Defined Contribution Plans Advisory Committee (DCPAC) Meeting

901 East Cary Street
James Center, 4th floor
Richmond, VA 23219

Thursday, 9/10/2026
1:00 - 3:00 PM ET

1. Welcome & Introductions

2. Meeting Minutes
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   a. Adoption of the Minutes from the May 14, 2026, Meeting

3. Investments
Investment Slide Deck Final 9-10-26 - Page 7

   a. Annual Investment Review

4. Administration
2026Q2 Administrative Summary - Page 27

   a. Administrative Reports & Communications

5. Other Business

   a. Discussion of New Ideas

6. 2026 Meetings

   a. Remaining Meetings

      i. December 3, 2026, at 1:00 p.m.

   b. ORPHE Annual Employer Update (not a meeting of DCPAC)

      i. September 16, 2026, at 2:00 p.m.

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Minutes

A regular meeting of the Defined Contribution Plans Advisory Committee (DCPAC) of the VRS Board of Trustees convened on May 14, 2026, with the following members present:

Dr. Susan Gooden, Chair
Hon. Matthew James, Vice Chair
Monique Barnes
Rebecca Fentress
C. Matt Harris
Kate Jonas
Brenda Madden
September Sanderlin

Members of the Board of Trustees:
John M. Bennett*
Jessica L. Hood

VRS Staff:
Ingrid Allen*, Trish Bishop, Jessica Budd, Michael Cooper, David Cotter, Valerie DiSanto*, Josh Fox, Arthur Gibson, Kelly Hiers, KC Howell, Robert Irving, Ryan LaRochelle, Daniel Lipok, Joyce Monroe*, Laura Pugliese, Sashi Sharma*, Michael Scott, Jennifer Schreck, Amethyst Sloane*, Virginia Sowers, Ashley Spradley*, Bridgette Watkins-Smith, Rachel Webb, and Tanya Williams*.

Guests:
Kimberly Sarte, JLARC; Dustin Benton*, TIAA; Ashley Lucas*, Voya; Lisa Giaffo*, Osmosis.

**Attended remotely*

The meeting convened at 1:00 p.m.

Opening Remarks

Dr. Gooden welcomed Committee members, Board members, agency officials, representatives from stakeholder groups and other members of the public joining in person and through electronic means, to the DCPAC.

Approval of Minutes

Upon a motion by Del. James and a second by Ms. Jonas, the minutes of the March 12, 2026, meeting were approved by the Committee.

Administrative Reports and Communications Update

Administrative Reports & Communications

Kelly Hiers, Defined Contribution Plans Administrator, provided an overview of the Defined Contribution Plans, as well as an update on administrative reports for the first quarter of 2026, which included reviewing assets and accounts across the various plans. Ms. Hiers advised the Committee that plan assets are down slightly due to market changes and the total number of plan accounts is up 10%.

Ms. Hiers provided an update regarding website access and online registrations following the transition to Voya, with a 10% increase since the end of the calendar year. Communications highlights were shared including the *Save More*, *Restart Contributions*, *Max Out Contributions,* and *Birthday* email campaigns, and various others.

DC Plans and Hybrid Plan Update

Ms. Hiers provided an update on COV 457 and Cash Match Plan assets and accounts. Assets were down slightly with accounts being slightly up. In general, there is not a lot of activity with this plan because it is an older plan. Hybrid Retirement plan accounts are up 13%. Ms. Hiers shared the impact of auto-escalation rates on the voluntary 457 rates. The next auto-escalation will be in 2029.

ORPHE Update

Mr. Hiers provided an overview of ORPHE reports for the first quarter of 2026, including plan assets and accounts. There is approximately $1.5 billion in ORPHE assets and a total of approximately 11,000 accounts.

Dr. Gooden thanked Ms. Hiers for her presentation.

DC Plans Investments Update

Performance Reports

Laura Pugliese, Portfolio Manager of Defined Contribution Plans, provided the Committee with a review of March 31, 2026, performance reports for the unbundled DC plans, and the TIAA Optional Retirement Plan for Higher Education (ORPHE).

Fund Updates

Ms. Pugliese, informed the Committee BlackRock is updating their target date glidepath to reflect research in the areas of labor income and life expectancy resulting in a slightly higher equity allocation along the glide path around the midpoint and nearing retirement. Ms. Pugliese notified the Committee that after successful negotiations BlackRock is lowering investment management fees on several of its funds.

KC Howell, Managing Director for Global Investments, provided an update on the VRS Board-approved Foreign Adversaries Policy and reviewed current DC plans exposure as of March 31, 2026. Mr. Howell reminded the Committee that it continues to monitor fund developments in this area and, where possible, will invest in funds that can be aligned with the Policy.

Callan 2026 DC Trends Survey Highlights

Ms. Pugliese provided an overview of highlights from the Callan 2026 DC Trends survey, which was included in the Appendix of the meeting materials. Ms. Pugliese noted there were 80 DC Plan sponsors, slightly lower than last year. This year's government respondents represented 16% of the total population, whereas last year it was 20%. Ms. Pugliese noted that this survey has always been useful with respect to benchmarking the VRS plans because of the respondents' plan sizes and investment menu offerings. Ms. Pugliese reviewed the trends in the areas of governance, investments, benchmarking, retirement income, and other topical areas.

Retirement Income

Ms. Pugliese provided an overview of how VRS provides participants with a robust selection of non-guaranteed retirement income payout options. Ms. Pugliese shared with the Committee that, in addition to these non-guaranteed payout options, participants also have the option to generate a lifetime guaranteed income stream via an immediate annuity purchase via MetLife (unbundled DC plans) or TIAA in the ORPHE. Notably, with the exception of optional plan participants, most VRS members also receive a pension from a defined benefit plan. Ms. Hiers demonstrated the new Retirement Income dashboard launched by Voya May 4, 2026. The dashboard is automatically visible for participants ages 50 and above. There are various screens available that will provide outcomes based on the information added, including a page to optimize savings paycheck amounts and deductions.

Ms. Pugliese shared that the Investment staff is performing additional research whereby provider companies are embedding lifetime guaranteed income products within target date fund offerings and will report back to the Committee at a future meeting.

Dr. Gooden thanked Ms. Pugliese and Ms. Hiers for their presentations.

Other Business

Plan Document Updates

David Cotter, Director of Legislative & Government Affairs, informed the Committee of the recommendations for amendments to the Virginia 457 and Cash Match, Hybrid 457 and Cash Match, ORPHE, ORPPA, ORPSS, and DCIP plan documents. Based on a recent review of the plan documents, in consultation with outside benefits counsel, several amendments necessitated by the passage of SECURE 2.0 and its final regulations were identified. The Internal Revenue Code provides that the amendments to reflect the provisions of SECURE 2.0 must be in place by December 31, 2029. The recordkeeper has already implemented (or will be implementing depending on the effective date) these amendments as they are required by SECURE 2.0, so the plan document amendments are effectively ministerial in nature.

Following a motion by Del. James, with a second by Ms. Barnes, the Committee recommended approval of the following action to the full Board of Trustees:

RBA: Approve Amended and Restated Plan Document: Virginia 457 and Cash Match, Hybrid 457 and Cash Match, ORPHE, ORPPA, ORPSS, and DCIP.

Request for Board Action: *The VRS Board of Trustees approves the Amended and Restated Virginia 457 and Cash Match, Hybrid 457 and Cash Match, ORPHE, ORPPA, ORPSS, and DCIP Plan Documents.*

Dr. Gooden thanked Mr. Cotter for his presentation.

<u>DCPAC Reappointments</u>

Trish Bishop, Director, informed the Committee of the request for reappointment of Monique Barnes, Ravindra Deo, Matt Harris, Kate Jonas, and Brenda Madden, each to a two-year term ending June 20, 2028. Their current terms expire on June 20, 2026.

Following a motion by Del. James, with a second by Ms. Fentress, the Committee recommended approval of the following action to the full Board of Trustees:

RBA: Reappointment of DCPAC Members.

Request for Board Action: *The Board reappoints Monique Barnes, Ravindra Deo, Matt Harris, Kate Jonas, and Brenda Madden, to the Defined Contribution Plans Advisory Committee (DCPAC), for a two-year term ending June 20, 2028.*

Dr. Gooden thanked Ms. Bishop for her presentation.

<u>Discussion of New Ideas</u>

No new ideas were presented.

Upcoming DCPAC Meetings

Dr. Gooden confirmed the remaining DCPAC meeting dates for 2026:

- September 10, 2026, at 1 p.m.
- December 3, 2026, at 1 p.m.

Adjournment

There being no further business, Dr. Gooden adjourned the meeting at 2:38 p.m. upon a motion by Del. James, with a second by Ms. Madden, and a vote of the Committee.

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Chair Date

Defined Contribution Plans Investment Program

September 10, 2026

Annual Investment Review Highlights

Virginia Retirement System®

Governing Documents

- Defined Contribution Plans Advisory Committee Charter
- Defined Contribution Plans Investment Belief Statements*
- Investment Policy Statement for an Unbundled Defined Contribution Plan Structure*
- Investment Policy Statement for a Bundled Defined Contribution Plan Structure*
- Master Trusts
- Plan Documents

Virginia Retirement System®

*Investment Department responsibility

DC Plans Investments as of June 30, 2026

- $12.6 billion in assets (overseen by investment staff)
  - $11.9 billion unbundled DC plans
  - $648.3 million TIAA ORPHE
- Unbundled DC plan structure (maximum flexibility)
  - Omnibus investment accounts for eight different DC plans
- Bundled DC plan structure
  - TIAA ORPHE (Retirement Choice Contract)

Virginia Retirement System®

DC Plans Investments

- Investment Management Fee Reductions
- Investment Policy Statements and Investment Belief Statements Updates
- Retirement Income Project

Virginia Retirement System®

Due Diligence

Performance and Other Reports

Investment Manager Meetings

Annual Supplemental Questionnaire

Range of Asset Classes – Target Date Portfolios

- Fixed Income
  - U.S. Credit
  - U.S. Government
  - U.S. Short Curve Treasury Inflation Protected Securities
  - U.S. Securitized
- Equity
  - U.S. Large / Mid Cap
  - U.S. Small Cap
  - International All Country World IMI ex U.S. (large, mid, small cap)
- Other
  - U.S. REITs
  - Global Infrastructure
  - Commodities

Virginia Retirement System®

Range of Asset Classes – Individual Options

- Capital Preservation
  - Money Market
  - Stable Value (unbundled plans)
  - Fixed Annuity (TIAA ORPHE)
- Fixed Income
  - U.S. Core
  - U.S. Treasury Inflation Protection Securities
  - High-Yield (unbundled plans)
- Equity
  - U.S. Large Cap
  - U.S. Small / Mid Cap
  - International All Country World IMI ex U.S., ex China, ex Hong Kong (unbundled plans)
  - International All Country World IMI ex U.S. (TIAA ORPHE)
  - Global (TIAA ORPHE)
- Other
  - Global REITs (unbundled plans)
  - VRSIP (unbundled plans)
  - Private Real Estate (TIAA ORPHE)

Virginia Retirement System®

Unbundled DC Plans

- Collective Investment Trusts and Separate Accounts
- White Labeling of Fund Names
- Primarily Passively Managed Investment Approach
- Default Investment Option – Target Date Portfolios
  - BlackRock LifePath Index Funds
- Unitized VRS Investment Portfolio (VRSIP)

Unbundled DC Plans

Data for period ending June 30, 2026

Fund	Type	Fund Expense Ratio	Returns: 1 Year	Returns: 3 Years*	Returns: 5 Years*	3 Year Statistics: Standard Deviation	3 Year Statistics: Sharpe Ratio	3 Year Statistics: Tracking Error	3 Year Statistics: Information Ratio	5 Year Statistics: Standard Deviation	5 Year Statistics: Sharpe Ratio	5 Year Statistics: Tracking Error	5 Year Statistics: Information Ratio
		%	%	%	%	%		%		%		%	
Money Market Fund	Capital Preservation	0.08	**4.16**	**4.94**	**3.85**	0.20	0.47	0.02	n/a	0.55	0.30	0.05	n/a
FTSE 3 Month Treasury Bill Index			4.05	4.86	3.69	0.21	0.00			0.56	0.00		
Excess Return			0.11	0.08	0.16								
Stable Value Fund[1]	Capital Preservation (Book Value)	0.23	**3.63**	**3.44**	**2.77**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Custom Benchmark[2]			3.96	4.38	3.79	n/a	n/a	n/a		n/a	n/a	n/a	
Excess Return			-0.33	-0.94	-1.02								
eVestment Alliance Median: Stable Value Universe[3]			*3.12*	*2.95*	*2.56*								
Bond Fund	Passive	0.03	**3.80**	**4.18**	**0.12**	5.53	-0.12	0.14	n/a	6.37	-0.56	0.16	n/a
Bloomberg U.S. Aggregate Bond Index			3.79	4.16	0.08	5.55	-0.13			6.37	-0.57		
Excess Return			0.01	0.02	0.04								
MSTAR Ave: Intermediate Core Bond			*3.74*	*4.23*	*-0.01*								
Inflation-Protected Bond Fund	Passive	0.03	**3.45**	**4.03**	**1.05**	4.20	-0.20	0.22	n/a	6.06	-0.43	0.21	n/a
Bloomberg U.S. TIPS Index			3.42	3.98	1.01	4.21	-0.21			6.04	-0.44		
Excess Return			0.03	0.05	0.04								
MSTAR Ave: Inflation-Protected Bond			*2.94*	*3.78*	*1.21*								
High-Yield Bond Fund	Active	0.41	**5.80**	**8.66**	**4.07**	3.75	1.01	0.73	0.37	6.23	0.06	1.24	0.10
ICE BofA U.S. HY BB-B Constrained Index			6.02	8.38	3.95	4.07	0.86			6.79	0.04		
Excess Return			-0.22	0.28	0.12								
MSTAR Ave: High-Yield Bond			*5.64*	*8.12*	*3.70*								
Stock Fund	Passive	0.01	**22.31**	**20.60**	**13.40**	13.05	1.21	0.01	n/a	15.85	0.61	0.01	n/a
S&P 500 Index			22.32	20.61	13.41	13.05	1.21			15.85	0.61		
Excess Return			-0.01	-0.01	-0.01								
MSTAR Ave: Large Blend			*19.85*	*18.11*	*11.13*								
Small/Mid-Cap Stock Fund	Passive	0.02	**36.79**	**18.49**	**8.38**	17.89	0.76	0.05	n/a	19.31	0.24	0.05	n/a
Russell 2500 Index			36.72	18.40	8.30	17.89	0.76			19.31	0.24		
Excess Return			0.07	0.09	0.08								
MSTAR Ave: Mid-Cap Blend			*22.99*	*15.54*	*8.63*								
International Stock Fund	Passive	0.06	**29.94**	**19.59**	**9.21**	13.45	1.10	2.05	n/a	15.80	0.35	2.19	n/a
MSCI ACWI IMI ex USA, ex China, ex Hong Kong Index (linked to MSCI ACWI IMI ex USA Index August 2016 - January 2026 and MSCI World ex USA Index July 2012 - July 2016)			29.39	19.37	8.92	14.30	1.01			15.79	0.33		
Excess Return			0.55	0.22	0.29								
MSTAR Ave: Foreign Large Blend			*21.13*	*16.50*	*8.25*								
Global Real Estate Fund	Passive	0.08	**14.12**	**10.57**	**2.63**	16.14	0.35	0.73	n/a	17.87	-0.06	0.77	n/a
FTSE EPRA/NAREIT Developed Index			13.26	9.60	1.69	16.26	0.29			17.89	-0.11		
Excess Return			0.86	0.97	0.94								
MSTAR Ave: Global Real Estate			*10.99*	*9.34*	*1.10*								
VRSIP	Active	0.65	**12.12**	**10.62**	**7.64**	3.9	1.5	1.2	-0.6	5.4	0.7	2.3	0.3
Custom Benchmark[4]			12.73	11.40	6.78	4.2	1.5			7.0	0.5		
Excess Return			-0.61	-0.78	0.86								

