

April 30, 2021



## The North Carolina Supplemental Retirement Plans

Investment Measurement Service  
Monthly Review

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## Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of April 30, 2021, with the distribution as of March 31, 2021. 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 Managers

	April 30, 2021 Market Value	Net New Inv.	Inv. Return	March 31, 2021 Market Value
<b>North Carolina SRP 401k &amp; 457</b>				
<b>Tier II Passive</b>	<b>\$4,637,687,463</b>	<b>\$10,038,261</b>	<b>\$210,551,052</b>	<b>\$4,417,098,150</b>
Fixed Income Passive	101,293,925	(2,116,880)	812,772	102,598,032
Treasury Inflation Protected	325,841,913	(1,385,416)	4,251,466	322,975,863
Large Cap Passive	3,678,014,610	10,131,709	186,064,465	3,481,818,436
SMID Cap Passive	433,561,261	2,803,573	16,549,597	414,208,091
International Passive	98,975,754	605,275	2,872,752	95,497,727
<b>Tier II Active</b>	<b>\$10,898,003,142</b>	<b>\$(15,043,732)</b>	<b>\$270,711,462</b>	<b>\$10,642,335,412</b>
Stable Value Fund	2,352,030,938	(21,129,422)	3,808,983	2,369,351,378
Fixed Income Fund	2,160,322,204	(4,328,842)	22,947,116	2,141,703,930
Inflation Responsive Fund	531,304,243	3,774,393	24,556,901	502,972,949
Large Cap Core Equity Fund	2,444,274,020	(7,586,333)	114,764,910	2,337,095,443
Small/Mid Cap Equity Fund	1,106,304,138	5,270,542	47,143,546	1,053,890,050
International Equity Fund	2,303,767,598	8,955,930	57,490,006	2,237,321,662
<b>Total Fund</b>	<b>\$15,535,690,605</b>	<b>\$(5,005,470)</b>	<b>\$481,262,514</b>	<b>\$15,059,433,561</b>

## Investment Manager Returns

The table below details the rates of return for the fund's investment managers over various time periods ended April 30, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended April 30, 2021

	Last Month	Last 3 Months	Year to Date	Last Year
<b>Tier 2: Passive (Net of Fee)</b>				
Fixed Income Passive	0.79%	(1.95%)	(2.65%)	(0.31%)
Blmbg Barclays Aggregate	0.79%	(1.91%)	(2.61%)	(0.27%)
Treasury Inflation Protected Securities	1.32%	0.64%	1.25%	7.19%
Blmbg US TIPS 1-10 Yr	1.27%	0.71%	1.33%	7.32%
Large Cap Passive	5.33%	12.98%	11.84%	45.98%
S&P 500 Index	5.34%	12.98%	11.84%	45.98%
SMID Cap Passive	3.98%	12.62%	15.43%	72.00%
Russell 2500 Index	4.00%	12.60%	15.36%	71.95%
International Passive	2.99%	6.42%	6.64%	43.60%
MSCI ACWI ex US	2.94%	6.31%	6.54%	42.98%

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## Investment Manager Returns

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### Returns for Periods Ended April 30, 2021

	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
<b>Tier 2: Passive (Net of Fee)</b>				
Fixed Income Passive	5.12%	3.14%	3.24%	3.30%
Blmbg Barclays Aggregate	5.19%	3.19%	3.30%	3.39%
Large Cap Passive	18.70%	17.42%	14.28%	14.10%
S&P 500 Index	18.67%	17.42%	14.32%	14.17%
SMID Cap Passive	16.68%	16.41%	12.42%	12.28%
Russell 2500 Index	16.76%	16.50%	12.46%	12.32%
International Passive	7.27%	10.25%	5.69%	4.85%
MSCI ACWI ex US	6.98%	9.83%	5.50%	4.73%

## Investment Manager Returns

The table below details the rates of return for the fund's investment managers over various time periods ended April 30, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended April 30, 2021

	Last Month	Last 3 Months	Year to Date	Last Year
<b>Tier 2: Active (Net of Fee)</b>				
<b>Stable Value Fund</b>	<b>0.16%</b>	<b>0.48%</b>	<b>0.64%</b>	<b>2.24%</b>
3 Yr Constant Maturity Yield	0.03%	0.08%	0.09%	0.21%
T-Bill + 1.5%	0.13%	0.39%	0.52%	1.61%
<b>Fixed Income Fund</b>	<b>1.07%</b>	<b>(1.89%)</b>	<b>(2.58%)</b>	<b>3.85%</b>
Blmbg Barclays Aggregate	0.79%	(1.91%)	(2.61%)	(0.27%)
TCW Core Plus	0.89%	(1.41%)	(1.96%)	2.31%
Blmbg Barclays Aggregate	0.79%	(1.91%)	(2.61%)	(0.27%)
Prudential Core Plus	1.26%	(2.33%)	(3.14%)	5.51%
Blmbg Barclays Aggregate	0.79%	(1.91%)	(2.61%)	(0.27%)
<b>Inflation Responsive Fund</b>	<b>4.86%</b>	<b>7.84%</b>	<b>8.16%</b>	<b>24.76%</b>
Inflation Responsive Benchmark	4.86%	7.78%	8.08%	24.49%
BlackRock Strategic Completion	4.86%	7.84%	8.15%	24.76%
BlackRock Custom Benchmark	4.86%	7.78%	8.08%	24.49%
<b>Large Cap Core Equity Fund</b>	<b>4.91%</b>	<b>13.21%</b>	<b>11.93%</b>	<b>55.36%</b>
Russell 1000 Index	5.38%	12.54%	11.61%	49.48%
Hotchkis & Wiley Large Cap Value	3.59%	21.91%	22.19%	72.03%
Russell 1000 Value Index	4.00%	16.77%	15.70%	45.92%
Macquarie Large Cap Value	2.81%	14.28%	12.51%	37.64%
Russell 1000 Value Index	4.00%	16.77%	15.70%	45.92%
Sands Capital Large Cap Growth	6.96%	5.79%	4.38%	71.31%
Russell 1000 Growth Index	6.80%	8.61%	7.81%	51.41%
Loomis Sayles Large Cap Growth	5.61%	11.18%	8.70%	45.09%
Russell 1000 Growth Index	6.80%	8.61%	7.81%	51.41%
BlackRock Russell 1000 Index	5.40%	12.68%	11.77%	49.92%
Russell 1000 Index	5.38%	12.54%	11.61%	49.48%
<b>Small/Mid Cap Equity Fund</b>	<b>4.46%</b>	<b>14.03%</b>	<b>14.68%</b>	<b>68.35%</b>
Russell 2500 Index	4.00%	12.60%	15.36%	71.95%
Earnest Partners Small/Mid Cap	2.34%	-	-	-
Russell 2500 Index	4.00%	12.60%	15.36%	71.95%
Wedge Small/Mid Cap Value	5.50%	20.87%	20.32%	67.52%
Russell 2500 Value Index	4.29%	19.21%	21.84%	72.68%
Brown Advisory Small/Mid Cap Growth	5.85%	8.56%	8.25%	64.83%
Russell 2500 Growth Index	3.51%	3.20%	6.09%	67.27%
BlackRock Russell 2500 Index	3.98%	12.63%	15.46%	74.01%
Russell 2500 Index	4.00%	12.60%	15.36%	71.95%
<b>International Equity Fund</b>	<b>2.56%</b>	<b>5.53%</b>	<b>6.29%</b>	<b>46.76%</b>
Mondrian ACWI ex-US Value	2.08%	6.81%	8.16%	40.95%
Baillie Gifford ACWI ex-US Growth	3.07%	4.23%	4.45%	52.63%
MSCI ACWI ex US	2.94%	6.31%	6.54%	42.98%


## Investment Manager Returns

The table below details the rates of return for the fund's investment managers over various time periods ended April 30, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended April 30, 2021

	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
<b>Tier 2: Active (Net of Fee)</b>				
<b>Stable Value Fund</b>	<b>2.41%</b>	<b>2.25%</b>	<b>2.14%</b>	<b>2.25%</b>
3 Yr Constant Maturity Yield	1.37%	1.43%	1.30%	1.06%
T-Bill + 1.5%	2.95%	2.68%	2.37%	2.13%
<b>Fixed Income Fund</b>	<b>6.30%</b>	<b>4.34%</b>	<b>4.21%</b>	<b>4.12%</b>
Blmbg Barclays Aggregate	5.19%	3.19%	3.30%	3.39%
TCW Core Plus	6.34%	-	-	-
Blmbg Barclays Aggregate	5.19%	3.19%	3.30%	3.39%
Prudential Core Plus	6.34%	4.85%	-	-
Blmbg Barclays Aggregate	5.19%	3.19%	3.30%	3.39%
<b>Inflation Responsive Fund</b>	<b>6.10%</b>	<b>5.88%</b>	<b>3.65%</b>	<b>-</b>
Inflation Responsive Benchmark	5.92%	4.35%	2.12%	1.52%
<b>Large Cap Core Equity Fund</b>	<b>19.70%</b>	<b>-</b>	<b>-</b>	<b>-</b>
Russell 1000 Index	19.24%	17.76%	14.42%	14.23%
Hotchkis & Wiley Large Cap Value	12.60%	14.30%	10.72%	12.50%
Russell 1000 Value Index	12.30%	12.15%	9.86%	11.13%
Macquarie Large Cap Value	9.85%	10.93%	-	-
Russell 1000 Value Index	12.30%	12.15%	9.86%	11.13%
Sands Capital Large Cap Growth	32.00%	28.81%	21.13%	19.94%
Russell 1000 Growth Index	25.37%	22.88%	18.61%	17.02%
Loomis Sayles Large Cap Growth	23.20%	21.58%	-	-
Russell 1000 Growth Index	25.37%	22.88%	18.61%	17.02%
<b>Small/Mid Cap Equity Fund</b>	<b>15.04%</b>	<b>-</b>	<b>-</b>	<b>-</b>
Russell 2500 Index	16.76%	16.50%	12.46%	12.32%
Wedge Small/Mid Cap Value	10.09%	10.71%	9.15%	-
Russell 2500 Value Index	12.04%	12.66%	9.53%	10.44%
Brown Advisory Small/Mid Cap Growth	22.07%	20.12%	16.12%	14.24%
Russell 2500 Growth Index	21.60%	20.51%	15.48%	14.21%
<b>International Equity Fund</b>	<b>9.25%</b>	<b>11.55%</b>	<b>7.27%</b>	<b>6.65%</b>
Mondrian ACWI ex-US Value	4.68%	7.52%	4.26%	4.62%
Baillie Gifford ACWI ex-US Growth	14.11%	15.82%	10.56%	9.03%
MSCI ACWI ex US	6.98%	9.83%	5.50%	4.73%

March 31, 2021



## **The North Carolina Supplemental Retirement Plans Executive Summary**

**Investment Measurement Service  
Quarterly Review**

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**The North Carolina Supplemental Retirement Plans**  
**March 31, 2021**

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**U.S. EQUITY**

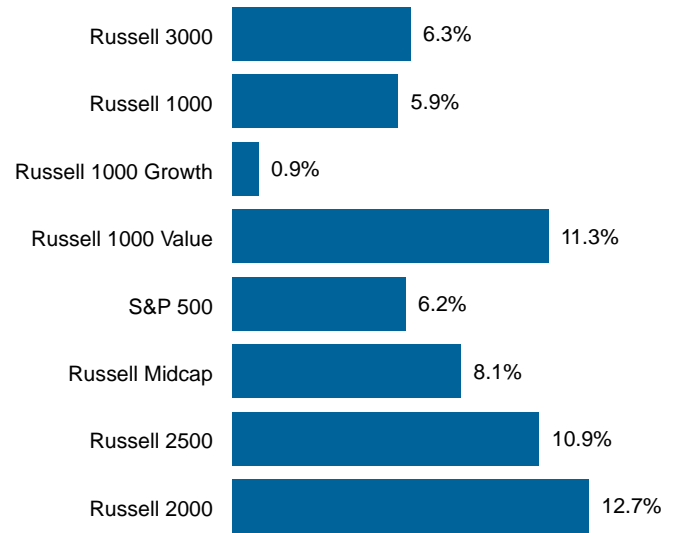
**Markets continue setting all-time highs**

- The S&P 500 Index hit record highs in 1Q21, gaining 6.2%.
- Since the prior peak (February 2020) the S&P is up over 19.6%, with only Energy (-4.7%) and Utilities (-4.9%) declining from peak-to-peak.
- Since March 2020 market low, S&P up over 80.7%, with all sectors posting gains over 40%; Energy +116.2%
- 1Q21 top sectors were Energy and Financials, while Industrials and Consumer Staples underperformed.
- “Re-opening” sectors (airlines, retail REITs, hospitality) outperformed while “work from home” sectors (online retail, home improvement) lagged.

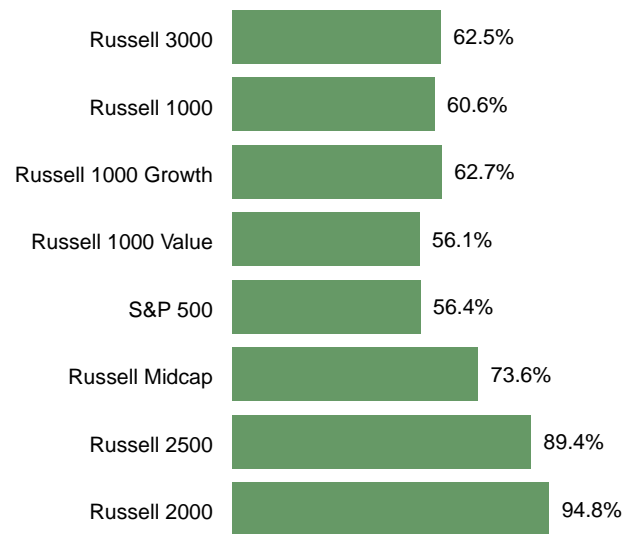
**Value and small cap trends continue through 1Q21**

- Value outperformed growth across the market cap spectrum.
- Small caps outperformed large in 1Q.
- Small value was the top-performing asset class for the quarter (+21.2%) and from the March 2020 low (+127.7%).
- In 1Q21, Russell 2000 gained 12.7%, extending the rally from 4Q20 when the index experienced its best quarterly return on record (+31.4%).
- Small cap stocks surged on stronger GDP and economic recovery forecasts due to higher exposure to cyclical sectors relative to large cap indices.
- Industrials, Financials, and Real Estate sectors benefit most from expectations of GDP expansion.
- Small cap stocks have historically outperformed in recoveries following market crashes.
- Cyclical sectors and industries (Energy, Financials, Industrials, Materials) continued to outperform their growth counterparts as GDP forecasts improved, stimulus was enacted, and vaccinations progressed.
- November 2020 vaccine data news a catalyst for market rotation into value/cyclicals

**U.S. Equity: Quarterly Returns**

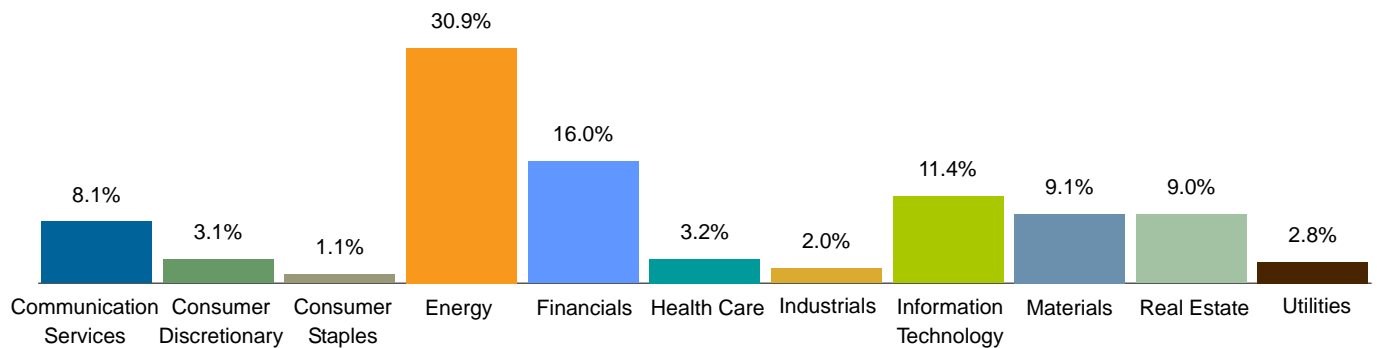


**U.S. Equity: One-Year Returns**



Sources: FTSE Russell, S&P Dow Jones Indices

**S&P Sector Returns, Quarter Ended March 31, 2021**



Source: S&P Dow Jones Indices

**GLOBAL EQUITY**

**Nearly 100 million people fully vaccinated worldwide**

- Markets responded positively to the global rollout of the COVID-19 vaccine.
- Most risk assets continued to outperform as global businesses reopen.
- Small cap outperformed large over the quarter on continued economic optimism.
- Emerging markets trailed developed markets; COVID-19 outbreaks and vaccination challenges hindered EM results.

