


December 31, 2023



The North Carolina Supplemental Retirement Plans Executive Summary

**Investment Measurement Service
Quarterly Review**

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The North Carolina Supplemental Retirement Plans
December 31, 2023

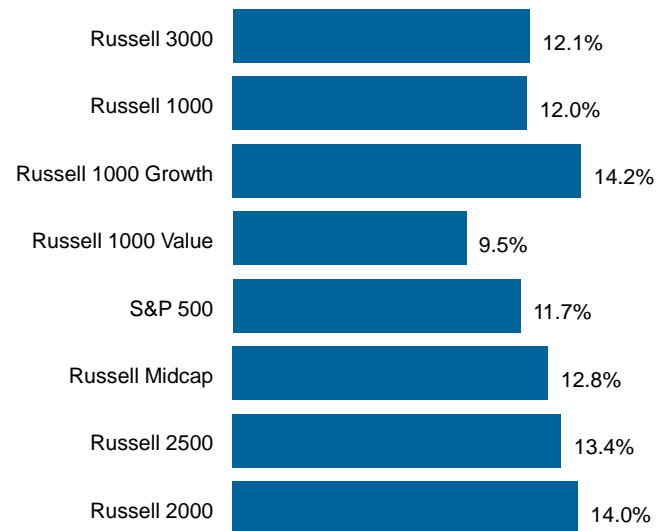
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U.S. EQUITY

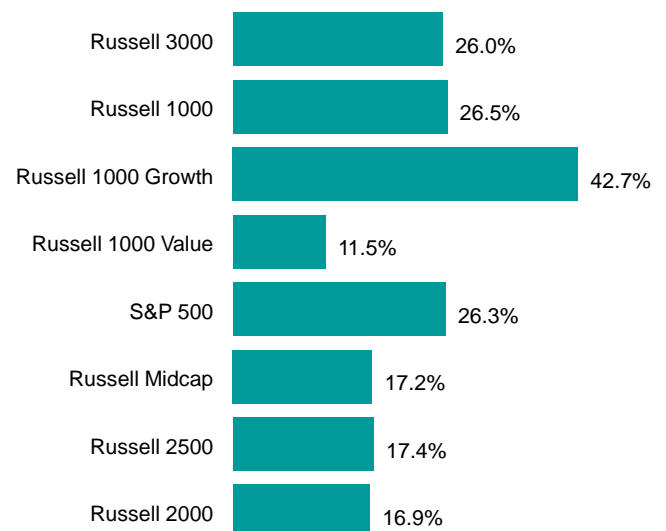
End-of-the-year rally

- U.S. equity markets rebounded in the last two months of the year as the impact of possible rate cuts in 2024 started to get priced in.
- The S&P 500 Index approached a record high as the year closed. Of note, 2023 was the first year since 2012 that the S&P failed to reach a high-water mark. That said, the index was up an impressive 11.7% in 4Q and 26.3% for the year.
- The tech sector was the clear winner for the quarter and the year (+17.2%; +57.8%) while Energy (-6.9%; -1.3%) was the only sector to register both a 4Q and 2023 decline.
- 2023 saw the narrowest breadth of leadership ("the Magnificent Seven") since 1987, with just 27% of stocks outperforming the S&P 500. Historically, such concentrated leadership has not been the sign of a healthy market.
- Fourth quarter and 2023 returns for the bunch were impressive: Alphabet: +6.8%, +58.8%; Amazon: +19.5%, +80.9%; Apple: +12.6%, +49.0%; Meta: +17.9%; +194.1%; Microsoft: +19.3%, +58.2%; NVIDIA: +13.9%, +239.0%; Tesla: -0.7%, +101.7%.
- The index would have been up only about 10% for the year without these stocks, and the equal-weighted S&P 500 returned 11.9% in 4Q and 13.9% in 2023.
- However, gains started broadening out in the last two months of the year with the equal-weighted S&P index outperforming the capitalization-weighted version.
- Smaller cap stocks also outperformed their large cap counterparts in 4Q23, further proof of the broadening out of returns.
- For the full year, large cap stocks outperformed small cap stocks by almost 10 percentage points.
- Growth vs. value performance was mixed across market capitalization during the quarter. Within large cap, growth outperformed value, while the opposite was true within small cap.

U.S. Equity: Quarterly Returns

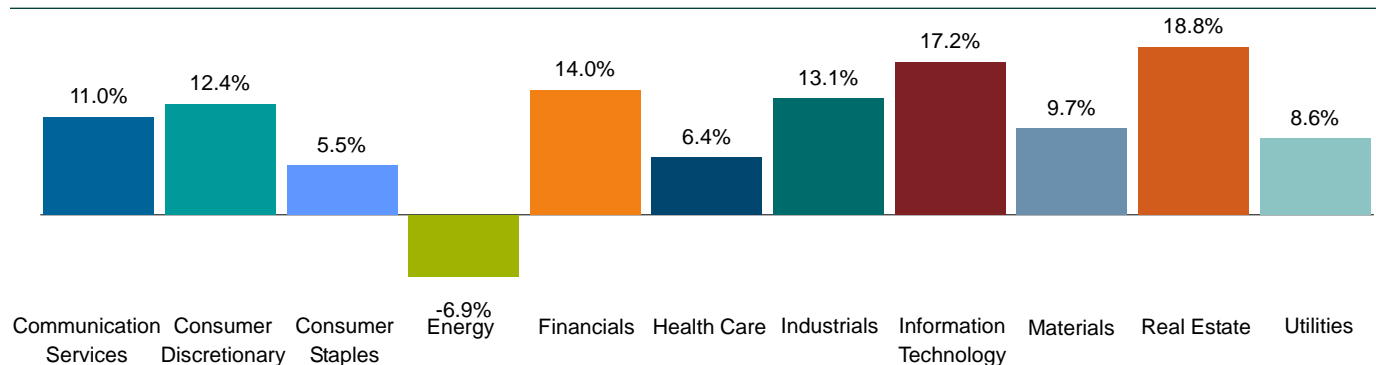


U.S. Equity: One-Year Returns



Sources: FTSE Russell, S&P Dow Jones Indices

S&P Sector Returns, Quarter Ended 12/31/23



Source: S&P Dow Jones Indices

Global markets in the black for 4Q

Broad market

- Dovish signaling from central banks and dropping yields led to a broad market rally in 4Q23.
- Global ex-U.S. small caps reclaimed some of their lagging performance in 4Q but ended the year as the worst-performing broad-based index, albeit up over 12%. Elevated borrowing costs and the persistent risk of a recession have kept investors away.
- Japan's low rates have benefited exporters, and the threat of being delisted spurred a stock buy-back spree. Coupled with an increased focus on governance, this spurred Japan to a multi-decade high.

Emerging markets

- Emerging markets underperformed developed markets.
- India's rally couldn't overcome China's weakness, whose economic growth was near the government's target, but investor concerns around stimulus and a surprisingly sluggish reopening drove stocks lower.

Growth vs. value

- Energy, a volatile area in the market, pulled back value's rally after having a strong 3Q. Global ex-U.S. growth rallied on lowering yields but couldn't overcome earlier underperformance and ended the year behind its value peers in both emerging and developed markets.

U.S. dollar vs. other currencies

- The U.S. dollar weakened in 4Q as investors believed that U.S. interest rates would fall faster than much of the developed world.

China: Danger or opportunity?

Long-term growth potential

- China has the second-largest GDP and the world's largest population of consumers.

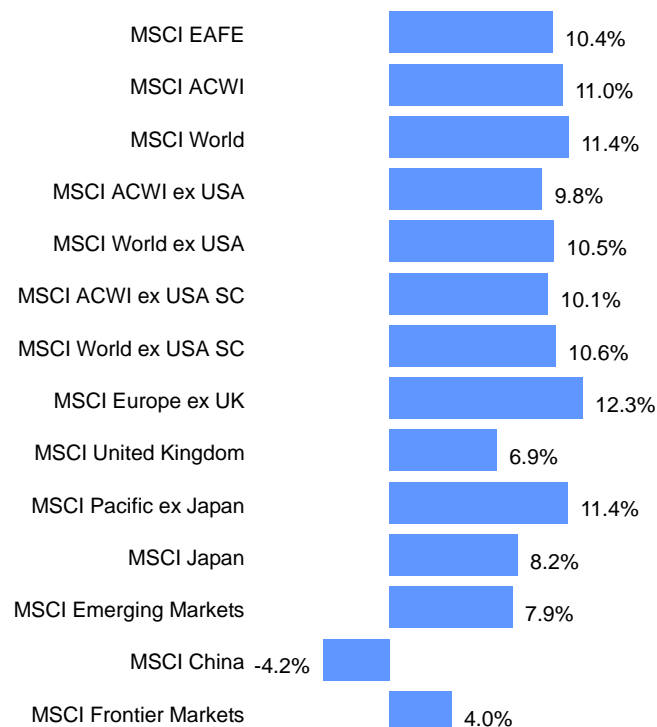
Valuation

- Valuations remain attractive on a forward P/E basis.

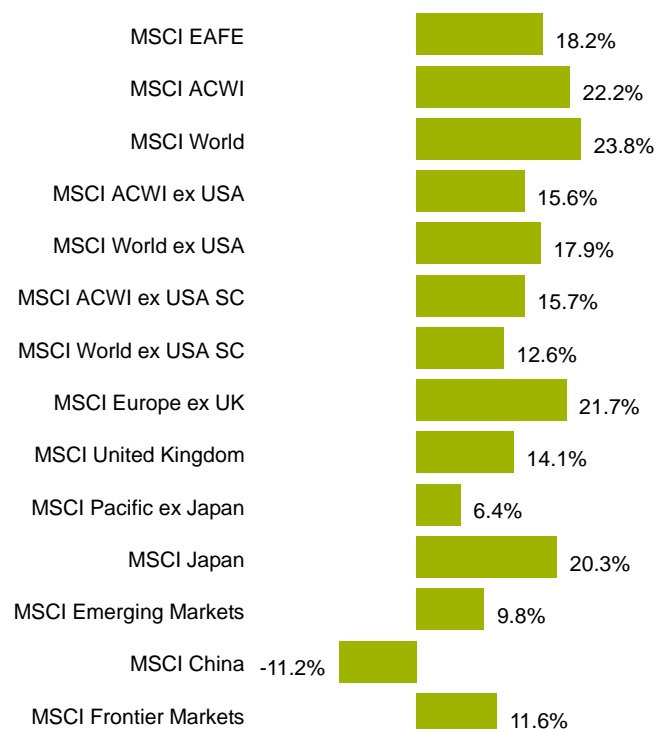
Structural challenges

- Inbound foreign direct investment (FDI) for China went negative for the first time as local markets remained weak and geopolitical tensions persisted.
- China is run by an authoritarian regime that may act against investors' best interests.

Global Equity: Quarterly Returns



Global Equity: One-Year Returns



Source: MSCI

U.S. FIXED INCOME

Strong returns at end of year

- Driven by falling rates and strong risk-on sentiment, the Agg returned 6.8%, the highest quarterly return since 2Q89 (when the 90-day T-bill was over 8% and inflation hit 14% earlier in the decade)!
- 10-year U.S. Treasury yield closed the year at 3.88%
- A round trip from December 2022, masking significant volatility during the year
- High was 4.98% in October and low was 3.30% in April
- Corporates and mortgages outperformed Treasuries for the quarter and year.
- High yield corporates soared as defaults remained low and the economy resilient.

U.S. Treasury yield curve remained inverted, but less so

- 106 bps as of 6/30; 44 bps as of 9/30; 35 bps as of 12/31

Fed kept Fed Funds rate on hold and softened language

- Pivoted from “higher for longer” to projected rate cuts in 2024
- Inflation over past six months below Fed’s 2% target
- Core PCE Price Index was 1.9% annualized in November.
- Markets expect six rate cuts in 2024 versus three in the Fed’s Summary of Economic Projections.

Valuations

- Investment grade and high yield corporate spreads now below 10-year averages

MUNICIPAL BONDS

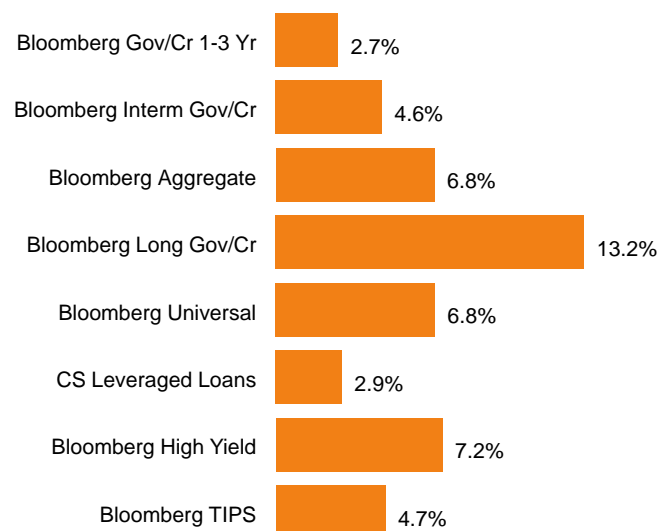
Gains in 4Q and a superb November

- November was the best month since August 1982.
- Helped by falling yields, muted issuance, and strong demand
- Reversed the -1.4% year-to-date return as of 9/30

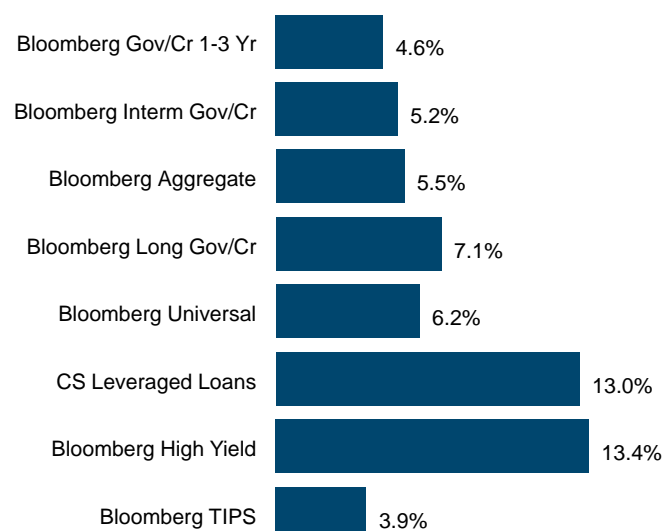
BBBs performed best for quarter and year

- AAA: +8.4%; +5.8%
- AA: +7.6%; +5.9%
- A: +8.0%; +7.3%
- BBB: +9.2%; +8.9%

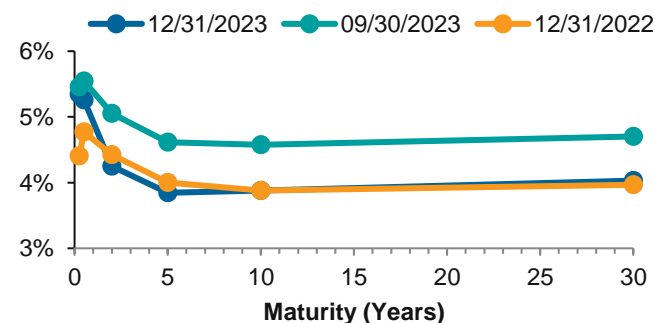
U.S. Fixed Income: Quarterly Returns



U.S. Fixed Income: One-Year Returns



U.S. Treasury Yield Curves



Sources: Bloomberg, Credit Suisse

MUNICIPAL BONDS (continued)**Valuations**

- Credit spreads close to historical averages
- Mortgage spreads widened on interest rate volatility and slowing prepayments.

Valuations vs. U.S. Treasuries richened

- 10-year AAA Muni/10-year U.S. Treasury yield ratio 59%, down from 75% as of 9/30
- Well below 10-year median of 87%
- After-tax yields remain attractive at 5.4% (source: Morgan Stanley).

Fundamentals for state, local governments remain sound

- Upgrades exceeded downgrades in 2023.

GLOBAL FIXED INCOME**Falling rates bolstered 4Q returns globally**

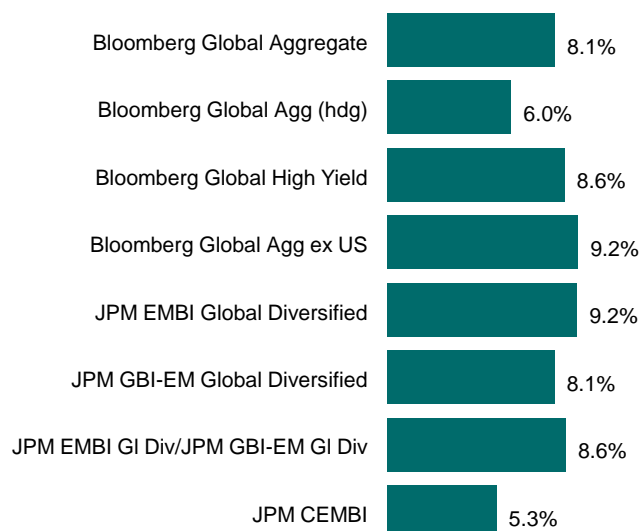
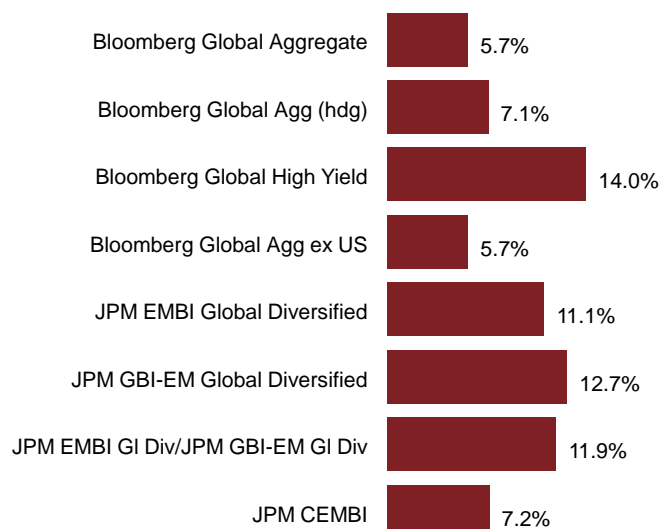
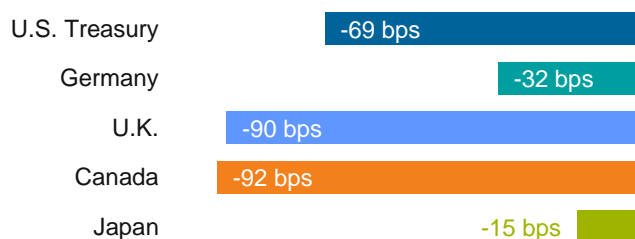
- Central banks seen as moving closer to cutting rates as inflation moderated
- Gains were broad-based across countries with the U.S. lagging other developed markets in unhedged terms.
- Emerging markets also posted strong results with gains across most countries.