Unbundled DC Plans

Data for period ending June 30, 2026

Fund	Type	Fund Expense Ratio	Returns: 1 Year	Returns: 3 Years*	Returns: 5 Years*	3 Year Statistics: Standard Deviation	3 Year Statistics: Sharpe Ratio	3 Year Statistics: Tracking Error	3 Year Statistics: Information Ratio	5 Year Statistics: Standard Deviation	5 Year Statistics: Sharpe Ratio	5 Year Statistics: Tracking Error	5 Year Statistics: Information Ratio
		%	%	%	%	%		%		%		%	
Retirement Portfolio	Passive	0.05	**11.65**	**9.95**	**4.28**	7.28	0.70	0.27	n/a	8.94	0.07	0.32	n/a
Custom Benchmark[5]			11.57	9.94	4.28	7.34	0.69			8.90	0.07		
Excess Return			0.08	0.01	0.00								
Target Date 2030 Portfolio	Passive	0.06	**13.77**	**11.88**	**5.70**	8.60	0.82	0.35	n/a	10.80	0.19	0.44	n/a
Custom Benchmark[5]			13.67	11.86	5.68	8.68	0.81			10.75	0.19		
Excess Return			0.10	0.02	0.02								
Target Date 2035 Portfolio	Passive	0.06	**16.23**	**13.73**	**6.96**	9.63	0.92	0.44	n/a	12.03	0.27	0.53	n/a
Custom Benchmark[5]			16.05	13.67	6.91	9.76	0.90			11.97	0.27		
Excess Return			0.18	0.06	0.05								
Target Date 2040 Portfolio	Passive	0.06	**18.71**	**15.53**	**8.17**	10.61	1.01	0.52	n/a	13.19	0.34	0.62	n/a
Custom Benchmark[5]			18.48	15.46	8.09	10.75	0.99			13.13	0.34		
Excess Return			0.23	0.07	0.08								
Target Date 2045 Portfolio	Passive	0.06	**21.17**	**17.29**	**9.33**	11.57	1.07	0.61	n/a	14.25	0.40	0.71	n/a
Custom Benchmark[5]			20.92	17.20	9.23	11.74	1.05			14.20	0.39		
Excess Return			0.25	0.09	0.10								
Target Date 2050 Portfolio	Passive	0.06	**23.32**	**18.76**	**10.25**	12.25	1.13	0.67	n/a	14.90	0.44	0.76	n/a
Custom Benchmark[5]			23.03	18.66	10.14	12.46	1.11			14.85	0.43		
Excess Return			0.29	0.10	0.11								
Target Date 2055 Portfolio	Passive	0.06	**24.36**	**19.45**	**10.67**	12.52	1.17	0.71	n/a	15.10	0.46	0.79	n/a
Custom Benchmark[5]			24.11	19.37	10.57	12.75	1.14			15.08	0.46		
Excess Return			0.25	0.08	0.10								
Target Date 2060 Portfolio	Passive	0.06	**24.52**	**19.52**	**10.71**	12.56	1.17	0.72	n/a	15.13	0.47	0.80	n/a
Custom Benchmark[5]			24.32	19.47	10.62	12.81	1.14			15.11	0.46		
Excess Return			0.20	0.05	0.09								
Target Date 2065 Portfolio	Passive	0.06	**24.52**	**19.53**	**10.72**	12.57	1.17	0.72	n/a	15.13	0.46	0.80	
Custom Benchmark[5]			24.32	19.48	10.62	12.81	1.14			15.12	0.46		
Excess Return			0.20	0.05	0.10								
Target Date 2070 Portfolio	Passive	0.06	**24.52**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Custom Benchmark[5]			24.32	n/a	n/a	n/a	n/a			n/a	n/a		
Excess Return			0.20	n/a	n/a								

*Annualized.

[1] Stable value funds typically track the general movements of interest rates with a lag. It is expected that when interest rates are falling stable value yields do not fall as quickly and when when interest rates are rising stable value yields do not rise as quickly.

[2] Effective August 2016, the benchmark represents a hypothetical return generated by the monthly yields of actively traded U.S. Treasuries based on [50% 2-year maturity + 50% 3-year maturity] plus an annualized spread of 0.25% and is representative of the Fund's expected return profile, given how the Fund is managed and book value accounting treatment.

[3] eVestment Alliance universe returns are gross of investment management fees and net of wrap fees. The Stable Value Fund returns are net of all fees.

[4] The Custom Benchmark is a blend of the asset class benchmarks at policy weights.

[5] The Custom Benchmark is calculated using blended returns of third-party indices that proportionally reflect the respective weightings of the Fund's asset classes. Weightings are adjusted quarterly to reflect the Fund's changing asset allocations over time. As of January 1, 2025 the indices used to calculate the Custom Benchmark are the: Russell 1000 Index, Russell 2000 Index, MSCI ACWI ex-U.S. IMI Net Dividend Return Index, Bloomberg U.S. Long Credit Bond Index, Bloomberg U.S. Intermediate Credit Bond Index, Bloomberg U.S. Long Government Bond Index, Bloomberg U.S Intermediate Government Bond Index, Bloomberg U.S. Securitized MBS,ABS and CMBS Index, Bloomberg U.S. 0-5 YearsTIPS Index, FTSE NAREIT All Equity REITs Index, FTSE Global Core Infrastructure 50/50 Net Tax Index and the Bloomberg Enhanced Roll Yield Index.

Excess over benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the interest rate environment for capital preservation funds.

Underperformance for an actively managed fund.

Excess performance for an actively managed fund.

Below benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the the nature of book value accounting treatment for stable value funds as it relates to interest rates.

Data provided by BlackRock, Galliard, eVestment, Bank of New York, Morningstar and Voya.

Unbundled DC Plans - Fund Annual Operating Expenses
Information as of June 30, 2026

Investment Option[1]	Investment Manager	Type	Investment Management Costs	Wrap & Acquired Fund[2] Costs	Fund Embedded Costs[2]	State Street Cost to Strike Net NAV	Total Annual Expense Ratio	Expense Ratio YOY Change
Money Market Fund	BlackRock	Capital Preservation	0.080000%	n/a	0.000500%	n/a	**0.08%**	0.00%
Stable Value Fund	Galliard	Capital Preservation (Book Value)	0.067000%	0.160000%	n/a	n/a	**0.23%**	-0.01%
Bond Fund	BlackRock	Passive	0.030000%	n/a	0.003200%	n/a	**0.03%**	0.00%
Inflation-Protected Bond Fund	BlackRock	Passive	0.020000%	n/a	0.007700%	n/a	**0.03%**	0.00%
High-Yield Bond Fund	JPMorgan	Active	0.380000%	n/a	0.030000%	0.004187%	**0.41%**	+0.01%
Stock Fund	BlackRock	Passive	0.005000%	n/a	0.000800%	0.003803%	**0.01%**	0.00%
Small/Mid-Cap Stock Fund	BlackRock	Passive	0.010000%	n/a	0.003700%	0.003744%	**0.02%**	0.00%
International Stock Fund	BlackRock	Passive	0.040000%	n/a	0.019000%	0.003951%	**0.06%**	0.00%
Global Real Estate Fund	BlackRock	Passive	0.070000%	n/a	0.010000%	0.003906%	**0.08%**	0.00%
Retirement Portfolio	BlackRock	Passive	0.050000%	n/a	0.004300%	n/a	**0.05%**	-0.01%
Target Date 2030 Portfolio	BlackRock	Passive	0.050000%	n/a	0.005100%	n/a	**0.06%**	0.00%
Target Date 2035 Portfolio	BlackRock	Passive	0.050000%	n/a	0.005600%	n/a	**0.06%**	0.00%
Target Date 2040 Portfolio	BlackRock	Passive	0.050000%	n/a	0.006100%	n/a	**0.06%**	0.00%
Target Date 2045 Portfolio	BlackRock	Passive	0.050000%	n/a	0.006500%	n/a	**0.06%**	0.00%
Target Date 2050 Portfolio	BlackRock	Passive	0.050000%	n/a	0.006900%	n/a	**0.06%**	0.00%
Target Date 2055 Portfolio	BlackRock	Passive	0.050000%	n/a	0.007300%	n/a	**0.06%**	0.00%
Target Date 2060 Portfolio	BlackRock	Passive	0.050000%	n/a	0.007900%	n/a	**0.06%**	0.00%
Target Date 2065 Portfolio	BlackRock	Passive	0.050000%	n/a	0.010000%	n/a	**0.06%**	0.00%
Target Date 2070 Portfolio	BlackRock	Passive	0.050000%	n/a	0.010000%	n/a	**0.06%**	0.00%
VRSIP	VRS	Active	n/a	n/a	n/a	n/a	**0.65%**	+0.03%

[1] There are no short-term trading redemption costs associated with any of the investment options.

[2] Includes custody, audit and other specific investment option related administrative costs.

Defined Contribution Plans Advisory Committee Report
Unbundled Plans Investment Performance

Below are the totals for the period ending June 30, 2026. Returns greater than one year are annualized.

Investment Options	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs / Since Inception[1]	Fund Expense Ratio[2]	Inception Date	Market Value	% of Market Value[25]	% of Participants Selecting an Option[26]
Retirement Portfolio	**-0.22**	**5.36**	**5.45**	**11.65**	**9.95**	**4.28**	**6.03**	**0.05**	**8/1/05**	**861,329,979**	**7.2**	**7.3**
Custom Benchmark	-0.27	5.53	5.29	11.57	9.94	4.28	6.01					
Target Date 2030 Portfolio	**-0.18**	**6.93**	**6.55**		**11.88**	**5.70**	**8.16**	**0.06**	**8/1/05**	**688,695,078**	**5.8**	**6.8**
Custom Benchmark	-0.26	7.15	6.37	13.67	11.86	5.68	8.10					
Target Date 2035 Portfolio	**-0.08**	**8.76**	**7.87**		**13.73**	**6.96**	**9.38**	**0.06**	**7/5/06**	**823,981,328[22]**	**6.9**	**8.5**
Custom Benchmark	-0.22	9.01	7.60	16.05	13.67	6.91	9.29					
Target Date 2040 Portfolio	**-0.12**	**10.34**	**9.26**		**15.53**	**8.17**		**0.06**	**8/1/05**	**782,747,028**	**6.5**	**8.9**
Custom Benchmark	-0.27	10.66	8.98	18.48	15.46	8.09	10.39					
Target Date 2045 Portfolio	**-0.18**	**12.00**	**10.60**		**17.29**			**0.06**	**7/5/06**	**827,161,246**	**6.9**	**10.4**
Custom Benchmark	-0.36	12.37	10.27	20.92	17.20	9.23	11.33					
Target Date 2050 Portfolio	**-0.27**	**13.40**	**11.64**					**0.06**	**9/30/07**	**872,035,627**	**7.3**	**11.8**
Custom Benchmark	-0.45	13.82	11.27	23.03	18.66	10.14	11.96					
Target Date 2055 Portfolio	**-0.32**	**14.05**	**12.12**		**19.45**			**0.06**	**5/19/10**	**1,031,518,566**	**8.6**	**14.7**
Custom Benchmark	-0.51	14.54	11.77	24.11	19.37	10.57	12.20					
Target Date 2060 Portfolio	**-0.33**	**14.16**	**12.19**		**19.52**	**10.71**		**0.06**	**11/17/14**	**647,340,283**	**5.4**	**13.6**
Custom Benchmark	-0.53	14.68	11.87	24.32	19.47	10.62	12.23					
Target Date 2065 Portfolio	**-0.33**	**14.16**	**12.19**		**19.53**		**13.31**	**0.06**	**9/23/19**	**197,736,567**	**1.7**	**9.8**
Custom Benchmark	-0.53	14.69	11.87	24.32	19.48	10.62	13.27					
Target Date 2070 Portfolio	**-0.33**	**14.16**	**12.19**		**n/a**	**n/a**	**18.66**	**0.06**	**9/27/24**	**14,544,914**	**0.1**	**1.7**
Custom Benchmark	-0.53	14.69	11.87	24.32	n/a	n/a	18.28					
Money Market Fund[5,6]	**0.32**	**0.96**	**1.92**		**4.94**			**0.08**	**11/1/99**	**189,179,256**	**1.6**	**1.5**
FTSE 3 Month Treasury Bill Index	0.31	0.93	1.87	4.05	4.86	3.69	2.40					
Yield as of 06/30/26: 3.85%[7]												
Stable Value Fund[8,9]	**0.30**	**0.90**	**1.78**					**0.23**	**2/1/95**	**576,763,919**	**4.8**	**4.0**
Custom Benchmark[10]	0.36	1.04	2.00	3.96	4.38	3.79	2.72					
Yield as of 06/30/26: 3.69%[11]												
Bond Fund[12]	**0.24**	**0.67**	**0.72**	**3.80**	**4.18**	**0.12**	**1.58**	**0.03**	**11/1/99**	**218,083,743**	**1.8**	**3.4**
Bloomberg U.S. Aggregate Bond Index	0.24	0.67	0.62	3.79	4.16	0.08	1.54					
Inflation-Protected Bond Fund[13]	**-0.47**	**0.90**	**1.30**	**3.45**	**4.03**	**1.05**	**2.66**	**0.03**	**7/30/02**	**72,123,023**	**0.6**	**1.7**
Bloomberg U.S. TIPS Index	-0.47	0.89	1.15	3.42	3.98	1.01	2.58					
High-Yield Bond Fund[14]	**0.19**	**2.24**	**2.15**	**5.80**				**0.41**	**5/31/04**	**67,358,689**	**0.6**	**1.3**
ICE BofA U.S. High-Yield BB-B Constrained Index	0.26	2.45	2.07	6.02	8.38	3.95	5.46					
Stock Fund[15]	**-0.95**	**15.20**	**10.20**	**22.31**	**20.60**	**13.40**	**15.52**	**0.01**	**11/1/99**	**2,633,291,780**	**22.0**	**8.7**
S&P 500 Index	-0.95	15.20	10.21	22.32	20.61	13.41	15.51					
Small/Mid-Cap Stock Fund[16]	**3.67**	**20.24**	**22.66**	**36.79**	**18.49**	**8.38**	**12.32**	**0.02**	**11/1/99**	**643,397,077**	**5.4**	**5.2**
Russell 2500 Index	3.68	20.26	22.71	36.72	18.40	8.30	12.25					
International Stock Fund[17]	**0.03**	**14.16**	**16.42**					**0.06**	**11/1/99**	**421,701,995**	**3.5**	**4.8**
MSCI ACWI IMI ex USA ex China ex Hong Kong Index[18]	-0.53	15.72	15.58	29.39	19.37	8.92	10.01					
Global Real Estate Fund[19]	**1.13**	**8.42**	**10.35**					**0.08**	**10/1/02**	**117,696,582**	**1.0**	**2.9**
FTSE EPRA/NAREIT Developed Index	0.86	8.52	9.64	13.26	9.60	1.69	3.32					
VRSIP[20]	**1.59**	**2.27**	**4.87**	**14.23**	**11.45**	**8.14**	**9.18**	**0.65**	**7/1/08**	**77,318,627[23]**	**0.7**	**0.3**
VRS Custom Benchmark[21]	1.86	3.13	5.60	15.12	12.75	7.25	8.67					
VRSIP and benchmark returns are reported with a one month lag. [Return information shown is as of May 31, 2026.] [Market value as of May 31, 2026 was $75,194,645.]												
Do-It-Myself: Self-Directed Brokerage Account												
Schwab PCRA	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**208,345,884**	**1.7**	**0.2**
Total										**$11,972,351,191[24]**		