**Market continues to favor cyclicals**

- Market recovery and rising interest rates buoyed cyclicals; Energy, Financials, and Industrials drove the market.
- Factor performance showed a preference for beta and volatility, similar to 4Q20.

**U.S. dollar vs. other currencies**

- The U.S. stimulus package announcement, combined with yields rising on economic confidence, fueled the U.S. dollar.

**Growth vs. value**

- Value outpaced growth for the second consecutive quarter.
- Vaccination rollout has stoked style rotation.
- Value outperformed growth by 17.0% and 10.5% in developed and emerging markets over the past two quarters, respectively.
- Rotation to value in 4Q20 was sharp and narrow.
- Cheap, low-quality factors were rewarded, favoring fundamental deep value managers.
- Quantitative value managers struggled as market rotation yielded a severe momentum reversal.

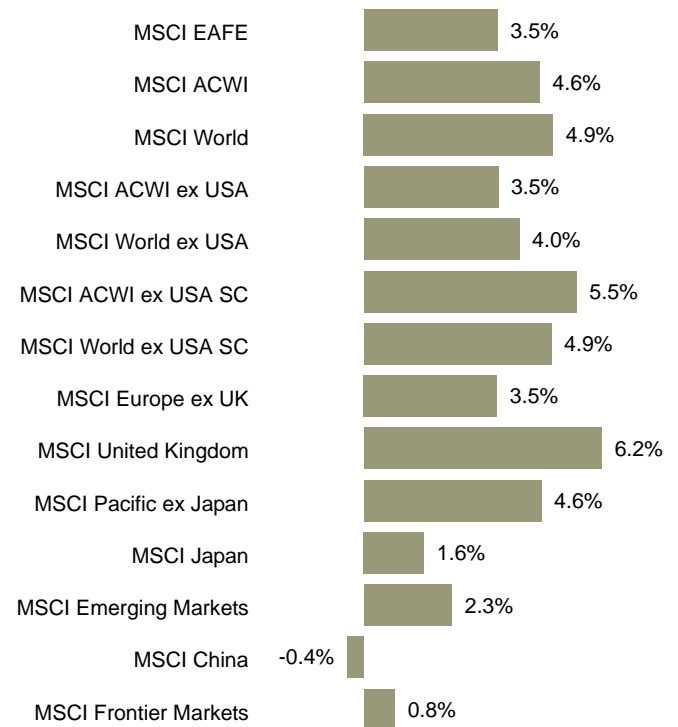
**Factor payoffs may hinge on macroeconomy**

- Over the past 20 years, small cap and value thrived in recoveries, momentum in expansions, low volatility in slowdowns, and low volatility and quality in contractions.
- As the market continues its recovery and transitions to expansion, value run may persist.
- Furthermore, relative value and quantitative managers are expected to participate as the value rally broadens out.

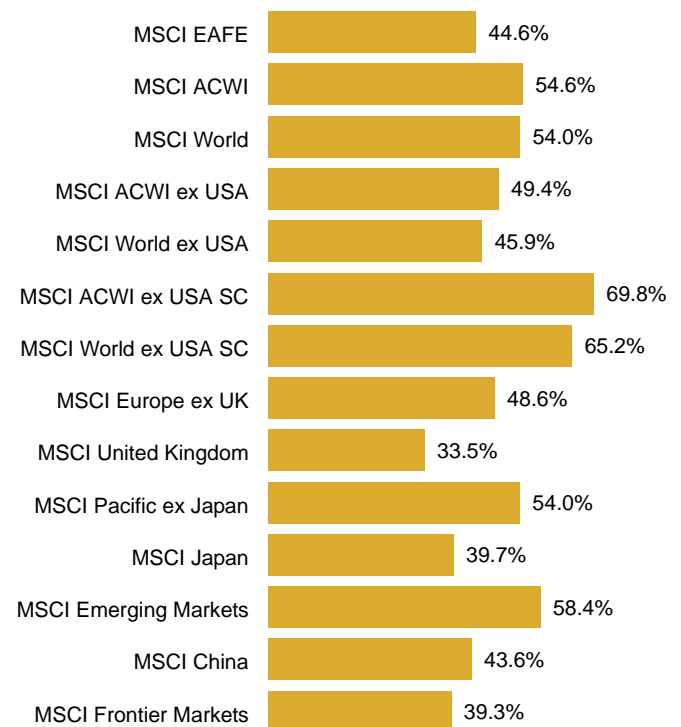
**COVID-19 resurgence may delay EM recovery**

- Although daily COVID-19 fatalities for developed markets have declined dramatically by 70% from the peak in January, they are notably increasing in emerging markets.
- China, South Korea, and Taiwan have by and large contained the pandemic, while pockets of developing economies are challenged with rising infections.

**Global Equity: Quarterly Returns**



**Global Equity: One-Year Returns**



Source: MSCI

**U.S. FIXED INCOME**

**U.S. Treasury yield curve steepens**

- The 10-year U.S. Treasury yield closed 1Q21 at 1.74%, up 81 bps from 4Q20.
- The short-end of the curve remained anchored, with no rate hikes expected until at least 2023, steepening the yield curve.
- TIPS outperformed nominal U.S. Treasuries as 10-year breakeven spreads widened from 1.99% to 2.37%.

**Bloomberg Barclays Aggregate falls**

- The Bloomberg Barclays US Aggregate Bond Index dropped 3.4%, with spread sectors outperforming treasuries.
- Demand for corporate credit remains strong, and spreads did not change meaningfully over the quarter

**High yield bonds gain as rally extends**

- High yield (HY) bonds outperformed investment grade (IG) in 1Q, gaining 0.8% amid a wave of new issuance.
- Leveraged loans rose 2.0% during the quarter, driven by favorable supply/demand dynamics, floating rate coupons, and relatively short durations.

**Stimulus boosts munis**

- Municipals outperformed treasuries for the quarter, as municipal yields rose less than treasury yields.
- The municipal market was supported by the American Rescue Act.

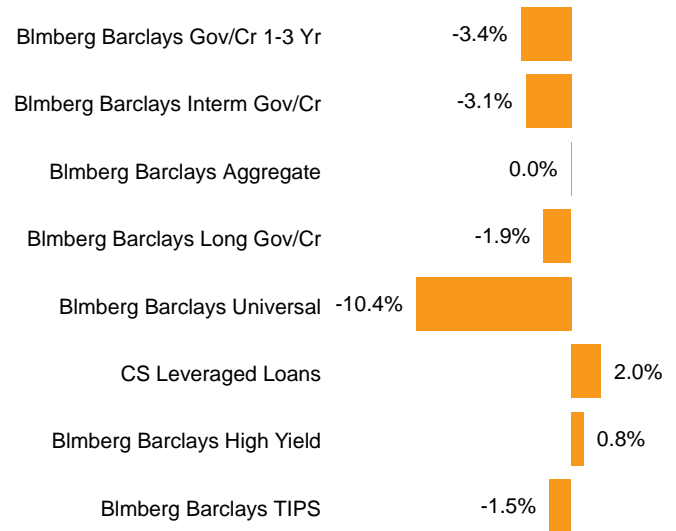
**Fixed income outlook**

- High demand, low and negative interest rates globally, and improving growth should continue to support spread product.
- The Federal Reserve continues to support U.S. fixed income markets.
- Private credit remains a compelling, actionable opportunity.
- Bond pickers stay constructive on select COVID-sensitive sectors.

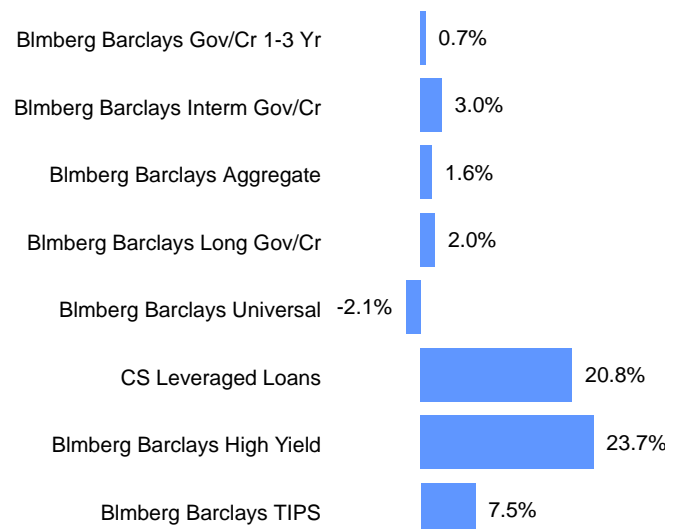
**Growth and inflation expectations**

- In 1Q21, the Treasury curve steepened 78 bps as the market anticipated stronger economic growth after another round of fiscal stimulus.
- The 10-year breakeven inflation rate rose 38 bps, reaching levels last seen in 2014 and 60 bps above pre-pandemic levels, implying the market expects the economy to heat-up.

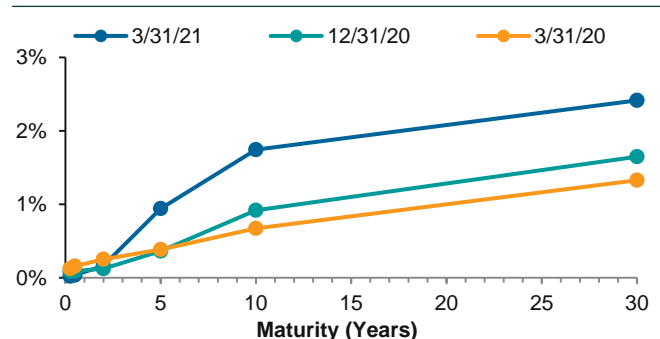
**U.S. Fixed Income: Quarterly Returns**



**U.S. Fixed Income: One-Year Returns**



**U.S. Treasury Yield Curves**



Sources: Bloomberg, Bloomberg Barclays, Credit Suisse

**Market expectations diverge from Fed guidance**

- The Fed dot plot continues to indicate the central bank should keep its policy rate low until 2023.
- Inflation (PCE) is estimated to tick up in 2021, but the policy shift to average inflation targeting in 2020 allows for inflation to rise above the 2% target during economic expansions, letting the Fed keep rates lower for longer.

**Bond market response**

- Common sentiment among managers is a near-term inflation increase. However, the front-end should remain anchored as unemployment and savings rates remain elevated, bank lending activity is muted, and secular forces persist.
- Recent and additional curve steepening provides opportunities along the curve and better roll down.

**GLOBAL FIXED INCOME**

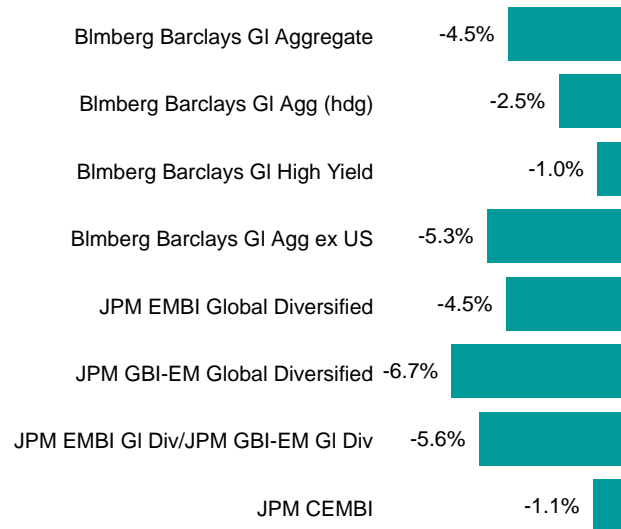
**Global fixed income posts negative returns**

- Global fixed income fell as developed market rates rose and the U.S. dollar strengthened.
- The U.S. dollar gained nearly 4% versus a basket of currencies, 6.6% versus the yen, and nearly 4% versus the euro.

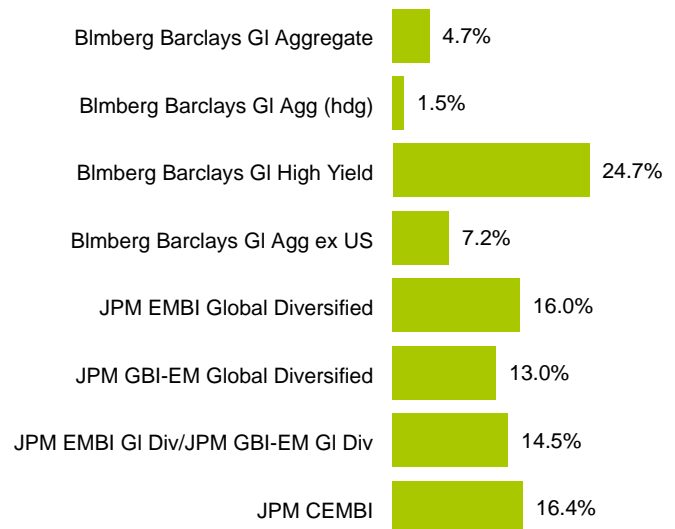
**Emerging market debt sells off**

- Emerging market debt indices fell in 1Q21, with EM corporates faring better than hard and local currency sovereigns amid improving corporate fundamentals.
- U.S. dollar-denominated index (EMBI Global Diversified) fell 4.5% as rising U.S. rates spilled into emerging markets; returns were largely negative across the 70+ constituents.
- Local currency index (GBI-EM Global Diversified) fared worse than hard currency, as real yields rose higher than in the U.S.