U.S. dollar weakened

- Major currencies rose compared to the dollar in 4Q.

Emerging markets also posted strong results

- Gains across most countries

Global Fixed Income: Quarterly Returns**Global Fixed Income: One-Year Returns****Change in 10-Year Global Government Bond Yields****3Q23 to 4Q23**

Sources: Bloomberg, JP Morgan

Investment Fund Balances

The table below compares the fund's investment fund balances as of December 31, 2023 with that of September 30, 2023. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Funds

	December 31, 2023		Net New Invest.	Invest. Return	September 30, 2023	
	Market Value	Weight			Market Value	Weight
North Carolina SRP 401k & 457						
Tier II Passive	\$5,461,000,751	34.05%	\$11,138,679	\$525,045,492	\$4,924,816,580	33.55%
Fixed Income Passive	91,599,538	0.57%	2,632,544	5,605,453	83,361,540	0.57%
Treasury Inflation Protected	381,082,829	2.38%	1,995,954	13,603,664	365,483,212	2.49%
Large Cap Passive	3,913,836,404	24.40%	(1,588,155)	410,650,393	3,504,774,166	23.88%
International Passive	111,479,794	0.69%	1,636,766	10,036,843	99,806,184	0.68%
SMID Cap Passive	402,076,893	2.51%	(1,863,661)	47,266,651	356,673,903	2.43%
Inflation Responsive Fund	560,925,294	3.50%	8,325,230	37,882,489	514,717,574	3.51%
Tier II Active	\$10,579,265,936	65.95%	\$(5,287,839)	\$832,465,183	\$9,752,088,591	66.45%
Stable Value Fund	2,418,036,522	15.07%	(18,055,895)	17,411,266	2,418,681,151	16.48%
Fixed Income Fund	2,330,631,157	14.53%	10,731,995	159,777,314	2,160,121,849	14.72%
Large Cap Core Equity Fund	2,258,815,207	14.08%	(34,827,320)	276,351,969	2,017,290,559	13.74%
International Equity Fund	2,446,509,762	15.25%	16,251,925	257,779,120	2,172,478,717	14.80%
Small/Mid Cap Equity Fund	1,125,273,287	7.02%	20,611,458	121,145,515	983,516,314	6.70%
Total Fund	\$16,040,266,686	100.0%	\$5,850,840	\$1,357,510,676	\$14,676,905,171	100.0%

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Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended December 31, 2023

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Tier 2: Passive (Net of Fee)										
Fixed Income Passive	6.71%	76	5.62%	83	(3.35%)	60	1.07%	89	1.25%	85
Blmbg Aggregate	6.82%	58	5.53%	86	(3.31%)	60	1.10%	88	1.29%	83
Callan Core Bond MFs	6.88%		5.98%		(3.16%)		1.47%		1.56%	
Treasury Inflation Protected Securities	3.73%	96	4.38%	26	0.68%	9	3.42%	18	-	
Blmbg US TIPS 1-10 Yr	3.89%	95	4.36%	27	0.73%	8	3.43%	18	2.68%	17
Callan TIPS MFs	4.57%		3.75%		(1.22%)		3.12%		2.43%	
Large Cap Passive	11.69%	51	26.27%	40	9.97%	56	15.68%	32	13.41%	26
S&P 500 Index	11.69%	51	26.29%	40	10.00%	56	15.69%	32	13.42%	26
Callan Large Cap Core MFs	11.72%		24.67%		10.16%		14.73%		12.35%	
International Passive	9.91%	60	15.30%	77	1.36%	64	7.05%	73	6.40%	60
International Benchmark (1)	9.81%	61	15.62%	75	1.26%	65	6.90%	75	6.20%	63
Callan Non US Equity MFs	10.36%		17.70%		2.99%		8.27%		6.82%	
SMID Cap Passive	13.33%	14	17.41%	39	4.21%	69	11.59%	49	8.90%	35
Russell 2500 Index	13.35%	12	17.42%	39	4.24%	69	11.67%	47	8.98%	34
Callan SMID Core MFs	12.22%		16.33%		6.15%		11.45%		8.15%	
Inflation Responsive Fund	7.28%	28	4.06%	54	2.77%	77	4.72%	83	3.88%	87
Inflation Responsive Benchmark	7.21%	29	3.75%	58	2.59%	77	4.51%	86	3.15%	90
Callan Real Assets MFs	5.77%		4.49%		5.26%		6.37%		4.97%	
Tier 2: Active (Net of Fee)										
Stable Value Fund	0.72%	11	2.72%	11	2.11%	11	2.27%	4	2.23%	4
3 Yr US Treas Rolling	1.10%	1	4.31%	1	2.62%	1	2.01%	16	2.04%	12
T-Bill + 1.5%	1.73%	1	6.51%	1	3.65%	1	3.38%	1	3.23%	1
Callan Stable Value CT	0.59%		2.32%		1.66%		1.78%		1.74%	
Fixed Income Fund	7.39%	24	7.14%	30	(3.12%)	51	1.91%	35	2.07%	28
Blmbg Aggregate	6.82%	70	5.53%	90	(3.31%)	71	1.10%	91	1.29%	91
Callan Core Plus MFs	7.08%		6.56%		(3.10%)		1.77%		1.81%	
Large Cap Core Equity Fund	13.85%	30	29.29%	43	7.13%	68	14.83%	45	-	
Russell 1000 Index	11.96%	51	26.53%	48	8.97%	46	15.52%	41	13.21%	48
Callan Lg Cap Broad MF	12.05%		25.85%		8.52%		14.44%		12.89%	
International Equity Fund	11.77%	21	19.99%	17	(0.75%)	79	7.12%	72	6.47%	58
International Benchmark (1)	9.81%	61	15.62%	75	1.26%	65	6.90%	75	6.20%	63
Callan Non US Equity MFs	10.36%		17.70%		2.99%		8.27%		6.82%	
Small/Mid Cap Equity Fund	12.14%	44	14.75%	63	5.03%	46	11.86%	43	-	
Russell 2500 Index	13.35%	23	17.42%	45	4.24%	47	11.67%	47	8.98%	49
Callan SMID Broad MFs	11.63%		16.85%		3.90%		11.62%		8.85%	

(1) As of 9/30/21, International Benchmark consists of MSCI ACWI ex-US IMI, previously consisted of MSCI ACWI ex-US.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended December 31, 2023

	Last 10 Years		Last 15 Years		Since Inception
Tier 2: Passive (Net of Fee)					
Fixed Income Passive	1.76%	82	-		1.92% (10/10)
Blmbg Aggregate	1.81%	78	2.68%	93	2.00% (10/10)
Callan Core Bond MFs	2.00%		3.39%		-
Treasury Inflation Protected Securities	-		-		3.01% (7/18)
Blmbg US TIPS 1-10 Yr	2.31%	41	3.18%	56	3.03% (7/18)
Callan TIPS MFs	2.24%		3.25%		-
Large Cap Passive	11.99%	23	-		15.06% (4/09)
S&P 500 Index	12.03%	22	13.97%	20	15.13% (4/09)
Callan Large Cap Core MFs	10.90%		12.88%		-
International Passive	3.89%	59	-		7.70% (4/09)
International Benchmark (1)	3.74%	63	6.68%	66	7.62% (4/09)
Callan Non US Equity MFs	4.14%		7.27%		-
SMID Cap Passive	8.31%	41	-		13.76% (4/09)
Russell 2500 Index	8.36%	39	12.66%	32	13.82% (4/09)
Callan SMID Core MFs	7.69%		11.92%		-
Inflation Responsive Fund	3.16%	60	-		2.24% (9/11)
Inflation Responsive Benchmark	2.03%	80	3.37%		1.05% (9/11)
Callan Real Assets MFs	3.32%		-		-
Tier 2: Active (Net of Fee)					
Stable Value Fund	2.12%	8	-		2.44% (7/09)
3 Yr US Treas Rolling	1.71%	35	1.41%	90	1.42% (7/09)
T-Bill + 1.5%	2.75%	1	2.37%	12	2.40% (7/09)
Callan Stable Value CT	1.63%		1.75%		-
Fixed Income Fund	2.44%	26	-		3.53% (4/09)
Blmbg Aggregate	1.81%	92	2.68%	98	2.72% (4/09)
Callan Core Plus MFs	2.23%		3.98%		-
Large Cap Core Equity Fund	-		-		12.11% (10/17)
Russell 1000 Index	11.80%	42	14.02%	43	12.50% (10/17)
Callan Lg Cap Broad MF	11.13%		13.37%		-
International Equity Fund	4.44%	39	-		8.19% (4/09)
International Benchmark (1)	3.74%	63	6.68%	66	7.62% (4/09)
Callan Non US Equity MFs	4.14%		7.27%		-
Small/Mid Cap Equity Fund	-		-		8.07% (10/17)
Russell 2500 Index	8.36%	42	12.66%	51	8.29% (10/17)
Callan SMID Broad MFs	7.87%		12.76%		-

(1) As of 9/30/21, International Benchmark consists of MSCI ACWI ex-US IMI, previously consisted of MSCI ACWI ex-US.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended December 31, 2023

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Tier 2: Active (Net of Fee)										
Stable Value Fund	0.72%	11	2.72%	11	2.11%	11	2.27%	4	2.23%	4
3 Yr US Treas Rolling	1.10%	1	4.31%	1	2.62%	1	2.01%	16	2.04%	12
T-Bill + 1.5%	1.73%	1	6.51%	1	3.65%	1	3.38%	1	3.23%	1
Callan Stable Value CT	0.59%		2.32%		1.66%		1.78%		1.74%	
Fixed Income Fund	7.39%	24	7.14%	30	(3.12%)	51	1.91%	35	2.07%	28
Blmbg Aggregate	6.82%	70	5.53%	90	(3.31%)	71	1.10%	91	1.29%	91
Callan Core Plus MFs	7.08%		6.56%		(3.10%)		1.77%		1.81%	
TCW Core Plus	7.51%	19	6.03%	77	(3.37%)	77	1.58%	62	1.66%	61
Blmbg Aggregate	6.82%	70	5.53%	90	(3.31%)	71	1.10%	91	1.29%	91
Callan Core Plus MFs	7.08%		6.56%		(3.10%)		1.77%		1.81%	
Prudential Core Plus	7.26%	38	8.30%	1	(2.85%)	37	2.28%	11	2.50%	7
Blmbg Aggregate	6.82%	70	5.53%	90	(3.31%)	71	1.10%	91	1.29%	91
Callan Core Plus MFs	7.08%		6.56%		(3.10%)		1.77%		1.81%	
Large Cap Core Equity Fund	13.85%	30	29.29%	43	7.13%	68	14.83%	45	-	
Russell 1000 Index	11.96%	51	26.53%	48	8.97%	46	15.52%	41	13.21%	48
Callan Lg Cap Broad MF	12.05%		25.85%		8.52%		14.44%		12.89%	
Hotchkis & Wiley Large Cap Value	11.14%	21	17.30%	19	12.93%	6	14.21%	12	10.41%	19
Russell 1000 Value Index	9.50%	45	11.46%	51	8.86%	70	10.91%	68	8.32%	76
Callan Lg Cap Value MF	9.31%		11.77%		9.83%		11.69%		9.18%	
Macquarie Large Cap Value	10.15%	31	3.80%	96	7.49%	89	8.76%	94	7.83%	83
Russell 1000 Value Index	9.50%	45	11.46%	51	8.86%	70	10.91%	68	8.32%	76
Callan Lg Cap Value MF	9.31%		11.77%		9.83%		11.69%		9.18%	
Sands Capital Large Cap Growth	22.69%	1	52.09%	9	(6.39%)	99	13.65%	90	15.49%	58
Russell 1000 Growth Index	14.16%	53	42.68%	41	8.86%	12	19.50%	7	17.68%	14
Callan Large Cap Grwth MF	14.32%		40.65%		5.53%		16.84%		15.98%	
Loomis SaylesLarge Cap Growth	14.20%	53	52.01%	10	9.57%	5	18.29%	16	17.19%	21
Russell 1000 Growth Index	14.16%	53	42.68%	41	8.86%	12	19.50%	7	17.68%	14
Callan Large Cap Grwth MF	14.32%		40.65%		5.53%		16.84%		15.98%	
BlackRock Russell 1000 Index	12.07%	30	26.57%	40	9.01%	75	15.53%	38	-	
Russell 1000 Index	11.96%	33	26.53%	40	8.97%	76	15.52%	38	13.21%	28
Callan Large Cap Core MFs	11.72%		24.67%		10.16%		14.73%		12.35%	

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended December 31, 2023

	Last 10 Years		Last 15 Years		Since Inception
Tier 2: Active (Net of Fee)					
Stable Value Fund	2.12%	8	-		2.44% ^(7/09)
3 Yr US Treas Rolling	1.71%	35	1.41%	90	1.42% ^(7/09)
T-Bill + 1.5%	2.75%	1	2.37%	12	2.40% ^(7/09)
Callan Stable Value CT	1.63%		1.75%		-
Fixed Income Fund	2.44%	26	-		3.53% ^(4/09)
Bimbg Aggregate	1.81%	92	2.68%	98	2.72% ^(4/09)
Callan Core Plus MFs	2.23%		3.98%		-
TCW Core Plus	-		-		1.66% ^(1/17)
Bimbg Aggregate	1.81%	92	2.68%	98	1.29% ^(1/17)
Callan Core Plus MFs	2.23%		3.98%		-
Prudential Core Plus	-		-		2.59% ^(1/15)
Bimbg Aggregate	1.81%	92	2.68%	98	1.36% ^(1/15)
Callan Core Plus MFs	2.23%		3.98%		-
Large Cap Core Equity Fund	-		-		12.11% ^(10/17)
Russell 1000 Index	11.80%	42	14.02%	43	12.50% ^(10/17)
Callan Lg Cap Broad MF	11.13%		13.37%		-
Hotchkis & Wiley Large Cap Value	9.80%	18	-		14.83% ^(4/09)
Russell 1000 Value Index	8.40%	62	11.09%	48	12.68% ^(4/09)
Callan Lg Cap Value MF	8.56%		11.03%		-
Macquarie Large Cap Value	-		-		7.51% ^(6/15)
Russell 1000 Value Index	8.40%	62	11.09%	48	8.07% ^(6/15)
Callan Lg Cap Value MF	8.56%		11.03%		-
Sands Capital Large Cap Growth	11.07%	89	-		17.45% ^(4/09)
Russell 1000 Growth Index	14.86%	5	16.68%	6	17.31% ^(4/09)
Callan Large Cap Grwth MF	13.25%		15.33%		-
Loomis Sayles Large Cap Growth	-		-		15.59% ^(8/14)
Russell 1000 Growth Index	14.86%	5	16.68%	6	15.29% ^(8/14)
Callan Large Cap Grwth MF	13.25%		15.33%		-
BlackRock Russell 1000 Index	-		-		12.25% ^(11/17)
Russell 1000 Index	11.80%	27	14.02%	19	12.26% ^(11/17)
Callan Large Cap Core MFs	10.90%		12.88%		-

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended December 31, 2023

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Last 7 Years	
Tier 2: Active (Net of Fee)										
International Equity Fund	11.77%	21	19.99%	17	(0.75%)	79	7.12%	72	6.47%	58
International Benchmark (1)	9.81%	61	15.62%	75	1.26%	65	6.90%	75	6.20%	63
Callan Non US Equity MFs	10.36%		17.70%		2.99%		8.27%		6.82%	
Mondrian ACWI ex-US Value	8.51%	83	20.46%	14	4.73%	27	6.98%	75	6.09%	64
MSCI ACWI ex US	9.75%	61	15.62%	75	1.55%	63	7.08%	72	6.33%	61
MSCI ACWI ex US Value	8.43%	84	17.30%	52	5.80%	17	6.34%	86	5.30%	86
Callan Non US Equity MFs	10.36%		17.70%		2.99%		8.27%		6.82%	
Baillie Gifford ACWI ex-US Growth	14.84%	4	19.88%	18	(4.89%)	95	7.80%	59	7.42%	33
MSCI ACWI ex US	9.75%	61	15.62%	75	1.55%	63	7.08%	72	6.33%	61
MSCI ACWI ex US Growth	11.12%	31	14.03%	87	(2.67%)	81	7.49%	67	7.14%	42
Callan Non US Equity MFs	10.36%		17.70%		2.99%		8.27%		6.82%	
Acadian	10.17%	62	17.49%	23	-		-		-	
MSCI ACWI ex US Small Cap	10.12%	62	15.66%	37	1.49%	39	7.89%	45	6.70%	49
Callan Intl Small Cap MFs	10.73%		14.33%		(0.35%)		7.51%		6.67%	
WCM	15.78%	5	22.40%	9	-		-		-	
MSCI ACWI ex US Small Cap	10.12%	62	15.66%	37	1.49%	39	7.89%	45	6.70%	49
Callan Intl Small Cap MFs	10.73%		14.33%		(0.35%)		7.51%		6.67%	
Small/Mid Cap Equity Fund	12.14%	44	14.75%	63	5.03%	46	11.86%	43	-	
Russell 2500 Index	13.35%	23	17.42%	45	4.24%	47	11.67%	47	8.98%	49
Callan SMID Broad MFs	11.63%		16.85%		3.90%		11.62%		8.85%	
Earnest Partners Small/Mid Cap	12.72%	30	15.44%	58	-		-		-	
Russell 2500 Index	13.35%	12	17.42%	39	4.24%	69	11.67%	47	8.98%	34
Callan SMID Core MFs	12.22%		16.33%		6.15%		11.45%		8.15%	
Brown Advisory Small/Mid Cap Growth	9.52%	91	13.28%	85	(0.59%)	36	12.09%	34	10.57%	62
Russell 2500 Growth Index	12.59%	32	18.93%	47	(2.68%)	61	11.43%	48	10.24%	65
Callan SMID Growth MFs	11.63%		18.77%		(2.13%)		11.34%		11.46%	
BlackRock Russell 2500 Index	13.35%	12	17.69%	37	4.16%	70	11.80%	39	-	
Russell 2500 Index	13.35%	12	17.42%	39	4.24%	69	11.67%	47	8.98%	34
Callan SMID Core MFs	12.22%		16.33%		6.15%		11.45%		8.15%	

(1) As of 9/30/21, International Benchmark consists of MSCI ACWI ex-US IMI, previously consisted of MSCI ACWI ex-US.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended December 31, 2023