Footnotes >

1 If the fund was not in existence for 10 years, fund and corresponding benchmark returns shown represent performance from the since inception date.
2 Fund investment advisers may voluntarily agree to waive expenses. Expense waivers may be terminated at any time.
3 Effective February 2023, the Target Date Portfolios invest in units of BlackRock's LifePath Index Funds N. The LifePath Index Funds N invest in the master Lifepath Index Funds F. The inception dates shown reflect that of the master LifePath Index Funds F. Prior to February 2023, the Target Date Portfolios invested in BlackRock's LifePath Index Funds O which also invested in the master LifePath Index Funds F. All performance returns are linked.
4 Custom Benchmarks are calculated using blended returns of third-party indices that proportionately reflect the respective weightings of the Portfolios' asset classes. Weightings are adjusted quarterly to reflect the Portfolios' asset allocation shifts over time. As the Funds asset classes have been re-defined or added over time, the indices used to calculate the benchmarks have changed accordingly. As of January 1, 2025, the indices used to calculate the Custom Benchmarks are: Russell 1000 Index, Russell 2000 Index, MSCI ACWI ex-U.S. IMI Net Dividend Return Index, Bloomberg U.S. Long Credit Bond Index, Bloomberg U.S. Intermediate Credit Bond Index, Bloomberg U.S. Long Government Bond Index, Bloomberg U.S. Intermediate Government Bond Index, Bloomberg U.S. Securitized: MBS, ABS, and CMBS Index, Bloomberg 0-5 TIPS Index, FTSE NAREIT All Equity REITs, FTSE Global Core Infrastructure 50/50, and the Bloomberg Enhanced Roll Yield Index.
5 The Money Market Fund invests in units of BlackRock's Short-Term Investment Fund W. The inception data shown reflects the VRS Defined Contribution Plan's investment strategy inception date. Returns of the Fund from July 2012 through July 2016 represent performance of other BlackRock funds. Performance returns are linked.
6 An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment it is possible to lose money by investing in the Fund.
7 The current yield more closely reflects the earnings of the Fund than the total net return information. There is no guarantee that the Fund will earn the current yield in the future.
8 The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.
9 Direct transfers from the Stable Value Fund to the Money Market Fund (considered a "competing fund") are not permitted. Before transferring to the Money Market Fund, participants must first transfer to a "non-competing" fund for 90 days. Optional Retirement Plan for Higher Education (ORPHE) participants who want to make a direct exchange to another ORPHE provider, must first exchange to a "non-competing" fund on the Voya Financial investment platform for 90 days.
10 Effective August 2016, the benchmark represents a hypothetical return generated by the monthly yields of actively traded U.S. Treasuries based on [50% 2- year maturity + 50% 3- year maturity] plus an annualized spread of 0.25% and is representative of the Fund's expected return profile, given how the Fund is managed and book value accounting treatment. Prior to August 2016 the custom benchmark was based on the monthly yield of actively traded U.S Treasuries with a 3-year maturity plus an annualized spread of 0.50%. The benchmark returns are linked.
11 The current yield more closely reflects the earnings of the Fund than the total net return information. There is no guarantee that the Fund will earn the current yield in the future.
12 The Bond Fund invests in units of BlackRock's U.S. Debt Index Fund M. The U.S. Debt Index Fund M invests in the master Fund F. The inception date shown reflects the VRS Defined Contribution Plans strategy inception date.
13 The Inflation-Protected Bond Fund invests in units of BlackRock's U.S. Treasury-Inflation Protected Securities Fund M. The U.S. Treasury Inflation-Protected Securities Fund M invests in the master Fund F. The inception date shown reflects the inception date of the master Fund F.
14 The High-Yield Bond Fund invests in units of JPMorgan's Corporate High-Yield Fund-Investment Class. The inception date shown reflects the date the current investment team at JPMorgan commenced management responsibility of the Fund.
15 The Stock Fund invests in units of BlackRock's Equity Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.
16 The Small/Mid-Cap Stock Fund invests in units of BlackRock's Russell 2500 Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy date.
17 The International Stock Fund invests in units of BlackRock's MSCI ACWI IMI ex-USA, ex-China, Ex Hong Kong Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plan's investment strategy inception date. Returns from July 2012 through January 2026 represent performance of other BlackRock Funds. Performance returns are linked.
18 Effective February 2026, the performance benchmark is the MSCI ACWI IMI ex USA ex China ex Hong Kong Index. It was the MSCI ACWI ex USA IMI index from August 2016 through January 2026. It was the MSCI World ex USA index from July 2012 through July 2016. The benchmark returns are linked.
19 The Global Real Estate Fund invests in units of BlackRock's Developed Real Estate Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.
20 The inception date shown reflects the date the VRS Investment Portfolio (VRSIP) was unitized.
21 The VRS Custom Benchmark is a blend of the asset class benchmarks at policy weights.
22 Includes Pending Account VRSIP amount of $0.
23 Includes Preliminary Investment Portfolio Account - PIP amount of $1,471,850.
24 Includes $14,695,655 held in the administrative Special Accounts.
25 May not equal 100% due to rounding.
26 The data reflects the percentage of participants who selected a particular investment option as of June 30, 2026. There were 741,289 participant accounts as of June 30, 2026 across all unbundled DC plans.

All fund performance returns shown reflect all fund management fees and expenses, but do not reflect the Plan administrative fee charged by Voya Financial which would further reduce the returns shown. All calculations assume reinvestment of dividends and capital gains. All returns are calculated in U.S. dollars. Performance returns are provided by BlackRock, Galliard Capital Management, JPMorgan, Bank of New York (BNY) and Voya Financial. Benchmark returns are provided by BlackRock, BNY, Galliard, and Voya Financial. Although data is gathered from sources believed to be reliable, we cannot guarantee completeness or accuracy.

Plan Administrative Fee: An annual record keeping and communication services fee of $35.50 is deducted from participant accounts on a monthly basis (approximately $2.96 per month). Only one annual fee of $35.50 is deducted from participant accounts for those participants participating in more than one Commonwealth of Virginia defined contribution plan.

Excess over benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the interest rate environment for capital preservation funds.

Underperformance for an actively managed fund.

Excess performance for an actively managed fund.

Below benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the the nature of book value accounting treatment for stable value funds as it relates to interest rates.

Bundled TIAA ORPHE

- TIAA Retirement Choice (RC) Contract
- TIAA Proprietary Fixed and Variable Annuities
- BlackRock Collective Investment Trusts
- Primarily Passively Managed Investment Approach
- Default Investment Option – BlackRock LifePath Index Funds
- No White Labeling of Fund Names

Bundled ORP for Higher Education - TIAA RC Contract[1,2]

Data for period ending June 30, 2026

			Returns			3 Year Statistics				5 Year Statistics			
Fund	**Type**	**Fund Expense Ratio**	**1 Year**	**3 Years***	**5 Years***	**Standard Deviation (%)**	**Sharpe Ratio**	**Tracking Error**	**Information Ratio**	**Standard Deviation (%)**	**Sharpe Ratio**	**Tracking Error**	**Information Ratio**
		%	%	%	%	%		%		%		%	
BlackRock Equity Index Fund J	Passive	0.01	**22.31**	**20.61**	**13.40**	13.05	1.21	0.01	n/a	15.85	0.61	0.01	n/a
S&P 500 Index			22.32	20.61	13.41	13.05	1.21			15.85	0.61		
Excess Return			-0.01	0.00	-0.01								
MSTAR Ave: Large Blend			*19.85*	*18.11*	*11.13*								
BlackRock Russell 2500 Index Fund J	Passive	0.02	**36.79**	**18.49**	**8.38**	17.89	0.76	0.05	n/a	19.31	0.24	0.05	n/a
Russell 2500 Index			36.72	18.40	8.30	17.89	0.76			19.31	0.24		
Excess Return			0.07	0.09	0.08								
MSTAR Ave: Mid-Cap Blend			*22.99*	*15.54*	*8.63*								
BlackRock MSCI ACWI ex-U.S. IMI Index Fund M	Passive	0.07	**27.36**	**18.77**	**8.74**	13.21	1.05	1.99	n/a	15.67	0.32	2.16	n/a
MSCI ACWI ex-U.S. IMI Index			26.56	18.50	8.44	13.99	0.98			15.60	0.30		
Excess Return			0.80	0.27	0.30								
MSTAR Ave: Foreign Large Blend			*21.13*	*16.50*	*8.25*								
BlackRock MSCI ACWI IMI Index Non-Lendable Fund M	Passive	0.05	**24.47**	**19.70**	**10.84**	12.54	1.18	0.80	n/a	15.15	0.47	0.85	n/a
MSCI ACWI IMI Index			24.22	19.45	10.57	12.84	1.14			15.17	0.45		
Excess Return			0.25	0.25	0.27								
MSTAR Ave: Global Large Stock Blend			18.13	*15.56*	*8.34*								
TIAA Real Estate Account	Active	0.86	4.27	-1.89	1.10	4.03	-1.62	2.20	-1.46	6.48	-0.40	3.18	-0.55
Custom Benchmark[3]			5.51	1.21	2.77	2.52	-1.36			5.04	-0.17		
Excess Return			-1.24	*-3.10*	*-1.67*								

*Annualized.

[1] Refer to the unbundled DC plans for information regarding BlackRock's LifePath Index Funds N, Short-Term Investment Fund W, U.S. Debt Index Fund M and U.S. TIPS Fund M. Although the unbundled DC plans use white label fund names and TIAA does not, these funds are the same exact funds.

[2] The TIAA Traditional Annuity is not included in this exercise due to the fact there is no performance benchmark associated with TIAA's fixed annuity product offering.

[3] Effective January 2014, the Custom Benchmark is 70% NCREIF Open End Diversified Core Equity (ODCE) Net Index, 20% Bloomberg 3-Month Treasury Bill Index and 10% Dow Jones U.S. Select REIT Index.TIAA's investment management team does not manage its real estate account to a published index benchmark. The Custom Benchmark represents a reasonable proxy of how TIAA allocates among real property, short-term investments and REITs over time. VRS anticipates that the TIAA Real Estate Account's returns may vary greatly from those of the custom benchmark.

Excess over benchmark return by 10 bps or more for index funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing.

Underperformance for an actively managed fund.

Data provided by TIAA, BlackRock, Morningstar, VRS and eVestment.

Bundled ORP for Higher Education - TIAA RC Contract Fund Annual Operating Expenses[1,2,3]
Information as of June 30, 2026

Investment Option	Investment Manager	Type	Investment Management Costs	Record-Keeping & Plan Administration Costs	[12(b)-1] Distribution Costs	Other Costs	Total Annual Expense Ratio	Expense Ratio YOY Change
TIAA Real Estate Account	TIAA	Active (variable annuity)	0.280000%	0.255000%	0.040000%	0.280000%	**0.86%**	-0.04%
BlackRock Equity Index Fund J	BlackRock	Passive	0.010000%	n/a	n/a	0.000900%	**0.01%**	0.00%
BlackRock Russell 2500 Index Fund J	BlackRock	Passive	0.012500%	n/a	n/a	0.010000%	**0.02%**	0.00%
BlackRock MSCI ACWI ex-U.S. IMI Index Fund M	BlackRock	Passive	0.050000%	n/a	n/a	0.018500%	**0.07%**	0.00%
BlackRock MSCI ACWI IMI Index Non-Lendable Fund M	BlackRock	Passive	0.035000%	n/a	n/a	0.009700%	**0.05%**	0.00%

1 There are no short-term trading redemption costs associated with any of the investment options.

2 Refer to the unbundled DC plans for information regarding BlackRock's LifePath Index Funds N, Short-Term Investment Fund W, U.S. Debt Index Fund M and U.S. TIPS Fund M. The unbundled DC plans use white label fund names for the aforementioned funds. However, TIAA does not have the capability to use white label fund names.

3 Effective July 2022, TIAA no longer provides an estimated expense ratio for its TIAA Traditional Annuity product.

Defined Contribution Plans Advisory Committee Report
TIAA RC Contract Investment Performance
Below are the totals for the period ending June 30, 2026. Returns greater than one year are annualized.

Investment Options	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs / Since Inception[1]	Fund Expense Ratio[2]	Inception Date	Market Value	% of Market Value[19]	% of Participants Selecting an Option[20]
Target Date Portfolios [3,4]	%	%	%	%	%	%	%	%		$	%	%
BlackRock LifePath Index Retirement Fund N	**-0.22**	**5.36**	**5.45**	**11.65**	**9.95**	**4.28**	**6.05**	**0.06**	**8/1/05**	**50,411,523**	**7.8**	**11.0**
Custom Benchmark	-0.27	5.53	5.29	11.57	9.94	4.28	6.01					
BlackRock LifePath Index 2030 Fund N	**-0.18**	**6.93**	**6.55**	**13.77**	**11.88**	**5.71**	**8.17**	**0.06**	**8/1/05**	**47,803,389**	**7.4**	**8.2**
Custom Benchmark	-0.26	7.15	6.37	13.67	11.86	5.68	8.10					
BlackRock LifePath Index 2035 Fund N	**-0.08**	**8.76**	**7.87**	**16.23**	**13.73**	**6.97**	**9.39**	**0.06**	**7/5/06**	**42,735,352**	**6.6**	**8.8**
Custom Benchmark	-0.22	9.01	7.60	16.05	13.67	6.91	9.29					
BlackRock LifePath Index 2040 Fund N	**-0.12**	**10.34**	**9.26**	**18.71**	**15.53**	**8.18**	**10.52**	**0.06**	**8/1/05**	**51,774,701**	**8.0**	**9.5**
Custom Benchmark	-0.27	10.66	8.98	18.48	15.46	8.09	10.39					
BlackRock LifePath Index 2045 Fund N	**-0.18**	**12.00**	**10.60**	**21.17**	**17.29**	**9.34**	**11.47**	**0.06**	**7/5/06**	**49,425,841**	**7.6**	**10.7**
Custom Benchmark	-0.36	12.37	10.27	20.92	17.20	9.23	11.33					
BlackRock LifePath Index 2050 Fund N	**-0.27**	**13.40**	**11.64**	**23.32**	**18.76**	**10.26**	**12.11**	**0.06**	**9/30/07**	**33,990,294**	**5.2**	**9.1**
Custom Benchmark	-0.45	13.82	11.27	23.03	18.66	10.14	11.96					
BlackRock LifePath Index 2055 Fund N	**-0.32**	**14.05**	**12.12**	**24.36**	**19.45**	**10.68**	**12.34**	**0.06**	**5/19/10**	**21,760,117**	**3.4**	**8.3**
Custom Benchmark	-0.51	14.54	11.77	24.11	19.37	10.57	12.20					
BlackRock LifePath Index 2060 Fund N	**-0.33**	**14.16**	**12.19**	**24.52**	**19.52**	**10.72**	**12.36**	**0.06**	**11/17/14**	**7,373,484**	**1.1**	**5.1**
Custom Benchmark	-0.53	14.68	11.87	24.32	19.47	10.62	12.23					
BlackRock LifePath Index 2065 Fund N	**-0.33**	**14.16**	**12.19**	**24.52**	**19.53**	**10.73**	**13.33**	**0.06**	**9/23/19**	**12,495,128**	**1.9**	**3.9**
Custom Benchmark	-0.53	14.69	11.87	24.32	19.48	10.62	13.27					
BlackRock LifePath Index 2070 Fund N	**-0.33**	**14.16**	**12.19**	**24.52**	**n/a**	**n/a**	**18.66**	**0.06**	**9/27/24**	**1,426,379**	**0.2**	**0.3**
Custom Benchmark	-0.53	14.69	11.87	24.32	n/a	n/a	18.28					
Individual Options												
BlackRock Short-Term Investment Fund W [5]	**0.32**	**0.96**	**1.92**	**4.16**	**4.94**	**3.85**	**2.60**	**0.08**	**7/1/03**	**8,254,692**	**1.3**	**6.6**
FTSE 3 Month Treasury Bill Index	0.31	0.93	1.87	4.05	4.86	3.69	2.40					
Yield as of 06/30/26: 3.85%[6]												
BlackRock U.S. Debt Index Fund M [7]	**0.24**	**0.67**	**0.72**	**3.80**	**4.18**	**0.12**	**1.58**	**0.03**	**6/6/96**	**14,446,722**	**2.2**	**14.8**
Bloomberg U.S. Aggregate Bond Index	0.24	0.67	0.62	3.79	4.16	0.08	1.54					
BlackRock U.S. TIPS Fund M [8]	**-0.47**	**0.90**	**1.30**	**3.45**	**4.03**	**1.05**	**2.66**	**0.03**	**7/30/02**	**8,233,603**	**1.3**	**10.6**
Bloomberg U.S. TIPS Index	-0.47	0.89	1.15	3.42	3.98	1.01	2.58					
BlackRock Equity Index Fund J [9]	**-0.95**	**15.20**	**10.20**	**22.31**	**20.61**	**13.40**	**15.52**	**0.01**	**3/5/97**	**89,649,268**	**13.8**	**22.9**
S&P 500 Index	-0.95	15.20	10.21	22.32	20.61	13.41	15.51					
BlackRock Russell 2500 Index Fund J [10]	**3.67**	**20.24**	**22.65**	**36.79**	**18.49**	**8.38**	**12.32**	**0.02**	**9/30/08**	**13,979,496**	**2.2**	**4.7**
Russell 2500 Index	3.68	20.26	22.71	36.72	18.40	8.30	12.25					
BlackRock MSCI ACWI ex-U.S. IMI Index Fund M [11]	**-0.50**	**12.53**	**14.11**	**27.36**	**18.77**	**8.74**	**10.08**	**0.07**	**2/28/11**	**26,920,148**	**4.2**	**14.8**
MSCI ACWI ex-U.S. IMI Index	-1.03	13.82	13.05	26.56	18.50	8.44	9.81					
BlackRock MSCI ACWI IMI Index Non-Lendable Fund M [12]	**-0.38**	**14.32**	**12.06**	**24.47**	**19.70**	**10.84**	**12.86**	**0.05**	**4/12/13**	**92,767,914**	**14.3**	**25.6**
MSCI ACWI IMI Index	-0.61	14.93	11.77	24.22	19.45	10.57	12.54					
TIAA Real Estate Account [13]	**1.16**	**1.48**	**2.10**	**4.27**	**-1.89**	**1.10**	**2.72**	**0.86**	**10/2/95**	**14,553,858**	**2.3**	**21.8**
Custom Composite Benchmark [14]	0.71	2.30	3.73	5.51	1.21	2.77	3.79					
TIAA Traditional Annuity RC [15,16,17,18]	**0.38**	**1.15**	**2.27**	**4.57**	**4.64**	**4.43**	**4.24**	**---[21]**	**8/1/05**	**48,704,444**	**7.5**	**24.6**
Self-Directed Brokerage Account												
TIAA - Self-Directed Account	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**11,551,779**	**1.8**	**1.1**
Total										**$648,258,132**		

Footnotes >

1 If the fund was not in existence for 10 years, fund and corresponding benchmark returns shown represent performance from the since inception date.