**Global Fixed Income: Quarterly Returns**

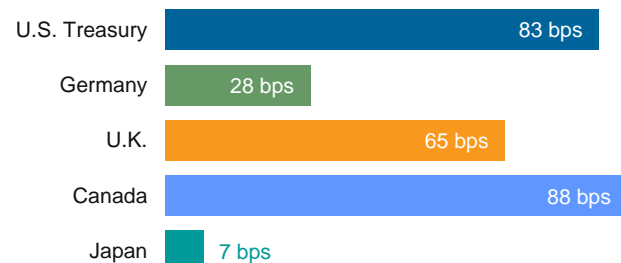


**Global Fixed Income: One-Year Returns**



**Change in 10-Year Global Government Bond Yields**

**4Q20 to 1Q21**



Sources: Bloomberg, Bloomberg Barclays, JP Morgan

A	B	C	D	E	F	G	H	I
					C+D+E	B*F		F-H
Funds and Sub-Advisors	Assets*	Inv. Mgmt. Fee	Custodial Expenses <sup>1</sup>	NC Budget <sup>2</sup>	Total Estimated Expense (%)	Total Estimated Expenses (\$) <sup>3</sup>	Callan Median Expense <sup>4</sup>	Difference
<b>North Carolina Stable Value Fund</b>	<b>\$2,369,351,378</b>	<b>0.267%</b>	<b>0.0017%</b>	<b>0.025%</b>	<b>0.29%</b>	<b>\$6,958,785</b>	<b>0.30%</b>	<b>-0.01%</b>
Galliard	\$2,360,523,758	0.267%	0.0000%			\$6,302,598	0.28%	-0.01%
<b>North Carolina Fixed Income Passive Fund</b>	<b>\$102,598,032</b>	<b>0.020%</b>	<b>0.0226%</b>	<b>0.025%</b>	<b>0.07%</b>	<b>\$69,356</b>	<b>0.08%</b>	<b>-0.01%</b>
Blackrock	\$102,598,032	0.020%	0.0100%			\$20,520	0.02%	0.00%
<b>North Carolina Fixed Income Fund</b>	<b>\$2,141,703,930</b>	<b>0.124%</b>	<b>0.0102%</b>	<b>0.025%</b>	<b>0.16%</b>	<b>\$3,405,309</b>	<b>0.39%</b>	<b>-0.23%</b>
50% TCW	\$1,073,323,768	0.138%	0.0000%			\$1,476,894	0.21%	-0.07%
50% Prudential	\$1,068,380,159	0.110%	0.0100%			\$1,175,218	0.21%	-0.10%
<b>North Carolina Inflation Sensitive Fund</b>	<b>\$502,972,949</b>	<b>0.090%</b>	<b>0.0137%</b>	<b>0.025%</b>	<b>0.13%</b>	<b>\$647,326</b>	<b>0.83%</b>	<b>-0.70%</b>
Blackrock	\$502,972,954	0.090%	0.0100%			\$452,676	0.75%	-0.66%
<b>North Carolina Large Cap Passive Fund</b>	<b>\$3,481,818,436</b>	<b>0.005%</b>	<b>0.0150%</b>	<b>0.025%</b>	<b>0.05%</b>	<b>\$1,566,818</b>	<b>0.17%</b>	<b>-0.13%</b>
Blackrock	\$3,481,818,436	0.005%	0.0100%			\$174,091	0.03%	-0.03%
<b>North Carolina Large Cap Core Fund</b>	<b>\$2,337,095,443</b>	<b>0.278%</b>	<b>0.0090%</b>	<b>0.025%</b>	<b>0.31%</b>	<b>\$7,296,412</b>	<b>0.64%</b>	<b>-0.33%</b>
18.75% Hotchkis & Wiley	\$425,445,762	0.400%	0.0000%			\$1,701,783	0.39%	0.01%
18.75% Macquarie Large Cap Value	\$438,749,363	0.263%	0.0000%			\$1,152,595	0.39%	-0.13%
18.75% Sands Capital Management	\$443,385,443	0.450%	0.0000%			\$1,995,234	0.43%	0.02%
18.75% Loomis Sayles	\$444,420,876	0.365%	0.0000%			\$1,623,469	0.43%	-0.06%
25% BlackRock Advisors Inc., Large Cap Index*	\$585,094,008	0.005%	0.0100%			\$29,255	0.03%	-0.03%
<b>North Carolina SMID Cap Passive Fund</b>	<b>\$414,208,091</b>	<b>0.005%</b>	<b>0.0156%</b>	<b>0.025%</b>	<b>0.05%</b>	<b>\$188,879</b>	<b>0.17%</b>	<b>-0.12%</b>
Blackrock	\$414,208,091	0.005%	0.0100%			\$20,710	0.03%	-0.03%
<b>North Carolina SMID Cap Core Fund</b>	<b>\$1,053,890,050</b>	<b>0.378%</b>	<b>0.0161%</b>	<b>0.025%</b>	<b>0.42%</b>	<b>\$4,417,907</b>	<b>0.84%</b>	<b>-0.42%</b>
30% Earnest Partners	\$108,721	0.470%	0.0000%			\$511	0.85%	-0.38%
30% Wedge	\$311,178,626	0.413%	0.0000%			\$1,283,612	0.65%	-0.24%
30% Brown Advisory	\$317,868,224	0.375%	0.0000%			\$1,192,959	0.69%	-0.31%
10% BlackRock Advisors Inc., SMID Index*	\$105,053,730	0.005%	0.0100%			\$5,253	0.03%	-0.03%
<b>North Carolina International Passive Fund</b>	<b>\$95,497,727</b>	<b>0.021%</b>	<b>0.0384%</b>	<b>0.025%</b>	<b>0.08%</b>	<b>\$80,600</b>	<b>0.06%</b>	<b>0.02%</b>
Blackrock	\$95,497,727	0.021%	0.0200%			\$20,055	0.08%	-0.06%
<b>North Carolina International Equity</b>	<b>\$2,237,321,662</b>	<b>0.321%</b>	<b>0.0258%</b>	<b>0.025%</b>	<b>0.37%</b>	<b>\$8,325,074</b>	<b>0.80%</b>	<b>-0.43%</b>
50% Baillie Gifford Growth	\$1,097,187,716	0.257%	0.0000%			\$2,817,578	0.51%	-0.25%
50% Mondrian Investment Partners Value	\$1,139,252,693	0.385%	0.0000%			\$4,384,984	0.51%	-0.13%
<b>North Carolina TIPS Fund</b>	<b>\$322,975,863</b>	<b>0.025%</b>	<b>0.0104%</b>	<b>0.025%</b>	<b>0.06%</b>	<b>\$195,077</b>	<b>0.16%</b>	<b>-0.10%</b>
Blackrock	\$322,975,863	0.025%	0.0000%			\$80,744	0.14%	-0.12%
<b>Total</b>	<b>\$15,059,433,561</b>	<b>0.172%</b>	<b>0.0162%</b>	<b>0.025%</b>	<b>0.22%</b>	<b>\$33,151,544</b>	<b>0.27%</b>	

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

<sup>1</sup> Based on annualized monthly fee accruals as of 03/31/2021

<sup>2</sup> 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.

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

<sup>4</sup> 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.

## North Carolina Supplemental Retirement Plans Active Management Scorecard - Rolling 3 Years

<b>Large Cap Equity</b>									
	3 Years to 03/31/2021		3 Years to 12/31/2020		3 Years to 09/30/2020		3 Years to 06/30/2020		
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	5 Year Risk
Hotchkis & Wiley Large Cap Value									
Macquarie Large Cap Value									
Sands Capital Large Cap Growth									
Loomis Large Cap Growth									
<b>Small/Mid Cap</b>									
	3 Years to 03/31/2021		3 Years to 12/31/2020		3 Years to 09/30/2020		3 Years to 06/30/2020		
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	5 Year Risk
EARNEST Partners SMID Cap Value									
WEDGE SMID Cap Value									
Brown Advisory									
<b>International Equity</b>									
	3 Years to 03/31/2021		3 Years to 12/31/2020		3 Years to 09/30/2020		3 Years to 06/30/2020		
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	5 Year Risk
Baillie Gifford ACWI ex US Growth									
Mondrian ACWI ex US Value									
<b>Fixed Income</b>									
	3 Years to 03/31/2021		3 Years to 12/31/2020		3 Years to 09/30/2020		3 Years to 06/30/2020		
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	5 Year Risk
TCW Core Plus*									
Prudential Core Plus									
<b>Stable Value</b>									
	3 Years to 03/31/2021		3 Years to 12/31/2020		3 Years to 09/30/2020		3 Years to 06/30/2020		
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	5 Year Risk
Stable Value									

\*Composite returns used to populate history

## North Carolina Supplemental Retirement Plans Active Management Scorecard - Rolling 5 Years

<b>Large Cap Equity</b>									
	5 Years to 03/31/2021		5 Years to 12/31/2020		5 Years to 09/30/2020		5 Years to 06/30/2020		
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	5 Year Risk
Hotchkis & Wiley Large Cap Value									
Macquarie Large Cap Value*									
Sands Capital Large Cap Growth									
Loomis Large Cap Growth*									
<b>Small/Mid Cap</b>									
	5 Years to 03/31/2021		5 Years to 12/31/2020		5 Years to 09/30/2020		5 Years to 06/30/2020		
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	5 Year Risk
EARNEST Partners SMID Cap Value									
WEDGE SMID Cap Value									
Brown Advisory									
<b>International Equity</b>									
	5 Years to 03/31/2021		5 Years to 12/31/2020		5 Years to 09/30/2020		5 Years to 06/30/2020		
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	5 Year Risk
Baillie Gifford ACWI ex US Growth									
Mondrian ACWI ex US Value									
<b>Fixed Income</b>									
	5 Years to 03/31/2021		5 Years to 12/31/2020		5 Years to 09/30/2020		5 Years to 06/30/2020		
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	5 Year Risk
TCW Core Plus*									
Prudential Core Plus									
<b>Stable Value</b>									
	5 Years to 03/31/2021		5 Years to 12/31/2020		5 Years to 09/30/2020		5 Years to 06/30/2020		
	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	Above Benchmark	Above Peer Median	5 Year Risk
Stable Value									

\*Composite returns used to populate history

Manager Assessment

	Organization	People	Process and Philosophy	Product Dynamics	Short Term Performance	Long Term Performance	Overall	<u>OVERALL STATUS</u>	<u>NOTES</u>
<b>LARGE CAP CORE</b>									
BlackRock	●	●	●	●	●	●	●	Satisfactory	
<b>LARGE CAP VALUE</b>									
Hotchkis & Wiley Large Cap Fundamental Value	●	●	●	●	●	●	●	Satisfactory	Organization and personnel stable following 1Q20 market dislocation; large relative underperformance in 1Q20 followed by large relative outperformance in 4Q20 and 1Q21 due to cyclical rally resulted in outperformance versus the benchmark over trailing one-year period. Magnitude of outperformance resulted in improvement of 3/5/7 year periods, driven by overweight to more cyclical industries and sectors as well greater exposure to value factor (e.g. stocks with low price/fundamentals). Results within expectations given process and expected higher volatility.
Macquarie Large Cap Value Focus	●	●	●	●	●	●	●	Cautionary	In December 2020, Macquarie acquired Waddell & Reed Financial and entered into a long-term partnership with LPL Financial. Cautionary due to former PM Ty Nutt retirement in July 2019 - transitioned role to Nik Lalvani; Macquarie promoted Associate PM Erin Ksenak to PM in December 2020 (4th voting member on the team) and also promoted analyst Vincent Celentano to Associate PM; continuing to monitor the team, process, and performance. Cautionary on short-term performance due to poor results over trailing one- and three-year periods; stock selection and allocation to Energy were the main detractors while an underweight to Financials detracted in the second half of 2020. Long-term results impacted by short-term but within expectations.
<b>LARGE CAP GROWTH</b>									
Loomis Sayles Large Cap Growth	●	●	●	●	●	●	●	Satisfactory	Below benchmark returns in both 2019 and 2020 have weighed on trailing short-term performance numbers.
Sands Capital Management Select Growth	●	●	●	●	●	●	●	Satisfactory	Firm remains stable and in good financial condition. Frank Sands, Sr. passed away in March 2021; does not impact the day to day management of the firm or strategy. Current four-person PM team in place for three and

● Positive status; no issues ● Notable status; noteworthy item with no concerns ● Cautionary status; noteworthy item & monitoring closely ● Under Review status; noteworthy item with concerns

*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.



Manager Assessment

	Organization	People	Process and Philosophy	Product Dynamics	Short Term Performance	Long Term Performance	Overall	<u>OVERALL STATUS</u>	<u>NOTES</u>
									a half years (10/17). Tough first quarter 2021 relative to index and peers as value/cyclicals led the market. However, very strong short and long-term performance continues as the concentrated, high growth, disruption/innovation exposure has positively impacted the portfolio over recent time periods.
<b>SMID CAP CORE</b>									
BlackRock	●	●	●	●	●	●	●	Satisfactory	
<b>SMID CAP VALUE</b>									
EARNEST Partners SMID Value	●	●	●	●	●	●	●	Satisfactory	Portfolio market cap tends to be larger than benchmark and peers but within expectations.
WEDGE Capital US SMID Cap Value	●	●	●	●	●	●	●	Satisfactory <i>(on NC watch list)</i>	In 2020, Wedge announced the co-lead of mid cap research would be stepping down. Andrew Rosenberg, lead of the large cap team, joined Mike Ritzer as the new co-lead of mid cap research. Stable process - firm is focused on value investing utilizing a combination of quantitative tools and fundamental research. Portfolio trails benchmark over the trailing 3-, 5-, and 7-year periods due to a combination of poor stock selection (PG&E), value style headwinds, and underperformance of quality factors in 2020.
<b>SMID CAP GROWTH</b>									
Brown Advisory US SMID Cap Growth	●	●	●	●	●	●	●	Satisfactory	Portfolio significantly underperformed the Russell 2500 Growth Index in 4Q20 due to a larger cap and quality bias. The fund outperformed the benchmark over trailing 3/5/7 periods. Notable strategy AUM above \$6.0 billion and holdings (81) at an all-time high (previously 79) - notable but not actionable.
<b>INTERNATIONAL EQUITY</b>									
Baillie Gifford ACWI Ex-US Alpha	●	●	●	●	●	●	●	Satisfactory	The depth and breadth of the team enabled a seamless transition after the retirement of PMs Andrew Strathdee and Jonathan Bates in 2019. The strategy is expected to perform well in up markets while protecting on the downside due to the quality growth process employed. The long-term investment horizon of the team has shown to add significant alpha over time.

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

Manager Assessment

	Organization	People	Process and Philosophy	Product Dynamics	Short Term Performance	Long Term Performance	Overall	<b>OVERALL STATUS</b>	<b>NOTES</b>
BlackRock	●	●	●	●	●	●	●	Satisfactory	
Mondrian Investment Partners Focused ACWI Ex-US	●	●	●	●	●	●	●	Satisfactory <i>(on NC watch list)</i>	Hamish Parker, who served as chair on the ESG Steering Committee, retired in the first quarter of 2021. Alex Simcox, senior portfolio manager on the international strategy, assumed Parker's role as chair. Liz Desmond appointed Deputy CEO in 2018; Desmond's day to day responsibilities have not changed and she continues to manage the International Equity group and portfolios. The value-oriented process and its ability to protect in down markets are still intact, as witnessed by historical performance. Notably, the strategy is outperforming the value index over long-term annualized time periods.
<b>CORE &amp; CORE PLUS FIXED INCOME</b>									
BlackRock	●	●	●	●	●	●	●	Satisfactory	
PGIM Core Plus Bond	●	●	●	●	●	●	●	Satisfactory	Deep bench of investors leverage a robust risk management process to implement portfolios; strong risk-adjusted performance; focus on structured credit, particularly CLOs, proved to be a major headwind through Q1 2020, however, focus has been at the top of the capital structure where technicals were drivers of returns; David Brown, a vice president on the Agency MBS team, announced retirement in May 2020.
TCW Core Plus	●	●	●	●	●	●	●	Satisfactory	More conservative approach versus Core Plus peers, defensive posture fared well during Q1 2020 volatility. Head of Credit Research, Jamie Farnham, was replaced by special situations analyst Steve Purdy in 2018, no issues. Continuing to monitor AUM growth and any potential impact on consistency of the investment strategy.
<b>INFLATION SENSITIVE</b>									
BlackRock Strategic Completion Fund	●	●	●	●	●	●	●	Satisfactory	
<b>STABLE VALUE</b>									
Galliard Stable Value	●	●	●	●	●	●	●	Under Review <i>(on NC watch list)</i>	Monitoring the sale of parent company WFA to future private equity owners

● Positive status; no issues ● Notable status; noteworthy item with no concerns ● Cautionary status; noteworthy item & monitoring closely ● Under Review status; noteworthy item with concerns

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*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.

Manager Assessment

	Organization	People	Process and Philosophy	Product Dynamics	Short Term Performance	Long Term Performance	Overall	<u>OVERALL STATUS</u>	<u>NOTES</u>
								<i>list)</i>	(GTCR and Reverence Capital), and impact on Galliard's autonomy, key professional stability, and back-office. WFAM's sale follows two significant organizational developments in 2019: sale of the firm's recordkeeping business and the coinciding retirements of the firm's founding partners. Recordkeeper clients represented a third of the WFAM Stable Return Fund; the put queue subsequently increased and has come down since peaking in 2020. Departure of CPM Laura Sell was material. Depth and experience among the remaining team members alleviate concerns related to portfolio management interruptions, but she was a significant contributor to the firm's stable value intellectual capital.

● Positive status; no issues ● Notable status; noteworthy item with no concerns ● Cautionary status; noteworthy item & monitoring closely ● Under Review status; noteworthy item with concerns

*Product Dynamics:* reflects noteworthy highlights of the portfolio and strategy including assets and portfolio characteristics.  
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### Mondrian International

Mondrian's value driven investment philosophy is based on the belief that investments need to be evaluated in terms of their fundamental long-term value. In the management of international equity assets, they invest in securities where rigorous dividend discount analysis identifies value in terms of the long term flow of income.

Mondrian's fundamental approach employs a combination of top-down and bottom-up processes to identify quality businesses trading at favorable valuation defined by four-stage dividend discount model. The strategy offers defensive-value characteristics with an absolute-return performance pattern. As such, the strategy has delivered long-term outperformance relative to the index and peers by consistently compounding excess returns garnered from downside protection.

Performance in down markets has been mixed more recently as the selloff in Q1 of 2020 was unlike past market downturns. Different from past downturns, the more speculative and expensive stocks held their value, while lower priced stocks with better fundamentals sold off more in the first quarter. While Mondrian's underperformance for 2020 is disappointing, it is to be expected given their value oriented and defensive style. The growth style of investing has been remarkably strong since the global financial crisis in 2008, which tends to be a headwind for all of their strategies on a relative basis. While Mondrian's primary benchmark remains the MSCI ACWI ex-US, the performance relative to the value oriented benchmark remains favorable. Callan remains cautionary in light of the recent performance and modest AUM decline.

