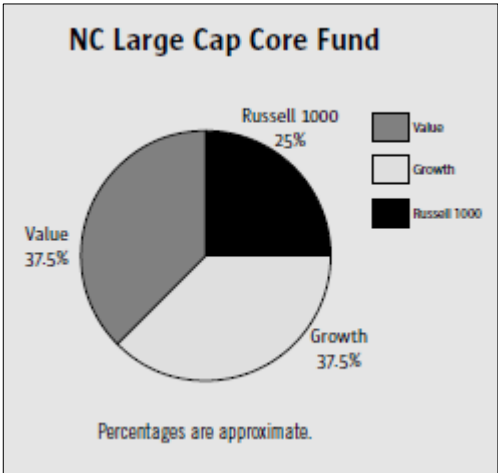


NC Large Cap Core Fund

The NC Large Cap Core Fund is new, as of September 30, 2017. The fund was created by consolidating the active managers in the NC Large Cap Value Fund and the NC Large Cap Growth Fund, and incorporating a 25% allocation to the Russell 1000 Index Fund. Participants received detailed information about this consolidation in August 2017.

Third Quarter 2017 Fund Fact Sheets will be available for review, along with all others in the investment lineup, as regularly scheduled. Fund performance information (from fund inception on October 1st through December 31st, 2017) will be reflected on the Fourth Quarter Fund Fact Sheets, available in early 2018.

Fund Characteristics



Objective: Outperform the Russell 1000 Index over a full market cycle utilizing a diversified portfolio invested in stocks with above-average earnings growth potential, along with undervalued securities.

Total Expense Ratio: 0.31%. (This does not include the flat, recordkeeping, annual participant cost of \$31 per account)

Russell 1000[®] Index: Measures the performance of the large-cap segment of the U.S. equity securities. It is a subset of the Russell 3000 Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership.

Underlying Funds

The North Carolina Large Cap Core Fund (the “Fund”) is offered exclusively for public employees of the state of North Carolina. Effective 1/1/2016, the Fund is held in a group trust and you own units of the group trust. The Fund invests in five complementary, but independently managed underlying funds (“Underlying Funds”). By employing five Underlying Funds, this Fund offers improved diversification compared to having a single investment manager. Allocation decisions and the selection of the Underlying Funds are made by North Carolina Supplemental Retirement Board of Trustees. The Underlying Funds are:

- The Hotchkis and Wiley Large Cap Value Fund (18.75% of the Fund assets) is advised by Hotchkis and Wiley Capital Management, LLC following their Large Cap Value strategy. It seeks to exploit large cap equity market inefficiencies created by irrational investor behavior through a bottom up investment process and a focus on mispriced, undiscovered or out of favor companies.
- The Macquarie Large Cap Value Equity Fund (18.75% of the Fund assets) is managed by Macquarie Investment Management following their Large Cap Value style. The team seeks to capitalize on discrepancies between estimated intrinsic value and price, buying at times of excessive pessimism and selling at times of undue optimism. The team develops relatively concentrated portfolios that reflect their deep conviction.
- The Sands Capital Management Large Cap Growth Fund (18.75% of the Fund assets) is advised by Sands Capital Management, LLC. Sands concentrated large cap growth strategy focuses on high quality seasoned businesses that can demonstrate sustainable above average earnings over time. These companies are identified through bottom-up, fundamental, and proprietary research.
- The Loomis Large Cap Growth Fund (18.75% of the Fund assets) is advised by Loomis, Sayles & Company, L.P. The Fund seeks to outperform the Russell 1000 Growth Index by 200 basis points annualized over a full market cycle (at least 5 years). The strategy seeks to produce long-term excess returns vs. the Russell 1000 Growth Index with at, or below, benchmark risk through bottom-up stock selection.
- The Russell 1000[®] Index Non-Lendable Fund F (25.00% of the Fund assets) is managed by BlackRock Institutional Trust Company, N.A. (“BTC”). The Fund shall be invested and reinvested in a portfolio of equity securities with the objective of approximating as closely as practicable the capitalization weighted total return of that segment of the U.S. market for publicly traded equity securities represented by the 1,000 largest capitalized companies. The Fund seeks to provide long-term growth of capital.

There is no assurance the objective will be met. It is possible to lose money by investing in securities.