2 Fund investment advisers may voluntarily agree to waive expenses. Expense waivers may be terminated at any time.

3 The BlackRock LifePath Index Funds N invest in the master LifePath Index Funds F. The inception dates shown reflect the inception date of the master LifePath Funds F. The inception dates for most LifePath Funds N were 8/15/17. The 2065 Fund's N inception date was 11/15/19, and the 2070 inception date was 10/04/2024. Returns prior to Funds' N inception dates are those of Funds F with deductions taken for Funds N investment management fees.

4 Custom Benchmarks are calculated using blended returns of third-party indices that proportionately reflect the respective weightings of the Portfolios' asset classes. Weightings are adjusted quarterly to reflect the Portfolios' asset allocation shifts over time. As the Funds asset classes have been re-defined or added over time, the indices used to calculate the benchmarks have changed accordingly. As of January 1, 2025, the indices used to calculate the Custom Benchmarks are: Russell 1000 Index, Russell 2000 Index, MSCI ACWI Ex-U.S. IMI Net Dividend Return Index, Bloomberg U.S. Long Credit Bond Index, Bloomberg U.S. Intermediate Credit Bond Index, Bloomberg U.S. Long Government Bond Index, Bloomberg U.S. Intermediate Government Bond Index, Bloomberg U.S. Securitized: MBS, ABS, and CMBS Index, Bloomberg 0-5 TIPS Index, FTSE NAREIT All Equity REITs, FTSE Global Core Infrastructure 50/50, and the Bloomberg Enhanced Roll Yield Index.

5 An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment it is possible to lose money by investing in the Fund.

6 The current yield more closely reflects the earnings of the Fund than the total net return information.

7 The BlackRock U.S. Debt Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 7/20/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M's investment management fees.

8 The BlackRock U.S. Treasury Inflation-Protected Securities Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 7/20/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M' investment management fees.

9 The BlackRock Equity Index Fund J invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund J was 3/20/17. Returns prior to Fund J's inception date are those of Fund F with deductions taken for Fund J's investment management fees.

10 The BlackRock Russell 2500 Fund J invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund J was 10/15/21. Returns prior to Fund J's inception date are those of Fund F with deductions taken for Fund J's investment management fees.

11 The BlackRock MSCI ACWI ex-U.S. IMI Index Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 12/31/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M's investment management fees.

12 The BlackRock MSCI ACWI IMI Index Non-Lendable Fund M invests in the master Fund F. Inception dates for the master Fund F and Fund M are both 4/12/13.

13 Transfers out of the TIAA Real Estate Account (REA) are limited to one per quarter. Currently, these transfers do require a minimum transaction of at least $1000 (except for systematic transfers, which must be at least $100), or entire accumulation if less; however, this minimum may be reduced or eliminated in the future. Individual contract owners are limited from making transfers from making transfers into their account accumulation if, after giving effect to such transfer, the total value of such contract owner's Account accumulation (under all contracts issued to such contract owner) would exceed $150,000.

14 Effective January 2014, the Custom Composite Index is 70% NCREIF Open End Diversified Core Equity (ODCE) Net Index, 20% Bloomberg 3-Month Treasury Bill Index, and 10% Dow Jones U.S. Select REIT Index. Prior periods include other representative indices. TIAA's investment management team does not manage its real estate portfolio to a specific published index benchmark. The Custom Composite Index represents a reasonable proxy of how TIAA allocates assets among real property, short-term investments, and REITs over time. The Virginia Retirement System anticipates that Fund returns may vary greatly from those of the Custom Composite Index. Benchmark returns are not available for months that do not end on a calendar quarter due to the fact that NCREIF ODCE Index returns are only published each calendar quarter.

15 Upon separation from service or retirement, participants can convert their TIAA Traditional accumulation dollar amount to a lifetime income, transfer Payout Annuity, interest-only or required minimum distribution option(s). TIAA Traditional Annuity transfers and withdrawals must be paid in installments over an 84-month period under the Transfer Payout Annuity for the Retirement Choice (RC) contract. Under the Transfer Payout Annuity, each installment includes a portion of principal and interest, based on the rate in effect at the time of the transfer or withdrawal. There are two exceptions to the payout installment. Lump sum withdrawals are available within 120 days after termination of employment with a 2.5% surrender charge and for balances less than $5,000, the surrender charge is waived and 100% of the balance must be withdrawn.

16 The TIAA Traditional Annuity RC contract has minimum guaranteed rate during the accumulation phase of 1% to 3% . The current minimum rate for the RC contract is 3%. Further, the TIAA Traditional Annuity RC contract applies to premiums deposited during the applicable calendar year and is guaranteed for 10 years, at which point the minimum rate for these premiums will be reset.

17 TIAA's annual credited rate on new money for the RC contract for the month of June was 5.25%.

18 The TIAA Traditional Annuity is not an investment for purposes of federal securities laws; it is a guaranteed insurance contract. Therefore, unlike a variable annuity or mutual fund, the TIAA Traditional Annuity does not include an identifiable expense ratio. Each premium allocated to the TIAA Traditional Annuity buys a definite amount of lifetime income for participants based on the rate schedule in effect at the time the premium is paid. In addition, the TIAA Traditional Annuity provides a guarantee of principal, a guaranteed minimum rate of interest and the potential for additional amounts of interest when declared by TIAA's Board of Trustees. Additional amounts, when declared, remain in effect for the "declaration year" that begins each March for the accumulating annuities and January for lifetime payout annuities. Additional amounts are not guaranteed for future years.

19 May not equal 100% due to rounding.

20 The data reflects the percentage of participants who selected a particular investment option as of June 30, 2026. There were 5,843 (RC contract) participants as of June 30, 2026.

21 Effective July 2022, TIAA no longer provides an estimated expense ratio for its TIAA Traditional Annuity product.

Performance returns shown reflect all fund management fees and other investment related expenses, but do not reflect the TIAA annual administrative fee of $28 (deducted at $7.00 per quarter) which would further reduce the returns shown. Performance returns do not reflect redemption fees and/or surrender charges, if applicable.

All calculations assume reinvestment of dividends and capital gains. All returns are calculated in U.S dollars. Fund and benchmark returns are provided by TIAA and BlackRock. Although data is gathered from sources to be reliable, the Virginia Retirement System cannot guarantee completeness or accuracy.

Excess over benchmark return by 10 bps or more for index funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing.

Underperformance for an actively managed fund.

Thank you!

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VRS Defined Contribution Plans
2nd Quarter 2026

(April 1 – June 30, 2026)

Administrative Summary

September 10, 2026

Agenda

- General Updates
- COV 457 & Cash Match Plans
- Hybrid Retirement Plan
- ORPHE
- Upcoming Events

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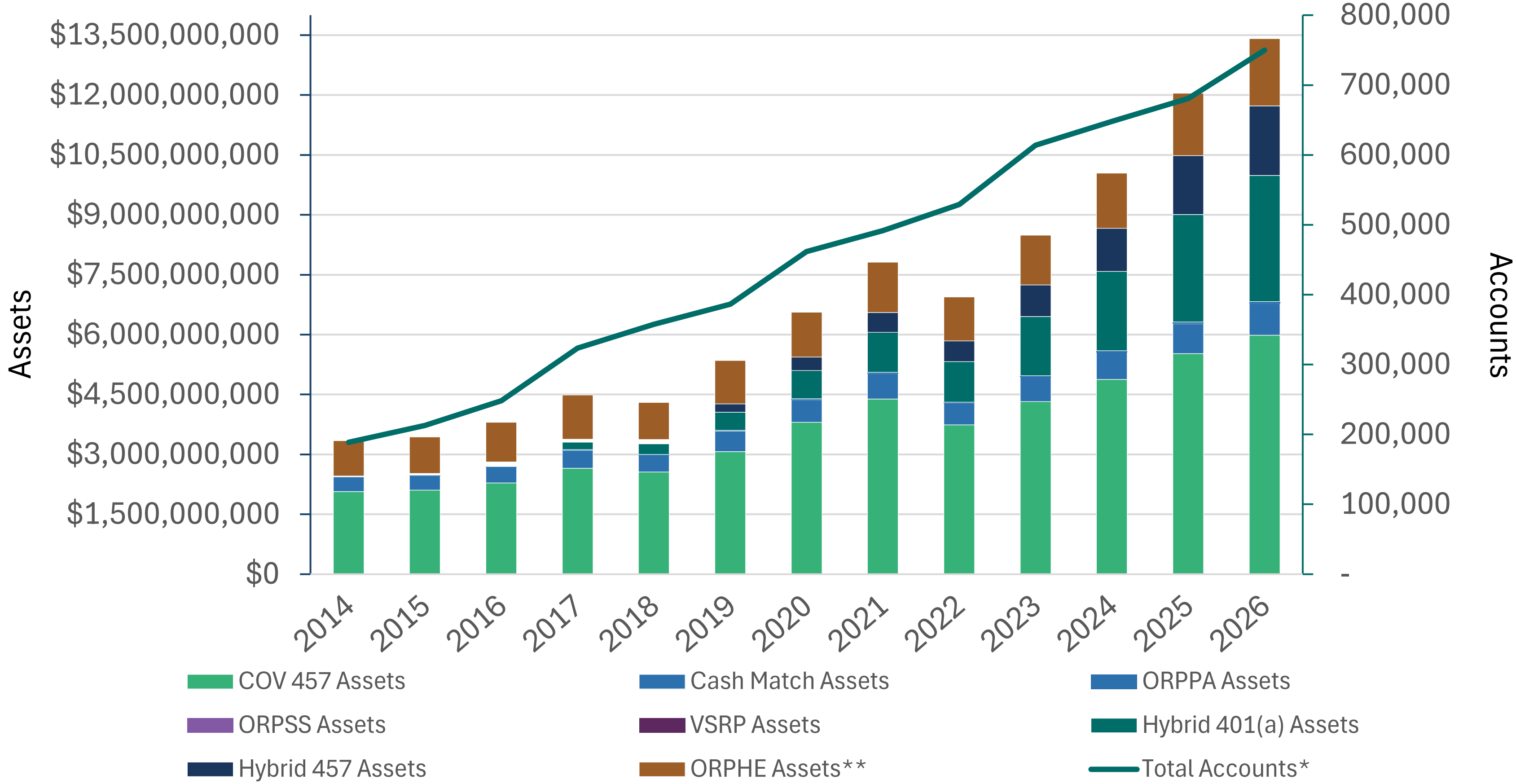
Total Assets and Accounts Over Time

Totals as of 6/30/2026	Assets	Accounts	Assets ↑ 12% Since 3/31/2026
	$13,409,186,989	749,863	

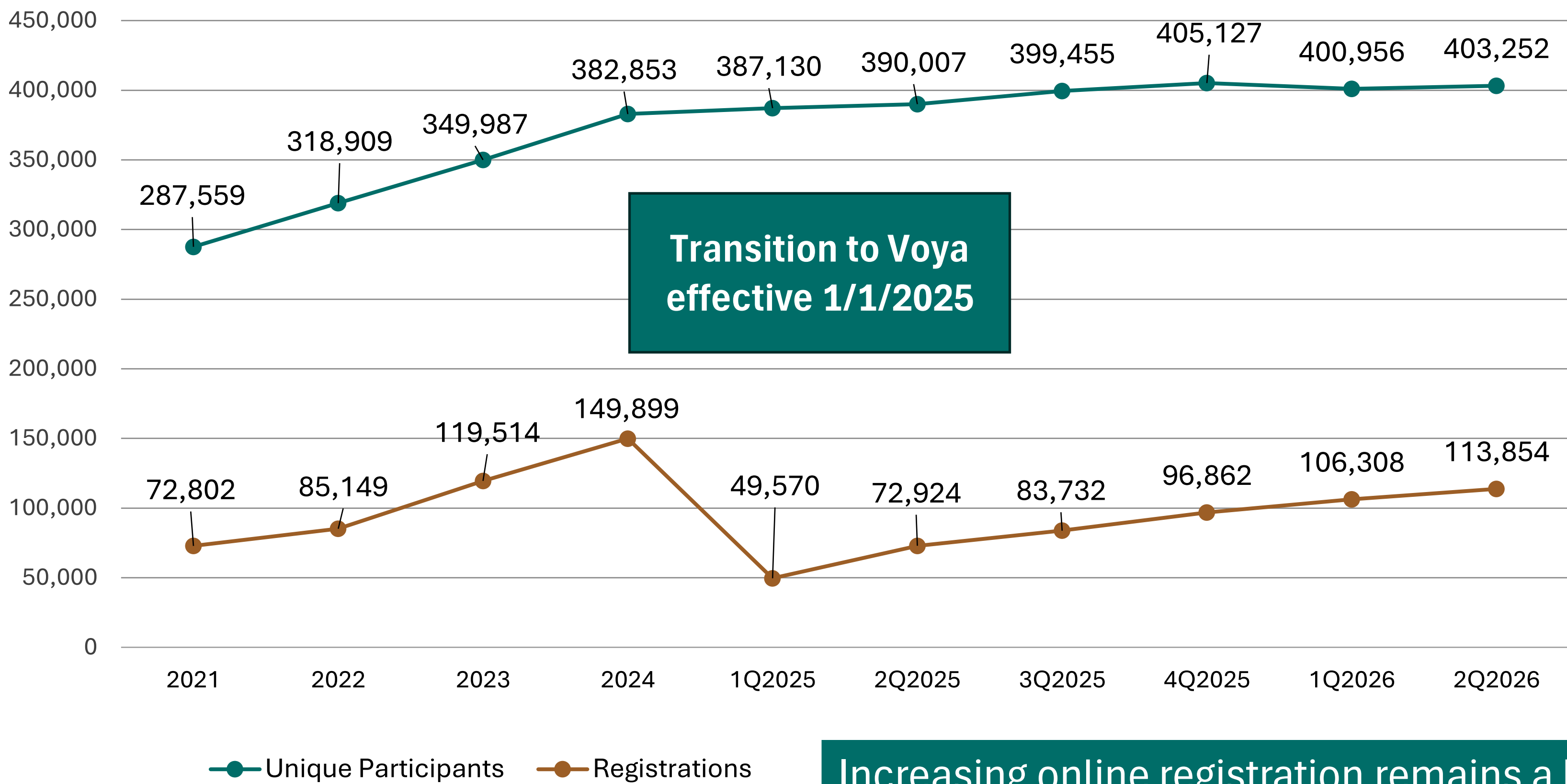


Note: All data except for current year reflects totals as of the end of the calendar year and includes participant, beneficiary, forfeiture and reserve accounts with a balance. Current year data is as of 6/30/2026.

*Does not indicate unique participants.
**Includes ORPHE selected providers.

Web Access - Online Registration

Online Registration
15% of all eligible accounts as of 6/30/2026



Increasing online registration remains a key part of ongoing plan communications, supported by targeted campaigns.

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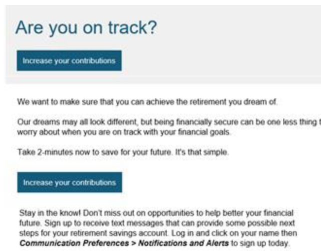
Note: Eligible accounts exclude forfeiture and reserve accounts not available for online registration.
Source: Voya Plan Summary Report, second quarter 2026. Data as of June 30, 2026.