During the first quarter of 2021, Mondrian outperformed the benchmark with a return of 6.0% versus the benchmark return of 3.5%. This is consistent with expectations as markets have begun to reward lower priced (value) companies and sectors more recently. Portfolio returns exceeded index returns, driven by positive stock selection. The portfolio benefitted from strong stock selection in China, Japan and France. Saint Gobain, the French building materials company, performed particularly well on the back of a record second half operating profit margin and an improvement in the outlook for renovation and construction as economies re-opened. In the UK, Lloyds Bank benefitted from higher interest rates and the prospect of a strong economic recovery in the latter part of this year. This was only partially offset by returns from stocks in Germany. After strong Q4 returns, Continental, the German auto parts and tires maker, unveiled weaker than expected 2021 guidance with higher near-term costs from the semiconductor shortage and additional R&D expenditure for autonomous driving technologies.

The positive impact of the overweight positions in the strong Italian and Singaporean equity markets was broadly offset by the underweight position in the strong Dutch equity market. Most markets rose, led by those with high exposure to the strong energy and financials sectors. In contrast, the Swiss market, which has a high weighting to the defensive consumer staples and health care sectors, generated one of the lower returns.

### **WEDGE Smid Cap Value**

Last quarter, Callan recommended retaining Wedge and keeping the SMID Value strategy on the watch list after thorough review of the people, process, philosophy and performance. Callan maintains the view that Wedge should remain on watch list, but no further action should be taken at this time.

WEDGE Capital Management was founded in 1984 and based in North Carolina. The organization is 100% employee owned by eight partners. WEDGE employs a well-resourced investment team with significant experience in the industry and at the firm. The Smid Value strategy is a 50/50 blend of WEDGE Small Cap Value and Mid Cap Value portfolios. The investment approach is a fundamentally based, value-oriented discipline, employing up front quantitative screens and qualitative analysis. Quantitative screens search for attractive value and quality characteristics to define a pool of candidates; fundamental research is then applied to identify attractive unrecognized value opportunities. WEDGE believes they can produce superior long term returns by employing rigorous quantitative research and independent qualitative analysis.

Wedge announced in 2020 that a Partner of the firm would be stepping down. Callan believes the departure is notable, but is not cause for immediate action due to the team approach and experience/tenure of remaining team members at WEDGE. The Smid Value strategy is supported by nine investment team members, including three that also support the Large Cap Value strategies. WEDGE drew from the large cap team for Pratt's replacement as institutional demand for active large cap strategies continue to wane. While the team remains well-resourced, there have been more departures than additions in the last five years, at a time when the firm's asset base and number of accounts has come down as well.

The Small/Mid Cap Value composite return for the most recent quarter was 14.57% (14.33% net of fee) versus the benchmark Russell 2500 Value Index return of 16.83%. Performance challenges for the quarter were largely confined to January during the Reddit-fueled short-covering that helped elevate the stock price of a few notable low quality companies. The Wedge portfolio outperformed the index in February and March but it was not enough to close the gap from January. The top contributors in the quarter included positive stock selection and overweight to Finance (banks); Technology underweight and positive stock selection and Consumer Services stock selection. The main detractors in the quarter included Retail, Telecom and Capital Goods stock selection.

## Investment Fund Balances

The table below compares the fund's investment fund balances as of March 31, 2021 with that of December 31, 2020. 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

	March 31, 2021		Net New Invest.	Invest. Return	December 31, 2020	
	Market Value	Weight			Market Value	Weight
<b>North Carolina SRP 401k &amp; 457</b>						
<b>Tier II Passive</b>	<b>\$4,417,098,150</b>	<b>29.33%</b>	<b>\$(13,307,666)</b>	<b>\$242,583,152</b>	<b>\$4,187,822,663</b>	<b>28.73%</b>
Fixed Income Passive	102,598,032	0.68%	(5,147,121)	(3,754,774)	111,499,928	0.76%
Treasury Inflation Protected	322,975,863	2.14%	11,752,861	(195,824)	311,418,827	2.14%
Large Cap Passive	3,481,818,436	23.12%	(30,046,649)	203,045,290	3,308,819,796	22.70%
International Passive	95,497,727	0.63%	2,276,672	3,193,546	90,027,509	0.62%
SMID Cap Passive	414,208,091	2.75%	7,856,572	40,294,915	366,056,604	2.51%
<b>Tier II Active</b>	<b>\$10,642,335,412</b>	<b>70.67%</b>	<b>\$(20,454,453)</b>	<b>\$273,867,350</b>	<b>\$10,388,922,514</b>	<b>71.27%</b>
Stable Value Fund	2,369,351,378	15.73%	1,547,973	11,556,563	2,356,246,842	16.16%
Fixed Income Fund	2,141,703,930	14.22%	88,171,692	(77,506,585)	2,131,038,823	14.62%
Inflation Responsive Fund	502,972,949	3.34%	2,867,690	15,282,472	484,822,787	3.33%
Large Cap Core Equity Fund	2,337,095,443	15.52%	(52,142,708)	148,274,186	2,240,963,965	15.37%
International Equity Fund	2,237,321,662	14.86%	(12,421,161)	78,863,514	2,170,879,309	14.89%
Small/Mid Cap Equity Fund	1,053,890,050	7.00%	(48,477,938)	97,397,199	1,004,970,789	6.89%
<b>Total Fund</b>	<b>\$15,059,433,561</b>	<b>100.0%</b>	<b>\$(33,762,118)</b>	<b>\$516,450,502</b>	<b>\$14,576,745,178</b>	<b>100.0%</b>

## Investment Fund Balances

The table below compares the fund's investment fund balances as of March 31, 2021 with that of December 31, 2020.

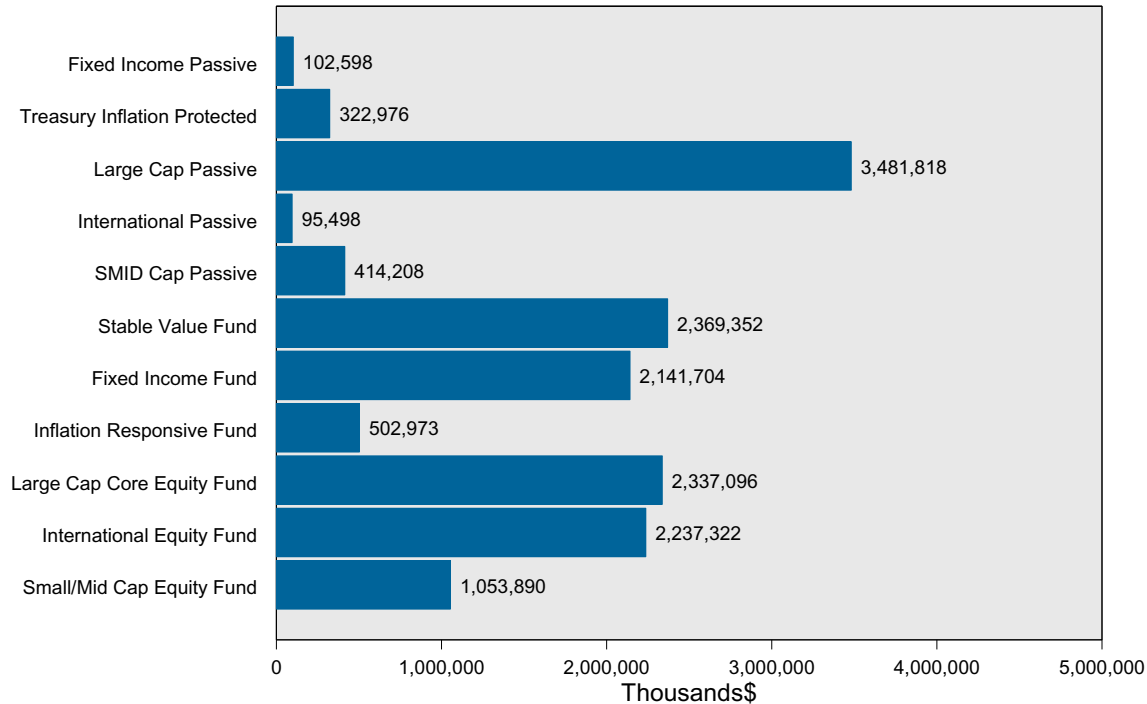
### Asset Distribution Across Investment Funds

	March 31, 2021		December 31, 2020	
	Market Value	Weight	Market Value	Weight
<b>North Carolina SRP 401k &amp; 457</b>				
<b>Tier I: GoalMaker</b>				
Post Retirement Conservative 11+	26,220,004	0.36%	25,214,091	0.36%
Post Retirement Conservative 6-10	108,533,462	1.50%	103,177,073	1.47%
Post Retirement Conservative 0-5	380,629,751	5.26%	374,429,980	5.35%
Pre Retirement Conservative 0-5	328,118,916	4.53%	331,561,902	4.73%
Pre Retirement Conservative 6-10	197,560,105	2.73%	192,839,126	2.75%
Pre Retirement Conservative 11-15	140,670,699	1.94%	134,233,630	1.92%
Pre Retirement Conservative 16-20	102,939,740	1.42%	98,211,542	1.40%
Pre Retirement Conservative 21-25	80,561,059	1.11%	77,796,197	1.11%
Pre Retirement Conservative 26+	102,318,044	1.41%	98,426,842	1.41%
Post Retirement Moderate 11+	30,374,280	0.42%	27,679,771	0.40%
Post Retirement Moderate 6-10	116,308,252	1.61%	107,786,188	1.54%
Post Retirement Moderate 0-5	424,014,994	5.86%	411,408,156	5.87%
Pre Retirement Moderate 0-5	642,680,917	8.88%	617,884,579	8.82%
Pre Retirement Moderate 6-10	629,765,477	8.70%	615,147,711	8.78%
Pre Retirement Moderate 11-15	498,163,984	6.88%	478,786,600	6.84%
Pre Retirement Moderate 16-20	398,836,263	5.51%	383,358,974	5.47%
Pre Retirement Moderate 21-25	283,874,088	3.92%	275,029,450	3.93%
Pre Retirement Moderate 26+	318,163,188	4.40%	307,310,167	4.39%
Post Retirement Aggressive 11+	13,694,509	0.19%	12,699,819	0.18%
Post Retirement Aggressive 6-10	41,699,444	0.58%	36,458,255	0.52%
Post Retirement Aggressive 0-5	153,680,449	2.12%	151,271,705	2.16%
Pre Retirement Aggressive 0-5	322,875,402	4.46%	313,078,452	4.47%
Pre Retirement Aggressive 6-10	452,391,882	6.25%	443,599,586	6.33%
Pre Retirement Aggressive 11-15	455,678,153	6.30%	435,445,562	6.22%
Pre Retirement Aggressive 16-20	427,089,526	5.90%	412,995,801	5.90%
Pre Retirement Aggressive 21-25	295,142,763	4.08%	280,051,174	4.00%
Pre Retirement Aggressive 26+	266,697,468	3.68%	257,251,139	3.67%
<b>Tier I: GoalMaker Total</b>	<b>\$7,238,682,819</b>	<b>100.0%</b>	<b>\$7,003,133,472</b>	<b>100.0%</b>

## Changes in Investment Fund Balances Period Ended March 31, 2021

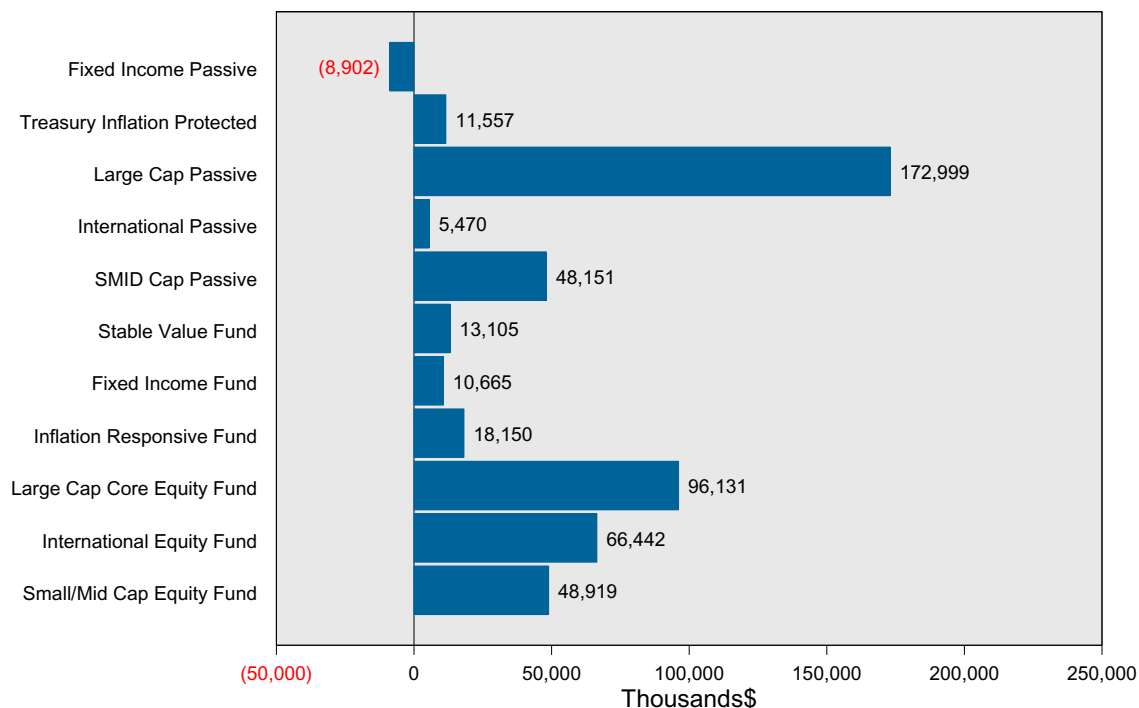
### Allocation Across Investment Options

The chart below illustrates the allocation of the aggregate fund assets across the various investment options for the quarter ended March 31, 2021.



### Changes in Fund Values

The chart below shows the net change in fund values across the various investment options for the quarter ended March 31, 2021. 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 ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2021

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Since Inception
<b>Tier 2: Passive (Net of Fee)</b>									
Fixed Income Passive	(3.42%)	83	0.69%	98	4.59%	91	3.06%	100	3.09% <sup>(10/10)</sup>
Blmbg Barclays Aggregate	(3.37%)	81	0.71%	98	4.65%	90	3.10%	99	3.19% <sup>(10/10)</sup>
Callan Core Bond MFs	(3.07%)		3.90%		5.22%		3.69%		-
Treasury Inflation Protected Securities	(0.07%)	28	7.96%	66	-		-		5.30% <sup>(7/18)</sup>
Blmbg US TIPS 1-10 Yr	0.06%	26	8.12%	63	5.09%	61	3.41%	70	5.33% <sup>(7/18)</sup>
Callan TIPS MFs	(1.29%)		9.23%		5.27%		3.79%		-
Large Cap Passive	6.17%	73	56.36%	64	16.81%	27	16.30%	25	16.61% <sup>(4/09)</sup>
S&P 500 Index	6.17%	73	56.35%	64	16.78%	27	16.29%	25	16.69% <sup>(4/09)</sup>
Callan Large Cap Core MFs	7.31%		57.40%		14.84%		14.91%		-
International Passive	3.55%	53	49.61%	62	6.61%	44	10.02%	38	9.50% <sup>(4/09)</sup>
MSCI ACWI ex US	3.49%	53	49.41%	64	6.51%	45	9.76%	42	9.42% <sup>(4/09)</sup>
Callan Non US Equity MFs	3.62%		53.39%		6.22%		9.24%		-
SMID Cap Passive	11.01%	68	89.34%	15	15.26%	13	15.84%	11	16.98% <sup>(4/09)</sup>
Russell 2500 Index	10.93%	69	89.40%	15	15.34%	13	15.93%	11	17.04% <sup>(4/09)</sup>
Callan SMID Core MFs	12.98%		83.61%		11.66%		13.43%		-

