmit that catch-up contribution correctly on the next payroll file.
- **Participant impact:** The contribution taken from their paycheck will be delayed as it is returned and resubmitted correctly. The tax withholding not taken on the Age 50+ catch-up contribution will need to be identified and taken in the next paycheck. The additional deduction could be an unexpected hardship for the employee.

Scenario 3: Plan sponsor incorrectly identifies a participant as an Impacted Participant and remits Age 50+ Roth catch-up contribution(s) for a participant who should have made such contributions on a pre-tax basis:

- **Plan Sponsor and Participant Impacts:** The plan sponsor has incorrectly withheld taxes from participant(s) pay. Sponsors should work with their participant to confirm their pre-tax election and their payroll vendor to determine necessary steps to recover the incorrect withholding and



return it to the participant.

- **Voya Impact:** Once informed that money was applied to the Roth source in error, that money and earnings will have to be transferred from the participant's Roth account to their pre-tax account. Complexities may be compounded based on the length of time that has elapsed since incorrect remittance, or number of incorrectly remitted contributions, as well as trading activity in the participant's account.

**Q13: Do plan sponsors who are adding Roth to support Age 50+ catch-up have to permit regular Roth deferrals?**

A13: No. Regular Roth deferrals are still an optional feature.

**Q14: May plan sponsors limit Age 50+ catch-up contributions to participants whose prior year 3121(a) wages are less than the Roth mandated threshold?**

A14: No. If a plan offers catch-up contributions after 12/31/23, it must offer such contributions to all eligible participants regardless of wages received and apply the wages-based Roth catch-up rule as applicable.

**Q15: May Age 50+ catch-up eligible participants who are not Impacted Participants elect to make Age 50+ catch-up contributions on a Roth basis?**

A15: Yes. A plan that has at least one catch-up eligible participant whose wages exceed the threshold may not allow any catch-up contributions unless the plan provides that any eligible participant may make additional elective deferrals as designated Roth contributions.

**Q16: May sponsors require that all Age 50+ catch-up contributions be made on a Roth basis regardless of income?**

A16: Section 603 does not address this issue. Absent specific guidance, Plan Sponsors should consult with their plan legal counsel.

**Q17: How does this provision apply to new hires?**

A17: Regardless of compensation, the classification of an Impacted Participant for this provision is based on the 3121(a) wages during the prior calendar year with that employer. A new hire in the current year would not be impacted.

**Q18: How does this provision apply to our rehires?**

A18: For rehires Impacted Participant criteria is based on the participant's prior year's 3121(a) wages. If the rehire only worked for part of the prior year, the plan sponsor would still need to determine whether the rehire is an Impacted Participant. If, however, the rehire did not work for the employer at all during the prior calendar year, then the Section 603 would not apply to the rehire.

**Q19: If your plan design allows for automatic classification of contributions in excess of the 402(g) regular deferral limit as Age 50+ Catch-up, how does Section 603 impact that process?**

A19: Section 603 requires employers to recognize when a participant will exceed their 402(g) regular deferral limit and determine whether Age 50+ Catch-up contributions are mandated to be made on a Roth basis.

For Impacted Participants identified via the sponsor provided indicator: once the 402(g) regular deferral limit is reached no additional pre-tax contributions are permitted, therefore, any pre-tax money in excess of the regular deferral limit will not be automatically classified as Age 50+ Catch-up. If pre-tax money in excess of the regular deferral limit is remitted for an Impacted Participant, the excess amount will be rejected and plan sponsors will have the opportunity to correctly deduct and remit the contribution as Roth.

For non-Impacted Participants: the process used today can remain the same.

**Q20: How does Section 603 impact plan sponsor responsibility regarding contribution limit monitoring?**

A20: For any plan offering Age 50+ Catch-up, regardless of whether the catch-up is participant elected or automatically classified as such upon meeting the 402(g) regular deferral limit, plan sponsors must recognize that an employee will exceed their 402(g) regular deferral limit and deduct and remit catch-up contributions as Roth for impacted participants.

## Key Takeaways

1. Plan Sponsors who will offer Age 50+ Catch-up must have the Roth source in their plan(s) beginning on 1/1/24.
2. Plan Sponsors will need to work with their payroll providers to ensure compliance in several ways, including but not limited to the following:
  - I. finalize prior year 3121(a) wages and identify Impacted Participants,
  - II. consider remitting catch-up contributions only after a participant has met the 402(g) limit
  - III. monitor contribution limits, and,
  - IV. deduct proper tax withholding from participant pay and remit Roth contributions accordingly.
  - V. provide an indicator to Voya to flag Impacted Participants prior to remitting catch-up contributions, **if Voya monitors contribution limits**
3. Plan Amendments:
  - I. Plan amendment for Roth Catch-up under SECURE 2.0 Section 603 is required by 12/31/25 for non-governmental plans and by 12/31/27 for governmental and collectively bargained plans.
  - II. Plan amendment for adding the Roth source for purposes other than complying with SECURE 2.0 Section 603, for example making the Roth source available for regular employee deferrals as of 1/1/24, is required by 12/31/24 for both non-governmental and governmental plans (note – governmental 403(b) plans have a 90-day rule that may extend the amendment deadline.)

**For plan sponsor use only. Not for use with participants.**

The information presented here is not intended to be legal or tax advice. The applicability of the information and ideas set forth herein to your plan are dependent upon the facts and circumstances of your plan. Voya strongly suggests that you speak with your own tax and legal advisors before making changes to your plan.

Products and services offered through the Voya® family of companies. CN2883437\_0525