Communication Highlights
Personalized Email Outreach



Plan	Save More	Restart Contributions	Max Out Contributions	Birthday
Hybrid 457	✓	✓	✓	✓
ORPs				✓
COV 457	✓	✓	✓	✓

General criteria

All require that the participant:

- Has signed up for email
- Has a balance in the plan
- Does not have a term date
- Has not had an emergency withdrawal within the previous 6 months (other than the birthday messaging)

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Communication Highlights
Personalized Email Outreach

	Save More	Restart Contributions	Max Out
Data is cumulative July 26, 2026.			
	Delivered to 57,173	**Delivered to 3,155**	**Delivered to 1,640**
Open Rate	67%	64%	68%
Action Rate	2%	5%	7%
Criteria	• Currently contributing • No changes to contribution amount within the last 3 months	• Stopped saving more than 60 days ago	• Same as Save More • Previous year savings reached at least 70% of IRS limits for plan

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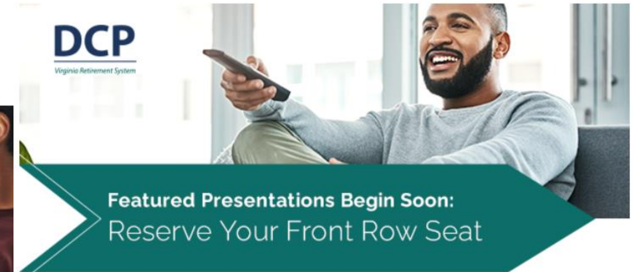
Communication Highlights

VRS-directed Email Outreach



Plan	**Account Registration** Delivered to 1,760 52% opened 5% took action	**Mandatory Roth Catch-Up Reminder** Delivered to 1,000 39% opened 2% took action	**America Saves Week (Enroll)** Delivered to 21K 30% opened 1% took action	**America Saves Week (Increase)** Mailed to 11K 28% opened 3.7% took action	**Education Meeting Promotions** Delivered to 103K 53% opened
COV 457		✓	✓	✓	
All Plans	✓				✓

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Retire Well Campaign: Activating Advice for Participants

Campaign goal Encourage eligible participants to utilize the Retire Well digital experience, which includes tools to build and personalize a retirement plan and provides for free online advice or professional account management.

What the campaign asks participants to do

- **Build a custom plan** — adjust savings and retirement age in real time.
- **See the full picture** — net worth, expenses and health care costs.
- **Optimize Social Security** — model the best claiming decision.
- **Activate advice** — three months free of program fees.

Who we are reaching

- **All eligible DCP participants** not already in a managed account.
- **Seasoned Savers** 50+ with $250k+ balances receive additive print.
- **Early-career TDF users** under 45, under $50k, 95%+ in a TDF, get tailored content.

Campaign highlights

Make your next move with confidence.

Today's the day to take command of your financial future.

Retirement may not start today. Your plan should.

Email/mail beginning mid-August and continuing through mid-October.

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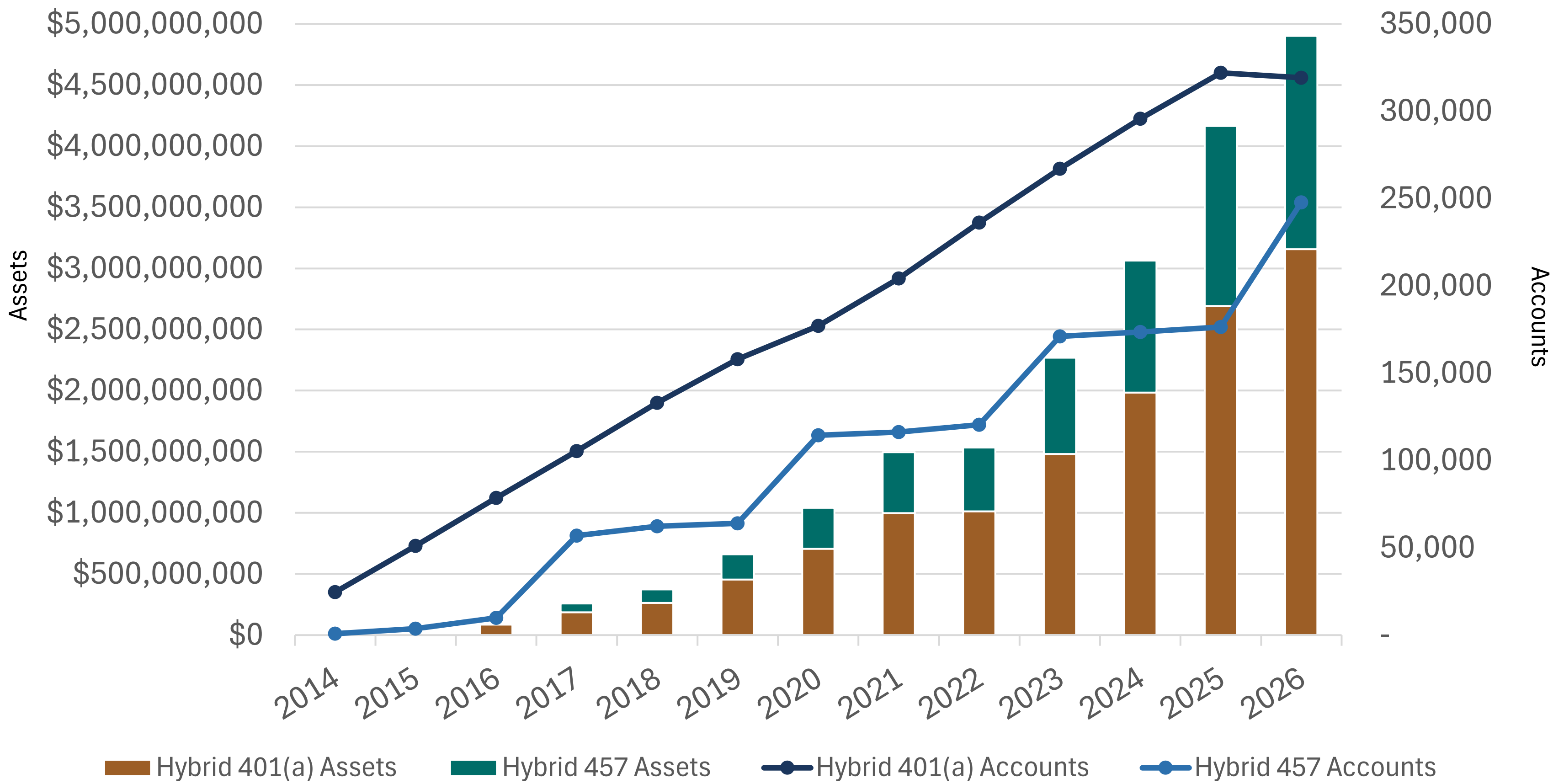
Source: VRS Retire Well 2026 approved sample package, August 10, 2026. Advisory services provided by Voya Retirement Advisors, LLC. For plan sponsor use only.

Hybrid Retirement Plan
Assets and Accounts (DC only)

Totals as of 6/30/2026	Assets	Accounts	Assets ↑ 15% Since 3/31/2026
Hybrid 401(a)	$3,157,531,560	319,219	
Hybrid 457	$1,743,806,475	247,867	



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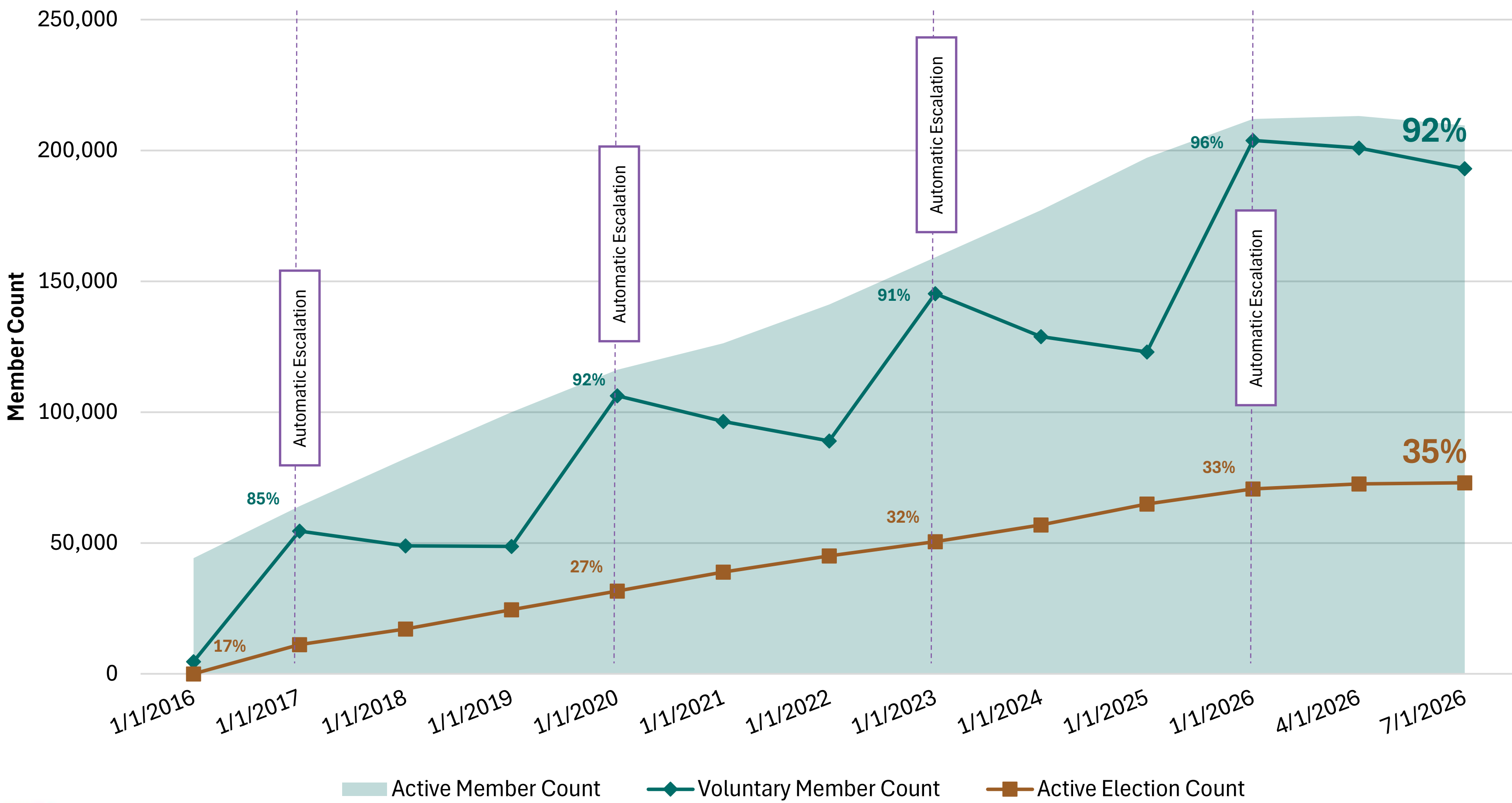
Note: All data, except for the current year, reflect totals as of the end of the calendar year and include participant, beneficiary, forfeiture and reserve accounts with a balance. Current year data is as of 6/30/2026.

Hybrid Retirement Plan

Voluntary Participation Rate*

As of 7/1/2026, 92% of hybrid plan members have a voluntary contribution percentage with Voya Financial. 35% made an Active Election.**

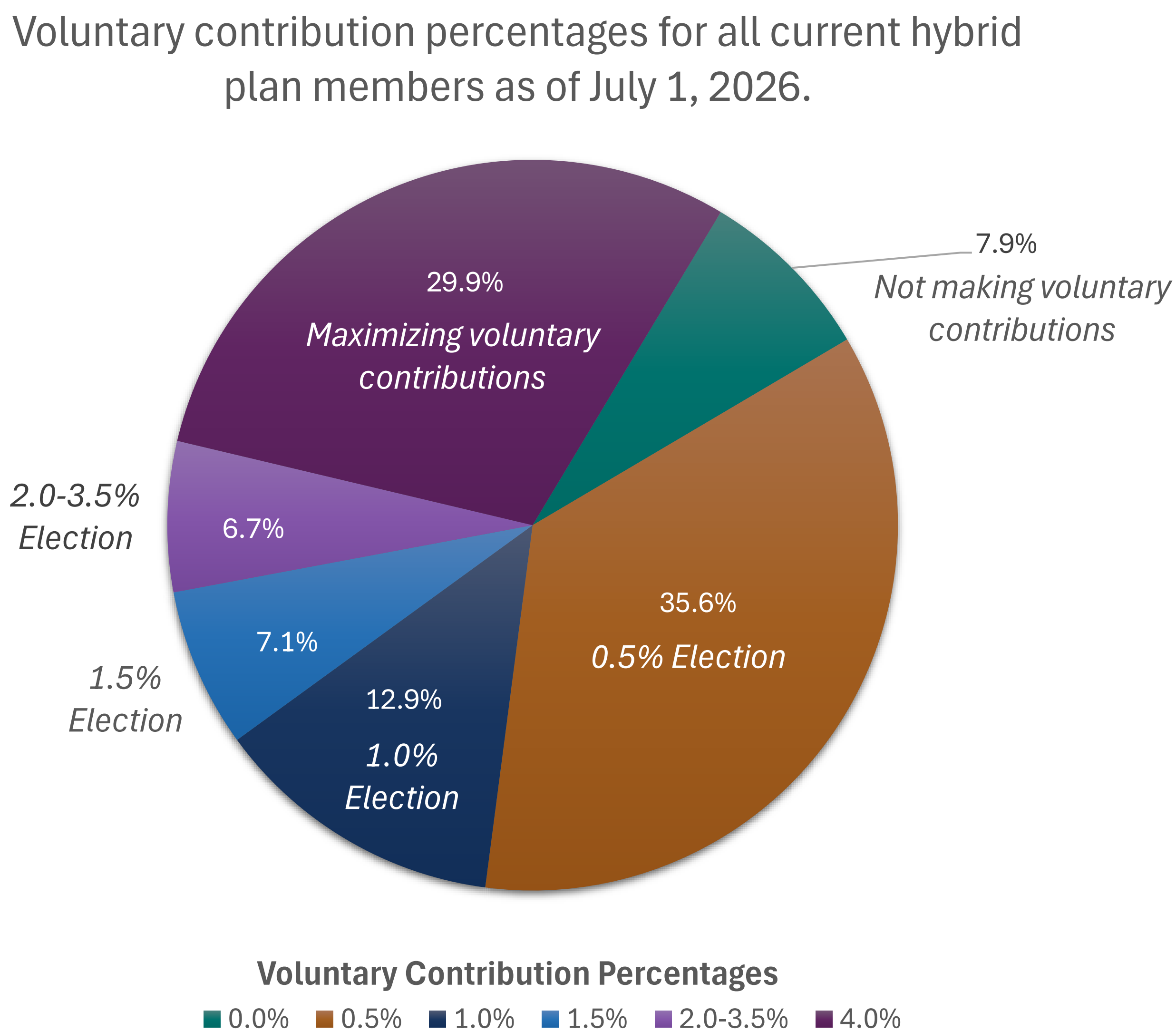


Growth 2017-2026 (compound annual): active members 14.2%, voluntary participants 15.8%, active elections 22.8%.

*All data except for current quarter is as of 1/1 and represents elections made during Q4 of the prior year.

**Includes members who had a self-selected voluntary election on file prior to the 3-year automatic escalations effective January 1 of 2017, 2020, 2023 and 2026.