	Last 10 Years		Last 15 Years		Since Inception
Tier 2: Active (Net of Fee)					
International Equity Fund	4.44%	39	-		8.19% ^(4/09)
International Benchmark	3.74%	63	6.68%	66	7.62% ^(4/09)
Callan Non US Equity MFs	4.14%		7.27%		-
Mondrian ACWI ex-US Value	4.11%	53	-		7.22% ^(4/09)
MSCI ACWI ex US	3.83%	61	6.74%	64	7.68% ^(4/09)
MSCI ACWI ex US Value	2.92%	87	6.08%	81	7.12% ^(4/09)
Callan Non US Equity MFs	4.14%		7.27%		-
Baillie Gifford ACWI ex-US Growth	5.27%	20	-		9.72% ^(4/09)
MSCI ACWI ex US	3.83%	61	6.74%	64	7.68% ^(4/09)
MSCI ACWI ex US Growth	4.55%	36	7.26%	50	8.11% ^(4/09)
Callan Non US Equity MFs	4.14%		7.27%		-
Acadian	-		-		0.80% ^(10/21)
MSCI ACWI ex US Small Cap	4.88%	41	9.31%	50	(3.11%) ^(10/21)
Callan Intl Small Cap MFs	4.67%		9.28%		-
WCM	-		-		(13.54%) ^(10/21)
MSCI ACWI ex US Small Cap	4.88%	41	9.31%	50	(3.11%) ^(10/21)
Callan Intl Small Cap MFs	4.67%		9.28%		-
Small/Mid Cap Equity Fund	-		-		8.07% ^(10/17)
Russell 2500 Index	8.36%	42	12.66%	51	8.29% ^(10/17)
Callan SMID Broad MFs	7.87%		12.76%		-
Earnest Partners Small/Mid Cap	-		-		4.12% ^(4/21)
Russell 2500 Index	8.36%	39	12.66%	32	0.77% ^(4/21)
Callan SMID Core MFs	7.69%		11.92%		-
Brown Advisory Small/Mid Cap Growth	9.33%	40	-		14.58% ^(4/09)
Russell 2500 Growth Index	8.78%	49	13.64%	43	14.36% ^(4/09)
Callan SMID Growth MFs	8.65%		13.35%		-
BlackRock Russell 2500 Index	-		-		8.24% ^(11/17)
Russell 2500 Index	8.36%	39	12.66%	32	8.14% ^(11/17)
Callan SMID Core MFs	7.69%		11.92%		-

The North Carolina Supplemental Retirement Plans

Fee Matrix

Funds and Sub-Advisors	Assets*	Inv. Mgmt. Fee	Custodial Expenses ¹	NC Budget ²	Total Estimated Expense (%)	Total Estimated Annual Expenses (\$) ³	Callan Median Expense ⁴	Difference
North Carolina Stable Value Fund	\$2,418,036,522	0.2586%	0.0062%	0.0100%	0.27%	\$6,644,764	0.60%	-0.33%
Galliard	\$0	0.2586%	0.0000%			\$0	0.27%	-0.01%
North Carolina Fixed Income Passive Fund	\$91,599,538	0.0200%	0.0147%	0.0100%	0.04%	\$40,945	0.06%	-0.02%
Blackrock	\$91,599,538	0.0200%	0.0100%			\$18,320	0.04%	-0.02%
North Carolina Fixed Income Fund	\$2,330,631,157	0.1221%	0.0097%	0.0100%	0.14%	\$3,304,835	0.38%	-0.24%
50% TCW	\$1,166,624,944	0.1343%	0.0000%			\$1,566,777	0.21%	-0.08%
50% Prudential	\$1,164,006,165	0.1100%	0.0100%			\$1,280,407	0.21%	-0.10%
North Carolina Inflation Sensitive Fund	\$560,925,294	0.0900%	0.0112%	0.0100%	0.11%	\$623,749	0.40%	-0.29%
Blackrock	\$560,925,304	0.0900%	0.0100%			\$504,833	0.11%	-0.02%
North Carolina Large Cap Passive Fund	\$3,913,836,404	0.0050%	0.0008%	0.0100%	0.02%	\$618,386	0.16%	-0.14%
Blackrock	\$3,913,836,404	0.0050%	0.0100%			\$195,692	0.02%	-0.02%
North Carolina Large Cap Core Fund	\$2,258,815,207	0.2817%	0.0053%	0.0100%	0.30%	\$6,708,681	0.59%	-0.29%
18.75% Hotchkis & Wiley	\$428,479,904	0.4000%	0.0000%			\$1,713,920	0.40%	0.00%
18.75% Macquarie Large Cap Value	\$420,412,766	0.2654%	0.0000%			\$1,115,775	0.40%	-0.13%
18.75% Sands Capital Management	\$431,715,087	0.4500%	0.0000%			\$1,942,718	0.43%	0.02%
18.75% Loomis Sayles	\$424,344,181	0.3683%	0.0000%			\$1,562,860	0.43%	-0.06%
25% BlackRock Advisors Inc., Large Cap Index*	\$553,863,274	0.0050%	0.0100%			\$27,693	0.02%	-0.02%
North Carolina SMID Cap Passive Fund	\$402,076,893	0.0050%	0.0151%	0.0100%	0.03%	\$121,025	0.16%	-0.13%
Blackrock	\$402,076,893	0.0050%	0.0100%			\$20,104	0.03%	-0.03%
North Carolina SMID Cap Core Fund	\$1,125,273,287	0.2640%	0.0132%	0.0100%	0.29%	\$3,231,785	0.81%	-0.52%
30% Earnest Partners	\$334,846,224	0.4700%	0.0000%			\$1,573,777	0.68%	-0.21%
30% BlackRock SMA	\$339,570,343	0.0400%	0.0000%			\$135,828	0.65%	-0.61%
30% Brown Advisory	\$334,391,622	0.3755%	0.0000%			\$1,255,641	0.70%	-0.32%
10% BlackRock Advisors Inc., SMID Index*	\$116,464,444	0.0050%	0.0100%			\$5,823	0.04%	-0.04%
North Carolina International Passive Fund	\$111,479,794	0.0210%	0.0240%	0.0100%	0.06%	\$61,314	0.06%	0.00%
Blackrock	\$111,479,794	0.0210%	0.0200%			\$23,411	0.06%	-0.04%
North Carolina International Equity	\$2,446,509,762	0.3750%	0.0309%	0.0100%	0.42%	\$10,175,034	0.79%	-0.37%
43% Baillie Gifford Growth	\$1,058,734,098	0.2688%	0.0000%			\$2,845,877	0.51%	-0.24%
43% Mondrian Investment Partners Value	\$1,040,354,097	0.3848%	0.0000%			\$4,003,283	0.50%	-0.12%
7% Acadian	\$170,990,570	0.6377%	0.0000%			\$1,090,407	0.83%	-0.19%
7% WCM	\$176,147,590	0.7000%	0.0000%			\$1,233,033	0.84%	-0.14%
North Carolina TIPS Fund	\$381,082,829	0.0250%	0.0038%	0.0100%	0.04%	\$147,860	0.40%	-0.36%
Blackrock	\$381,082,829	0.0250%	0.0000%			\$95,271	0.11%	-0.09%
Total	\$16,040,266,686	0.1240%	0.0123%	0.0100%	0.20%	\$31,678,379	0.22%	

*Individual Manager Assets do not sum to Fund asset class totals due to residual/closing accounts.

¹ Based on annualized monthly fee accruals as of 12/31/2023

² The cost of the budget associated with the management of the Supplemental Retirement Plans, borne by each investment option in proportion to the pro-rate share of the applicable assets in that fund.

³ Manager fee estimates reflect investment management fee only, does not include \$31 per participant record-keeping fee.

⁴ The median expenses for White Label composites are compared against their respective Callan Mutual Fund Institutional Universe, while the individual managers are compared to peers with the same vehicle and strategy assets. The total fund median represents asset-weighted investment management fees for plans greater than \$1 billion in the Callan DC index.

The North Carolina Supplemental Retirement Plans

Active Management Scorecard – Rolling 3-Years

North Carolina Supplemental Retirement Plans Active Management Scorecard - Rolling 3 Years									
	Large Cap Equity								
	3 Years to 12/31/2023		3 Years to 09/30/2023		3 Years to 06/30/2023		3 Years to 03/31/2023		5 Year Risk
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	
Hotchkis & Wiley Large Cap Value									
Macquarie Large Cap Value									
Sands Capital Large Cap Growth									
Loomis Large Cap Growth									
	Small/Mid Cap								
	3 Years to 12/31/2023		3 Years to 09/30/2023		3 Years to 06/30/2023		3 Years to 03/31/2023		5 Year Risk
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	
EARNEST Partners SMID Cap Core*									
Brown Advisory									
	International Equity								
	3 Years to 12/31/2023		3 Years to 09/30/2023		3 Years to 06/30/2023		3 Years to 03/31/2023		5 Year Risk
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	
Baillie Gifford ACWI ex US Growth									
Mondrian ACWI ex US Value									
Acadian*									
WCM*									
	Fixed Income								
	3 Years to 12/31/2023		3 Years to 09/30/2023		3 Years to 06/30/2023		3 Years to 03/31/2023		5 Year Risk
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	
TCW Core Plus*									
Prudential Core Plus									
	Stable Value								
	3 Years to 12/31/2023		3 Years to 09/30/2023		3 Years to 06/30/2023		3 Years to 03/31/2023		5 Year Risk
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	
Stable Value									
*Composite returns used to populate history; gross returns compared to index and separate account peer groups									

The North Carolina Supplemental Retirement Plans

Active Management Scorecard – Rolling 5-Years

North Carolina Supplemental Retirement Plans Active Management Scorecard - Rolling 5 Years									
	Large Cap Equity								
	5 Years to 12/31/2023		5 Years to 09/30/2023		5 Years to 6/30/2023		5 Years to 3/31/2023		5 Year Risk
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	
Hotchkis & Wiley Large Cap Value									
Macquarie Large Cap Value*									
Sands Capital Large Cap Growth									
Loomis Large Cap Growth*									
	Small/Mid Cap								
	5 Years to 12/31/2023		5 Years to 09/30/2023		5 Years to 6/30/2023		5 Years to 3/31/2023		5 Year Risk
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	
EARNEST Partners SMID Cap Core*									
Brown Advisory									
	International Equity								
	5 Years to 12/31/2023		5 Years to 09/30/2023		5 Years to 6/30/2023		5 Years to 3/31/2023		5 Year Risk
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	
Baillie Gifford ACWI ex US Growth									
Mondrian ACWI ex US Value									
Acadian*									
WCM*									
	Fixed Income								
	5 Years to 12/31/2023		5 Years to 09/30/2023		5 Years to 6/30/2023		5 Years to 3/31/2023		5 Year Risk
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	
TCW Core Plus*									
Prudential Core Plus									
	Stable Value								
	5 Years to 12/31/2023		5 Years to 09/30/2023		5 Years to 6/30/2023		5 Years to 3/31/2023		5 Year Risk
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	
Stable Value									
*Composite returns used to populate history; gross returns compared to index and separate account peer groups									

The North Carolina Supplemental Retirement Plans Quarterly Manager Review

Callan Manager Assessment

	Manager Overall	Product People	Philosophy/ Process	Short Term Performance	Long Term Performance	Product Dynamics	Product Overall	STATUS	NOTES
LARGE CAP VALUE EQUITY									
Hotchkis & Wiley Large Cap Value	●	●	●	●	●	●	●	Within Expectations	
Macquarie Large Cap Value	●	●	●	●	●	●	●	Cautionary	<ul style="list-style-type: none"> • MIM appointed Marty Wolin as Chief Compliance Officer (CCO) in January, 2024. Brian Murray, prior CCO, remains on a leave of absence and continues to be an employee of the firm. • Bob Vogel, long time portfolio manager, retired from the firm in July 2023. • Former PM Ty Nutt retired in July 2019 and transitioned his lead role to Nik Lalvani. Macquarie promoted Associate PM Erin Ksenak to PM in December 2020 and analyst Vincent Celentano to Associate PM. Continue to monitor the team, process, and performance subsequent to transitions. • Very difficult performance for calendar year 2023. Recent underperformance impacting long-term results; client and asset stability has declined over the past three years.
LARGE CAP CORE EQUITY									
BlackRock Russell 1000 Index	●	●	●	●	●	●	●	Within Expectations	
LARGE CAP GROWTH EQUITY									
Loomis Sayles Large Cap Growth	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> • Loomis offered a voluntary separation program in 4Q22 to eligible personnel at the firm, excluding portfolio managers. A number of fixed income analysts within the central research team accepted the buyout. • Strategy has had nearly \$5B in outflows in 2022 and continues to experience net outflows in 2023; however, most outflow activity has been attributed to rebalancing. Strategy remains capacity constrained. • Due to significant outperformance versus the benchmark in 2023, trailing 3- year performance has improved, though trailing 5/7 year performance continue to slightly lag the benchmark.
Sands Capital Large Cap Growth	●	●	●	●	●	●	●	Cautionary	<ul style="list-style-type: none"> • Frank Sands Sr. passed away in March 2021; does not impact the day to day management. • One of the four PMs on the strategy, Mike Sramek, elected to not to not return from a medical leave that was initiated in July 2022 and officially retired from the firm in December 2022. His tenure at the firm and impact on both Select and Focus Growth strategies necessitates continued due diligence around impact of his absence on the portfolio management approach going forward. • Calendar year 2023 performance outpaced that of the Russell 1000 Growth Index by 10%, buoyed by strong performance in three out of four quarters during the year. However, 3/5/7-year trailing performance, particularly the 3-year number, remain meaningfully behind the benchmark due to performance in 2021 and 2022. • Stability of asset base continues to be monitored; strategy experienced some outflows at the end of 2022 and has experienced nearly \$1 billion in outflows in 2023, particularly within its endowment and foundation client base.

Product Dynamics: reflects noteworthy highlights of the portfolio and strategy including assets and portfolio characteristics.

Short-Term Performance: reflects periods of three years and under with a focus on whether or not the manager is performing within expectations.

Long-Term Performance: reflects periods of five years and longer with a focus on whether or not the manager is performing within expectations.

The North Carolina Supplemental Retirement Plans Quarterly Manager Review

Callan Manager Assessment

	Manager Overall	Product People	Philosophy/ Process	Short Term Performance	Long Term Performance	Product Dynamics	Product Overall	STATUS	NOTES
SMALL CAP GROWTH EQUITY									
Brown Advisory Small/Mid Cap Growth	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> • Strategy AUM near high watermark (mitigated by slowing net flows and market volatility); total securities near all-time high (but within expected range). • Strategy one-year returns lagged index and ranked in bottom quartile of peers.
SMALL/MID CAP BROAD									
BlackRock Russell 2500 Index	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> • Head of iShares and Index Investments Salim Ramji will be departing the firm in Q1 2024. Callan will monitor BlackRock's decision on Ramji's successor, however the index team remains deep at the portfolio management level.
Earnest Partners Small/Mid Cap	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> • Firm founder Paul Viera owns majority of firm. • Strategy market capitalization consistently larger than benchmark and peers. • One year returns lag index and rank below peers.
BlackRock SMID Cap Passive	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> • Head of iShares and Index Investments Salim Ramji will be departing the firm in Q1 2024. Callan will monitor BlackRock's decision on Ramji's successor, however the index team remains deep at the portfolio management level..
ACWI XUS CORE									
BlackRock International Passive	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> • Head of iShares and Index Investments Salim Ramji will be departing the firm in Q1 2024. Callan will monitor BlackRock's decision on Ramji's successor, however the index team remains deep at the portfolio management level..
ACWI XUS VALUE									
Mondrian ACWI ex-US Value	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> • In the last few years, there have been a number of investment professional shifts on the team, but all were well telegraphed, and resources remain robust.
ACWI XUS GROWTH									
Baillie Gifford ACWI ex-US Growth	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> • The retirement of Portfolio Manager Angus Franklin in 6/2022, and the portfolio manager rotation of Toby Ross with Steve Vaughan in 9/2022 are expected to be seamless given the team-driven process and depth and breadth of the team.

Product Dynamics: reflects noteworthy highlights of the portfolio and strategy including assets and portfolio characteristics.

Short-Term Performance: reflects periods of three years and under with a focus on whether or not the manager is performing within expectations.

Long-Term Performance: reflects periods of five years and longer with a focus on whether or not the manager is performing within expectations.

The North Carolina Supplemental Retirement Plans Quarterly Manager Review

Callan Manager Assessment

	Manager Overall	Product People	Philosophy/ Process	Short Term Performance	Long Term Performance	Product Dynamics	Product Overall	STATUS	NOTES
ACWI XUS SMALL CORE									
Acadian	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> Stable organization despite parent company BrightSphere who is expected sell its affiliate Acadian; however, the terms of the firm and economic structure are expected to be intact similar to BHMS transaction in July 2020 and TS&W transaction in May 2021. Co-CEO structure streamlined succession; the appointment of Fanesca Young as lead portfolio manager of Equities and departure of Portfolio Manager Kurt Livermore in 2Q23 is expected to have little overall impact given the systematic nature of the process and depth of the investment team. The staffing reduction should not impact Acadian's equity strategies. The reduction was part of a refocusing of future organizational priorities.
ACWI XUS SMALL GROWTH									
WCM	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> Co-CEO Kurt Winrich retired, effective 12/31/2021. Winrich continues to serve as chairman of the Board. In June 2023, WCM acquired Martin Capital, based in Eugene, Oregon, that manages dividend growth strategies and has \$300 million in assets under management. The team will continue to operate independently from other teams under the WCM umbrella. The strategy has limited capacity.
CORE BOND									
BlackRock Fixed Income Passive	●	●	●	●	●	●	●	Within Expectations	
CORE PLUS BOND									
Prudential Core Plus	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> In January 2023 it was announced that Head of Fixed Income Michael Lillard will be retiring effective April 2024; PGIM provided ample notice regarding his retirement.
TCW Core Plus	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> Monitoring the CEO leadership transition which occurred at year-end 2022. Monitoring potential impacts to investment strategy consistency due to changes in senior leadership (departures of Generalists Tad Rivelle '21, Laird Landmann '23, Steve Kane '24, and securitized PM Harrison Choi '23), but the team remains deep and experienced, and we support the recent announcements as a part of a transition to a new generation of leadership. Short-term underperformance in 2Q23 was attributed to a combination of longer duration and yield curve positioning relative to the benchmark, an underweight in IG credit, and an overweight in MBS. Long-term performance remains consistent, although, as previously discussed, it carries less significance during this transition to a new generation of leadership.

Product Dynamics: reflects noteworthy highlights of the portfolio and strategy including assets and portfolio characteristics.

Short-Term Performance: reflects periods of three years and under with a focus on whether or not the manager is performing within expectations.

Long-Term Performance: reflects periods of five years and longer with a focus on whether or not the manager is performing within expectations.

The North Carolina Supplemental Retirement Plans Quarterly Manager Review

Callan Manager Assessment

	Manager Overall	Product People	Philosophy/ Process	Short Term Performance	Long Term Performance	Product Dynamics	Product Overall	<u>STATUS</u>	<u>NOTES</u>
US TIPS									
BlackRock Treasury Inflation Protected	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> Head of iShares and Index Investments Salim Ramji will be departing the firm in Q1 2024. Callan will monitor BlackRock's decision on Ramji's successor, however the index team remains deep at the portfolio management level.
STABLE VALUE									
Galliard Stable Value	●	●	●	●	●	●	●	Within Expectations	<ul style="list-style-type: none"> Continuing to monitor parent company's (Allspring) ownership change that occurred in November 2021. Wells was rebranded to Allspring Global Investments and Joseph Sullivan replaced Nico Marais as CEO. Assets have stabilized since late 2020. The Galliard Stable Return Fund's put queue peaked in 2020 and has since decreased to 2017 levels.