## 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 March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2021

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Since Inception
<b>Tier 2: Active (Net of Fee)</b>									
<b>Stable Value Fund</b>	<b>0.48%</b>	<b>4</b>	<b>2.28%</b>	<b>2</b>	<b>2.42%</b>	<b>1</b>	<b>2.25%</b>	<b>2</b>	<b>2.51%</b> (7/09)
3 Yr US Treas Rolling	0.07%	99	0.20%	99	1.43%	96	1.44%	88	1.09% (7/09)
T-Bill + 1.5%	0.40%	31	1.62%	45	2.99%	1	2.69%	1	2.06% (7/09)
Callan Stable Value CT	0.34%		1.58%		1.89%		1.75%		-
<b>Fixed Income Fund</b>	<b>(3.61%)</b>	<b>88</b>	<b>5.70%</b>	<b>71</b>	<b>5.68%</b>	<b>13</b>	<b>4.28%</b>	<b>40</b>	<b>4.86%</b> (4/09)
Blmbg Barclays Aggregate	(3.37%)	86	0.71%	99	4.65%	86	3.10%	97	3.93% (4/09)
Callan Core Plus MFs	(2.86%)		6.86%		5.28%		4.16%		-
TCW Core Plus	(2.83%)	47	4.03%	86	5.77%	11	-		4.55% (1/17)
Blmbg Barclays Aggregate	(3.37%)	86	0.71%	99	4.65%	86	3.10%	97	3.75% (1/17)
Callan Core Plus MFs	(2.86%)		6.86%		5.28%		4.16%		-
Prudential Core Plus	(4.35%)	93	7.52%	31	5.65%	15	4.82%	14	4.46% (1/15)
Blmbg Barclays Aggregate	(3.37%)	86	0.71%	99	4.65%	86	3.10%	97	3.06% (1/15)
Callan Core Plus MFs	(2.86%)		6.86%		5.28%		4.16%		-
<b>Inflation Responsive Fund</b>	<b>3.14%</b>	<b>63</b>	<b>23.60%</b>	<b>78</b>	<b>4.59%</b>	<b>68</b>	<b>5.43%</b>	<b>58</b>	<b>2.35%</b> (9/11)
Inflation Responsive Benchmark	3.07%	64	23.31%	79	4.36%	75	3.79%	82	0.86% (9/11)
Callan Real Assets MFs	3.67%		31.74%		4.89%		5.45%		-
BlackRock Strategic Completion	3.14%	63	23.60%	78	-		-		6.62% (12/18)
BlackRock Custom Benchmark	3.07%	64	23.31%	79	4.87%	51	4.21%	79	6.34% (12/18)
Callan Real Assets MFs	3.67%		31.74%		4.89%		5.45%		-
<b>Large Cap Core Equity Fund</b>	<b>6.69%</b>	<b>48</b>	<b>67.45%</b>	<b>19</b>	<b>18.33%</b>	<b>41</b>	<b>-</b>	<b>17.78%</b>	<b>(10/17)</b>
Russell 1000 Index	5.91%	52	60.59%	37	17.31%	47	16.66%	44	16.54% (10/17)
Callan Lg Cap Broad MF	6.52%		58.21%		16.29%		15.88%		-
Hotchkis & Wiley Large Cap Value	17.95%	5	86.74%	6	12.21%	30	14.40%	18	16.57% (4/09)
Russell 1000 Value Index	11.26%	43	56.09%	58	10.96%	42	11.74%	54	14.38% (4/09)
Callan Lg Cap Value MF	11.11%		57.75%		10.35%		11.86%		-
Macquarie Large Cap Value	9.44%	70	49.81%	77	9.81%	65	11.02%	71	8.86% (6/15)
Russell 1000 Value Index	11.26%	43	56.09%	58	10.96%	42	11.74%	54	9.29% (6/15)
Callan Lg Cap Value MF	11.11%		57.75%		10.35%		11.86%		-
Sands Capital Large Cap Growth	(2.41%)	89	84.98%	3	30.01%	2	27.32%	1	23.63% (4/09)
Russell 1000 Growth Index	0.94%	53	62.74%	42	22.80%	33	21.05%	42	19.22% (4/09)
Callan Large Cap Grwth MF	1.08%		59.88%		21.77%		20.58%		-
Loomis Sayles Large Cap Growth	2.93%	15	54.14%	81	20.72%	68	20.49%	54	18.27% (8/14)
Russell 1000 Growth Index	0.94%	53	62.74%	42	22.80%	33	21.05%	42	17.84% (8/14)
Callan Large Cap Grwth MF	1.08%		59.88%		21.77%		20.58%		-
BlackRock Russell 1000 Index	6.05%	74	61.04%	24	17.33%	22	-		16.18% (11/17)
Russell 1000 Index	5.91%	75	60.59%	28	17.31%	22	16.66%	20	16.21% (11/17)
Callan Large Cap Core MFs	7.31%		57.40%		14.84%		14.91%		-

## 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 March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2021

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Since Inception
<b>Tier 2: Active (Net of Fee)</b>									
<b>International Equity Fund</b>	<b>3.63%</b>	<b>49</b>	<b>53.62%</b>	<b>49</b>	<b>8.90%</b>	<b>35</b>	<b>11.33%</b>	<b>26</b>	<b>10.69%</b> <sup>(4/09)</sup>
MSCI ACWI ex US	3.49%	53	49.41%	64	6.51%	45	9.76%	42	9.42% <sup>(4/09)</sup>
Callan Non US Equity MFs	3.62%		53.39%		6.22%		9.24%		-
Mondrian ACWI ex-US Value	5.95%	22	45.37%	82	4.89%	69	7.47%	76	8.22% <sup>(4/09)</sup>
MSCI ACWI ex US	3.49%	53	49.41%	64	6.51%	45	9.76%	42	9.42% <sup>(4/09)</sup>
MSCI ACWI ex US Value	7.06%	16	48.68%	67	2.40%	87	7.25%	77	7.91% <sup>(4/09)</sup>
Callan Non US Equity MFs	3.62%		53.39%		6.22%		9.24%		-
Baillie Gifford ACWI ex-US Growth	1.35%	67	61.99%	17	13.14%	9	15.40%	4	13.62% <sup>(4/09)</sup>
MSCI ACWI ex US	3.49%	53	49.41%	64	6.51%	45	9.76%	42	9.42% <sup>(4/09)</sup>
MSCI ACWI ex US Growth	(0.08%)	89	49.36%	64	10.31%	22	12.03%	20	10.80% <sup>(4/09)</sup>
Callan Non US Equity MFs	3.62%		53.39%		6.22%		9.24%		-
<b>Small/Mid Cap Equity Fund*</b>	<b>9.79%</b>	<b>43</b>	<b>85.42%</b>	<b>43</b>	<b>13.60%</b>	<b>59</b>	<b>-</b>		<b>13.10%</b> <sup>(10/17)</sup>
Russell 2500 Index	10.93%	41	89.40%	30	15.34%	51	15.93%	52	14.59% <sup>(10/17)</sup>
Callan SMID Broad MFs	7.76%		82.79%		15.63%		16.35%		-
Wedge Small/Mid Cap Value	14.05%	75	85.02%	50	8.11%	95	10.04%	92	12.12% <sup>(1/12)</sup>
Russell 2500 Value Index	16.83%	64	87.47%	46	10.88%	51	12.15%	57	12.41% <sup>(1/12)</sup>
Callan SMID Value MFs	17.82%		84.94%		10.95%		12.84%		-
Brown Advisory Small/Mid Cap Growth	2.27%	44	79.44%	59	19.68%	47	19.35%	61	18.60% <sup>(4/09)</sup>
Russell 2500 Growth Index	2.49%	43	87.50%	37	19.96%	47	19.91%	55	18.98% <sup>(4/09)</sup>
Callan SMID Growth MFs	1.96%		85.03%		18.81%		20.12%		-
BlackRock Russell 2500 Index	11.04%	68	91.62%	12	15.71%	11	-		14.77% <sup>(11/17)</sup>
Russell 2500 Index	10.93%	69	89.40%	15	15.34%	13	15.93%	11	14.46% <sup>(11/17)</sup>
Callan SMID Core MFs	12.98%		83.61%		11.66%		13.43%		-

\*Please note EARNEST SMID Value was transitioned to EARNEST SMID Core on 02/16/21

## 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.

	<b>3 Years Ended 3/2021</b>		<b>3 Years Ended 12/2020</b>		<b>3 Years Ended 9/2020</b>		<b>3 Years Ended 6/2020</b>	
<b>Tier 2: Passive (Net of Fee)</b>								
Fixed Income Passive	4.59%	91	5.28%	85	5.18%	69	5.26%	59
Blmbg Barclays Aggregate	4.65%	90	5.34%	80	5.24%	64	5.32%	48
Callan Core Bond MFs	5.22%		5.83%		5.43%		5.31%	
Large Cap Passive	16.81%	27	14.21%	26	12.30%	24	10.75%	22
S&P 500 Index	16.78%	27	14.18%	27	12.28%	24	10.73%	23
Callan Large Cap Core MFs	14.84%		11.69%		9.82%		8.89%	
International Passive	6.61%	44	5.13%	45	1.40%	50	1.38%	49
MSCI ACWI ex US	6.51%	45	4.88%	48	1.16%	51	1.14%	50
Callan Non US Equity MFs	6.22%		4.48%		1.35%		1.04%	
SMID Cap Passive	15.26%	13	11.22%	13	4.34%	21	3.97%	19
Russell 2500 Index	15.34%	13	11.33%	12	4.45%	20	4.08%	18
Callan SMID Core MFs	11.66%		7.13%		0.94%		1.07%	

## 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.

	<b>3 Years Ended 3/2021</b>		<b>3 Years Ended 12/2020</b>		<b>3 Years Ended 9/2020</b>		<b>3 Years Ended 6/2020</b>	
<b>Tier 2: Active (Net of Fee)</b>								
<b>Stable Value Fund</b>	<b>2.42%</b>	<b>1</b>	<b>2.43%</b>	<b>1</b>	<b>2.41%</b>	<b>2</b>	<b>2.38%</b>	<b>3</b>
3 Yr US Treas Rolling	1.43%	96	1.61%	86	1.75%	79	1.86%	58
T-Bill + 1.5%	2.99%	1	3.11%	1	3.19%	1	3.27%	1
Callan Stable Value CT	1.89%		1.92%		1.92%		1.90%	
<b>Fixed Income Fund</b>	<b>5.68%</b>	<b>13</b>	<b>6.53%</b>	<b>14</b>	<b>6.12%</b>	<b>8</b>	<b>5.93%</b>	<b>4</b>
Blmbg Barclays Aggregate	4.65%	86	5.34%	79	5.24%	60	5.32%	43
Callan Core Plus MFs	5.28%		5.89%		5.34%		5.12%	
Prudential Core Plus	5.65%	15	6.78%	11	6.28%	5	5.97%	4
Blmbg Barclays Aggregate	4.65%	86	5.34%	79	5.24%	60	5.32%	43
Callan Core Plus MFs	5.28%		5.89%		5.34%		5.12%	
<b>Inflation Responsive Fund</b>	<b>4.59%</b>	<b>68</b>	<b>3.48%</b>	<b>45</b>	<b>1.93%</b>	<b>33</b>	<b>1.58%</b>	<b>35</b>
Inflation Responsive Benchmark	4.36%	75	3.08%	56	1.29%	43	0.48%	59
Callan Real Assets MFs	4.89%		3.34%		1.22%		0.92%	
<b>Large Cap Core Equity Fund</b>	<b>18.33%</b>	<b>41</b>	<b>16.23%</b>	<b>44</b>	<b>12.47%</b>	<b>47</b>	<b>-</b>	<b>48</b>
Russell 1000 Index	17.31%	47	14.82%	47	12.38%	47	10.64%	48
Callan Lg Cap Broad MF	16.29%		13.50%		11.52%		10.09%	
Hotchkis & Wiley Large Cap Value	12.21%	30	5.11%	60	(1.60%)	89	(0.91%)	87
Russell 1000 Value Index	10.96%	42	6.07%	48	2.63%	51	1.82%	61
Callan Lg Cap Value MF	10.35%		5.97%		2.65%		2.32%	
Macquarie Large Cap Value	9.81%	65	6.22%	43	3.08%	43	3.80%	30
Russell 1000 Value Index	10.96%	42	6.07%	48	2.63%	51	1.82%	61
Callan Lg Cap Value MF	10.35%		5.97%		2.65%		2.32%	
Sands Capital Large Cap Growth	30.01%	2	35.14%	1	29.48%	1	26.08%	1
Russell 1000 Growth Index	22.80%	33	22.99%	46	21.67%	40	18.99%	50
Callan Large Cap Grwth MF	21.77%		22.59%		21.08%		19.02%	
Loomis Sayles Large Cap Growth	20.72%	68	19.95%	83	19.06%	73	17.46%	60
Russell 1000 Growth Index	22.80%	33	22.99%	46	21.67%	40	18.99%	50
Callan Large Cap Grwth MF	21.77%		22.59%		21.08%		19.02%	
<b>International Equity Fund</b>	<b>8.90%</b>	<b>35</b>	<b>7.18%</b>	<b>39</b>	<b>3.33%</b>	<b>40</b>	<b>2.95%</b>	<b>38</b>
MSCI ACWI ex US	6.51%	45	4.88%	48	1.16%	51	1.14%	50
Callan Non US Equity MFs	6.22%		4.48%		1.35%		1.04%	
Mondrian ACWI ex-US Value	4.89%	69	2.35%	74	(2.16%)	78	(1.66%)	77
MSCI ACWI ex US	6.51%	45	4.88%	48	1.16%	51	1.14%	50
MSCI ACWI ex US Value	2.40%	87	(0.41%)	88	(5.09%)	83	(3.95%)	83
Callan Non US Equity MFs	6.22%		4.48%		1.35%		1.04%	
Baillie Gifford ACWI ex-US Growth	13.14%	9	12.32%	11	9.19%	6	7.86%	4
MSCI ACWI ex US	6.51%	45	4.88%	48	1.16%	51	1.14%	50
MSCI ACWI ex US Growth	10.31%	22	10.02%	20	7.33%	14	6.07%	13
Callan Non US Equity MFs	6.22%		4.48%		1.35%		1.04%	
<b>Small/Mid Cap Equity Fund*</b>	<b>13.60%</b>	<b>59</b>	<b>10.25%</b>	<b>57</b>	<b>3.48%</b>	<b>57</b>	<b>-</b>	<b>56</b>
Russell 2500 Index	15.34%	51	11.33%	57	4.45%	57	4.08%	56
Callan SMID Broad MFs	15.63%		14.72%		9.13%		8.11%	
Wedge Small/Mid Cap Value	8.11%	95	2.32%	79	(4.84%)	96	(4.74%)	88
Russell 2500 Value Index	10.88%	51	4.34%	63	(2.69%)	67	(2.60%)	61
Callan SMID Value MFs	10.95%		4.91%		(1.72%)		(1.88%)	
Brown Advisory Small/Mid Cap Growth	19.68%	47	20.25%	40	13.02%	58	12.13%	48
Russell 2500 Growth Index	19.96%	47	19.91%	43	13.36%	56	12.10%	48
Callan SMID Growth MFs	18.81%		19.53%		13.83%		12.03%	

\*Please note EARNEST SMID Value was transitioned to EARNEST SMID Core on 02/16/21