Hybrid Retirement Plan
Voluntary Participation



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Hybrid Retirement Plan
Automatic Escalation

83.3%
(120,369)*
People **remained** at their auto-escalated voluntary %

144,435
People auto-escalated by 0.5% effective 1/1/2026

7.8%
(11,212)*
People **increased** their voluntary %

2.3% of total
(3,303)*
People **increased to 4%**

1.1%
(1,616)*
People **decreased** their voluntary %

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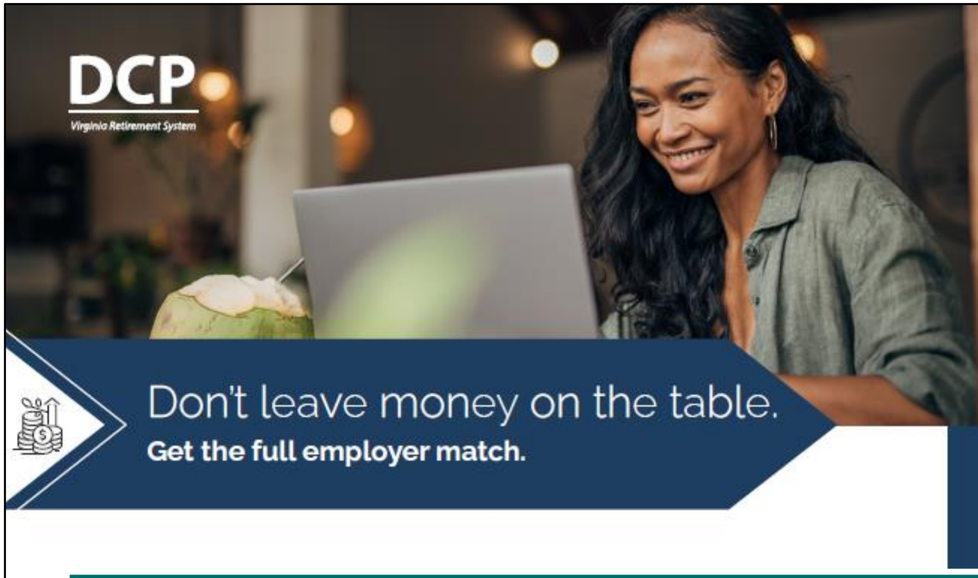
Note: Data as of 7/1/26. Percentages do not equal 100% due to employee separations and job changes.
*Counts are cumulative since 1/1/2026.

Hybrid Plan New Hire
Voluntary Contributions Mailer/Email



Congratulations on your recent hire as a Virginia public employee. As a member of the Virginia Retirement System (VRS) Hybrid Retirement Plan, you are helping to build your future retirement income so you can enjoy the retirement that you have imagined.

To help you reach your retirement goals, you can make voluntary contributions to the Hybrid 457 Deferred Compensation Plan and receive employer matching contributions to the Hybrid 401(a) Cash Match Plan.

This table shows the employer match you will receive based on the amount of voluntary contributions you make. The more you contribute, the higher the match.

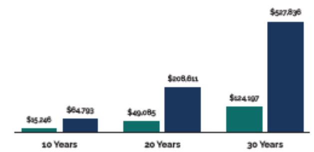
Employee Voluntary Contributions: Hybrid 457	Employer Matching Contributions: Hybrid 401(a)
0.00%	0.00%
0.50%	0.50%
1.00%	1.00%
1.50%	1.25%
2.00%	1.50%
2.50%	1.75%
3.00%	2.00%
3.50%	2.25%
4.00%	2.50%

Start today

The sooner you start making voluntary Hybrid 457 contributions, the sooner you will receive the employer match and have that money working toward your goals.

The chart below compares someone who only contributes the mandatory 1% contribution and makes no voluntary contributions to someone who contributes both the mandatory 1% and maximum 4% voluntary contributions.

Remember, a 4% voluntary contribution will unlock the full 2.5% employer match



Comparison of someone who contributes only the mandatory 1% and receives the mandatory employer 1% (green) to someone who contributes the mandatory 1%, receives the mandatory employer 1% and contributes the maximum 4% voluntary contribution and receives the full 2.5% employer match (blue). Assumes annual pay of $50,000 and an 8% annual rate of return, compounded monthly and no withdrawals.

Ready to get started?

To start your voluntary contributions, scan the QR code or go to **dcp.varetire.org/login**. Go to your Hybrid 457 account and elect to save up to 4% of your pay.

For assistance, please contact the VRS Defined Contribution Plans Service Center at **877-327-5261** or schedule a meeting with your local DC Plans Education Specialist* at **dcp.varetire.org/education/dc-plans-specialists**.

*Information from registered Plan Service Representatives is for educational purposes only and is not legal, tax or investment advice. Local Plan Service Representatives are registered representatives of Voya Financial Advisors, Inc., member SIPC. Plan administrative services are provided by Voya Institutional Plan Services, LLC (VIPS). VIPS is a member of the Voya® family of companies.

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Close to **14,000** mailed or emailed!

- **4.2%** (588) started contributions
- **3.5%** (483) elected the maximum contribution of 4%

Data cumulative through June campaign.

Consolidated Hybrid Outreach Efforts

Nearly 1,300*

Hybrid plan members met individually with VRS or Voya outreach teams

More than 3,200*

Hybrid plan members attended a group session — over **260** group meetings* covering either Hybrid-specific or general retirement topics held by VRS or Voya.

VRS Member News

Over 143K active Hybrid Plan members receive Member News!

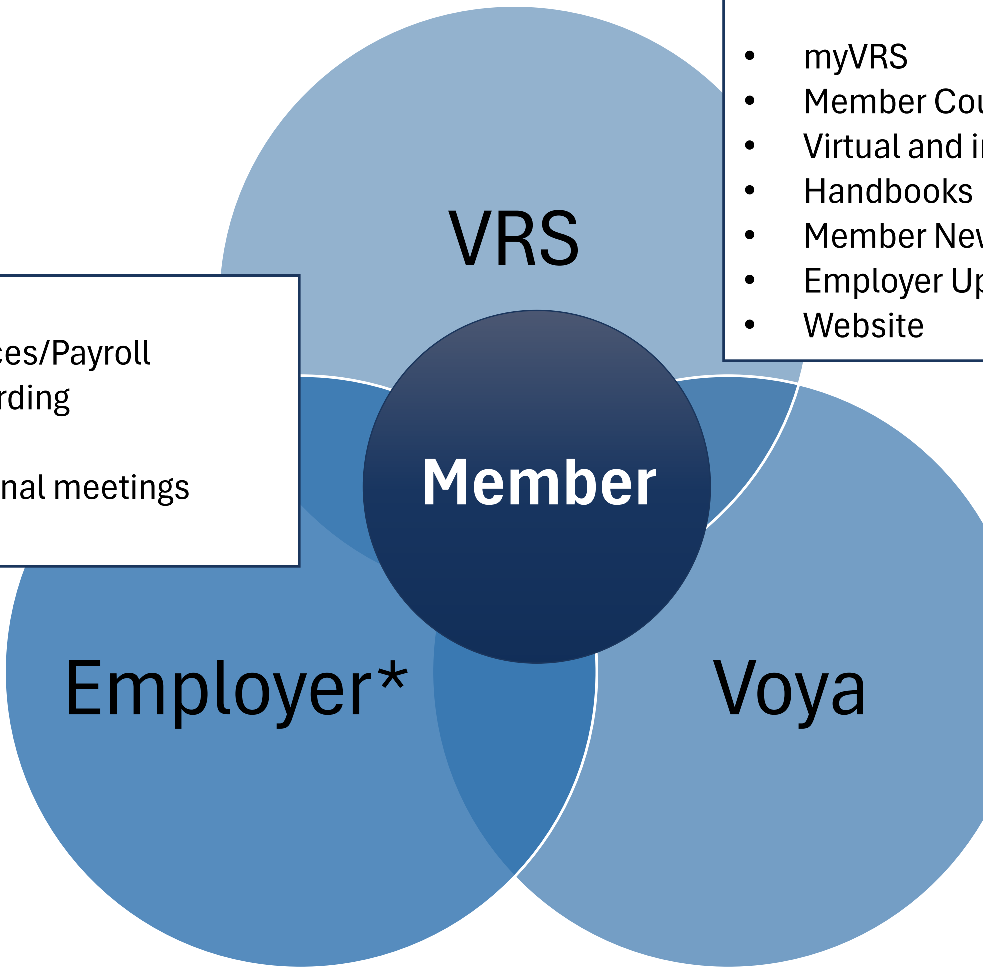
Published 4 times each year with an average open rate of 42%.

Combined VRS and Voya member engagements, April 1 – June 30, 2026.

Improving Hybrid Outcomes

- Multi-prong approach to helping hybrid plan members take full advantage of the plan

- myVRS
- Member Counseling
- Virtual and in-person group meetings
- Handbooks
- Member News
- Employer Update
- Website



- Human Resources/Payroll
- New hire onboarding
- Benefits fairs
- Onsite educational meetings
- Intranet

- DCP Online Account
- Individual Account Reviews
- Virtual and in-person group meetings
- Financial Planning
- Investment Advice
- Websites
- Direct communications

*Availability may vary based on the individual employer.

Additional Planned Outreach Efforts

Employer

Employer spotlights

Video success stories

Best practice sharing between employers

Communication toolkits and calendars

Plug-and-play educational materials

Member

Featured video

Dr. Susan Gooden

VRS Board of Trustees, encouraging members to save

Mentors and plan champions

Highlighted within member organizations, with input from employers

The goal: better-equipped employers and more informed members — driving deeper engagement and stronger election rates.

Public Sector Workers Turn to Friends and Family

Participants in defined-benefit-only plans who work with a financial professional

46% Public sector employees

70% Private sector employees

"Turning to friends and family instead of professional resources for support." — Dr. Zhikun Liu

Friends and family first

The most common substitute for professional guidance — informal, unpaid, and not always well matched to complex decisions.

A pension in the mix

Most public sector workers also have a pension, so less of their retirement income rests on their own decisions — lowering the felt need for an advisor.

Not a technology gap

These employees are also less drawn to digital and AI advice tools, so self-serve technology alone is unlikely to displace informal advice.

What it suggests: informal advice is filling a gap that professional guidance is not. Public employees still direct their own supplemental savings, so closing it depends on expanded human advice channels, stronger plan design, and clearer defaults — with human guidance paired with technology, not technology alone.

Source: MissionSquare Research Institute, "How to Help Retirement Plan Participants Make Optimal Financial Decisions" (Liu, Blanchett and Young), August 26, 2026. Survey of more than 2,000 public- and private-sector employees, segmented by sector and plan type. Reported by PLANSPONSOR.

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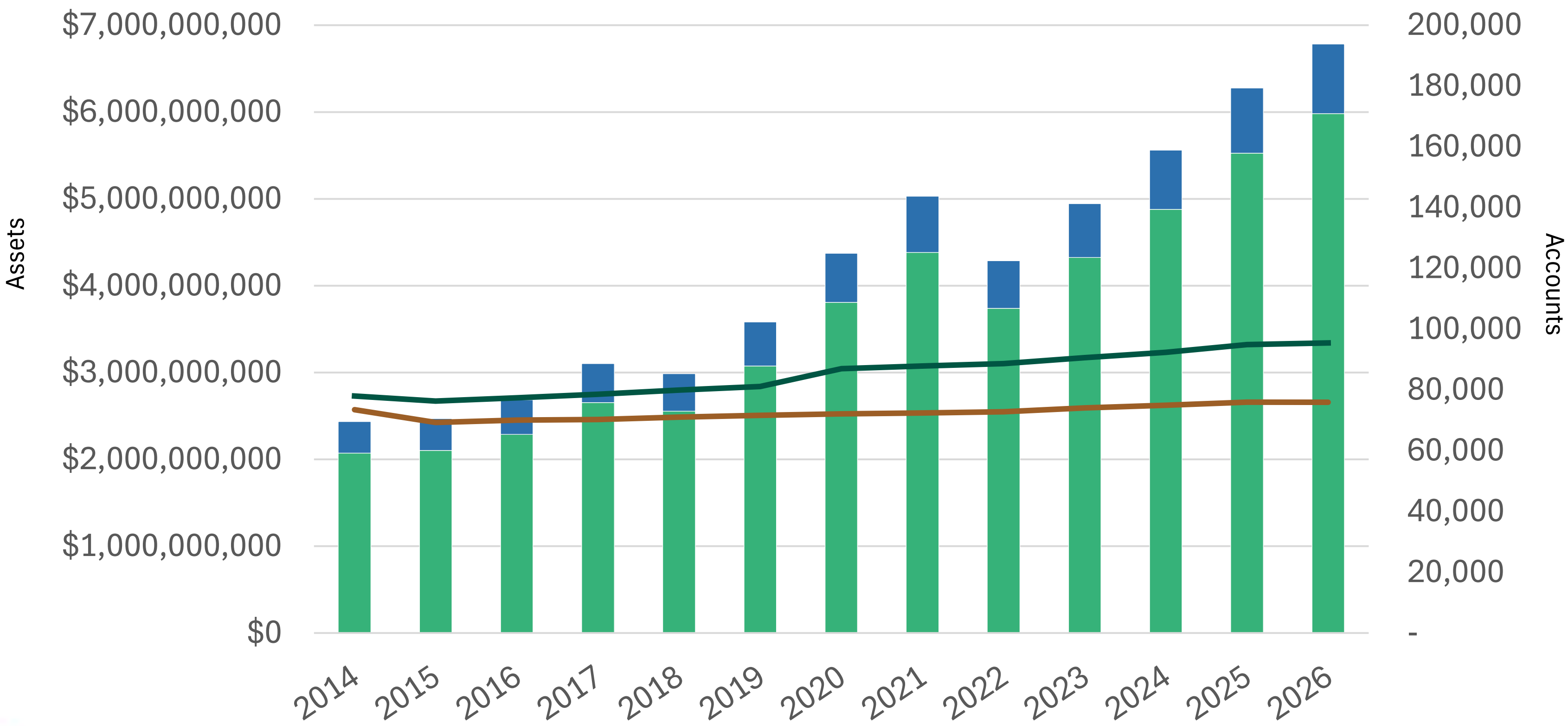
COV 457/Cash Match Plan

Assets and Accounts

Totals as of 6/30/2026	Assets	Accounts	Assets ↑ 10% Since 3/31/2026
COV 457	$5,981,954,965	95,447	
Cash Match	$800,722,462	75,885	



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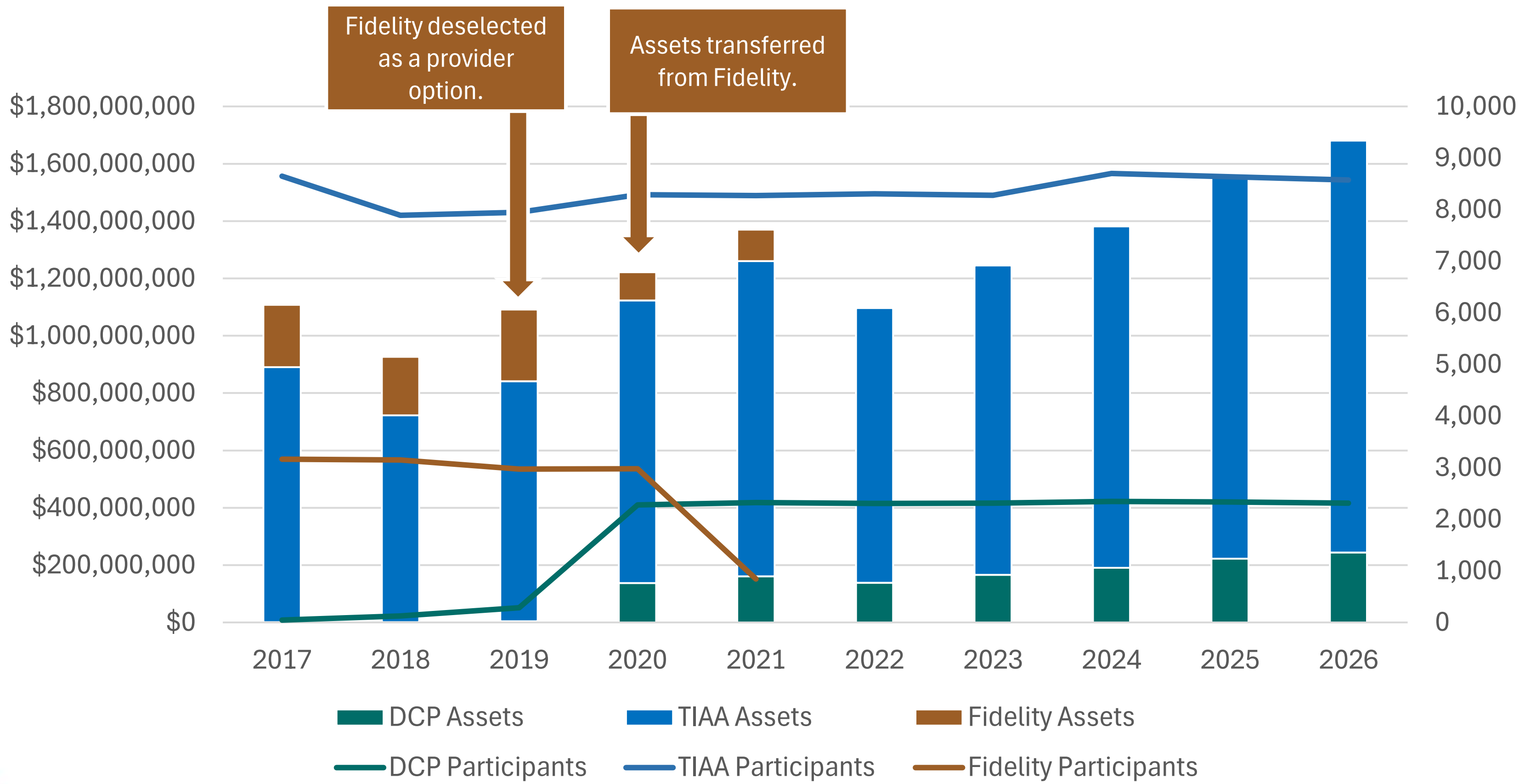
Note: All data, except for the current year, reflect totals as of the end of the calendar year and include participant, beneficiary, forfeiture and reserve accounts with a balance. Current year data is as of 6/30/2026.