Product Dynamics: reflects noteworthy highlights of the portfolio and strategy including assets and portfolio characteristics.

Short-Term Performance: reflects periods of three years and under with a focus on whether or not the manager is performing within expectations.

Long-Term Performance: reflects periods of five years and longer with a focus on whether or not the manager is performing within expectations.

The North Carolina Supplemental Retirement Plans
Investment Manager Performance Monitoring Summary Report
December 31, 2023

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	3 Year Return Consistency	5 Year Sharpe Ratio	5 Year Excess Rtn Ratio	5 Year Tracking Error	5 Year Risk
Tier 2: Passive vs. Net of Fee Groups									
Fixed Income Passive (i)	6.7 76	5.6 83	-3.4 60	1.1 89		-0.1 90	-0.2 100	0.1 100	6.5 82
Callan Core Bond MFs									
Blmbg Aggregate	6.8 58	5.5 86	-3.3 60	1.1 88		-0.1 88			6.6 81
Treasury Inflation Protected (i)	3.7 96	4.4 26	0.7 9	3.4 18		0.3 1	-0.0 19	0.3 97	4.4 96
Callan TIPS MFs									
Blmbg US TIPS 1-10 Yr	3.9 95	4.4 27	0.7 8	3.4 18		0.4 1			4.4 96
Large Cap Passive (i)	11.7 51	26.3 40	10.0 56	15.7 32		0.7 36	-0.2 48	0.0 100	19.7 55
Callan Large Cap Core MFs									
S&P 500 Index	11.7 51	26.3 40	10.0 56	15.7 32		0.7 36			19.7 55
International Passive (i)	9.9 60	15.3 77	1.4 64	7.1 73		0.3 66	0.2 57	0.9 100	20.5 81
Callan Non US Equity MFs									
International Benchmark	9.8 61	15.6 75	1.3 65	6.9 75		0.2 68			20.4 82
SMID Cap Passive (i)	13.3 14	17.4 39	4.2 69	11.6 49		0.4 51	-1.1 93	0.1 100	26.1 39
Callan SMID Core MFs									
Russell 2500 Index	13.4 12	17.4 39	4.2 69	11.7 47		0.4 47			26.1 39
Inflation Responsive Fund (i)	7.3 28	4.1 54	2.8 77	4.7 83		0.2 80	1.5 2	0.1 98	12.4 67
Callan Real Assets MFs									
Inflation Responsive Benchmark	7.2 29	3.7 58	2.6 77	4.5 86		0.2 82			12.4 67
Tier 2: Active vs. Net of Fee Groups									
Stable Value Fund	0.7 11	2.7 11	2.1 11	2.3 4		1.8 6	-1.4 5	0.8 44	0.2 39
Callan Stable Value CT									
T-Bill + 1.5%	1.7 1	6.5 1	3.7 1	3.4 1		1.6 10			0.9 1
Fixed Income Fund	7.4 24	7.1 30	-3.1 51	1.9 35		0.0 35	0.4 24	2.3 66	7.4 40
Callan Core Plus MFs									
Blmbg Aggregate	6.8 70	5.5 90	-3.3 71	1.1 91		-0.1 95			6.6 91
TCW Core Plus	7.5 19	6.0 77	-3.4 77	1.6 62		-0.0 62	0.4 19	1.1 93	7.1 68
Callan Core Plus MFs									
Blmbg Aggregate	6.8 70	5.5 90	-3.3 71	1.1 91		-0.1 95			6.6 91

Returns:
■ above median
■ third quartile
■ fourth quartile

Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Sharpe Ratio:
■ above median
■ third quartile
■ fourth quartile

Excess Return Ratio:
■ above median
■ third quartile
■ fourth quartile

Tracking Error:
■ below median
■ second quartile
■ first quartile

Risk:
■ below median
■ second quartile
■ first quartile

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The North Carolina Supplemental Retirement Plans
Investment Manager Performance Monitoring Summary Report
December 31, 2023

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	3 Year Return Consistency	5 Year Sharpe Ratio	5 Year Excess Rtn Ratio	5 Year Tracking Error	5 Year Risk
Prudential Core Plus Callan Core Plus MFs Blmbg Aggregate	7.3 38 6.8 70	8.3 1 5.5 90	-2.9 37 -3.3 71	2.3 11 1.1 91	<div></div> <div></div> <div></div>	0.0 11 -0.1 95	0.3 25	3.7 22	8.0 13 6.6 91
Large Cap Core Equity Fund Callan Lg Cap Broad MF Russell 1000 Index	13.8 30 12.0 51	29.3 43 26.5 48	7.1 68 9.0 46	14.8 45 15.5 41	<div></div> <div></div> <div></div>	0.6 53 0.7 29	-0.2 55	3.7 82	22.3 38 20.4 58
Hotchkis & Wiley Large Cap Value Callan Lg Cap Value MF Russell 1000 Value Index	11.1 21 9.5 45	17.3 19 11.5 51	12.9 6 8.9 70	14.2 12 10.9 68	<div></div> <div></div> <div></div>	0.5 61 0.5 64	0.4 28	9.0 9	27.2 5 20.0 59
Macquarie Large Cap Value Callan Lg Cap Value MF Russell 1000 Value Index	10.2 31 9.5 45	3.8 96 11.5 51	7.5 89 8.9 70	8.8 94 10.9 68	<div></div> <div></div> <div></div>	0.4 93 0.5 64	-0.6 94	3.7 61	19.6 70 20.0 59
Sands Capital Large Cap Growth Callan Large Cap Grwth MF Russell 1000 Growth Index	22.7 1 14.2 53	52.1 9 42.7 41	-6.4 99 8.9 12	13.7 90 19.5 7	<div></div> <div></div> <div></div>	0.4 99 0.8 9	-0.4 29	15.0 1	33.4 1 23.1 62
Loomis SaylesLarge Cap Growth Callan Large Cap Grwth MF Russell 1000 Growth Index	14.2 53 14.2 53	52.0 10 42.7 41	9.6 5 8.9 12	18.3 16 19.5 7	<div></div> <div></div> <div></div>	0.7 16 0.8 9	-0.2 14	5.7 33	22.8 69 23.1 62
BlackRock Russell 1000 Index (i) Callan Large Cap Core MFs Russell 1000 Index	12.1 30 12.0 33	26.6 40 26.5 40	9.0 75 9.0 76	15.5 38 15.5 38	<div></div> <div></div> <div></div>	0.7 44 0.7 44	0.1 29	0.1 99	20.5 29 20.4 30
International Equity Fund Callan Non US Equity MFs International Benchmark	11.8 21 9.8 61	20.0 17 15.6 75	-0.7 79 1.3 65	7.1 72 6.9 75	<div></div> <div></div> <div></div>	0.2 76 0.2 68	0.1 67	3.3 92	22.2 50 20.4 82
Mondrian ACWI ex-US Value Callan Non US Equity MFs MSCI ACWI ex US	8.5 83 9.8 61	20.5 14 15.6 75	4.7 27 1.5 63	7.0 75 7.1 72	<div></div> <div></div> <div></div>	0.2 67 0.3 59	-0.0 75	4.9 61	20.7 78 20.4 83
Baillie Gifford ACWI ex-US Growth Callan Non US Equity MFs MSCI ACWI ex US	14.8 4 9.8 61	19.9 18 15.6 75	-4.9 95 1.5 63	7.8 59 7.1 72	<div></div> <div></div> <div></div>	0.2 78 0.3 59	0.1 66	8.7 15	25.3 14 20.4 83

Returns:
 above median
 third quartile
 fourth quartile

Return Consistency:
 above median
 third quartile
 fourth quartile

Sharpe Ratio:
 above median
 third quartile
 fourth quartile

Excess Return Ratio:
 above median
 third quartile
 fourth quartile

Tracking Error:
 below median
 second quartile
 first quartile

Risk:
 below median
 second quartile
 first quartile

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The North Carolina Supplemental Retirement Plans
Investment Manager Performance Monitoring Summary Report
December 31, 2023

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	3 Year Return Consistency	5 Year Sharpe Ratio	5 Year Excess Rtn Ratio	5 Year Tracking Error	5 Year Risk
Acadian Callan Intl Small Cap MFs MSCI ACWI ex US Small Cap	10.2 62	17.5 23	7.2 8	12.2 3		0.4 2	1.0 1	4.5 84	23.1 89
	10.1 62	15.7 37	1.5 39	7.9 45		0.3 40			23.9 75
WCM Callan Intl Small Cap MFs MSCI ACWI ex US Small Cap	15.8 5	22.4 9	-5.0 79	14.5 1		0.4 2	0.5 2	14.2 6	32.2 5
	10.1 62	15.7 37	1.5 39	7.9 45		0.3 40			23.9 75
Small/Mid Cap Equity Fund Callan SMID Broad MFs Russell 2500 Index	12.1 44	14.7 63	5.0 46	11.9 43		0.4 43	0.1 33	2.2 100	25.4 66
	13.4 23	17.4 45	4.2 47	11.7 47		0.4 50			26.1 51
Earnest Partners Small/Mid Cap Callan SMID Core MFs Russell 2500 Index	12.7 30	15.4 58	7.3 41	14.1 10		0.6 2	0.4 15	6.4 18	22.0 88
	13.4 12	17.4 39	4.2 69	11.7 47		0.4 47			26.1 39
Brown Advisory Small/Mid Cap Growth Callan SMID Growth MFs Russell 2500 Growth Index	9.5 91	13.3 85	-0.6 36	12.1 34		0.4 40	0.1 34	4.7 84	25.7 65
	12.6 32	18.9 47	-2.7 61	11.4 48		0.4 47			27.2 51
BlackRock Russell 2500 Index (i) Callan SMID Core MFs Russell 2500 Index	13.3 12	17.7 37	4.2 70	11.8 39		0.4 46	0.2 18	0.6 100	26.4 33
	13.4 12	17.4 39	4.2 69	11.7 47		0.4 47			26.1 39

Returns:
 above median
 third quartile
 fourth quartile

Return Consistency:
 above median
 third quartile
 fourth quartile

Sharpe Ratio:
 above median
 third quartile
 fourth quartile

Excess Return Ratio:
 above median
 third quartile
 fourth quartile

Tracking Error:
 below median
 second quartile
 first quartile

Risk:
 below median
 second quartile
 first quartile

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The North Carolina Supplemental Retirement Plans
Investment Manager Performance Monitoring Summary Report
December 31, 2023

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	3 Year Return Consistency	5 Year Sharpe Ratio	5 Year Excess Rtn Ratio	5 Year Tracking Error	5 Year Risk
Tier 2: Active vs. Gross of Fee Groups									
Stable Value Fund									
Galliard Stable Value	0.7 29	2.8 40	2.2 39	2.4 32		2.5 33	-1.2 32	0.8 19	0.2 55
Callan Stable Value SA									
T-Bill + 1.5%	1.7 1	6.5 1	3.7 2	3.4 2		1.6 62			0.9 1
Fixed Income Fund									
TCW Core Plus	7.5 5	6.2 49	-3.2 86	1.7 47		-0.0 43	0.6 43	1.1 54	7.1 11
Callan Core Bond FI									
Bimbg Aggregate	6.8 67	5.5 86	-3.3 91	1.1 97		-0.1 97			6.6 79
Prudential Core Plus	7.3 16	8.3 1	-2.9 38	2.3 3		0.0 4	0.3 80	3.7 1	8.0 1
Callan Core Bond FI									
Bimbg Aggregate	6.8 67	5.5 86	-3.3 91	1.1 97		-0.1 97			6.6 79
Large Cap Core Equity Fund									
Hotchkis & Wiley Large Cap Value	11.2 16	17.8 18	13.4 14	14.7 14		0.5 66	0.4 49	9.0 7	27.2 6
Callan Large Cap Value									
Russell 1000 Value Index	9.5 64	11.5 66	8.9 90	10.9 87		0.5 77			20.0 65
Macquarie Large Cap Value	10.2 42	4.1 97	7.8 95	9.1 97		0.4 94	-0.5 98	3.7 58	19.6 75
Callan Large Cap Value									
Russell 1000 Value Index	9.5 64	11.5 66	8.9 90	10.9 87		0.5 77			20.0 65
Sands Capital Large Cap Growth	22.8 1	52.7 3	-6.0 97	14.1 93		0.4 97	-0.4 37	15.0 4	33.4 3
Callan Large Cap Growth									
Russell 1000 Growth Index	14.2 51	42.7 35	8.9 26	19.5 10		0.8 18			23.1 56
Loomis Sayles Large Cap Growth	14.3 44	52.5 4	10.0 16	18.7 18		0.7 23	-0.1 13	5.7 36	22.8 61
Callan Large Cap Growth									
Russell 1000 Growth Index	14.2 51	42.7 35	8.9 26	19.5 10		0.8 18			23.1 56
BlackRock Russell 1000 Index (i)	12.1 41	26.6 46	9.0 75	15.5 52		0.7 54	0.1 43	0.1 100	20.5 24
Callan Large Cap Core									
Russell 1000 Index	12.0 47	26.5 47	9.0 75	15.5 52		0.7 54			20.4 25

Returns:
■ above median
■ third quartile
■ fourth quartile

Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Sharpe Ratio:
■ above median
■ third quartile
■ fourth quartile

Excess Return Ratio:
■ above median
■ third quartile
■ fourth quartile

Tracking Error:
■ below median
■ second quartile
■ first quartile

Risk:
■ below median
■ second quartile
■ first quartile

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**The North Carolina Supplemental Retirement Plans
Investment Manager Performance Monitoring Summary Report
December 31, 2023**

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	3 Year Return Consistency	5 Year Sharpe Ratio	5 Year Excess Rtn Ratio	5 Year Tracking Error	5 Year Risk		
International Fund											
Mondrian ACWI ex-US Value Callan NonUS Eq	8.6 83	20.9 19	5.1 28	7.4 84			0.3 77	0.1 83	4.9 53	20.7 70	
MSCI ACWI ex US	9.8 57	15.6 78	1.5 71	7.1 89			0.3 81			20.4 79	
Baillie Gifford ACWI ex-US Growth Callan NonUS Eq	14.9 4	20.2 27	-4.6 95	8.1 72			0.2 83	0.1 77	8.7 10	25.3 8	
MSCI ACWI ex US	9.8 57	15.6 78	1.5 71	7.1 89			0.3 81			20.4 79	
Acadian Callan Intl Small Cap	10.2 62	17.5 22	7.2 6	12.2 6			0.4 6	1.0 3	4.5 74	23.1 91	
MSCI ACWI ex US Small Cap	10.1 63	15.7 43	1.5 37	7.9 42			0.3 44			23.9 69	
WCM Callan Intl Small Cap	15.8 1	22.4 1	-5.0 85	14.5 1			0.4 8	0.5 16	14.2 3	32.2 4	
MSCI ACWI ex US Small Cap	10.1 63	15.7 43	1.5 37	7.9 42			0.3 44			23.9 69	
Small/Mid Cap Equity Fund											
Earnest Partners Small/Mid Cap Callan Small/MidCap Core	12.8 33	16.0 62	8.3 37	15.2 12			0.6 6	0.6 15	6.4 32	22.0 85	
Russell 2500 Index	13.4 25	17.4 53	4.2 83	11.7 76			0.4 76			26.1 41	
Brown Advisory Small/Mid Cap Growth Callan Sm/MidCap Growth	9.6 73	13.7 81	-0.2 31	12.6 46			0.4 48	0.2 43	4.7 89	25.7 68	
Russell 2500 Growth Index	12.6 32	18.9 39	-2.7 61	11.4 63			0.4 59			27.2 50	
BlackRock Russell 2500 Index (i) Callan Small/MidCap Core	13.3 25	17.7 52	4.2 84	11.8 75			0.4 75	0.2 43	0.6 100	26.4 33	
Russell 2500 Index	13.4 25	17.4 53	4.2 83	11.7 76			0.4 76			26.1 41	

Returns:
■ above median
■ third quartile
■ fourth quartile

Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Sharpe Ratio:
■ above median
■ third quartile
■ fourth quartile

Excess Return Ratio:
■ above median
■ third quartile
■ fourth quartile

Tracking Error:
■ below median
■ second quartile
■ first quartile

Risk:
■ below median
■ second quartile
■ first quartile

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Investment Fund Balances

The table below compares the fund's investment fund balances as of December 31, 2023 with that of September 30, 2023.