## 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 March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns and Rankings for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Since Inception					
<b>Tier 2: Active (Gross of Fee) Stable Value Fund</b>										
Galliard Stable Value	0.52%	23	2.39%	25	2.55%	19	2.41%	19	2.51%	(1/11)
3 Yr US Treas Rolling T-Bill + 1.5%	0.07%	100	0.20%	98	1.43%	97	1.44%	96	1.06%	(1/11)
Callan Stable Value SA	0.40%	99	1.62%	92	2.99%	3	2.69%	10	2.12%	(1/11)
	0.49%		2.22%		2.44%		2.32%		-	
<b>Fixed Income Fund</b>										
TCW Core Plus	(2.80%)	13	4.15%	27	5.92%	6	-		4.71%	(1/17)
Blmbg Barclays Aggregate	(3.37%)	72	0.71%	95	4.65%	95	3.10%	96	3.75%	(1/17)
Callan Core Bond FI	(3.20%)		3.04%		5.29%		3.74%		-	
Prudential Core Plus	(4.35%)	100	7.52%	1	5.71%	15	4.96%	1	4.63%	(1/15)
Blmbg Barclays Aggregate	(3.37%)	72	0.71%	95	4.65%	95	3.10%	96	3.06%	(1/15)
Callan Core Bond FI	(3.20%)		3.04%		5.29%		3.74%		-	
<b>Inflation Responsive Fund</b>										
BlackRock Strategic Completion	3.16%	82	23.70%	90	-		-		7.02%	(11/18)
BlackRock Custom Benchmark	3.07%	82	23.31%	91	4.87%	85	4.21%	90	6.64%	(11/18)
Callan Real Assets	4.50%		35.78%		6.41%		7.01%		-	
<b>Large Cap Core Equity Fund</b>										
Hotchkis & Wiley Large Cap Value	18.07%	8	87.38%	5	12.65%	29	14.88%	13	17.11%	(4/09)
Russell 1000 Value Index	11.26%	74	56.09%	67	10.96%	45	11.74%	71	14.38%	(4/09)
Callan Large Cap Value	12.92%		60.30%		10.80%		12.46%		-	
Macquarie Large Cap Value	9.51%	87	50.16%	90	10.11%	66	11.33%	80	9.16%	(6/15)
Russell 1000 Value Index	11.26%	74	56.09%	67	10.96%	45	11.74%	71	9.29%	(6/15)
Callan Large Cap Value	12.92%		60.30%		10.80%		12.46%		-	
Sands Capital Large Cap Growth	(2.30%)	92	85.69%	4	30.56%	2	27.89%	2	24.24%	(4/09)
Russell 1000 Growth Index	0.94%	63	62.74%	38	22.80%	36	21.05%	46	19.22%	(4/09)
Callan Large Cap Growth	1.62%		60.55%		21.98%		20.80%		-	
Loomis Sayles Large Cap Growth	3.02%	20	54.66%	80	21.17%	58	20.95%	47	18.72%	(8/14)
Russell 1000 Growth Index	0.94%	63	62.74%	38	22.80%	36	21.05%	46	17.84%	(8/14)
Callan Large Cap Growth	1.62%		60.55%		21.98%		20.80%		-	
BlackRock Russell 1000 Index	6.05%	68	61.05%	36	17.33%	36	-		16.19%	(11/17)
Russell 1000 Index	5.91%	69	60.59%	37	17.31%	37	16.66%	39	16.21%	(11/17)
Callan Large Cap Core	7.18%		59.07%		16.98%		16.25%		-	
<b>International Equity Fund</b>										
Mondrian ACWI ex-US Value	6.05%	29	45.88%	78	5.29%	72	7.90%	80	8.71%	(4/09)
MSCI ACWI ex US	3.49%	54	49.41%	66	6.51%	58	9.76%	57	9.42%	(4/09)
MSCI ACWI ex US Value	7.06%	15	48.68%	67	2.40%	94	7.25%	90	7.91%	(4/09)
Callan NonUS Eq	3.91%		52.59%		7.31%		10.16%		-	
Baillie Gifford ACWI ex-US Growth	1.41%	77	62.38%	15	13.44%	7	15.76%	5	14.09%	(4/09)
MSCI ACWI ex US	3.49%	54	49.41%	66	6.51%	58	9.76%	57	9.42%	(4/09)
MSCI ACWI ex US Growth	(0.08%)	90	49.36%	66	10.31%	28	12.03%	27	10.80%	(4/09)
Callan NonUS Eq	3.91%		52.59%		7.31%		10.16%		-	
<b>Small/Mid Cap Equity Fund</b>										
Wedge Small/Mid Cap Value	14.16%	71	85.73%	64	8.65%	80	10.68%	78	12.85%	(1/12)
Russell 2500 Value Index	16.83%	50	87.47%	62	10.88%	51	12.15%	58	12.41%	(1/12)
Callan Small/MidCap Value	16.88%		99.35%		10.90%		12.63%		-	
Brown Advisory Small/Mid Cap Growth	2.35%	41	79.99%	62	20.22%	61	19.93%	67	19.22%	(4/09)
Russell 2500 Growth Index	2.49%	40	87.50%	52	19.96%	63	19.91%	68	18.98%	(4/09)
Callan Sm/MidCap Growth	1.94%		87.68%		21.71%		21.08%		-	
BlackRock Russell 2500 Index	11.04%	61	91.64%	26	15.72%	30	-		14.78%	(11/17)
Russell 2500 Index	10.93%	62	89.40%	30	15.34%	31	15.93%	32	14.46%	(11/17)
Callan Small/MidCap Core	12.48%		82.67%		13.57%		14.99%		-	

## 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 3/2021		3 Years Ended 12/2020		3 Years Ended 9/2020		3 Years Ended 6/2020	
<b>Tier 2: Active (Gross of Fee)</b>								
<b>Stable Value Fund</b>								
Galliard Stable Value	2.55%	19	2.57%	26	2.56%	23	2.54%	22
3 Yr US Treas Rolling	1.43%	97	1.61%	96	1.75%	94	1.86%	93
T-Bill + 1.5%	2.99%	3	3.11%	12	3.19%	3	3.27%	3
Callan Stable Value SA	2.44%		2.48%		2.47%		2.45%	
<b>Fixed Income Fund</b>								
Prudential Core Plus	5.71%	15	6.87%	3	6.39%	4	6.10%	9
Blmbg Barclays Aggregate	4.65%	95	5.34%	97	5.24%	96	5.32%	87
Callan Core Bond FI	5.29%		5.92%		5.68%		5.66%	
<b>Large Cap Core Equity Fund</b>								
Hotchkis & Wiley Large Cap Value	12.65%	29	5.52%	55	(1.22%)	91	(0.52%)	85
Russell 1000 Value Index	10.96%	45	6.07%	46	2.63%	53	1.82%	63
Callan Large Cap Value	10.80%		5.98%		2.86%		2.33%	
Macquarie Large Cap Value	10.11%	66	6.50%	39	3.36%	38	4.09%	22
Russell 1000 Value Index	10.96%	45	6.07%	46	2.63%	53	1.82%	63
Callan Large Cap Value	10.80%		5.98%		2.86%		2.33%	
Sands Capital Large Cap Growth	30.56%	2	35.71%	2	30.03%	5	26.63%	3
Russell 1000 Growth Index	22.80%	36	22.99%	46	21.67%	46	18.99%	43
Callan Large Cap Growth	21.98%		22.64%		20.93%		18.31%	
Loomis Sayles Large Cap Growth	21.17%	58	20.39%	71	19.50%	64	17.89%	54
Russell 1000 Growth Index	22.80%	36	22.99%	46	21.67%	46	18.99%	43
Callan Large Cap Growth	21.98%		22.64%		20.93%		18.31%	
<b>International Equity Fund</b>								
Mondrian ACWI ex-US Value	5.29%	72	2.73%	73	(1.79%)	76	(1.28%)	75
MSCI ACWI ex US	6.51%	58	4.88%	58	1.16%	59	1.14%	56
MSCI ACWI ex US Value	2.40%	94	(0.41%)	95	(5.09%)	95	(3.95%)	95
Callan NonUS Eq	7.31%		5.69%		2.30%		1.93%	
Baillie Gifford ACWI ex-US Growth	13.44%	7	12.62%	11	9.49%	10	8.17%	9
MSCI ACWI ex US	6.51%	58	4.88%	58	1.16%	59	1.14%	56
MSCI ACWI ex US Growth	10.31%	28	10.02%	20	7.33%	18	6.07%	18
Callan NonUS Eq	7.31%		5.69%		2.30%		1.93%	
<b>Small/Mid Cap Equity Fund</b>								
Wedge Small/Mid Cap Value	8.65%	80	2.86%	72	(4.34%)	68	(4.21%)	70
Russell 2500 Value Index	10.88%	51	4.33%	46	(2.69%)	43	(2.60%)	39
Callan Small/MidCap Value	10.90%		4.14%		(3.21%)		(3.01%)	
Brown Advisory Small/Mid Cap Growth	20.22%	61	20.82%	57	13.57%	74	12.70%	65
Russell 2500 Growth Index	19.96%	63	19.91%	68	13.36%	75	12.10%	67
Callan Sm/MidCap Growth	21.71%		22.55%		15.47%		13.79%	

## Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Since Inception
<b>Tier 1: GoalMaker Funds (Net of Fee)</b>					
Post Retirement Conservative 11+	0.17%	14.56%	-	-	6.90% <sup>(7/18)</sup>
Post Ret Conservative 11+ Index	0.17%	12.21%	-	-	6.11% <sup>(7/18)</sup>
Post Retirement Conservative 6-10	0.12%	15.37%	-	-	7.17% <sup>(7/18)</sup>
Post Ret Conservative 6-10 Index	0.13%	12.79%	-	-	6.32% <sup>(7/18)</sup>
Post Retirement Conservative 0-5	0.29%	17.42%	-	-	7.63% <sup>(7/18)</sup>
Post Ret Conservative 0-5 Index	0.33%	14.77%	-	-	6.82% <sup>(7/18)</sup>
Pre Retirement Conservative 0-5	0.32%	19.78%	7.81%	6.75%	6.44% <sup>(7/09)</sup>
Pre Ret Conservative 0-5 Index	0.39%	16.83%	7.03%	6.09%	5.44% <sup>(7/09)</sup>
Pre Retirement Conservative 6-10	0.70%	23.85%	8.57%	7.78%	7.46% <sup>(7/09)</sup>
Pre Ret Conservative 6-10 Index	0.80%	20.76%	7.73%	7.07%	6.37% <sup>(7/09)</sup>
Pre Retirement Conservative 11-15	1.20%	27.99%	9.36%	9.24%	8.85% <sup>(7/09)</sup>
Pre Ret Conservative 11-15 Index	1.33%	24.99%	8.57%	8.53%	8.10% <sup>(7/09)</sup>
Pre Retirement Conservative 16-20	1.80%	33.19%	10.22%	10.85%	10.35% <sup>(7/09)</sup>
Pre Ret Conservative 16-20 Index	1.92%	30.17%	9.30%	10.06%	9.70% <sup>(7/09)</sup>
Pre Retirement Conservative 21-25	2.58%	38.71%	-	-	11.43% <sup>(7/18)</sup>
Pre Ret Conservative 21-25 Index	2.72%	36.00%	-	-	10.49% <sup>(7/18)</sup>
Pre Retirement Conservative 26+	3.50%	44.18%	-	-	11.98% <sup>(7/18)</sup>
Pre Ret Conservative 26+ Index	3.63%	41.94%	-	-	11.02% <sup>(7/18)</sup>



## Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Since Inception
<b>Tier 1: GoalMaker Funds (Net of Fee)</b>					
Post Retirement Moderate 11+	1.05%	20.40%	-	-	8.09% <sup>(7/18)</sup>
Post Ret Moderate 11+ Index	1.06%	18.31%	-	-	7.33% <sup>(7/18)</sup>
Post Retirement Moderate 6-10	1.12%	22.43%	-	-	8.58% <sup>(7/18)</sup>
Post Ret Moderate 6-10 Index	2.04%	26.42%	-	-	8.20% <sup>(7/18)</sup>
Post Retirement Moderate 0-5	1.20%	25.33%	-	-	9.30% <sup>(7/18)</sup>
Post Ret Moderate 0-5 Index	1.28%	22.69%	-	-	8.49% <sup>(7/18)</sup>
Pre Retirement Moderate 0-5	1.35%	27.98%	9.30%	8.55%	7.97% <sup>(7/09)</sup>
Pre Ret Moderate 0-5 Index	1.44%	25.11%	8.47%	7.86%	7.06% <sup>(7/09)</sup>
Pre Retirement Moderate 6-10	1.98%	33.20%	10.08%	9.67%	8.92% <sup>(7/09)</sup>
Pre Ret Moderate 6-10 Index	2.09%	30.40%	9.20%	8.91%	8.26% <sup>(7/09)</sup>
Pre Retirement Moderate 11-15	2.70%	38.57%	10.81%	10.92%	10.16% <sup>(7/09)</sup>
Pre Ret Moderate 11-15 Index	2.83%	35.99%	9.91%	10.13%	9.44% <sup>(7/09)</sup>
Pre Retirement Moderate 16-20	3.50%	44.18%	11.53%	12.53%	11.60% <sup>(7/09)</sup>
Pre Ret Moderate 16-20 Index	3.63%	41.94%	10.62%	11.74%	11.03% <sup>(7/09)</sup>
Pre Retirement Moderate 21-25	4.15%	48.18%	-	-	12.37% <sup>(7/18)</sup>
Pre Ret Moderate 21-25 Index	4.26%	46.22%	-	-	11.32% <sup>(7/18)</sup>
Pre Retirement Moderate 26+	4.85%	52.60%	-	-	12.79% <sup>(7/18)</sup>
Pre Ret Moderate 26+ Index	4.97%	51.06%	-	-	11.76% <sup>(7/18)</sup>

## Investment Fund Returns

The table below details the rates of return for the Fund's investment funds over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized.

### Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Since Inception
<b>Tier 1: GoalMaker Funds (Net of Fee)</b>					
Post Retirement Aggressive 11+	1.98%	33.03%	-	-	11.20% <sup>(7/18)</sup>
Post Ret Aggressive 11+ Index	2.02%	25.74%	-	-	8.79% <sup>(7/18)</sup>
Post Retirement Aggressive 6-10	2.26%	35.92%	-	-	11.75% <sup>(7/18)</sup>
Post Ret Aggressive 6-10 Index	2.30%	28.66%	-	-	9.36% <sup>(7/18)</sup>
Post Retirement Aggressive 0-5	2.31%	38.59%	-	-	12.28% <sup>(7/18)</sup>
Post Ret Aggressive 0-5 Index	2.41%	31.17%	-	-	9.95% <sup>(7/18)</sup>
Pre Retirement Aggressive 0-5	2.74%	42.42%	12.05%	11.01%	9.81% <sup>(7/09)</sup>
Pre Ret Aggressive 0-5 Index	2.88%	35.67%	10.11%	9.62%	8.72% <sup>(7/09)</sup>
Pre Retirement Aggressive 6-10	3.34%	45.97%	12.16%	11.73%	10.59% <sup>(7/09)</sup>
Pre Ret Aggressive 6-10 Index	3.45%	40.58%	10.43%	10.44%	9.57% <sup>(7/09)</sup>
Pre Retirement Aggressive 11-15	4.15%	49.70%	12.27%	12.69%	11.48% <sup>(7/09)</sup>
Pre Ret Aggressive 11-15 Index	4.26%	46.22%	10.91%	11.62%	10.82% <sup>(7/09)</sup>
Pre Retirement Aggressive 16-20	4.76%	52.60%	12.43%	13.97%	12.78% <sup>(7/09)</sup>
Pre Ret Aggressive 16-20 Index	4.87%	50.43%	11.33%	13.06%	12.31% <sup>(7/09)</sup>
Pre Retirement Aggressive 21-25	5.16%	54.22%	-	-	12.83% <sup>(7/18)</sup>
Pre Ret Aggressive 21-25 Index	5.27%	53.12%	-	-	11.82% <sup>(7/18)</sup>
Pre Retirement Aggressive 26+	5.16%	54.22%	-	-	12.83% <sup>(7/18)</sup>
Pre Ret Aggressive 26+ Index	5.27%	53.12%	-	-	11.82% <sup>(7/18)</sup>

## 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.

	<b>3 Years Ended 3/2021</b>	<b>3 Years Ended 12/2020</b>	<b>3 Years Ended 9/2020</b>	<b>3 Years Ended 6/2020</b>
<b>Tier 1: GoalMaker Funds (Net of Fee)</b>				
Pre Retirement Conservative 0-5	7.81%	7.63%	6.16%	5.60%
Pre Ret Conservative 0-5 Index	7.03%	6.75%	5.51%	5.14%
Pre Retirement Conservative 6-10	8.57%	8.27%	6.50%	5.95%
Pre Ret Conservative 6-10 Index	7.73%	7.29%	5.76%	5.42%
Pre Retirement Conservative 11-15	9.36%	8.85%	6.97%	6.54%
Pre Ret Conservative 11-15 Index	8.56%	7.86%	6.21%	5.97%
Pre Retirement Conservative 16-20	10.22%	9.50%	7.44%	7.08%
Pre Ret Conservative 16-20 Index	9.30%	8.36%	6.54%	6.37%

## 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.

	<b>3 Years Ended 3/2021</b>	<b>3 Years Ended 12/2020</b>	<b>3 Years Ended 9/2020</b>	<b>3 Years Ended 6/2020</b>
<b>Tier 1: GoalMaker Funds (Net of Fee)</b>				
Pre Retirement Moderate 0-5	9.30%	8.75%	6.73%	6.08%
Pre Ret Moderate 0-5 Index	8.47%	7.79%	5.98%	5.52%
Pre Retirement Moderate 6-10	10.08%	9.28%	6.92%	6.27%
Pre Ret Moderate 6-10 Index	9.20%	8.23%	6.08%	5.60%
Pre Retirement Moderate 11-15	10.81%	9.76%	7.14%	6.52%
Pre Ret Moderate 11-15 Index	9.91%	8.65%	6.23%	5.77%
Pre Retirement Moderate 16-20	11.53%	10.20%	7.43%	6.92%
Pre Ret Moderate 16-20 Index	10.62%	9.05%	6.46%	6.09%