ORPHE

Assets and Accounts*

Totals as of 6/30/2026	Assets	Accounts	Assets ↑ 9% Since 3/31/2026
	$1,681,024,329	10,900	



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*Data is through 3/31/2026 and excludes deselected providers. TIAA assets and accounts include both GRA/RA and RC contracts.

ORPHE Updates

COMPLETED

TIAA contract amendment finalized

Blackrock share class changes implemented in the ORPHE investment lineup.

COMING UP

ORPHE Annual Employer Update webinar

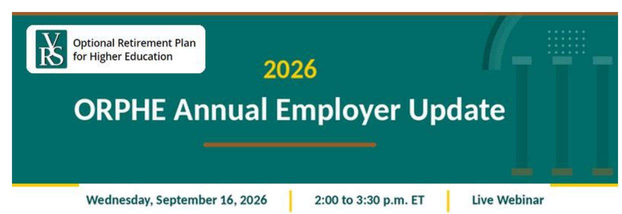
ORPHE Open Enrollment begins

Updated TIAA and Voya presentations posted to the ORPHE website.

Annual Fee Disclosure notice

Employer and employee Open Enrollment resources

Communications and reminders distributed across multiple channels.



Upcoming Events

Ongoing

- Procedure development and review
- Administrative staff training
- Communications development and review
- Advice/Managed Accounts monitoring

Fall

- Annual Fee Disclosure
- ORPHE Annual Employer Update
- ORPHE Open Enrollment
- National Retirement Security Month
- Pension estimate data file development and implementation

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Thank you!

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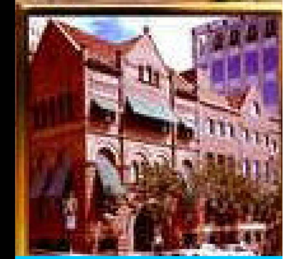


DC Plans Advisory Committee
Annual Investment Review

September 10, 2026

Overview

The Defined Contribution Plans Advisory Committee (DCPAC) is an advisory committee with the purpose of reviewing matters relating to or affecting the plan administration, plan design, and investments of the various defined contribution (DC) plans established pursuant to the Code of Virginia and to make recommendations to the Board regarding those matters. The DCPAC's recommendations are not binding on the Board and the DCPAC has no authority over staff or administrative and investment decisions.

The Committee Charter outlines several responsibilities to be performed by the DCPAC. Investment responsibilities include:

- Reviewing national trends and identifying best practices.
- Assisting staff with identifying potential asset classes and investment strategies and recommending changes to the Board as needed.
- Performing an annual comprehensive review of the investment program for each plan with an emphasis on longer periods, such as three and five years but shorter-term trends are also considered if they are significant. The DCPAC may provide recommendations to the Board regarding any investment options that should be considered for addition or deletion as well as informing the Board of any significant performance issues as appropriate.
- Periodically reviewing the Investment Policy Statements for the VRS DC plans, the VRS Defined Contribution Plans Investment Belief Statements and recommending any changes to the Board.

The purpose of this annual review is to provide the DCPAC with investment information needed to perform its annual comprehensive review of the investment program for each plan. Please refer to subsequent sections of this package for performance information that covers the periods ending June 30, 2026.

As of June 30, 2026, DC plan assets for those investments overseen by investment staff totaled $12.6 billion (unbundled plans: ~$11.9 billion; bundled TIAA ORPHE ~$648.3 million). Each program offered the following number of investment options*:

- Unbundled DC Plans: Eleven* investment options and a self-directed brokerage option.
- ORPHE TIAA: Ten* investment options and a self-directed brokerage option.

*Target date portfolio series are counted as one investment option. If each target date portfolio is counted separately there are a total of twenty core investment options within the unbundled DC plans and nineteen core investment options within the bundled TIAA ORPHE.

Unbundled DC Plan Structure

An unbundled DC plan structure provides investment staff with maximum flexibility to add or delete investment options as appropriate in an efficient manner. This fully open architecture approach enables investment staff to contract directly with investment managers. The unbundling of investment contracts from plan recordkeeping / administration contracts is a best practice within the DC industry and is in line with VRS Defined Contribution Plans Investment Belief Statements.

Most DC plans administered by VRS operate in a fully unbundled plan structure. The exception is the Optional Retirement Plan for Higher Education (ORPHE) where one of the two plan program providers operate under a bundled plan structure.

During this past fiscal year, staff successfully negotiated a reduction in investment management fees for various BlackRock funds ranging from -20% to -50% depending on the fund. Staff implemented the transition for the International Stock Fund to a MSCI ACWI IMI ex US, ex China, ex Hong Kong strategy. No investment manager changes were made to the unbundled DC plans investment platform. Detailed information about the unbundled DC plans investments is included in subsequent sections of this package.

Bundled DC Plan Structure

A bundled DC plan structure does not provide investment staff with as much flexibility to add or delete investment options as appropriate in an efficient manner and is not the preferable structure. Constraints within a bundled plan construct may limit the scope of available investment options and may limit access to more attractive options within asset classes.

TIAA, one of the providers for the ORPHE, is structured in a bundled manner where investment option offerings are included as part of the provider's recordkeeping / administration contract. TIAA has become more flexible over the years in working with plan sponsors such as VRS to increase its investment fund opportunity set.

During this past fiscal year, staff successfully negotiated a reduction in investment management fees for various BlackRock funds ranging from -20% to -50% depending on the fund. No investment manager changes were made to the bundled TIAA investment platform. Detailed information about the bundled TIAA investment offerings is included in subsequent sections of this package.

VRS Defined Contribution Plans Investment Policy Statements and Investment Belief Statements

Staff periodically reviews the Investment Policy Statements (unbundled structure and bundled structure) and the Investment Belief Statements for potential changes to the documents. Effective April 23, 2026, the VRS Board of Trustees approved updates to these documents to include a paragraph referencing the VRS Foreign Adversary Policy and other updates to address the current needs of the plans.

Other

Staff continues its research in the areas of retirement income and target date portfolios. Throughout this fiscal year staff provided the DCPAC with materials regarding trends and best practices within the DC plans industry.

Unbundled DC Plans Structure

Unbundled DC Plans

Data for period ending June 30, 2026

Fund	Type	Fund Expense Ratio	Returns: 1 Year	Returns: 3 Years*	Returns: 5 Years*	3 Year Statistics: Standard Deviation	3 Year Statistics: Sharpe Ratio	3 Year Statistics: Tracking Error	3 Year Statistics: Information Ratio	5 Year Statistics: Standard Deviation	5 Year Statistics: Sharpe Ratio	5 Year Statistics: Tracking Error	5 Year Statistics: Information Ratio
		%	%	%	%	%		%		%		%	
Money Market Fund	Capital Preservation	0.08	**4.16**	**4.94**	**3.85**	0.20	0.47	0.02	n/a	0.55	0.30	0.05	n/a
FTSE 3 Month Treasury Bill Index			4.05	4.86	3.69	0.21	0.00			0.56	0.00		
Excess Return			0.11	0.08	0.16								
Stable Value Fund[1]	Capital Preservation (Book Value)	0.23	**3.63**	**3.44**	**2.77**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Custom Benchmark[2]			3.96	4.38	3.79	n/a	n/a	n/a		n/a	n/a	n/a	
Excess Return			-0.33	-0.94	-1.02								
eVestment Alliance Median: Stable Value Universe[3]			*3.12*	*2.95*	*2.56*								
Bond Fund	Passive	0.03	**3.80**	**4.18**	**0.12**	5.53	-0.12	0.14	n/a	6.37	-0.56	0.16	n/a
Bloomberg U.S. Aggregate Bond Index			3.79	4.16	0.08	5.55	-0.13			6.37	-0.57		
Excess Return			0.01	0.02	0.04								
MSTAR Ave: Intermediate Core Bond			*3.74*	*4.23*	*-0.01*								
Inflation-Protected Bond Fund	Passive	0.03	**3.45**	**4.03**	**1.05**	4.20	-0.20	0.22	n/a	6.06	-0.43	0.21	n/a
Bloomberg U.S. TIPS Index			3.42	3.98	1.01	4.21	-0.21			6.04	-0.44		
Excess Return			0.03	0.05	0.04								
MSTAR Ave: Inflation-Protected Bond			*2.94*	*3.78*	*1.21*								
High-Yield Bond Fund	Active	0.41	**5.80**	**8.66**	**4.07**	3.75	1.01	0.73	0.37	6.23	0.06	1.24	0.10
ICE BofA U.S. HY BB-B Constrained Index			6.02	8.38	3.95	4.07	0.86			6.79	0.04		
Excess Return			-0.22	0.28	0.12								
MSTAR Ave: High-Yield Bond			*5.64*	*8.12*	*3.70*								
Stock Fund	Passive	0.01	**22.31**	**20.60**	**13.40**	13.05	1.21	0.01	n/a	15.85	0.61	0.01	n/a
S&P 500 Index			22.32	20.61	13.41	13.05	1.21			15.85	0.61		
Excess Return			-0.01	-0.01	-0.01								
MSTAR Ave: Large Blend			*19.85*	*18.11*	*11.13*								
Small/Mid-Cap Stock Fund	Passive	0.02	**36.79**	**18.49**	**8.38**	17.89	0.76	0.05	n/a	19.31	0.24	0.05	n/a
Russell 2500 Index			36.72	18.40	8.30	17.89	0.76			19.31	0.24		
Excess Return			0.07	0.09	0.08								
MSTAR Ave: Mid-Cap Blend			*22.99*	*15.54*	*8.63*								
International Stock Fund	Passive	0.06	**29.94**	**19.59**	**9.21**	13.45	1.10	2.05	n/a	15.80	0.35	2.19	n/a
MSCI ACWI IMI ex USA, ex China, ex Hong Kong Index (linked to MSCI ACWI IMI ex USA Index August 2016 - January 2026 and MSCI World ex USA Index July 2012 - July 2016)			29.39	19.37	8.92	14.30	1.01			15.79	0.33		
Excess Return			0.55	0.22	0.29								
MSTAR Ave: Foreign Large Blend			*21.13*	*16.50*	*8.25*								
Global Real Estate Fund	Passive	0.08	**14.12**	**10.57**	**2.63**	16.14	0.35	0.73	n/a	17.87	-0.06	0.77	n/a
FTSE EPRA/NAREIT Developed Index			13.26	9.60	1.69	16.26	0.29			17.89	-0.11		
Excess Return			0.86	0.97	0.94								
MSTAR Ave: Global Real Estate			*10.99*	*9.34*	*1.10*								
VRSIP	Active	0.65	**12.12**	**10.62**	**7.64**	3.9	1.5	1.2	-0.6	5.4	0.7	2.3	0.3
Custom Benchmark[4]			12.73	11.40	6.78	4.2	1.5			7.0	0.5		
Excess Return			-0.61	-0.78	0.86								

Unbundled DC Plans

Data for period ending June 30, 2026

Fund	Type	Fund Expense Ratio	Returns 1 Year	Returns 3 Years*	Returns 5 Years*	3 Year Statistics Standard Deviation	3 Year Statistics Sharpe Ratio	3 Year Statistics Tracking Error	3 Year Statistics Information Ratio	5 Year Statistics Standard Deviation	5 Year Statistics Sharpe Ratio	5 Year Statistics Tracking Error	5 Year Statistics Information Ratio
		%	%	%	%	%		%		%		%	
Retirement Portfolio	Passive	0.05	**11.65**	**9.95**	**4.28**	7.28	0.70	0.27	n/a	8.94	0.07	0.32	n/a
Custom Benchmark[5]			11.57	9.94	4.28	7.34	0.69			8.90	0.07		
Excess Return			0.08	0.01	0.00								
Target Date 2030 Portfolio	Passive	0.06	**13.77**	**11.88**	**5.70**	8.60	0.82	0.35	n/a	10.80	0.19	0.44	n/a
Custom Benchmark[5]			13.67	11.86	5.68	8.68	0.81			10.75	0.19		
Excess Return			0.10	0.02	0.02								
Target Date 2035 Portfolio	Passive	0.06	**16.23**	**13.73**	**6.96**	9.63	0.92	0.44	n/a	12.03	0.27	0.53	n/a
Custom Benchmark[5]			16.05	13.67	6.91	9.76	0.90			11.97	0.27		
Excess Return			0.18	0.06	0.05								
Target Date 2040 Portfolio	Passive	0.06	**18.71**	**15.53**	**8.17**	10.61	1.01	0.52	n/a	13.19	0.34	0.62	n/a
Custom Benchmark[5]			18.48	15.46	8.09	10.75	0.99			13.13	0.34		
Excess Return			0.23	0.07	0.08								
Target Date 2045 Portfolio	Passive	0.06	**21.17**	**17.29**	**9.33**	11.57	1.07	0.61	n/a	14.25	0.40	0.71	n/a
Custom Benchmark[5]			20.92	17.20	9.23	11.74	1.05			14.20	0.39		
Excess Return			0.25	0.09	0.10								
Target Date 2050 Portfolio	Passive	0.06	**23.32**	**18.76**	**10.25**	12.25	1.13	0.67	n/a	14.90	0.44	0.76	n/a
Custom Benchmark[5]			23.03	18.66	10.14	12.46	1.11			14.85	0.43		
Excess Return			0.29	0.10	0.11								
Target Date 2055 Portfolio	Passive	0.06	**24.36**	**19.45**	**10.67**	12.52	1.17	0.71	n/a	15.10	0.46	0.79	n/a
Custom Benchmark[5]			24.11	19.37	10.57	12.75	1.14			15.08	0.46		
Excess Return			0.25	0.08	0.10								
Target Date 2060 Portfolio	Passive	0.06	**24.52**	**19.52**	**10.71**	12.56	1.17	0.72	n/a	15.13	0.47	0.80	n/a
Custom Benchmark[5]			24.32	19.47	10.62	12.81	1.14			15.11	0.46		
Excess Return			0.20	0.05	0.09								
Target Date 2065 Portfolio	Passive	0.06	**24.52**	**19.53**	**10.72**	12.57	1.17	0.72	n/a	15.13	0.46	0.80	
Custom Benchmark[5]			24.32	19.48	10.62	12.81	1.14			15.12	0.46		
Excess Return			0.20	0.05	0.10								
Target Date 2070 Portfolio	Passive	0.06	**24.52**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Custom Benchmark[5]			24.32	n/a	n/a	n/a	n/a			n/a	n/a		
Excess Return			0.20	n/a	n/a								

*Annualized.

[1] Stable value funds typically track the general movements of interest rates with a lag. It is expected that when interest rates are falling stable value yields do not fall as quickly and when when interest rates are rising stable value yields do not rise as quickly.

[2] Effective August 2016, the benchmark represents a hypothetical return generated by the monthly yields of actively traded U.S. Treasuries based on [50% 2-year maturity + 50% 3-year maturity] plus an annualized spread of 0.25% and is representative of the Fund's expected return profile, given how the Fund is managed and book value accounting treatment.

[3] eVestment Alliance universe returns are gross of investment management fees and net of wrap fees. The Stable Value Fund returns are net of all fees.

[4] The Custom Benchmark is a blend of the asset class benchmarks at policy weights.