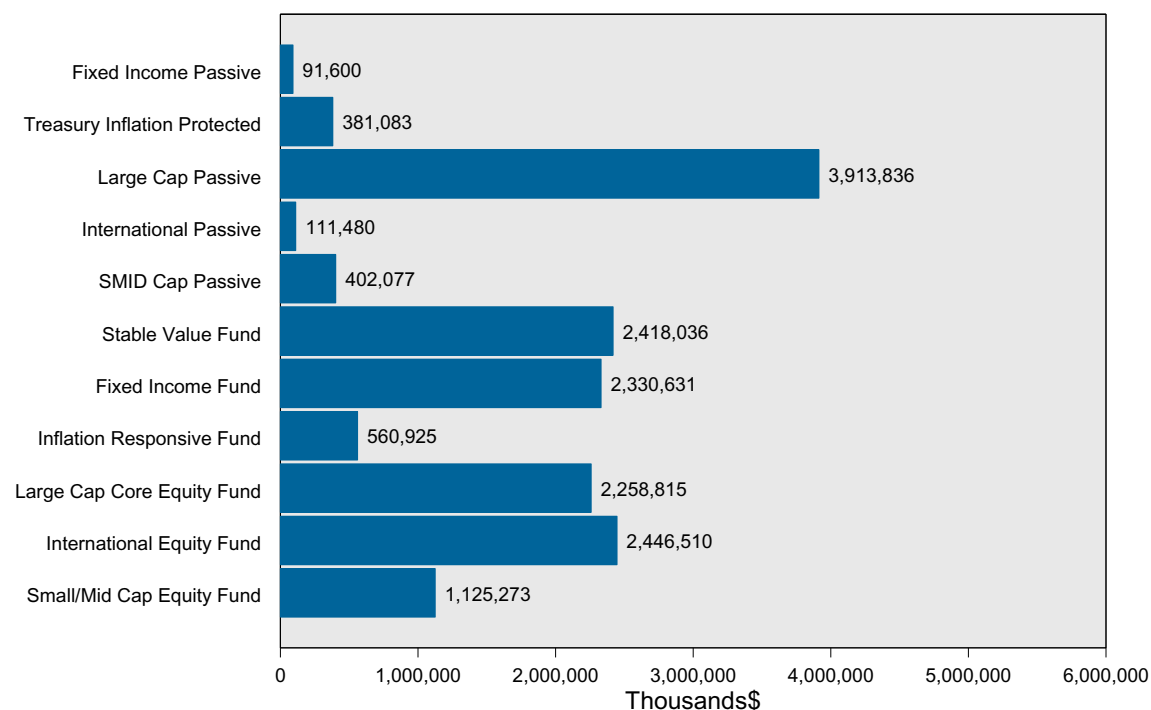
Asset Distribution Across Investment Funds

	December 31, 2023		September 30, 2023	
	Market Value	Weight	Market Value	Weight
North Carolina SRP 401k & 457				
Tier I: GoalMaker				
Post Retirement Conservative 11+	53,527,247	0.66%	49,425,916	0.67%
Post Retirement Conservative 6-10	158,185,723	1.95%	146,510,309	2.00%
Post Retirement Conservative 0-5	404,982,189	5.00%	384,603,131	5.24%
Pre Retirement Conservative 0-5	315,698,919	3.90%	305,729,453	4.17%
Pre Retirement Conservative 6-10	197,417,824	2.44%	183,159,431	2.50%
Pre Retirement Conservative 11-15	152,565,570	1.88%	140,908,680	1.92%
Pre Retirement Conservative 16-20	116,563,317	1.44%	105,372,386	1.44%
Pre Retirement Conservative 21-25	98,823,298	1.22%	90,061,989	1.23%
Pre Retirement Conservative 26+	106,235,753	1.31%	94,848,295	1.29%
Post Retirement Moderate 11+	62,056,256	0.77%	54,069,213	0.74%
Post Retirement Moderate 6-10	172,287,380	2.13%	157,045,966	2.14%
Post Retirement Moderate 0-5	507,185,707	6.26%	463,667,135	6.32%
Pre Retirement Moderate 0-5	702,990,893	8.68%	641,565,332	8.74%
Pre Retirement Moderate 6-10	679,627,201	8.39%	612,730,325	8.35%
Pre Retirement Moderate 11-15	570,095,984	7.04%	516,051,484	7.03%
Pre Retirement Moderate 16-20	438,830,398	5.42%	392,880,942	5.35%
Pre Retirement Moderate 21-25	324,091,448	4.00%	289,037,711	3.94%
Pre Retirement Moderate 26+	374,820,433	4.63%	329,417,414	4.49%
Post Retirement Aggressive 11+	21,851,986	0.27%	20,312,624	0.28%
Post Retirement Aggressive 6-10	62,332,059	0.77%	56,010,358	0.76%
Post Retirement Aggressive 0-5	202,899,044	2.51%	180,666,143	2.46%
Pre Retirement Aggressive 0-5	386,975,560	4.78%	347,895,968	4.74%
Pre Retirement Aggressive 6-10	484,694,249	5.99%	433,623,939	5.91%
Pre Retirement Aggressive 11-15	525,130,960	6.49%	472,985,481	6.44%
Pre Retirement Aggressive 16-20	426,307,529	5.27%	380,197,964	5.18%
Pre Retirement Aggressive 21-25	297,441,893	3.67%	264,512,486	3.60%
Pre Retirement Aggressive 26+	253,167,392	3.13%	226,351,955	3.08%
Tier I: GoalMaker Total	\$8,096,786,212	100.0%	\$7,339,642,030	100.0%

Changes in Investment Fund Balances Period Ended December 31, 2023

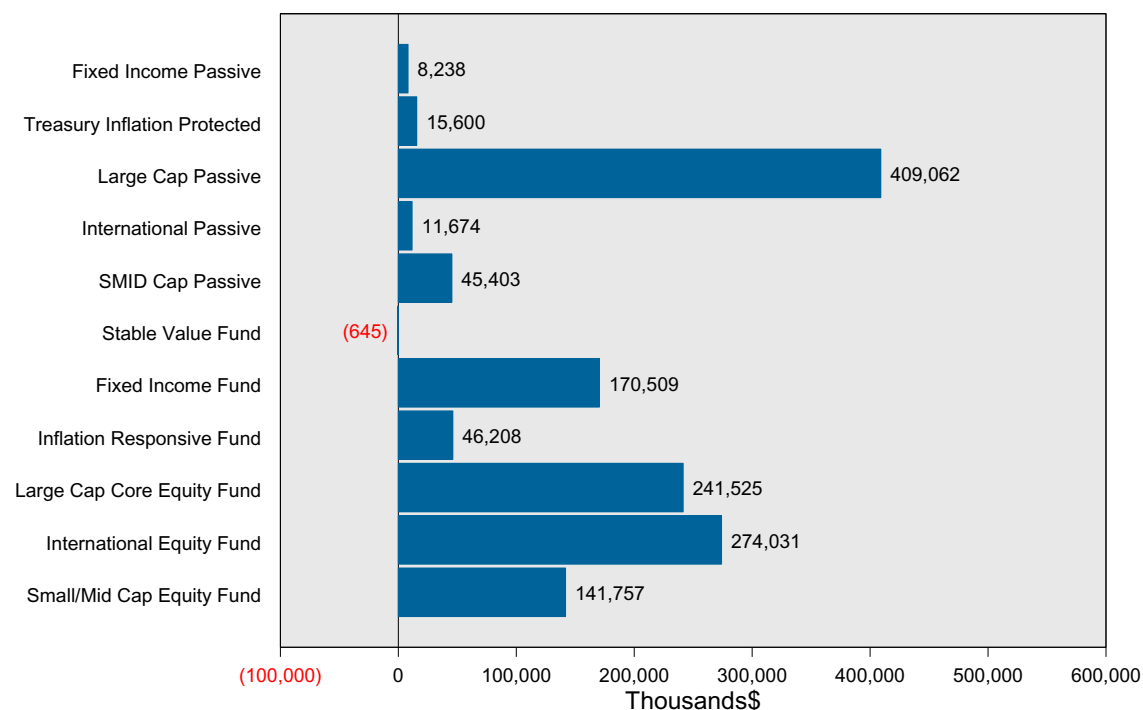
Allocation Across Investment Options

The chart below illustrates the allocation of the aggregate fund assets across the various investment options for the quarter ended December 31, 2023.



Changes in Fund Values

The chart below shows the net change in fund values across the various investment options for the quarter ended December 31, 2023. The change in value for each fund is the result of a combination of 3 factors: 1) market movements; 2) contributions or disbursements into or out of the funds by the participants (and any matching done by the company); and 3) transfers between funds by the participants.



Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

	3 Years Ended 12/2023		3 Years Ended 9/2023		3 Years Ended 6/2023		3 Years Ended 3/2023	
Tier 2: Passive (Net of Fee)								
Fixed Income Passive	(3.35%)	60	(5.21%)	70	(3.98%)	87	(2.77%)	98
Blmbg Aggregate	(3.31%)	60	(5.21%)	69	(3.96%)	85	(2.77%)	98
Callan Core Bond MFs	(3.16%)		(4.97%)		(3.61%)		(1.79%)	
Large Cap Passive	9.97%	56	10.12%	58	14.57%	45	18.58%	41
S&P 500 Index	10.00%	56	10.15%	57	14.60%	45	18.60%	39
Callan Large Cap Core MFs	10.16%		10.34%		14.16%		17.99%	
International Passive	1.36%	64	3.50%	55	7.08%	63	11.63%	73
International Benchmark (1)	1.26%	65	3.42%	56	6.79%	65	11.37%	83
Callan Non US Equity MFs	2.99%		5.25%		8.42%		13.23%	
SMID Cap Passive	4.21%	69	8.35%	76	12.24%	71	19.35%	62
Russell 2500 Index	4.24%	69	8.39%	76	12.29%	70	19.42%	59
Callan SMID Core MFs	6.15%		10.20%		13.81%		19.83%	
Inflation Responsive Fund	2.77%	77	2.91%	79	5.16%	79	7.92%	78
Inflation Responsive Benchmark	2.59%	77	2.75%	80	4.97%	79	7.72%	79
Callan Real Assets MFs	5.26%		5.64%		8.04%		11.13%	

(1) As of 9/30/21, International Benchmark consists of MSCI ACWI ex-US IMI, previously consisted of MSCI ACWI ex-US.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

	3 Years Ended 12/2023		3 Years Ended 9/2023		3 Years Ended 6/2023		3 Years Ended 3/2023	
Tier 2: Active (Net of Fee)								
Stable Value Fund	2.11%	11	2.06%	11	2.02%	9	2.00%	6
3 Yr US Treas Rolling	2.62%	1	2.27%	3	1.89%	19	1.57%	44
T-Bill + 1.5%	3.65%	1	3.20%	1	2.77%	1	2.39%	1
Callan Stable Value CT	1.66%		1.64%		1.58%		1.50%	
Fixed Income Fund	(3.12%)	51	(4.80%)	64	(3.31%)	66	(1.29%)	66
Blmbg Aggregate	(3.31%)	71	(5.21%)	88	(3.96%)	92	(2.77%)	98
Callan Core Plus MFs	(3.10%)		(4.63%)		(3.03%)		(0.90%)	
TCW Core Plus	(3.37%)	61	(5.28%)	78	(3.79%)	69	(2.05%)	75
Blmbg Aggregate	(3.31%)	60	(5.21%)	69	(3.96%)	85	(2.77%)	98
Callan Core Bond MFs	(3.16%)		(4.97%)		(3.61%)		(1.79%)	
Prudential Core Plus	(2.85%)	37	(4.28%)	26	(2.81%)	37	(0.48%)	27
Blmbg Aggregate	(3.31%)	71	(5.21%)	88	(3.96%)	92	(2.77%)	98
Callan Core Plus MFs	(3.10%)		(4.63%)		(3.03%)		(0.90%)	
Large Cap Core Equity Fund	7.13%	68	8.06%	58	12.48%	59	17.58%	47
Russell 1000 Index	8.97%	46	9.53%	44	14.09%	39	18.55%	32
Callan Lg Cap Broad MF	8.52%		8.76%		13.07%		17.50%	
Hotchkis & Wiley Large Cap Value	12.93%	6	18.89%	4	19.72%	5	25.99%	5
Russell 1000 Value Index	8.86%	70	11.05%	63	14.30%	64	17.93%	66
Callan Lg Cap Value MF	9.83%		12.00%		14.91%		18.74%	
Macquarie Large Cap Value	7.49%	89	9.15%	77	12.22%	86	16.48%	81
Russell 1000 Value Index	8.86%	70	11.05%	63	14.30%	64	17.93%	66
Callan Lg Cap Value MF	9.83%		12.00%		14.91%		18.74%	
Sands Capital Large Cap Growth	(6.39%)	99	(7.60%)	99	(0.42%)	99	6.40%	99
Russell 1000 Growth Index	8.86%	12	7.97%	11	13.73%	7	18.58%	7
Callan Large Cap Grwth MF	5.53%		4.68%		9.87%		14.82%	
Loomis SaylesLarge Cap Growth	9.57%	5	7.79%	15	12.91%	13	16.36%	28
Russell 1000 Growth Index	8.86%	12	7.97%	11	13.73%	7	18.58%	7
Callan Large Cap Grwth MF	5.53%		4.68%		9.87%		14.82%	
International Equity Fund	(0.75%)	79	0.96%	74	5.30%	82	9.99%	88
International Benchmark (1)	1.26%	65	3.42%	56	6.79%	65	11.37%	83
Callan Non US Equity MFs	2.99%		5.25%		8.42%		13.23%	
Mondrian ACWI ex-US Value	4.73%	27	8.26%	22	10.12%	33	12.50%	59
MSCI ACWI ex US	1.55%	63	3.74%	53	7.22%	62	11.80%	69
MSCI ACWI ex US Value	5.80%	17	9.57%	19	10.42%	29	13.82%	45
Callan Non US Equity MFs	2.99%		5.25%		8.42%		13.23%	
Baillie Gifford ACWI ex-US Growth	(4.89%)	95	(4.70%)	96	2.26%	96	9.05%	91
MSCI ACWI ex US	1.55%	63	3.74%	53	7.22%	62	11.80%	69
MSCI ACWI ex US Growth	(2.67%)	81	(1.86%)	85	3.96%	88	9.49%	89
Callan Non US Equity MFs	2.99%		5.25%		8.42%		13.23%	
Small/Mid Cap Equity Fund	5.03%	46	9.33%	46	13.41%	46	20.87%	34
Russell 2500 Index	4.24%	47	8.39%	47	12.29%	49	19.42%	49
Callan SMID Broad MFs	3.90%		7.41%		12.05%		19.31%	
Brown Advisory Small/Mid Cap Growth	(0.59%)	36	3.15%	35	8.33%	29	16.87%	28
Russell 2500 Growth Index	(2.68%)	61	1.01%	52	6.56%	47	14.75%	50
Callan SMID Growth MFs	(2.13%)		1.52%		5.84%		14.74%	

(1) As of 9/30/21, International Benchmark consists of MSCI ACWI ex-US IMI, previously consisted of MSCI ACWI ex-US.

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns and Rankings for Periods Ended December 31, 2023

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Since Inception	
Tier 2: Active (Gross of Fee) Stable Value Fund										
Galliard Stable Value	0.72%	29	2.77%	40	2.22%	39	2.38%	32	2.45%	(1/11)
3 Yr US Treas Rolling	1.10%	4	4.31%	3	2.62%	12	2.01%	88	1.44%	(1/11)
T-Bill + 1.5%	1.73%	1	6.51%	1	3.65%	2	3.38%	2	2.48%	(1/11)
Callan Stable Value SA	0.71%		2.75%		2.20%		2.32%		-	
Fixed Income Fund										
TCW Core Plus	7.55%	5	6.19%	49	(3.24%)	86	1.71%	47	1.81%	(1/17)
Blmbg Aggregate	6.82%	67	5.53%	86	(3.31%)	91	1.10%	97	1.29%	(1/17)
Callan Core Bond FI	6.95%		6.17%		(2.92%)		1.68%		-	
Prudential Core Plus	7.26%	16	8.30%	1	(2.85%)	38	2.28%	3	2.71%	(1/15)
Blmbg Aggregate	6.82%	67	5.53%	86	(3.31%)	91	1.10%	97	1.36%	(1/15)
Callan Core Bond FI	6.95%		6.17%		(2.92%)		1.68%		-	
Large Cap Core Equity Fund										
Hotchkis & Wiley Large Cap Value	11.24%	16	17.75%	18	13.38%	14	14.66%	14	15.35%	(4/09)
Russell 1000 Value Index	9.50%	64	11.46%	66	8.86%	90	10.91%	87	12.68%	(4/09)
Callan Large Cap Value	10.04%		12.99%		11.11%		12.61%		-	
Macquarie Large Cap Value	10.22%	42	4.08%	97	7.78%	95	9.06%	97	7.81%	(6/15)
Russell 1000 Value Index	9.50%	64	11.46%	66	8.86%	90	10.91%	87	8.07%	(6/15)
Callan Large Cap Value	10.04%		12.99%		11.11%		12.61%		-	
Sands Capital Large Cap Growth	22.82%	1	52.73%	3	(5.97%)	97	14.15%	93	18.01%	(4/09)
Russell 1000 Growth Index	14.16%	51	42.68%	35	8.86%	26	19.50%	10	17.31%	(4/09)
Callan Large Cap Growth	14.19%		40.49%		6.74%		17.14%		-	
Loomis SaylesLarge Cap Growth	14.29%	44	52.54%	4	9.98%	16	18.73%	18	16.03%	(8/14)
Russell 1000 Growth Index	14.16%	51	42.68%	35	8.86%	26	19.50%	10	15.29%	(8/14)
Callan Large Cap Growth	14.19%		40.49%		6.74%		17.14%		-	
BlackRock Russell 1000 Index	12.07%	41	26.57%	46	9.02%	75	15.53%	52	12.26%	(11/17)
Russell 1000 Index	11.96%	47	26.53%	47	8.97%	75	15.52%	52	12.26%	(11/17)
Callan Large Cap Core	11.88%		26.16%		10.33%		15.69%		-	
International Equity Fund										
Mondrian ACWI ex-US Value	8.62%	83	20.91%	19	5.14%	28	7.39%	84	7.69%	(4/09)
MSCI ACWI ex US	9.75%	57	15.62%	78	1.55%	71	7.08%	89	7.68%	(4/09)
MSCI ACWI ex US Value	8.43%	85	17.30%	59	5.80%	22	6.34%	95	7.12%	(4/09)
Callan NonUS Eq	10.07%		18.08%		3.36%		8.86%		-	
Baillie Gifford ACWI ex-US Growth	14.91%	4	20.17%	27	(4.64%)	95	8.08%	72	10.15%	(4/09)
MSCI ACWI ex US	9.75%	57	15.62%	78	1.55%	71	7.08%	89	7.68%	(4/09)
MSCI ACWI ex US Growth	11.12%	26	14.03%	91	(2.67%)	92	7.49%	82	8.11%	(4/09)
Callan NonUS Eq	10.07%		18.08%		3.36%		8.86%		-	
Small/Mid Cap Equity Fund										
Earnest Partners Small/Mid Cap	12.84%	33	15.96%	62	-		-		4.62%	(4/21)
Russell 2500 Index	13.35%	25	17.42%	53	4.24%	83	11.67%	76	0.77%	(4/21)
Callan Small/MidCap Core	12.03%		18.79%		7.70%		12.98%		-	
Brown Advisory Small/Mid Cap Growth	9.63%	73	13.73%	81	(0.21%)	31	12.55%	46	15.15%	(4/09)
Russell 2500 Growth Index	12.59%	32	18.93%	39	(2.68%)	61	11.43%	63	14.36%	(4/09)
Callan Sm/MidCap Growth	11.76%		18.53%		(1.86%)		12.45%		-	
BlackRock Russell 2500 Index	13.35%	25	17.70%	52	4.16%	84	11.81%	75	8.25%	(11/17)
Russell 2500 Index	13.35%	25	17.42%	53	4.24%	83	11.67%	76	8.14%	(11/17)
Callan Small/MidCap Core	12.03%		18.79%		7.70%		12.98%		-	

Investment Fund Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Fund's investment funds over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