## 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.

	<b>3 Years Ended 3/2021</b>	<b>3 Years Ended 12/2020</b>	<b>3 Years Ended 9/2020</b>	<b>3 Years Ended 6/2020</b>
<b>Tier 1: GoalMaker Funds (Net of Fee)</b>				
Pre Retirement Aggressive 0-5	12.05%	10.97%	7.13%	6.34%
Pre Ret Aggressive 0-5 Index	10.11%	8.84%	6.34%	5.69%
Pre Retirement Aggressive 6-10	12.16%	10.86%	7.12%	6.32%
Pre Ret Aggressive 6-10 Index	10.43%	8.94%	6.15%	5.50%
Pre Retirement Aggressive 11-15	12.27%	10.71%	7.16%	6.41%
Pre Ret Aggressive 11-15 Index	10.91%	9.11%	6.10%	5.48%
Pre Retirement Aggressive 16-20	12.43%	10.65%	7.36%	6.80%
Pre Ret Aggressive 16-20 Index	11.33%	9.30%	6.29%	5.85%

**The North Carolina Supplemental Retirement Plans  
Investment Manager Performance Monitoring Summary Report  
March 31, 2021**

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
<b>Tier 2: Passive vs. Net of Fee Groups</b>								
<b>Fixed Income Passive (i)</b>								
Callan Core Bond MFs	-3.4 83	0.7 98	4.6 91	3.1 100		0.5 95	-0.8 100	0.1 100
Blmbg Barclays Aggregate	-3.4 81	0.7 98	4.7 90	3.1 99		0.5 93		
<b>Treasury Inflation Protected (i)</b>								
Callan TIPS MFs	-0.1 28	8.0 66	5.7 37	3.9 47		0.8 14	0.4 28	1.3 88
Blmbg US TIPS 1-10 Yr	0.1 26	8.1 63	5.1 61	3.4 70		0.9 7		
<b>Large Cap Passive (i)</b>								
Callan Large Cap Core MFs	6.2 73	56.4 64	16.8 27	16.3 25		0.9 27	0.1 21	0.0 100
S&P 500 Index	6.2 73	56.4 64	16.8 27	16.3 25		0.9 27		
<b>International Passive (i)</b>								
Callan Non US Equity MFs	3.5 53	49.6 62	6.6 44	10.0 38		0.5 37	1.0 3	0.3 100
MSCI ACWI ex US	3.5 53	49.4 64	6.5 45	9.8 42		0.5 38		
<b>SMID Cap Passive (i)</b>								
Callan SMID Core MFs	11.0 68	89.3 15	15.3 13	15.8 11		0.6 21	-1.1 90	0.1 100
Russell 2500 Index	10.9 69	89.4 15	15.3 13	15.9 11		0.6 20		
<b>Tier 2: Active vs. Net of Fee Groups</b>								
<b>Stable Value Fund</b>								
Callan Stable Value CT	0.5 4	2.3 2	2.4 1	2.3 2		8.3 6	-1.1 1	0.4 24
T-Bill + 1.5%	0.4 31	1.6 45	3.0 1	2.7 1		3.3 62		
<b>Fixed Income Fund</b>								
Callan Core Plus MFs	-3.6 88	5.7 71	5.7 13	4.3 40		0.7 44	0.5 30	2.2 72
Blmbg Barclays Aggregate	-3.4 86	0.7 99	4.7 86	3.1 97		0.5 89		
<b>TCW Core Plus</b>								
Callan Core Plus MFs	-2.8 47	4.0 86	5.8 11					
Blmbg Barclays Aggregate	-3.4 86	0.7 99	4.7 86	3.1 97		0.5 89		
<b>Prudential Core Plus</b>								
Callan Core Plus MFs	-4.3 93	7.5 31	5.7 15	4.8 14		0.7 55	0.5 43	3.6 24
Blmbg Barclays Aggregate	-3.4 86	0.7 99	4.7 86	3.1 97		0.5 89		

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

(i) - Indexed scoring method used. Green: manager & index ranking differ by <= +/- 10%tile. Yellow: manager & index ranking differ by <= +/- 20%tile. Red: manager & index ranking differ by > +/- 20%tile.

**The North Carolina Supplemental Retirement Plans  
Investment Manager Performance Monitoring Summary Report  
March 31, 2021**

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
<b>Inflation Responsive Fund</b> Callan Real Assets MFs Inflation Responsive Benchmark	3.1 63	23.6 78	4.6 68	5.4 58		0.4 28	1.4 1	1.1 100
<b>BlackRock Strategic Completion</b> Callan Real Assets MFs BlackRock Custom Benchmark	3.1 63	23.6 78				0.3 74		
<b>Large Cap Core Equity Fund</b> Callan Lg Cap Broad MF Russell 1000 Index	6.7 48	67.4 19	18.3 41			0.9 48		
<b>Hotchkis &amp; Wiley Large Cap Value</b> Callan Lg Cap Value MF Russell 1000 Value Index	18.0 5	86.7 6	12.2 30	14.4 18		0.5 72	0.3 30	9.3 7
<b>Macquarie Large Cap Value</b> Callan Lg Cap Value MF Russell 1000 Value Index	9.4 70	49.8 77	9.8 65	11.0 71		0.6 45	-0.2 69	4.3 33
<b>Sands Capital Large Cap Growth</b> Callan Large Cap Grwth MF Russell 1000 Growth Index	-2.4 89	85.0 3	30.0 2	27.3 1		1.1 34	0.6 6	10.4 1
<b>Loomis Sayles Large Cap Growth</b> Callan Large Cap Grwth MF Russell 1000 Growth Index	2.9 15	54.1 81	20.7 68	20.5 54		1.2 7	-0.1 46	5.5 25
<b>BlackRock Russell 1000 Index (i)</b> Callan Large Cap Core MFs Russell 1000 Index	6.0 74	61.0 24	17.3 22			0.9 29		
<b>International Equity Fund</b> Callan Non US Equity MFs MSCI ACWI ex US	3.6 49	53.6 49	8.9 35	11.3 26		0.5 27	1.0 3	1.6 99
<b>Mondrian ACWI ex-US Value</b> Callan Non US Equity MFs MSCI ACWI ex US	6.0 22	45.4 82	4.9 69	7.5 76		0.3 68	-0.5 77	4.2 60

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

(i) - Indexed scoring method used. Green: manager & index ranking differ by <= +/- 10%tile. Yellow: manager & index ranking differ by <= +/- 20%tile. Red: manager & index ranking differ by > +/- 20%tile.

**The North Carolina Supplemental Retirement Plans  
Investment Manager Performance Monitoring Summary Report  
March 31, 2021**

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
<b>Baillie Gifford ACWI ex-US Growth</b> Callan Non US Equity MFs MSCI ACWI ex US	1.3 67	62.0 17	13.1 9	15.4 4		0.7 3	1.0 3	5.6 36
<b>Small/Mid Cap Equity Fund</b> Callan SMID Broad MFs Russell 2500 Index	9.8 43	85.4 43	13.6 59					
	10.9 41	89.4 30	15.3 51	15.9 52		0.6 53		
<b>Wedge Small/Mid Cap Value</b> Callan SMID Value MFs Russell 2500 Value Index	14.1 75	85.0 50	8.1 95	10.0 92		0.3 87	-0.8 92	2.5 92
	16.8 64	87.5 46	10.9 51	12.2 57		0.4 52		
<b>Brown Advisory Small/Mid Cap Growth</b> Callan SMID Growth MFs Russell 2500 Growth Index	2.3 44	79.4 59	19.7 47	19.3 61		0.7 67	-0.1 60	5.0 60
	2.5 43	87.5 37	20.0 47	19.9 55		0.7 61		
<b>BlackRock Russell 2500 Index (i)</b> Callan SMID Core MFs Russell 2500 Index	11.0 68	91.6 12	15.7 11					
	10.9 69	89.4 15	15.3 13	15.9 11		0.6 20		

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

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**The North Carolina Supplemental Retirement Plans  
Investment Manager Performance Monitoring Summary Report  
March 31, 2021**

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
<b>Tier 2: Active vs. Gross of Fee Groups</b>								
<b>Stable Value Fund</b>								
<b>Galliard Stable Value</b> Callan Stable Value SA T-Bill + 1.5%	0.5 23	2.4 25	2.6 19	2.4 19		10.2 36	-0.7 19	0.4 41
	0.4 99	1.6 92	3.0 3	2.7 10		3.3 93		
<b>Fixed Income Fund</b>								
<b>TCW Core Plus</b> Callan Core Bond FI Blmbg Aggregate	-2.8 13	4.2 27	5.9 6	4.1 18		0.8 6	1.3 7	0.8 60
	-3.4 72	0.7 95	4.7 95	3.1 96		0.5 92		
<b>Prudential Core Plus</b> Callan Core Bond FI Blmbg Aggregate	-4.3 100	7.5 1	5.7 15	5.0 1		0.7 38	0.5 63	3.6 1
	-3.4 72	0.7 95	4.7 95	3.1 96		0.5 92		
<b>Inflation Responsive Fund</b>								
<b>BlackRock Strategic Completion</b> Callan Real Assets BlackRock Custom Benchmark	3.2 82	23.7 90	5.2 81	4.6 89		0.3 83	6.0 6	0.1 94
	3.1 82	23.3 91	4.9 85	4.2 90		0.3 86		
<b>Large Cap Core Equity Fund</b>								
<b>Hotchkis &amp; Wiley Large Cap Value</b> Callan Large Cap Value Russell 1000 Value Index	18.1 8	87.4 5	12.6 29	14.9 13		0.5 75	0.3 36	9.4 5
	11.3 74	56.1 67	11.0 45	11.7 71		0.6 52		
<b>Macquarie Large Cap Value</b> Callan Large Cap Value Russell 1000 Value Index	9.5 87	50.2 90	10.1 66	11.3 80		0.6 55	-0.1 80	4.3 38
	11.3 74	56.1 67	11.0 45	11.7 71		0.6 52		
<b>Sands Capital Large Cap Growth</b> Callan Large Cap Growth Russell 1000 Growth Index	-2.3 92	85.7 4	30.6 2	27.9 2		1.1 28	0.7 9	10.4 2
	0.9 63	62.7 38	22.8 36	21.0 46		1.0 40		
<b>Loomis Sayles Large Cap Growth</b> Callan Large Cap Growth Russell 1000 Growth Index	3.0 20	54.7 80	21.2 58	20.9 47		1.2 11	-0.0 47	5.5 22
	0.9 63	62.7 38	22.8 36	21.0 46		1.0 40		

Returns:  
■ above median  
■ third quartile  
■ fourth quartile

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

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

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

**The North Carolina Supplemental Retirement Plans  
Investment Manager Performance Monitoring Summary Report  
March 31, 2021**

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
<b>BlackRock Russell 1000 Index (i)</b> Callan Large Cap Core Russell 1000 Index	6.0 68	61.0 36	17.3 36	16.7 38		0.9 53	1.8 1	0.0 99
<b>International Fund</b>								
<b>Mondrian ACWI ex-US Value</b> Callan NonUS Eq MSCI ACWI ex US	6.1 29	45.9 78	5.3 72	7.9 80		0.4 80	-0.4 80	4.2 50
<b>Baillie Gifford ACWI ex-US Growth</b> Callan NonUS Eq MSCI ACWI ex US	1.4 77	62.4 15	13.4 7	15.8 5		0.7 9	1.1 3	5.6 26
<b>Small/Mid Cap Equity Fund</b>								
<b>Wedge Small/Mid Cap Value</b> Callan Small/MidCap Value Russell 2500 Value Index	14.2 71	85.7 64	8.6 80	10.7 78		0.4 70	-0.6 90	2.5 95
<b>Brown Advisory Small/Mid Cap Growth</b> Callan Sm/MidCap Growth Russell 2500 Growth Index	2.3 41	80.0 62	20.2 61	19.9 67		0.8 71	0.0 68	5.1 69
<b>BlackRock Russell 2500 Index (i)</b> Callan Small/MidCap Core Russell 2500 Index	11.0 61	91.6 26	15.7 30	15.9 32		0.6 41		

Returns:  
■ above median  
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Return Consistency:  
■ above median  
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# Galliard Stable Value Period Ended March 31, 2021

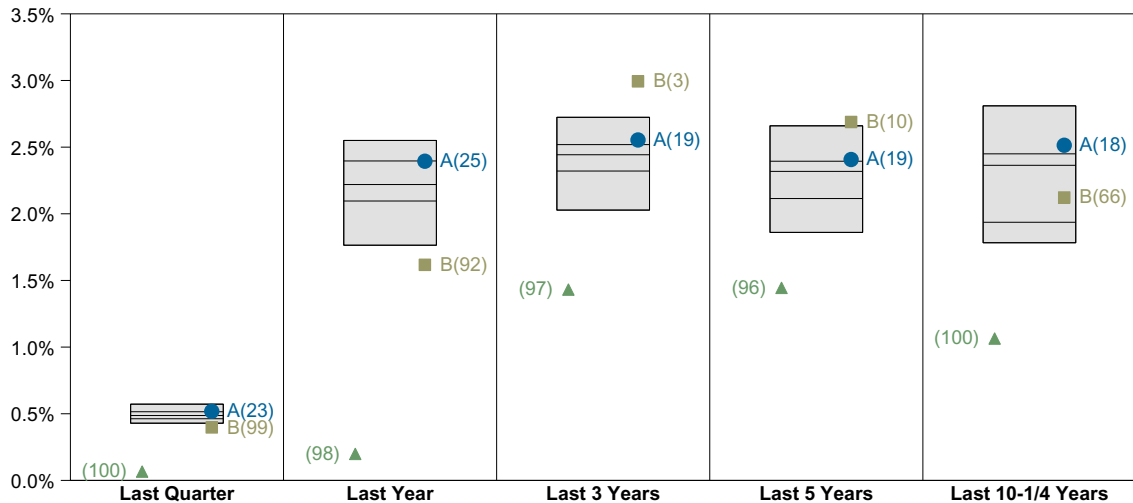
## Investment Philosophy

Galliard's primary emphasis in managing the stable value is safety of principal. Investment strategies and security selection are designed and implemented with this primary objective in mind. Liquidity is another key concern, for it must be sufficient to accommodate participant changes and provide plan sponsor flexibility.

## Quarterly Summary and Highlights

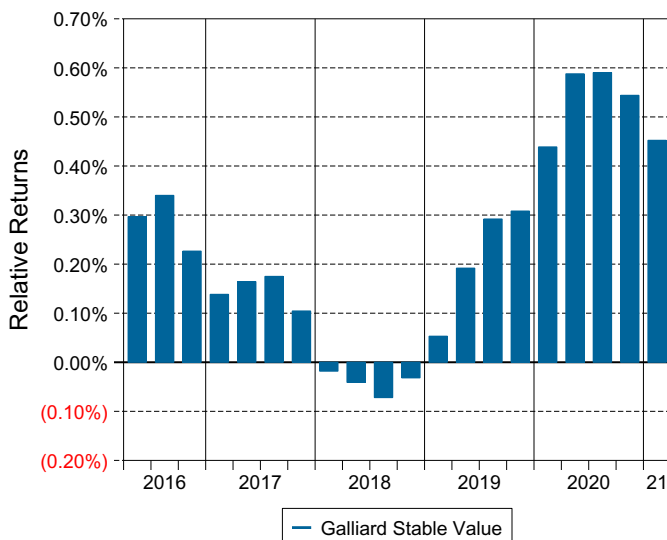
- Galliard Stable Value's portfolio posted a 0.52% return for the quarter placing it in the 23 percentile of the Callan Stable Value SA group for the quarter and in the 25 percentile for the last year.
- Galliard Stable Value's portfolio outperformed the 3 Yr Constant Maturity Yield by 0.45% for the quarter and outperformed the 3 Yr Constant Maturity Yield for the year by 2.20%.