	3 Years Ended 12/2023		3 Years Ended 9/2023		3 Years Ended 6/2023		3 Years Ended 3/2023	
Tier 2: Active (Gross of Fee)								
Stable Value Fund								
Galliard Stable Value	2.22%	39	2.17%	35	2.15%	33	2.13%	32
3 Yr US Treas Rolling	2.62%	12	2.27%	28	1.89%	78	1.57%	90
T-Bill + 1.5%	3.65%	2	3.20%	3	2.77%	5	2.39%	12
Callan Stable Value SA	2.20%		2.13%		2.08%		2.05%	
Fixed Income Fund								
TCW Core Plus	(3.24%)	86	(5.15%)	92	(3.66%)	82	(1.92%)	66
Blmbg Aggregate	(3.31%)	91	(5.21%)	93	(3.96%)	95	(2.77%)	96
Callan Core Bond FI	(2.92%)		(4.75%)		(3.39%)		(1.72%)	
Prudential Core Plus	(2.85%)	38	(4.28%)	10	(2.81%)	10	(0.48%)	3
Blmbg Aggregate	(3.31%)	91	(5.21%)	93	(3.96%)	95	(2.77%)	96
Callan Core Bond FI	(2.92%)		(4.75%)		(3.39%)		(1.72%)	
Large Cap Core Equity Fund								
Hotchkis & Wiley Large Cap Value	13.38%	14	19.37%	8	20.19%	11	26.48%	6
Russell 1000 Value Index	8.86%	90	11.05%	83	14.30%	82	17.93%	84
Callan Large Cap Value	11.11%		13.95%		16.37%		20.59%	
Macquarie Large Cap Value	7.78%	95	9.44%	93	12.52%	94	16.78%	89
Russell 1000 Value Index	8.86%	90	11.05%	83	14.30%	82	17.93%	84
Callan Large Cap Value	11.11%		13.95%		16.37%		20.59%	
Sands Capital Large Cap Growth	(5.97%)	97	(7.19%)	97	0.02%	96	6.86%	96
Russell 1000 Growth Index	8.86%	26	7.97%	27	13.73%	14	18.58%	19
Callan Large Cap Growth	6.74%		6.02%		11.21%		15.62%	
Loomis SaylesLarge Cap Growth	9.98%	16	8.19%	25	13.33%	24	16.79%	35
Russell 1000 Growth Index	8.86%	26	7.97%	27	13.73%	14	18.58%	19
Callan Large Cap Growth	6.74%		6.02%		11.21%		15.62%	
International Equity Fund								
Mondrian ACWI ex-US Value	5.14%	28	8.68%	19	10.54%	28	12.93%	61
MSCI ACWI ex US	1.55%	71	3.74%	62	7.22%	77	11.80%	80
MSCI ACWI ex US Value	5.80%	22	9.57%	14	10.42%	29	13.82%	48
Callan NonUS Eq	3.36%		4.97%		9.01%		13.78%	
Baillie Gifford ACWI ex-US Growth	(4.64%)	95	(4.46%)	96	2.52%	95	9.32%	94
MSCI ACWI ex US	1.55%	71	3.74%	62	7.22%	77	11.80%	80
MSCI ACWI ex US Growth	(2.67%)	92	(1.86%)	94	3.96%	95	9.49%	93
Callan NonUS Eq	3.36%		4.97%		9.01%		13.78%	
Small/Mid Cap Equity Fund								
Brown Advisory Small/Mid Cap Growth	(0.21%)	31	3.54%	33	8.73%	35	17.29%	41
Russell 2500 Growth Index	(2.68%)	61	1.01%	65	6.56%	58	14.75%	63
Callan Sm/MidCap Growth	(1.86%)		2.08%		7.63%		16.22%	

Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended December 31, 2023

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Tier 1: GoalMaker Funds (Net of Fee)					
Post Retirement Conservative 11+	5.61%	8.12%	0.95%	4.56%	-
Post Ret Conservative 11+ Index	5.44%	7.76%	1.19%	4.24%	-
Post Retirement Conservative 6-10	5.94%	8.60%	0.86%	4.68%	-
Post Ret Conservative 6-10 Index	5.72%	8.13%	1.11%	4.34%	-
Post Retirement Conservative 0-5	6.43%	9.16%	0.91%	5.00%	-
Post Ret Conservative 0-5 Index	6.19%	8.63%	1.12%	4.65%	-
Pre Retirement Conservative 0-5	7.16%	10.27%	0.80%	5.36%	4.64%
Pre Ret Conservative 0-5 Index	6.81%	9.44%	1.03%	4.98%	4.31%
Pre Retirement Conservative 6-10	7.95%	11.41%	0.83%	5.90%	5.20%
Pre Ret Conservative 6-10 Index	7.52%	10.37%	1.12%	5.52%	4.84%
Pre Retirement Conservative 11-15	8.64%	12.61%	1.16%	6.58%	6.07%
Pre Ret Conservative 11-15 Index	8.17%	11.47%	1.46%	6.24%	5.70%
Pre Retirement Conservative 16-20	9.45%	14.30%	1.44%	7.31%	6.99%
Pre Ret Conservative 16-20 Index	8.84%	12.85%	1.89%	7.01%	6.61%
Pre Retirement Conservative 21-25	10.11%	15.74%	2.02%	8.19%	-
Pre Ret Conservative 21-25 Index	9.49%	14.24%	2.52%	7.95%	-
Pre Retirement Conservative 26+	10.51%	16.97%	2.72%	9.01%	-
Pre Ret Conservative 26+ Index	9.89%	15.50%	3.31%	8.82%	-

Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended December 31, 2023

	Last 10 Years	Last 15 Years	Since Inception
Tier 1: GoalMaker Funds (Net of Fee)			
Post Retirement Conservative 11+	-	-	3.90% ^(7/18)
Post Ret Conservative 11+ Index	-	-	3.64% ^(7/18)
Post Retirement Conservative 6-10	-	-	3.99% ^(7/18)
Post Ret Conservative 6-10 Index	-	-	3.71% ^(7/18)
Post Retirement Conservative 0-5	-	-	4.21% ^(7/18)
Post Ret Conservative 0-5 Index	-	-	3.93% ^(7/18)
Pre Retirement Conservative 0-5	4.15%	-	5.34% ^(7/09)
Pre Ret Conservative 0-5 Index	3.82%	4.64%	4.58% ^(7/09)
Pre Retirement Conservative 6-10	4.60%	-	6.13% ^(7/09)
Pre Ret Conservative 6-10 Index	4.25%	5.41%	5.32% ^(7/09)
Pre Retirement Conservative 11-15	5.37%	-	7.28% ^(7/09)
Pre Ret Conservative 11-15 Index	5.05%	6.87%	6.74% ^(7/09)
Pre Retirement Conservative 16-20	6.11%	-	8.49% ^(7/09)
Pre Ret Conservative 16-20 Index	5.82%	8.23%	8.06% ^(7/09)
Pre Retirement Conservative 21-25	-	-	6.22% ^(7/18)
Pre Ret Conservative 21-25 Index	-	-	6.03% ^(7/18)
Pre Retirement Conservative 26+	-	-	6.71% ^(7/18)
Pre Ret Conservative 26+ Index	-	-	6.56% ^(7/18)

Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended December 31, 2023

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Tier 1: GoalMaker Funds (Net of Fee)					
Post Retirement Moderate 11+	6.43%	9.90%	1.67%	5.72%	-
Post Ret Moderate 11+ Index	6.22%	9.45%	1.98%	5.46%	-
Post Retirement Moderate 6-10	7.02%	10.79%	1.66%	6.04%	-
Post Ret Moderate 6-10 Index	7.11%	11.46%	2.66%	6.59%	-
Post Retirement Moderate 0-5	7.84%	11.88%	1.56%	6.45%	-
Post Ret Moderate 0-5 Index	7.48%	11.02%	1.86%	6.14%	-
Pre Retirement Moderate 0-5	8.47%	12.82%	1.47%	6.75%	5.84%
Pre Ret Moderate 0-5 Index	7.99%	11.70%	1.83%	6.43%	5.52%
Pre Retirement Moderate 6-10	9.24%	14.22%	1.74%	7.45%	6.51%
Pre Ret Moderate 6-10 Index	8.69%	12.91%	2.19%	7.17%	6.18%
Pre Retirement Moderate 11-15	9.91%	15.62%	2.20%	8.22%	7.32%
Pre Ret Moderate 11-15 Index	9.32%	14.21%	2.71%	7.99%	6.98%
Pre Retirement Moderate 16-20	10.51%	16.97%	2.72%	9.01%	8.29%
Pre Ret Moderate 16-20 Index	9.89%	15.50%	3.31%	8.82%	7.95%
Pre Retirement Moderate 21-25	10.82%	18.05%	3.26%	9.61%	-
Pre Ret Moderate 21-25 Index	10.16%	16.52%	3.96%	9.46%	-
Pre Retirement Moderate 26+	11.13%	19.05%	3.85%	10.26%	-
Pre Ret Moderate 26+ Index	10.49%	17.60%	4.59%	10.15%	-

Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended December 31, 2023

	Last 10 Years	Last 15 Years	Since Inception
Tier 1: GoalMaker Funds (Net of Fee)			
Post Retirement Moderate 11+	-	-	4.71% ^(7/18)
Post Ret Moderate 11+ Index	-	-	4.51% ^(7/18)
Post Retirement Moderate 6-10	-	-	4.93% ^(7/18)
Post Ret Moderate 6-10 Index	-	-	5.13% ^(7/18)
Post Retirement Moderate 0-5	-	-	5.21% ^(7/18)
Post Ret Moderate 0-5 Index	-	-	4.96% ^(7/18)
Pre Retirement Moderate 0-5	5.10%	-	6.63% ^(7/09)
Pre Ret Moderate 0-5 Index	4.78%	6.08%	5.97% ^(7/09)
Pre Retirement Moderate 6-10	5.67%	-	7.41% ^(7/09)
Pre Ret Moderate 6-10 Index	5.39%	7.09%	6.97% ^(7/09)
Pre Retirement Moderate 11-15	6.29%	-	8.45% ^(7/09)
Pre Ret Moderate 11-15 Index	6.02%	8.13%	7.97% ^(7/09)
Pre Retirement Moderate 16-20	7.03%	-	9.65% ^(7/09)
Pre Ret Moderate 16-20 Index	6.79%	9.52%	9.32% ^(7/09)
Pre Retirement Moderate 21-25	-	-	7.08% ^(7/18)
Pre Ret Moderate 21-25 Index	-	-	6.95% ^(7/18)
Pre Retirement Moderate 26+	-	-	7.48% ^(7/18)
Pre Ret Moderate 26+ Index	-	-	7.39% ^(7/18)

Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended December 31, 2023

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Tier 1: GoalMaker Funds (Net of Fee)					
Post Retirement Aggressive 11+	7.56%	12.36%	2.44%	7.99%	-
Post Ret Aggressive 11+ Index	7.27%	11.73%	2.83%	6.89%	-
Post Retirement Aggressive 6-10	8.13%	13.54%	2.63%	8.47%	-
Post Ret Aggressive 6-10 Index	7.77%	12.71%	3.07%	7.41%	-
Post Retirement Aggressive 0-5	8.93%	14.41%	2.43%	8.72%	-
Post Ret Aggressive 0-5 Index	8.50%	13.37%	2.83%	7.66%	-
Pre Retirement Aggressive 0-5	9.76%	15.63%	2.55%	9.13%	7.67%
Pre Ret Aggressive 0-5 Index	9.26%	14.40%	2.98%	8.22%	6.87%
Pre Retirement Aggressive 6-10	10.36%	16.97%	2.73%	9.41%	8.02%
Pre Ret Aggressive 6-10 Index	9.72%	15.46%	3.34%	8.76%	7.38%
Pre Retirement Aggressive 11-15	10.82%	18.05%	3.26%	9.83%	8.59%
Pre Ret Aggressive 11-15 Index	10.16%	16.52%	3.96%	9.46%	8.11%
Pre Retirement Aggressive 16-20	11.08%	18.85%	3.71%	10.21%	9.32%
Pre Ret Aggressive 16-20 Index	10.44%	17.39%	4.46%	10.02%	8.95%
Pre Retirement Aggressive 21-25	11.26%	19.48%	4.07%	10.45%	-
Pre Ret Aggressive 21-25 Index	10.60%	18.01%	4.87%	10.40%	-
Pre Retirement Aggressive 26+	11.26%	19.48%	4.07%	10.45%	-
Pre Ret Aggressive 26+ Index	10.60%	18.01%	4.87%	10.40%	-

Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods ended December 31, 2023. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

Returns for Periods Ended December 31, 2023

	Last 10 Years	Last 15 Years	Since Inception
Tier 1: GoalMaker Funds (Net of Fee)			
Post Retirement Aggressive 11+	-	-	6.47% ^(7/18)
Post Ret Aggressive 11+ Index	-	-	5.52% ^(7/18)
Post Retirement Aggressive 6-10	-	-	6.79% ^(7/18)
Post Ret Aggressive 6-10 Index	-	-	5.87% ^(7/18)
Post Retirement Aggressive 0-5	-	-	6.91% ^(7/18)
Post Ret Aggressive 0-5 Index	-	-	6.01% ^(7/18)
Pre Retirement Aggressive 0-5	6.50%	-	8.24% ^(7/09)
Pre Ret Aggressive 0-5 Index	5.90%	7.57%	7.46% ^(7/09)
Pre Retirement Aggressive 6-10	6.78%	-	8.86% ^(7/09)
Pre Ret Aggressive 6-10 Index	6.30%	8.32%	8.17% ^(7/09)
Pre Retirement Aggressive 11-15	7.24%	-	9.63% ^(7/09)
Pre Ret Aggressive 11-15 Index	6.90%	9.42%	9.25% ^(7/09)
Pre Retirement Aggressive 16-20	7.80%	-	10.71% ^(7/09)
Pre Ret Aggressive 16-20 Index	7.58%	10.71%	10.50% ^(7/09)
Pre Retirement Aggressive 21-25	-	-	7.57% ^(7/18)
Pre Ret Aggressive 21-25 Index	-	-	7.52% ^(7/18)
Pre Retirement Aggressive 26+	-	-	7.57% ^(7/18)
Pre Ret Aggressive 26+ Index	-	-	7.52% ^(7/18)

Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

	3 Years Ended 12/2023	3 Years Ended 9/2023	3 Years Ended 6/2023	3 Years Ended 3/2023
Tier 1: GoalMaker Funds (Net of Fee)				
Post Retirement Conservative 11+	0.95%	0.52%	2.06%	4.01%
Post Ret Conservative 11+ Index	1.19%	0.64%	1.96%	3.56%
Post Retirement Conservative 6-10	0.86%	0.42%	2.05%	4.08%
Post Ret Conservative 6-10 Index	1.11%	0.56%	1.94%	3.59%
Post Retirement Conservative 0-5	0.91%	0.54%	2.31%	4.55%
Post Ret Conservative 0-5 Index	1.12%	0.64%	2.17%	4.00%
Pre Retirement Conservative 0-5	0.80%	0.44%	2.44%	4.91%
Pre Ret Conservative 0-5 Index	1.03%	0.58%	2.32%	4.36%
Pre Retirement Conservative 6-10	0.83%	0.65%	2.95%	5.77%
Pre Ret Conservative 6-10 Index	1.12%	0.88%	2.88%	5.26%
Pre Retirement Conservative 11-15	1.16%	1.15%	3.72%	6.85%
Pre Ret Conservative 11-15 Index	1.46%	1.42%	3.69%	6.39%
Pre Retirement Conservative 16-20	1.44%	1.66%	4.59%	8.07%
Pre Ret Conservative 16-20 Index	1.89%	2.12%	4.72%	7.80%
Pre Retirement Conservative 21-25	2.02%	2.49%	5.75%	9.58%
Pre Ret Conservative 21-25 Index	2.52%	3.04%	5.96%	9.45%
Pre Retirement Conservative 26+	2.72%	3.52%	7.06%	11.18%
Pre Ret Conservative 26+ Index	3.31%	4.21%	7.39%	11.25%

Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

	3 Years Ended 12/2023	3 Years Ended 9/2023	3 Years Ended 6/2023	3 Years Ended 3/2023
Tier 1: GoalMaker Funds (Net of Fee)				
Post Retirement Moderate 11+	1.67%	1.54%	3.45%	5.82%
Post Retirement Moderate 6-10	1.66%	1.54%	3.65%	6.19%
Post Ret Moderate 6-10 Index	2.66%	3.04%	5.18%	7.84%
Post Retirement Moderate 0-5	1.56%	1.49%	3.83%	6.65%
Pre Retirement Moderate 0-5	1.47%	1.47%	4.04%	7.09%
Pre Ret Moderate 0-5 Index	1.83%	1.80%	4.07%	6.73%
Pre Retirement Moderate 6-10	1.74%	1.99%	4.90%	8.32%
Pre Ret Moderate 6-10 Index	2.19%	2.45%	5.03%	8.09%
Pre Retirement Moderate 11-15	2.20%	2.72%	5.94%	9.70%
Pre Ret Moderate 11-15 Index	2.71%	3.28%	6.16%	9.61%
Pre Retirement Moderate 16-20	2.72%	3.52%	7.06%	11.18%
Pre Ret Moderate 16-20 Index	3.31%	4.21%	7.39%	11.25%
Pre Retirement Moderate 21-25	3.26%	4.27%	8.04%	12.33%
Pre Ret Moderate 21-25 Index	3.96%	5.10%	8.49%	12.59%
Pre Retirement Moderate 26+	3.85%	5.11%	9.08%	13.60%
Pre Ret Moderate 26+ Index	4.59%	6.01%	9.60%	13.98%

Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

	3 Years Ended 12/2023	3 Years Ended 9/2023	3 Years Ended 6/2023	3 Years Ended 3/2023
Tier 1: GoalMaker Funds (Net of Fee)				
Post Retirement Aggressive 11+	2.44%	4.02%	6.46%	9.35%
Post Ret Aggressive 11+ Index	2.83%	2.97%	5.12%	7.71%
Post Retirement Aggressive 6-10	2.63%	4.24%	6.91%	10.01%
Post Ret Aggressive 6-10 Index	3.07%	3.32%	5.68%	8.48%
Post Retirement Aggressive 0-5	2.43%	4.01%	6.91%	10.30%
Post Ret Aggressive 0-5 Index	2.83%	3.12%	5.70%	8.75%
Pre Retirement Aggressive 0-5	2.55%	4.08%	7.28%	11.03%
Pre Ret Aggressive 0-5 Index	2.98%	3.46%	6.33%	9.73%
Pre Retirement Aggressive 6-10	2.73%	4.17%	7.69%	11.71%
Pre Ret Aggressive 6-10 Index	3.34%	4.14%	7.28%	11.01%
Pre Retirement Aggressive 11-15	3.26%	4.63%	8.40%	12.71%
Pre Ret Aggressive 11-15 Index	3.96%	5.10%	8.49%	12.59%
Pre Retirement Aggressive 16-20	3.71%	5.08%	9.03%	13.54%
Pre Ret Aggressive 16-20 Index	4.46%	5.86%	9.42%	13.77%
Pre Retirement Aggressive 21-25	4.07%	5.38%	9.45%	14.06%
Pre Ret Aggressive 21-25 Index	4.87%	6.42%	10.11%	14.60%
Pre Retirement Aggressive 26+	4.07%	5.38%	9.45%	14.06%
Pre Ret Aggressive 26+ Index	4.87%	6.42%	10.11%	14.60%