## Performance vs Callan Stable Value SA (Gross)

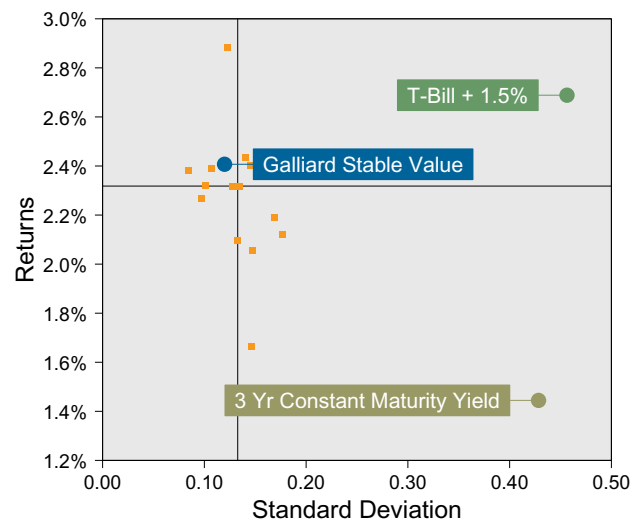


10th Percentile	0.57	2.55	2.72	2.66	2.81	
25th Percentile	0.52	2.40	2.52	2.39	2.45	
Median	0.49	2.22	2.44	2.32	2.36	
75th Percentile	0.46	2.10	2.32	2.11	1.94	
90th Percentile	0.43	1.76	2.03	1.86	1.78	
Galliard Stable Value	● A	0.52	2.39	2.55	2.41	2.51
T-Bill + 1.5%	■ B	0.40	1.62	2.99	2.69	2.12
3 Yr Constant Maturity Yield	▲	0.07	0.20	1.43	1.44	1.06

Relative Returns vs  
3 Yr Constant Maturity Yield



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



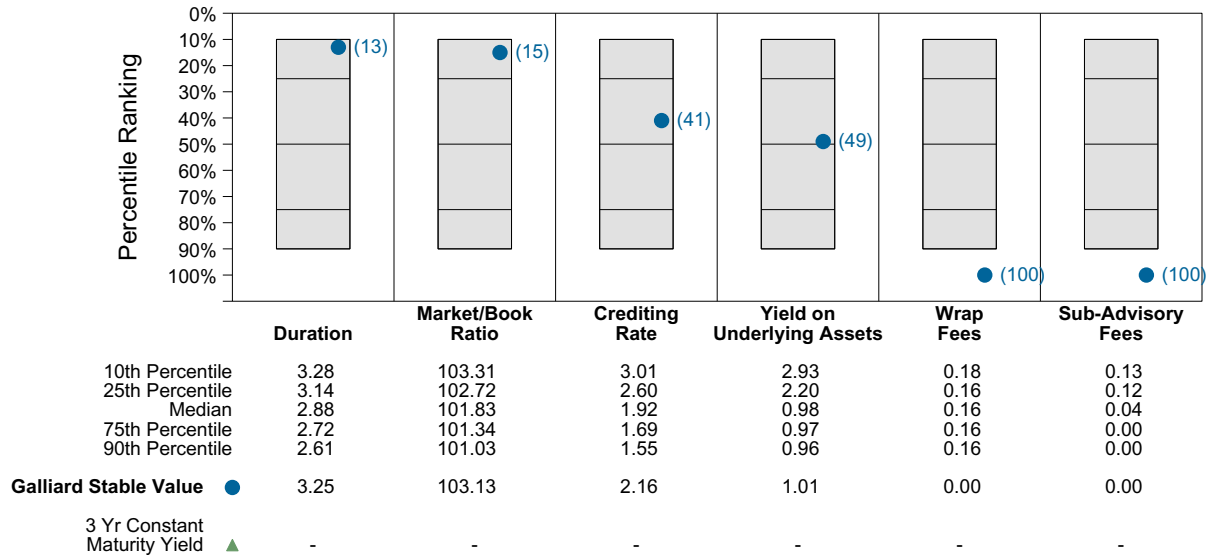
# Galliard Stable Value

## 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.

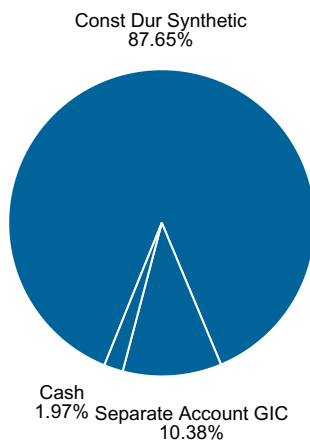
### Portfolio Characteristics Percentile Rankings Rankings Against Callan Stable Value SA as of March 31, 2021



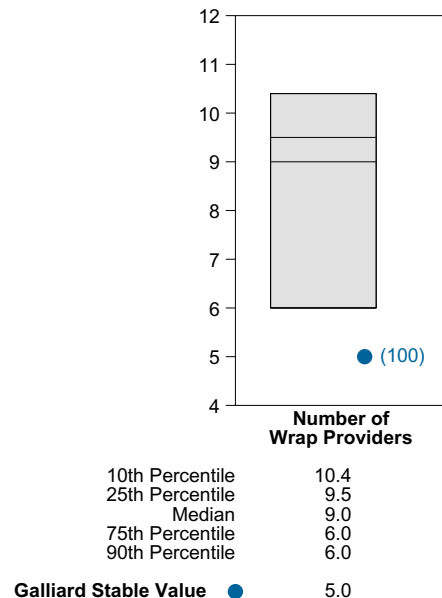
### Wrap Structure and Diversification

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 March 31, 2021



#### Wrap Contract Diversification March 31, 2021

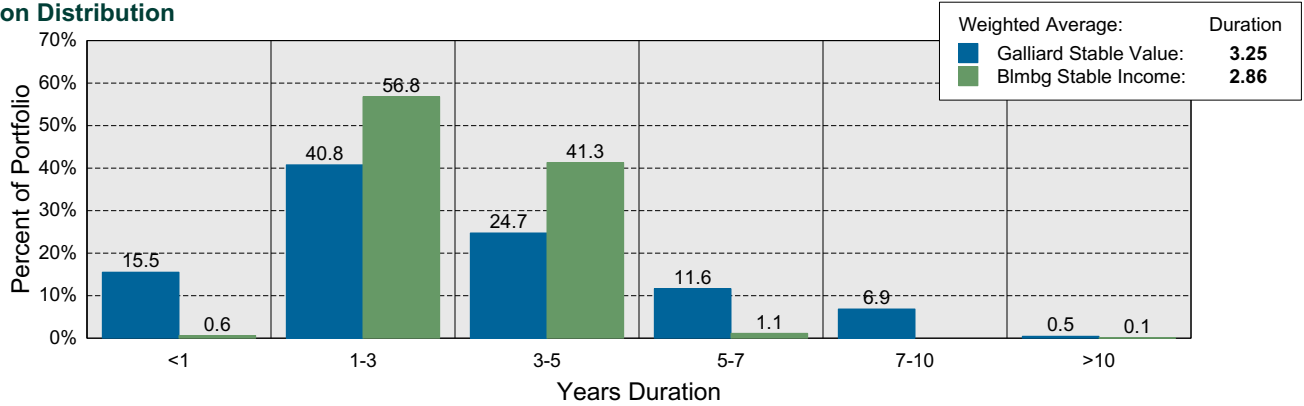


# Galliard Stable Value Stable Value Portfolio Characteristics Summary As of March 31, 2021

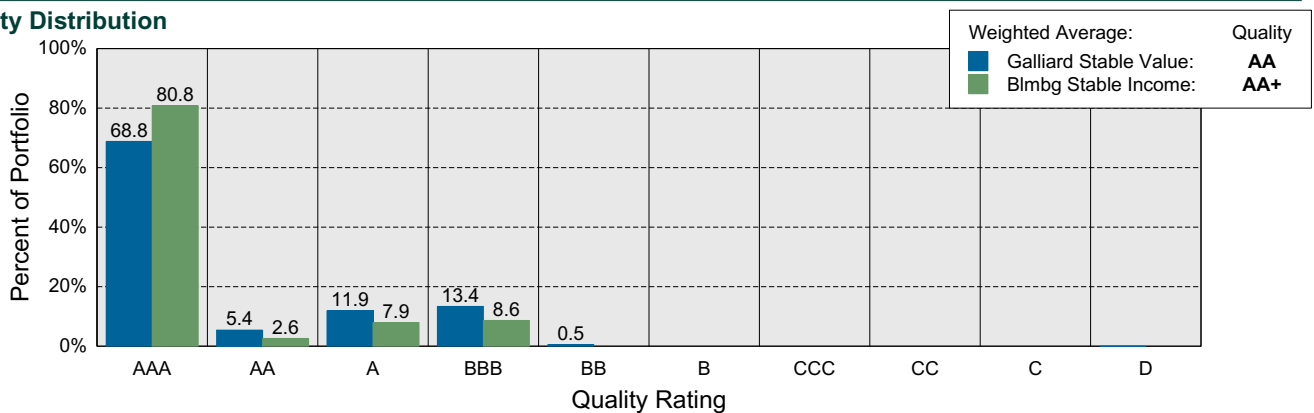
## Portfolio Structure Comparison

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



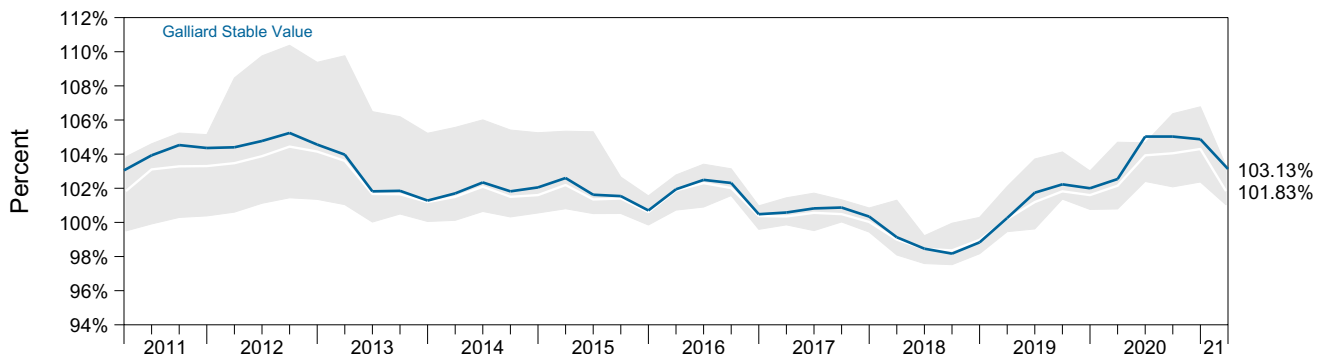
### Quality Distribution



### 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



### DOL Announces It Won't Enforce ESG, Proxy-Voting Rules – March 11, 2021

The Department of Labor (DOL) announced that it will not enforce the Financial Factors in Selecting Plan Investments (commonly known as the ESG rule), and the Fiduciary Duties Regarding Proxy Voting and Shareholder Rights rules that were published in the final months of the Trump administration.

On March 10, the DOL's Employee Benefits Security Administration (EBSA) released an enforcement statement noting that it will revisit both rules and will "not enforce either final rule or otherwise pursue enforcement actions against any plan fiduciary based on a failure to comply with those final rules with respect to an investment, including a Qualified Default Investment Alternative, or investment course of action or with respect to an exercise of shareholder rights."

Additionally, EBSA stated that it is responding to stakeholders, including plan sponsors and asset managers, that question whether the rules "properly reflect the scope of fiduciaries' duties under ERISA to act prudently and solely in the interest of plan participants and beneficiaries," and whether the "rulemakings were rushed unnecessarily and failed to adequately consider and address the substantial evidence submitted by public commenters on the use of environmental, social, and governance (ESG) considerations in improving investment value and long-term investment returns for retirement investors." EBSA also noted that the new rules have had a "chilling effect" on appropriately integrating material ESG factors in investment decisions.

In the press release, EBSA Principal Deputy Assistant Secretary Ali Khawar stated that EBSA intends "to conduct significantly more stakeholder outreach to determine how to craft rules that better recognize the important role that environmental, social and governance integration can play in the evaluation and management of plan investments, while continuing to uphold fundamental fiduciary obligations."

These actions by the Biden administration do not come as a surprise since regulatory guidance on ESG topics has historically shifted depending on whether it is a Democratic or Republican administration in power. There has been much speculation about how this administration would address these newly published rules. We now have more clarity that the administration will revisit the rules and not enforce the current rules in the meantime. Callan will continue monitoring these regulatory developments for our clients.



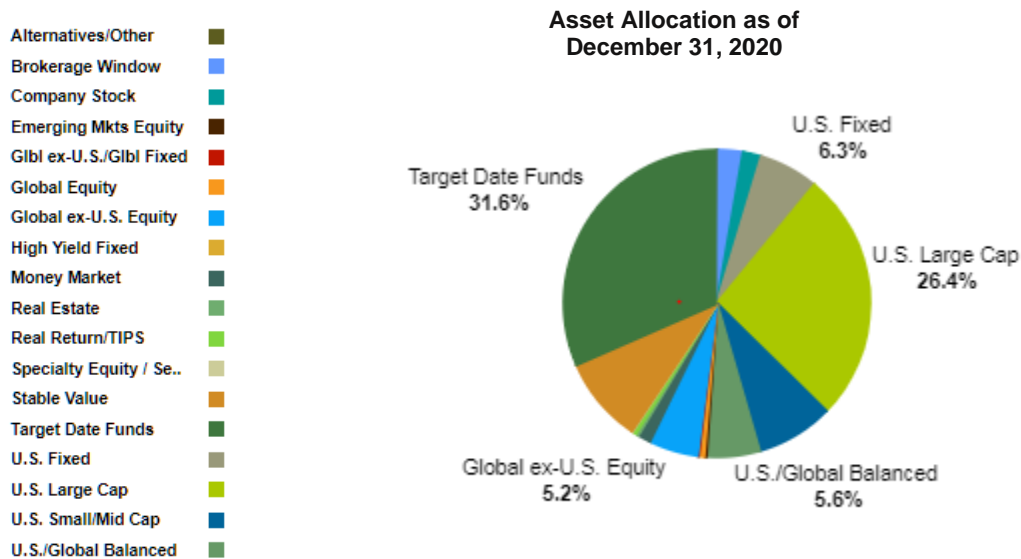
# Structure Utilization

## Asset Allocation

### Equities Gain Assets at Expense of Safer Asset Classes

After experiencing the largest percentage decrease in allocation the previous quarter, U.S. small/mid cap had the biggest increase in 4Q, bringing the overall allocation to 8.2%. U.S. large cap also experienced a notable, albeit smaller, increase in allocation, to 26.4% from 26.0% in 3Q. Strong performance relative to fixed income and other asset classes drove the increases and offset the effect of net outflows from U.S. equities.

Despite positive and sizable net inflows, stable value (9.1%) experienced the largest decrease in allocation, signaling that the asset class was a relative underperformer. Similarly, U.S. fixed income (6.3%) had the second-largest decrease, while money market funds (1.4%) also saw a modest reduction.



## Prevalence

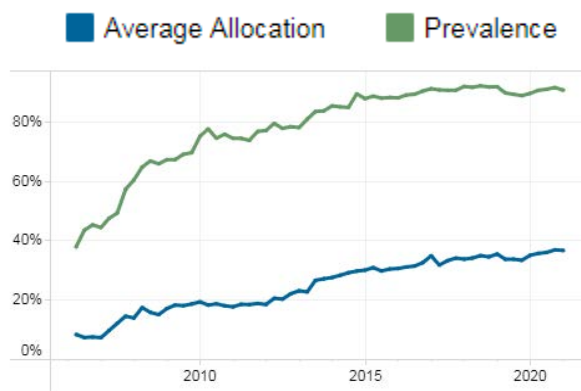
### Money Market Offerings Dip

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 money market offering (47.4%) decreased by 1.7 percentage points after rising by a similar amount the previous quarter. Many more DC plans continue to offer a stable value option (75.9%).

On the other hand, the prevalence of a high yield fixed income option (5.2%) and a global fixed income option (8.6%) both increased by 0.9%.

Prevalence of Funds in DC Plans as of December 31, 2020





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## Glossary

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**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.



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## 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** measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

**Russell 1000 Value** measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

**Russell 2000 Value** contains those Russell 2000 securities with a less than average growth orientation. Securities in this index tend to exhibit lower price-to-book and price-earning ratios, higher dividend yields and lower forecasted growth values than the Growth universe.

**Russell 2500 Growth Index** measures the performance of those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values.

**Russell Mid Cap Growth** measures the performance of those Russell Mid Cap Companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth Index.

**Standard & Poor's 500 Index** is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The index is capitalization-weighted, with each stock weighted by its proportion of the total market value of all 500 issues. Thus, larger companies have a greater effect on the index.

## Fixed Income Market Indicators

**90-Day U.S. Treasury Bills** provide 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 Barclays Aggregate Bond Index** is a combination of the Mortgage Backed Securities Index and the intermediate and long-term components of the Government/Credit Bond Index.

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## International Equity Market Indicators

**Morgan Stanley Capital International (MSCI) EAFE Index** 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.

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## 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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## 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.

### 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.

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## 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.

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## 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.





## List of Callan's Investment Manager Clients

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