Galliard Stable Value Period Ended December 31, 2023

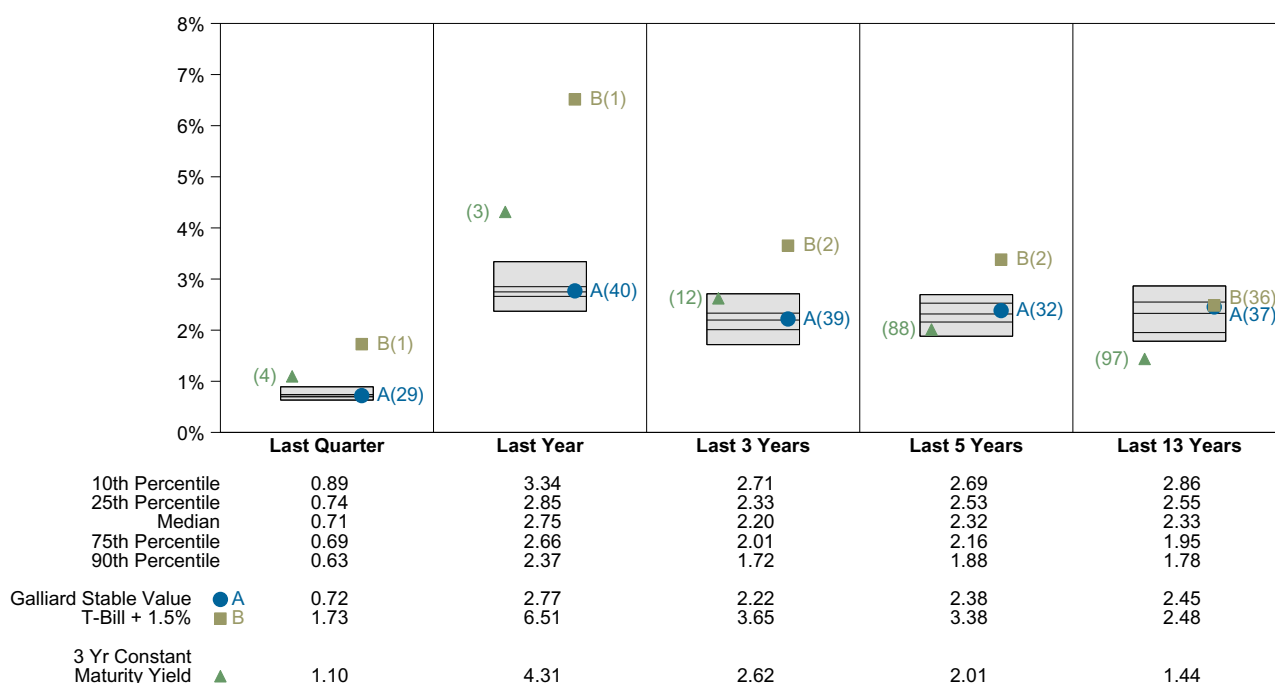
Investment Philosophy

Galliard manages stable value portfolios with a focus on principal preservation, liquidity, and income generation. These goals are balanced with a conservative approach to underlying fixed income portfolios and active wrap contract management. Galliard's fixed income team seeks to generate diversified sources of income over treasuries by emphasizing higher quality sectors, while external managers are systematically reviewed and approved as subadvisers to complement the overall structure.

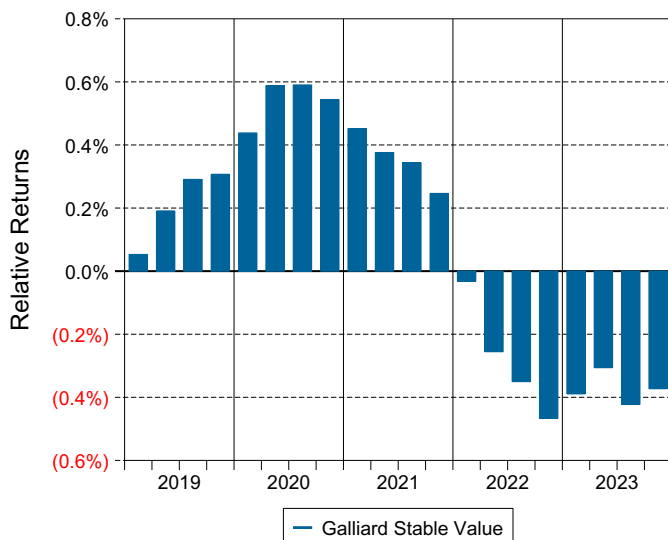
Quarterly Summary and Highlights

- Galliard Stable Value's portfolio posted a 0.72% return for the quarter placing it in the 29 percentile of the Callan Stable Value SA group for the quarter and in the 40 percentile for the last year.
- Galliard Stable Value's portfolio underperformed the 3 Yr Constant Maturity Yield by 0.38% for the quarter and underperformed the 3 Yr Constant Maturity Yield for the year by 1.55%.

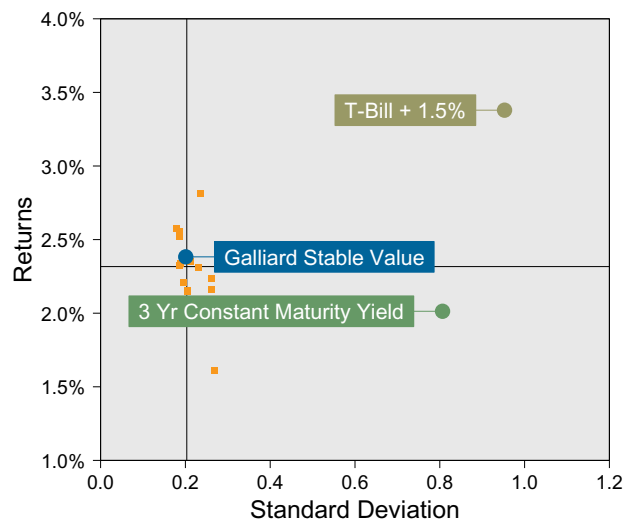
Performance vs Callan Stable Value SA (Gross)



Relative Returns vs 3 Yr Constant Maturity Yield



Callan Stable Value SA (Gross) Annualized Five Year Risk vs Return

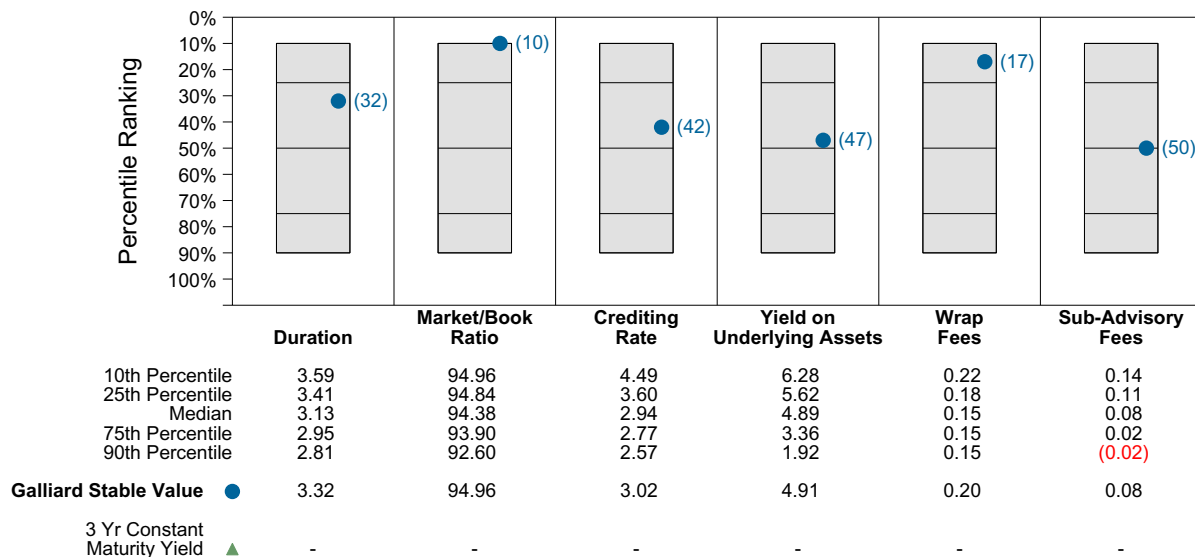


Galliard Stable Value Stable Value Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the stable value fund's portfolio characteristics with the range of characteristics for the portfolios which make up the fund's style group. This analysis illustrates whether the fund's current structure is consistent with other funds employing the same style.

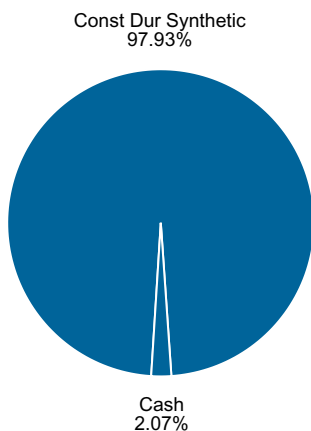
Portfolio Characteristics Percentile Rankings Rankings Against Callan Stable Value SA as of December 31, 2023



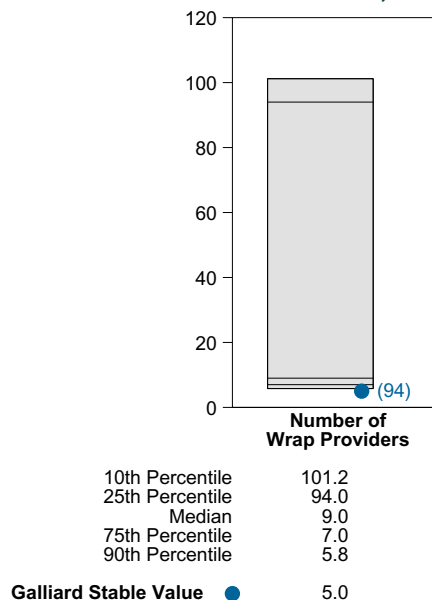
Wrap Structure and Diversification

The graph below represents the stable value fund's wrap contract structure as of the most recent reporting period. The fund's overall wrap structure may include exposure to constant duration or maturing synthetic GIC contracts, traditional GIC contracts, cash, or other exposures. These contracts allow stable value portfolios to maintain book value accounting practices and a stable net asset value.

Portfolio Wrap Exposure December 31, 2023



Wrap Contract Diversification December 31, 2023

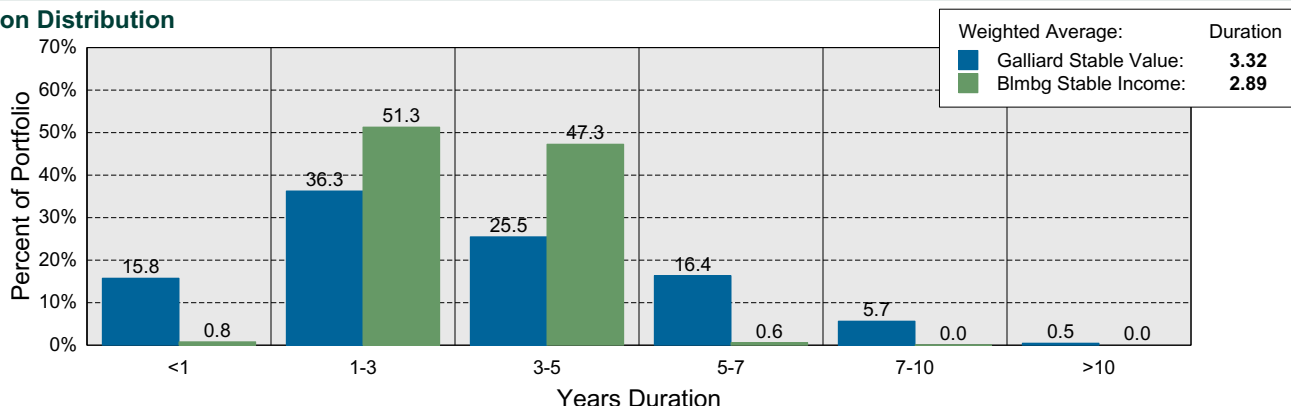


Galliard Stable Value Stable Value Portfolio Characteristics Summary As of December 31, 2023

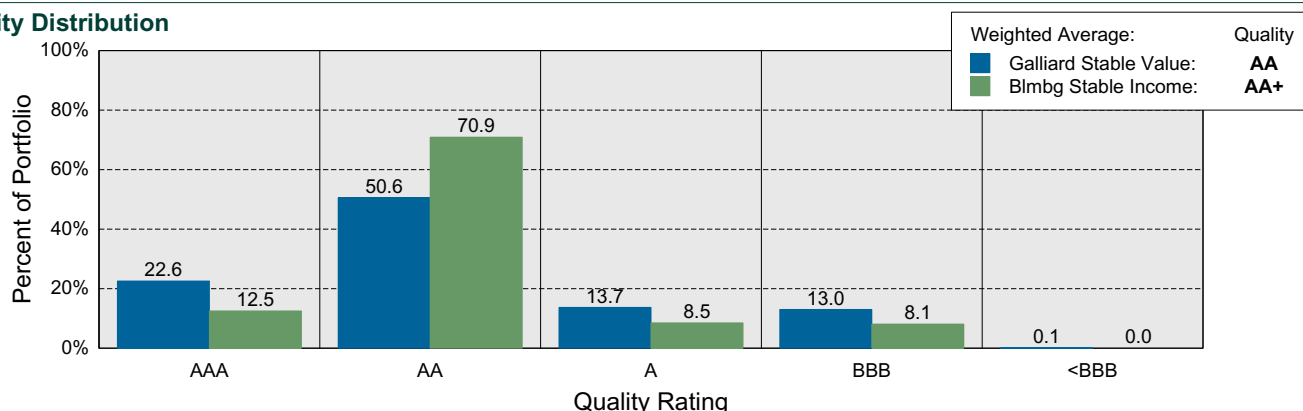
Portfolio Structure Comparison

The charts below compare the structure of the portfolio to that of the index from two perspectives that have the greatest influence on return. The first chart compares the portfolio's duration distribution versus the benchmark, and the second chart compares the distributions across quality ratings.

Duration Distribution



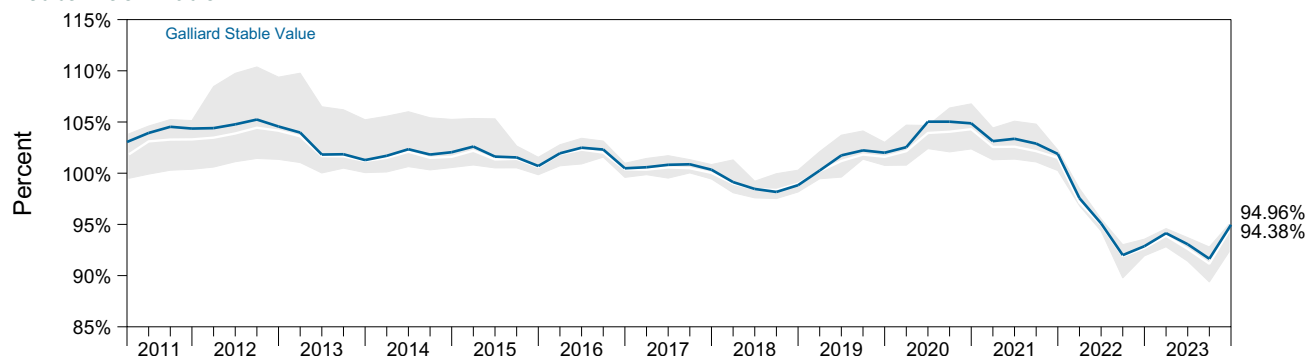
Quality Distribution



Market-to-Book Ratio Over Time

The chart below depicts the historical movement of the stable value portfolio's market-to-book ratio over time. This statistic measures the overall "health" of the underlying portfolio. Portfolios with market-to-book ratios closer to 100% will be better positioned to absorb flows and should offer greater return stability over time. As a backdrop the range (from 10th to 90th percentile) is shown along with a white median line for the Callan Stable Value SA Universe.

Market-to-Book Ratio



Fourth Quarter 2023 DC Trends

Trick or treat: The new fiduciary rule

On October 31, 2023, the U.S. Department of Labor (DOL) released the highly anticipated proposed “fiduciary rule.” The Biden administration continued its theme of eliminating “junk fees”—as it has done previously with banking, concert tickets, and travel—in this instance addressing the cost of superfluous fees on Americans’ retirement savings.

Each of the last three presidential administrations has attempted to update the definition of an “investment advice fiduciary.” The current rule was adopted in 1975 when, as noted by the DOL, the most common retirement benefit was a defined benefit (DB) pension plan where the risk of an adequate benefit was managed by the plan sponsor, supported by expert advisers. Since that time, defined contribution (DC) plans have become the predominant retirement benefit and make up the majority of Americans’ savings. In stark contrast to the DB plan, the risk of poor investment performance or inadequate savings is borne by inexperienced participants.

This proposed regulation seeks to apply the key fiduciary obligations outlined in the Employee Retirement Income Security Act (ERISA) to professional investment advisers. The regulation requires any fiduciary adviser meet an expert standard of care (the duty of prudence), put the DC plan participant first (the duty of loyalty), and avoid conflicts of interest (the prohibited transaction rules).

An adviser who met any of the following requirements would qualify as an investment advice fiduciary:

- The adviser offers investment advice or a recommendation to a DC plan participant
- The advice or recommendation is provided for a fee or other compensation
- The recommendation is made in the context of a professional relationship where an individual would reasonably expect to receive sound investment recommendations that are in their best interest

The provider described in the last bullet is defined as a party that has discretion over investment decisions for the participant. The provider makes investment recommendations regularly as part of their business, and the circumstances would indicate that the recommendation is tailored to the individual’s needs or circumstances—or states that the adviser is acting as a fiduciary.

The proposed regulation contrasts with the nearly 50-year-old fiduciary rule, where a provider is an investment advice fiduciary only if, among other things, the advice is provided on a “regular basis” to a specific individual and there is a “a mutual agreement, arrangement, or understanding” that the advice will serve as “a primary basis for investment decisions.”

In 2016, the DOL finalized an updated investment advice fiduciary definition, granting new prohibited transaction exemptions (PTE) including the “Best Interest Contract Exemption,” and amended some pre-existing PTEs. However, a court struck down this rulemaking in 2018 as too broad and exceeding the DOL’s authority by requiring enforceable contracts and specified warranties. The new proposed rule seeks to avoid this outcome by more narrowly tailoring the scope to employer plans and does not impose any new contract or warranty requirements.

Finally, the DOL claims that the updated rule will level the playing field for advisers, applying consistent standards regardless of the products being recommended. The fiduciary duties would also apply to recommendations to roll over assets from a workplace retirement plan to an IRA.

Prohibited Transaction Exemptions

The DOL also proposed complementary amendments to existing PTEs, intending that individuals will receive the same

Fourth Quarter 2023 DC Trends

quality investment advice, regardless of the product or service. The first exemption, based on PTE 2020-02, would be broadly available for advice on the universe of investments recommended to retirement investors. A second exemption amending PTE 84-24 would apply to independent insurance agents and is intended to facilitate their ability to make best interest recommendations under their business model.

The release of this nearly 500-page proposed rule is not the end of this long-running saga. It will be updated following the comment period, which will last at least 60 days, and may be impacted by the outcome of the 2024 presidential election. In advance of the rule, plan sponsors should seek to understand the scope of the current relationships that may fall under these requirements. Future actions will be defined by the service providers, recordkeepers, and advice offerings.

IRS Announces Updated Retirement Plan Limits for 2024

The IRS announced the updated retirement plan limits for 2024. Below, we highlight the notable DC plan limits:

- Although by a lesser percentage than last year, the annual contribution limit will increase from \$22,500 to \$23,000.
- The age 50 annual catch-up contribution limit will remain the same at \$7,500.
- The annual compensation limit will increase from \$330,000 to \$345,000.
- The Section 415(c) limit will increase from \$66,000 to \$69,000.
- The highly compensated employee threshold will increase from \$150,000 to \$155,000.

Managing forfeitures – regulation and litigation

For defined contribution (DC) plans, using plan forfeitures is common and tends to follow standard practices. The Internal Revenue Service (IRS) recently issued a proposed regulation formalizing some of these practices, which was promptly followed by a handful of lawsuits. This litigation alleged that DC plan sponsors failed their duties of prudence and loyalty by using forfeitures to reduce employer contributions.

Forfeitures are generated when a participant terminates service with an unvested benefit. That unvested benefit is considered forfeited by the participant and cannot be returned to the plan sponsor. The plan document will describe how forfeitures may be used: IRS Revenue Ruling 80-155 states that a DC plan will not be qualified unless all funds are allocated to participants' accounts in accordance with a definite formula defined in the plan document, and this requirement includes forfeitures. The IRS issued a ruling nearly 40 years ago, explicitly stating forfeitures may be used to pay for a plan's administrative expenses and/or to reduce employer contributions (Rev. Ruling 84-156).

The new litigation attacks these widely accepted practices and alleges failure to adhere to the Employee Retirement Income Security Act (ERISA)'s fiduciary standards. At the time of publication, four lawsuits have been filed against jumbo plan fiduciaries, alleging that using forfeitures to reduce employer contributions was essentially self-dealing and violated the fiduciary duties of prudence and loyalty. Their allegations note that they failed to engage in a reasoned and impartial decision-making process regarding usage (aka prudence) and acting "solely in the interest of the participants and beneficiaries" to provide benefits and defray reasonable expenses (aka loyalty). The allegations claim that participants were harmed when the plan fiduciaries did not reduce the pay expenses paid by participants.

It is noteworthy that these lawsuits follow proposed IRS regulations, issued in February 2023 and effective beginning in 2024, give formal guidance on how to comply with the law. One of the most common concerns with forfeitures is the timing of usage—the current rule requires that forfeitures must be used or allocated in the plan year incurred for the benefit of the participants in that plan. If usage is delayed, it could be argued that it is not benefiting the participants in the

plan at that point in time (Treasury Regulations §1.401-7(a)).

Under the proposed regulations, plans must generally use/allocate forfeitures no later than 12 months after the close of the plan year in which the forfeitures are created. The proposed rule helpfully states: “Taxpayers, however, may rely on these proposed regulations for periods preceding the [proposed] applicability date.” This new guidance also proposes one-time relief, where forfeitures incurred during any plan year before January 1, 2024, are treated as having been incurred in the first plan year beginning on January 1, 2024; accordingly, those forfeitures must be used no later than 12 months after the end of that plan year.

The proposed regulations clarify that forfeitures in a DC plan can be used for one (or more) of the following purposes:

1. To pay plan administrative expenses
2. To reduce employer contributions to the plan
3. To increase benefits in other participants' accounts in accordance with plan terms

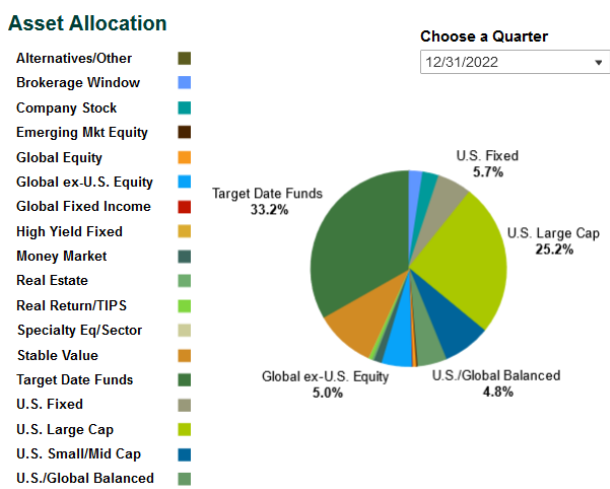
The new litigation challenges and proposed regulations are timely reminders that plan sponsors should review the plan document to understand acceptable forfeiture usage and compare that against current and future practice. If needed, the plan documentation should be adjusted to reflect practice and the new regulations. Additionally, determining how forfeitures are applied can be a fiduciary decision, and the ERISA fiduciary standards (e.g., prudence) and process should be satisfied. The fiduciaries should confirm who has responsibility for confirming usage, and the practice should follow a consistent process and be documented. Plan fiduciaries (or administrative staff, if delegated) need to monitor plan forfeitures, and they must ensure that all forfeitures for a plan year are used according to the plan document's terms detailing how and when a plan will exhaust plan forfeitures.

Structure Utilization

Asset Allocation

Capital Preservation and U.S. Fixed Income Decline

Global ex-U.S. equity (5.0%) and U.S. large cap (25.2%) were among the asset classes with the largest percentage increases in allocation. The increased allocations to global ex-U.S. equity (0.35 percentage points from the previous quarter) and U.S. large cap (0.18 percentage points from the previous quarter) came despite investor outflows, signaling the asset classes were relative outperformers. Within capital preservation, stable value (10.0%) had a decrease in allocation from the previous quarter's level (10.5%), coinciding with investor outflows.

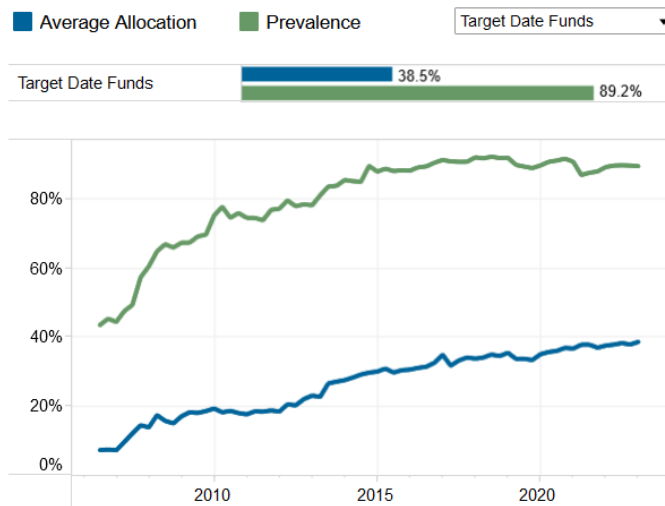


Prevalence

Balanced Funds Dip—Again—to Lowest Recorded Level

In the prevalence of funds table, the green bars indicate the prevalence of asset classes within DC plans, while the blue bars show the average allocation to particular asset classes when offered as an option. The prevalence of a balanced fund (40.8%) decreased again to its lowest level since the inception of the Index in 2006. This should not come as much of a surprise given that balanced funds and target date funds may have overlapping roles as diversified asset allocation options for participants who prefer to delegate the asset allocation decision to a professional manager.

Other notable movements included a 1.1 percentage point increase in the prevalence of a real estate offering (23.1%) as well as a 1.2 percentage point decrease in the prevalence of company stock (18.5%).



Total Pure Equity - The sum of “pure” equity across the glide path. Pure equity is composed of large-cap domestic equity, small/mid-cap domestic equity, international equity, emerging market equity and global equity. Excluded are REIT exposures.

Total Target Date Family Performance - The weighted performance across all of the underlying target date vintages. Family performance can be weighted equally, according to client assets within each vintage or according to manager assets within each vintage.

Callan Consensus - An equally weighted index of the universe of available TDF “series” or “families” (currently 44) – including both mutual funds and collective trusts. The funds’ glidepaths are mapped into 26 asset classes. The CAI Consensus Glidepath Index is created as an equal-weighted average of all the provider glidepaths, and will change dynamically over time as provider glidepaths evolve and/or the provider universe expands.

Equity Market Indicators

The market indicators included in this report are regarded as measures of equity or fixed income performance results. The returns shown reflect both income and capital appreciation.

Russell 1000 Growth Index Measures the performance of the large-cap growth segment of the US equity universe. It includes those Russell 1000 companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). The Russell 1000 Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics.

Russell 1000 Value Index Measures the performance of the large-cap value segment of the US equity universe. It includes those Russell 1000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years). The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

Russell 2000 Value Index Measures the performance of the small-cap value segment of the US equity universe. It includes those Russell 2000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years). The Russell 2000 Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

Russell 2500 Growth Index Measures the performance of the small to mid-cap growth segment of the US equity universe. It includes those Russell 2500 companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). The Russell 2500 Growth Index is constructed to provide a comprehensive and unbiased barometer of the small to mid-cap growth market. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set and that the represented companies continue to reflect growth characteristics.

Russell MidCap Growth Idx Measures the performance of the mid-cap growth segment of the US equity universe. It includes those Russell Midcap Index companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). The Russell Midcap Growth Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap growth market.

S&P 500 Index Measures performance of top 500 companies in leading industries of U.S. economy. The index covers approximately 80% of available market capitalization.

Fixed Income Market Indicators

3-month Treasury Bill Provides a measure of riskless return. The rate of return is the average interest rate available on the beginning of each month for a Treasury Bill maturing in ninety days.

Bloomberg Aggregate Represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

International Equity Market Indicators

MSCI EAFE (Net) Is composed of approximately 1000 equity securities representing the stock exchanges of Europe, Australia, New Zealand and the Far East. The index is capitalization-weighted and is expressed in terms of U.S. dollars.

Callan Databases

In order to provide comparative investment results for use in evaluating a fund's performance, Callan gathers rate of return data from investment managers. These data are then grouped by type of assets managed and by the type of investment manager. Except for mutual funds, the results are for tax-exempt fund assets. The databases, excluding mutual funds, represent investment managers who handle over 80% of all tax-exempt fund assets.

Equity Funds

Equity funds concentrate their investments in common stocks and convertible securities. The funds included maintain well-diversified portfolios.

Core Equity - Mutual funds whose portfolio holdings and characteristics are similar to that of the broader market as represented by the Standard & Poor's 500 Index, with the objective of adding value over and above the index, typically from sector or issue selection. The core portfolio exhibits similar risk characteristics to the broad market as measured by low residual risk with Beta and R-Squared close to 1.00.

Large Cap Growth - Mutual Funds that invest mainly in large companies that are expected to have above average prospects for long-term growth in earnings and profitability. Future growth prospects take precedence over valuation levels in the stock selection process. Invests in companies with P/E ratios, Price-to-Book values, Return-on-Assets values, Growth-in-Earnings values above the broader market. The companies typically have zero dividends or dividend yields below the broader market. Invests in securities which exhibit greater volatility than the broader market as measured by the securities' Beta and Standard Deviation.

Large Cap Value - Mutual funds that invest in predominantly large capitalization companies believed to be currently undervalued in the general market. The companies are expected to have a near-term earnings rebound and eventual realization of expected value. Valuation issues take precedence over near-term earnings prospects in the stock selection process. Invests in companies with P/E ratios and Price-to-Book values below the broader market. Usually exhibits lower risk than the broader market as measured by the Beta and Standard Deviation.

Non-U.S. Equity Style Mutual Funds - Mutual funds that invest their assets only in non-U.S. equity securities but exclude regional and index funds.

Small Capitalization (Value) - Mutual funds that invest in small capitalization companies that are believed to be currently undervalued in the general market. Valuation issues take precedence over near-term earnings prospects in the stock selection process. The companies are expected to have a near-term earnings rebound and eventual realization of expected value. Invests in companies with P/E ratios, Return-on-Equity values, and Price-to-Book values below the broader market as well as the small capitalization market segment. The companies typically have dividend yields in the high range for the small capitalization market. Invests in securities with risk/reward profiles in the lower risk range of the small capitalization market.

Small/Middle Capitalization - Managers who invest primarily in small to middle capitalization range companies with market capitalization below core equity companies. The market capitalization is about the upper quartile of the Small Cap group and the lower decile of the Mid Cap group. The Small/Mid Cap Broad style invests in securities with greater volatility than the broader market as measured by the risk statistics Beta and Standard Deviation. This style consists of the Small/Mid Cap Growth and the Small/Mid Cap Value Style Groups and other funds classified strictly as Small/Mid Cap Broad.

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Fixed Income Funds

Fixed Income funds concentrate their investments in bonds, preferred stocks, and money market securities. The funds included maintain well-diversified portfolios.

Core Bond - Mutual Funds that construct portfolios to approximate the investment results of the Bloomberg Barclays Capital Government/Credit Bond Index or the Bloomberg Barclays Capital Aggregate Bond Index with a modest amount of variability in duration around the index. The objective is to achieve value added from sector and/or issue selection.

Stable Value - The Stable Value database group is comprised of funds that invest primarily in Guaranteed Investment Contracts (GICs) and Synthetic Investment Contracts (SICs) to provide principal protection, stable book value and a guaranteed rate of return over a contractually specified time period. Common benchmarks for the universe include but not limited to, are the Ryan Labs GIC Master indices and the Hueler Stable Value Index.

Risk/Reward Statistics

The risk statistics used in this report examine performance characteristics of a manager or a portfolio relative to a benchmark (market indicator) which assumes to represent overall movements in the asset class being considered. The main unit of analysis is the excess return, which is the portfolio return minus the return on a risk free asset (3 month T-Bill).

Alpha measures a portfolio's return in excess of the market return adjusted for risk. It is a measure of the manager's contribution to performance with reference to security selection. A positive alpha indicates that a portfolio was positively rewarded for the residual risk which was taken for that level of market exposure.

Beta measures the sensitivity of rates of portfolio returns to movements in the market index. A portfolio's beta measures the expected change in return per 1% change in the return on the market. If a beta of a portfolio is 1.5, a 1 percent increase in the return on the market will result, on average, in a 1.5 percent increase in the return on the portfolio. The converse would also be true.

Downside Risk stems from the desire to differentiate between "good risk" (upside volatility) and "bad risk" (downside volatility). Whereas standard deviation punishes both upside and downside volatility, downside risk measures only the standard deviation of returns below the target. Returns above the target are assigned a deviation of zero. Both the frequency and magnitude of underperformance affect the amount of downside risk.

Excess Return Ratio is a measure of risk adjusted relative return. This ratio captures the amount of active management performance (value added relative to an index) per unit of active management risk (tracking error against the index.) It is calculated by dividing the manager's annualized cumulative excess return relative to the index by the standard deviation of the individual quarterly excess returns. The Excess Return Ratio can be interpreted as the manager's active risk/reward tradeoff for diverging from the index when the index is mandated to be the "riskless" market position.

Information Ratio measures the manager's market risk-adjusted excess return per unit of residual risk relative to a benchmark. It is computed by dividing alpha by the residual risk over a given time period. Assuming all other factors being equal, managers with lower residual risk achieve higher values in the information ratio. Managers with higher information ratios will add value relative to the benchmark more reliably and consistently.

R-Squared indicates the extent to which the variability of the portfolio returns are explained by market action. It can also be thought of as measuring the diversification relative to the appropriate benchmark. An r-squared value of .75 indicates that 75% of the fluctuation in a portfolio return is explained by market action. An r-squared of 1.0 indicates that a portfolio's returns are entirely related to the market and it is not influenced by other factors. An r-squared of zero indicates that no relationship exists between the portfolio's return and the market.

Relative Standard Deviation is a simple measure of a manager's risk (volatility) relative to a benchmark. It is calculated by dividing the manager's standard deviation of returns by the benchmark's standard deviation of returns. A relative standard deviation of 1.20, for example, means the manager has exhibited 20% more risk than the benchmark over that time period. A ratio of .80 would imply 20% less risk. This ratio is especially useful when analyzing the risk of investment grade fixed-income products where actual historical durations are not available. By using this relative risk measure over rolling time periods one can illustrate the "implied" historical duration patterns of the portfolio versus the benchmark.

Residual Portfolio Risk is the unsystematic risk of a fund, the portion of the total risk unique to the fund (manager) itself and not related to the overall market. This reflects the "bets" which the manager places in that particular asset market. These bets may reflect emphasis in particular sectors, maturities (for bonds), or other issue specific factors which the manager considers a good investment opportunity. Diversification of the portfolio will reduce or eliminate the residual risk of that portfolio.

Risk/Reward Statistics

Rising Declining Periods refer to the sub-asset class cycles vis-a-vis the broader asset class. This is determined by evaluating the cumulative relative sub-asset class index performance to that of the broader asset class index. For example, to determine the Growth Style cycle, the S&P 500 Growth Index (sub-asset class) performance is compared to that of the S&P 500 Index (broader asset class).

Sharpe Ratio is a commonly used measure of risk-adjusted return. It is calculated by subtracting the "risk-free" return (usually 3 Month Treasury Bill) from the portfolio return and dividing the resulting "excess return" by the portfolio's risk level (standard deviation). The result is a measure of return gained per unit of risk taken.

Sortino Ratio is a downside risk-adjusted measure of value-added. It measures excess return over a benchmark divided by downside risk. The natural appeal is that it identifies value-added per unit of truly bad risk. The danger of interpretation, however, lies in these two areas: (1) the statistical significance of the denominator, and (2) its reliance on the persistence of skewness in return distributions.

Standard Deviation is a statistical measure of portfolio risk. It reflects the average deviation of the observations from their sample mean. Standard deviation is used as an estimate of risk since it measures how wide the range of returns typically is. The wider the typical range of returns, the higher the standard deviation of returns, and the higher the portfolio risk. If returns are normally distributed (ie. has a bell shaped curve distribution) then approximately 2/3 of the returns would occur within plus or minus one standard deviation from the sample mean.

Total Portfolio Risk is a measure of the volatility of the quarterly excess returns of an asset. Total risk is composed of two measures of risk: market (non-diversifiable or systematic) risk and residual (diversifiable or unsystematic) risk. The purpose of portfolio diversification is to reduce the residual risk of the portfolio.

Tracking Error is a statistical measure of a portfolio's risk relative to an index. It reflects the standard deviation of a portfolio's individual quarterly or monthly returns from the index's returns. Typically, the lower the Tracking Error, the more "index-like" the portfolio.

Treynor Ratio represents the portfolio's average excess return over a specified period divided by the beta relative to its benchmark over that same period. This measure reflects the reward over the risk-free rate relative to the systematic risk assumed.

Note: Alpha, Total Risk, and Residual Risk are annualized.