[5] The Custom Benchmark is calculated using blended returns of third-party indices that proportionally reflect the respective weightings of the Fund's asset classes. Weightings are adjusted quarterly to reflect the Fund's changing asset allocations over time. As of January 1, 2025 the indices used to calculate the Custom Benchmark are the: Russell 1000 Index, Russell 2000 Index, MSCI ACWI ex-U.S. IMI Net Dividend Return Index, Bloomberg U.S. Long Credit Bond Index, Bloomberg U.S. Intermediate Credit Bond Index, Bloomberg U.S. Long Government Bond Index, Bloomberg U.S Intermediate Government Bond Index, Bloomberg U.S. Securitized MBS,ABS and CMBS Index, Bloomberg U.S. 0-5 YearsTIPS Index, FTSE NAREIT All Equity REITs Index, FTSE Global Core Infrastructure 50/50 Net Tax Index and the Bloomberg Enhanced Roll Yield Index.

Excess over benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the interest rate environment for capital preservation funds.

Underperformance for an actively managed fund.

Excess performance for an actively managed fund.

Below benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the the nature of book value accounting treatment for stable value funds as it relates to interest rates.

Data provided by BlackRock, Galliard, eVestment, Bank of New York, Morningstar and Voya.

Unbundled DC Plans - Fund Annual Operating Expenses
Information as of June 30, 2026

Investment Option[1]	Investment Manager	Type	Investment Management Costs	Wrap & Acquired Fund[2] Costs	Fund Embedded Costs[2]	State Street Cost to Strike Net NAV	Total Annual Expense Ratio	Expense Ratio YOY Change
Money Market Fund	BlackRock	Capital Preservation	0.080000%	n/a	0.000500%	n/a	**0.08%**	0.00%
Stable Value Fund	Galliard	Capital Preservation (Book Value)	0.067000%	0.160000%	n/a	n/a	**0.23%**	-0.01%
Bond Fund	BlackRock	Passive	0.030000%	n/a	0.003200%	n/a	**0.03%**	0.00%
Inflation-Protected Bond Fund	BlackRock	Passive	0.020000%	n/a	0.007700%	n/a	**0.03%**	0.00%
High-Yield Bond Fund	JPMorgan	Active	0.380000%	n/a	0.030000%	0.004187%	**0.41%**	+0.01%
Stock Fund	BlackRock	Passive	0.005000%	n/a	0.000800%	0.003803%	**0.01%**	0.00%
Small/Mid-Cap Stock Fund	BlackRock	Passive	0.010000%	n/a	0.003700%	0.003744%	**0.02%**	0.00%
International Stock Fund	BlackRock	Passive	0.040000%	n/a	0.019000%	0.003951%	**0.06%**	0.00%
Global Real Estate Fund	BlackRock	Passive	0.070000%	n/a	0.010000%	0.003906%	**0.08%**	0.00%
Retirement Portfolio	BlackRock	Passive	0.050000%	n/a	0.004300%	n/a	**0.05%**	-0.01%
Target Date 2030 Portfolio	BlackRock	Passive	0.050000%	n/a	0.005100%	n/a	**0.06%**	0.00%
Target Date 2035 Portfolio	BlackRock	Passive	0.050000%	n/a	0.005600%	n/a	**0.06%**	0.00%
Target Date 2040 Portfolio	BlackRock	Passive	0.050000%	n/a	0.006100%	n/a	**0.06%**	0.00%
Target Date 2045 Portfolio	BlackRock	Passive	0.050000%	n/a	0.006500%	n/a	**0.06%**	0.00%
Target Date 2050 Portfolio	BlackRock	Passive	0.050000%	n/a	0.006900%	n/a	**0.06%**	0.00%
Target Date 2055 Portfolio	BlackRock	Passive	0.050000%	n/a	0.007300%	n/a	**0.06%**	0.00%
Target Date 2060 Portfolio	BlackRock	Passive	0.050000%	n/a	0.007900%	n/a	**0.06%**	0.00%
Target Date 2065 Portfolio	BlackRock	Passive	0.050000%	n/a	0.010000%	n/a	**0.06%**	0.00%
Target Date 2070 Portfolio	BlackRock	Passive	0.050000%	n/a	0.010000%	n/a	**0.06%**	0.00%
VRSIP	VRS	Active	n/a	n/a	n/a	n/a	**0.65%**	+0.03%

[1] There are no short-term trading redemption costs associated with any of the investment options.
[2] Includes custody, audit and other specific investment option related administrative costs.

Unbundled DC Plans
Annual Calendar Year End Return Data

Money Market Fund	**4.52**	**5.51**	**5.39**	**1.88**	**0.15**
FTSE 3 Month Treasury Bill Index	4.40	5.45	5.26	1.50	0.05
Stable Value Fund	**3.56**	**3.41**	**2.86**	**1.48**	**1.59**
Custom Benchmark	4.07	4.55	4.70	3.27	0.61
eVestment Alliance Stable Value Universe*	3.05	3.02	2.79	1.91	1.71
Bond Fund	**7.20**	**1.37**	**5.67**	**-13.05**	**-1.61**
Bloomberg U.S. Aggregate Bond Index	7.30	1.25	5.53	-13.01	-1.54
MSTAR Ave: Intermediate Core Bond	7.07	1.72	5.49	-13.32	-1.48
Inflation-Protected Bond Fund	**6.94**	**2.02**	**3.98**	**-11.94**	**5.92**
Bloomberg U.S. TIPS Index	7.01	1.84	3.90	-11.85	5.96
MSTAR Ave: Inflation-Protected Bond	6.28	2.40	2.87	-8.98	5.61
High-Yield Bond Fund	**8.60**	**8.15**	**11.13**	**-9.56**	**7.45**
ICE BofA U.S. HY BB-B Constrained Index	8.73	6.84	12.58	-10.58	4.60
MSTAR Ave: High-Yield Bond	7.96	7.55	11.82	-10.09	4.77
Stock Fund	**17.86**	**25.01**	**26.29**	**-18.11**	**28.73**
S&P 500 Index	17.88	25.02	26.29	-18.11	28.71
MSTAR Ave: Large Blend	15.56	20.70	22.14	-16.96	26.07
Small/Mid-Cap Stock Fund	**12.02**	**12.09**	**17.61**	**-18.34**	**18.24**
Russell 2500 Index	11.91	12.00	17.42	-18.37	18.18
MSTAR Ave: Mid-Cap Blend	8.94	14.25	15.91	-14.01	23.40
International Stock Fund	**32.53**	**5.11**	**15.52**	**-16.27**	**8.62**
MSCI ACWI ex-U.S. IMI Index	31.96	5.23	15.62	-16.58	8.53
MSTAR Ave: Foreign Large Blend	30.00	4.78	16.31	-15.84	9.72
Global Real Estate Fund	**10.38**	**1.94**	**10.69**	**-24.30**	**26.99**
FTSE EPRA/NAREIT Developed Index	9.58	0.94	9.67	-25.09	26.09
MSTAR Ave: Global Real Estate	11.06	0.36	10.22	-25.15	22.90
VRSIP	**12.77**	**8.92**	**10.23**	**-5.25**	**18.63**
VRS Custom Benchmark	12.81	11.64	13.40	-11.23	13.59
Retirement Portfolio	**12.44**	**7.10**	**11.15**	**-14.63**	**6.95**
Custom Benchmark	12.46	7.08	11.11	-14.54	7.04
Target Date 2030 Portfolio	**14.21**	**9.13**	**14.26**	**-15.97**	**11.43**
Custom Benchmark	14.19	9.12	14.23	-15.92	11.51
Target Date 2035 Portfolio	**16.01**	**10.90**	**16.31**	**-16.67**	**13.80**
Custom Benchmark	15.95	10.89	16.29	-16.67	13.85
Target Date 2040 Portfolio	**17.63**	**12.64**	**18.33**	**-17.36**	**15.96**
Custom Benchmark	17.53	12.63	18.29	-17.38	15.99
Target Date 2045 Portfolio	**19.24**	**14.28**	**20.16**	**-17.90**	**17.72**
Custom Benchmark	19.12	14.32	20.12	-17.96	17.71
Target Date 2050 Portfolio	**20.90**	**15.58**	**21.27**	**-18.21**	**18.67**
Custom Benchmark	20.74	15.66	21.23	-18.30	18.61
Target Date 2055 Portfolio	**21.73**	**16.23**	**21.58**	**-18.28**	**18.83**
Custom Benchmark	21.59	16.32	21.56	-18.38	18.81
Target Date 2060 Portfolio	**21.87**	**16.25**	**21.59**	**-18.29**	**18.82**
Custom Benchmark	21.74	16.36	21.57	-18.39	18.80
Target Date 2065 Portfolio	**21.86**	**16.28**	**21.64**	**-18.31**	**18.78**
Custom Benchmark	21.74	16.37	21.59	-18.40	18.79
Target Date 2070 Portfolio	**21.86**	**n/a**	**n/a**	**n/a**	**n/a**
Custom Benchmark	21.74	n/a	n/a	n/a	n/a

* eVestment Alliance universe returns are gross of investment management fees and net of wrap fees. The Stable Value Fund returns are net of all fees.

Data provided by BlackRock, Galliard, eVestment, Bank of New York, Voya, Morningstar and MissionSquare.

Defined Contribution Plans Advisory Committee Report
Unbundled Plans Investment Performance

Below are the totals for the period ending June 30, 2026. Returns greater than one year are annualized.

Investment Options	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs / Since Inception[1]	Fund Expense Ratio[2]	Inception Date	Market Value	% of Market Value[25]	% of Participants Selecting an Option[26]
Retirement Portfolio	**-0.22**	**5.36**	**5.45**	**11.65**	**9.95**	**4.28**	**6.03**	**0.05**	**8/1/05**	**861,329,979**	**7.2**	**7.3**
Custom Benchmark	-0.27	5.53	5.29	11.57	9.94	4.28	6.01					
Target Date 2030 Portfolio	**-0.18**	**6.93**	**6.55**		**11.88**	**5.70**	**8.16**	**0.06**	**8/1/05**	**688,695,078**	**5.8**	**6.8**
Custom Benchmark	-0.26	7.15	6.37	13.67	11.86	5.68	8.10					
Target Date 2035 Portfolio	**-0.08**	**8.76**	**7.87**		**13.73**	**6.96**	**9.38**	**0.06**	**7/5/06**	**823,981,328[22]**	**6.9**	**8.5**
Custom Benchmark	-0.22	9.01	7.60	16.05	13.67	6.91	9.29					
Target Date 2040 Portfolio	**-0.12**	**10.34**	**9.26**		**15.53**	**8.17**		**0.06**	**8/1/05**	**782,747,028**	**6.5**	**8.9**
Custom Benchmark	-0.27	10.66	8.98	18.48	15.46	8.09	10.39					
Target Date 2045 Portfolio	**-0.18**	**12.00**	**10.60**		**17.29**			**0.06**	**7/5/06**	**827,161,246**	**6.9**	**10.4**
Custom Benchmark	-0.36	12.37	10.27	20.92	17.20	9.23	11.33					
Target Date 2050 Portfolio	**-0.27**	**13.40**	**11.64**					**0.06**	**9/30/07**	**872,035,627**	**7.3**	**11.8**
Custom Benchmark	-0.45	13.82	11.27	23.03	18.66	10.14	11.96					
Target Date 2055 Portfolio	**-0.32**	**14.05**	**12.12**		**19.45**			**0.06**	**5/19/10**	**1,031,518,566**	**8.6**	**14.7**
Custom Benchmark	-0.51	14.54	11.77	24.11	19.37	10.57	12.20					
Target Date 2060 Portfolio	**-0.33**	**14.16**	**12.19**		**19.52**	**10.71**		**0.06**	**11/17/14**	**647,340,283**	**5.4**	**13.6**
Custom Benchmark	-0.53	14.68	11.87	24.32	19.47	10.62	12.23					
Target Date 2065 Portfolio	**-0.33**	**14.16**	**12.19**		**19.53**		**13.31**	**0.06**	**9/23/19**	**197,736,567**	**1.7**	**9.8**
Custom Benchmark	-0.53	14.69	11.87	24.32	19.48	10.62	13.27					
Target Date 2070 Portfolio	**-0.33**	**14.16**	**12.19**		**n/a**	**n/a**	**18.66**	**0.06**	**9/27/24**	**14,544,914**	**0.1**	**1.7**
Custom Benchmark	-0.53	14.69	11.87	24.32	n/a	n/a	18.28					
Money Market Fund[5,6]	**0.32**	**0.96**	**1.92**		**4.94**			**0.08**	**11/1/99**	**189,179,256**	**1.6**	**1.5**
FTSE 3 Month Treasury Bill Index	0.31	0.93	1.87	4.05	4.86	3.69	2.40					
Yield as of 06/30/26: 3.85%[7]												
Stable Value Fund[8,9]	**0.30**	**0.90**	**1.78**					**0.23**	**2/1/95**	**576,763,919**	**4.8**	**4.0**
Custom Benchmark[10]	0.36	1.04	2.00	3.96	4.38	3.79	2.72					
Yield as of 06/30/26: 3.69%[11]												
Bond Fund[12]	**0.24**	**0.67**	**0.72**	**3.80**	**4.18**	**0.12**	**1.58**	**0.03**	**11/1/99**	**218,083,743**	**1.8**	**3.4**
Bloomberg U.S. Aggregate Bond Index	0.24	0.67	0.62	3.79	4.16	0.08	1.54					
Inflation-Protected Bond Fund[13]	**-0.47**	**0.90**	**1.30**	**3.45**	**4.03**	**1.05**	**2.66**	**0.03**	**7/30/02**	**72,123,023**	**0.6**	**1.7**
Bloomberg U.S. TIPS Index	-0.47	0.89	1.15	3.42	3.98	1.01	2.58					
High-Yield Bond Fund[14]	**0.19**	**2.24**	**2.15**	**5.80**				**0.41**	**5/31/04**	**67,358,689**	**0.6**	**1.3**
ICE BofA U.S. High-Yield BB-B Constrained Index	0.26	2.45	2.07	6.02	8.38	3.95	5.46					
Stock Fund[15]	**-0.95**	**15.20**	**10.20**	**22.31**	**20.60**	**13.40**	**15.52**	**0.01**	**11/1/99**	**2,633,291,780**	**22.0**	**8.7**
S&P 500 Index	-0.95	15.20	10.21	22.32	20.61	13.41	15.51					
Small/Mid-Cap Stock Fund[16]	**3.67**	**20.24**	**22.66**	**36.79**	**18.49**	**8.38**	**12.32**	**0.02**	**11/1/99**	**643,397,077**	**5.4**	**5.2**
Russell 2500 Index	3.68	20.26	22.71	36.72	18.40	8.30	12.25					
International Stock Fund[17]	**0.03**	**14.16**	**16.42**					**0.06**	**11/1/99**	**421,701,995**	**3.5**	**4.8**
MSCI ACWI IMI ex USA ex China ex Hong Kong Index[18]	-0.53	15.72	15.58	29.39	19.37	8.92	10.01					
Global Real Estate Fund[19]	**1.13**	**8.42**	**10.35**					**0.08**	**10/1/02**	**117,696,582**	**1.0**	**2.9**
FTSE EPRA/NAREIT Developed Index	0.86	8.52	9.64	13.26	9.60	1.69	3.32					
VRSIP[20]	**1.59**	**2.27**	**4.87**	**14.23**	**11.45**	**8.14**	**9.18**	**0.65**	**7/1/08**	**77,318,627[23]**	**0.7**	**0.3**
VRS Custom Benchmark[21]	1.86	3.13	5.60	15.12	12.75	7.25	8.67					
VRSIP and benchmark returns are reported with a one month lag. [Return information shown is as of May 31, 2026.] [Market value as of May 31, 2026 was $75,194,645.]												
Do-It-Myself: Self-Directed Brokerage Account												
Schwab PCRA	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**208,345,884**	**1.7**	**0.2**
Total										**$11,972,351,191[24]**		

Footnotes >

1 If the fund was not in existence for 10 years, fund and corresponding benchmark returns shown represent performance from the since inception date.

2 Fund investment advisers may voluntarily agree to waive expenses. Expense waivers may be terminated at any time.

3 Effective February 2023, the Target Date Portfolios invest in units of BlackRock's LifePath Index Funds N. The LifePath Index Funds N invest in the master Lifepath Index Funds F. The inception dates shown reflect that of the master LifePath Index Funds F. Prior to February 2023, the Target Date Portfolios invested in BlackRock's LifePath Index Funds O which also invested in the master LifePath Index Funds F. All performance returns are linked.

4 Custom Benchmarks are calculated using blended returns of third-party indices that proportionately reflect the respective weightings of the Portfolios' asset classes. Weightings are adjusted quarterly to reflect the Portfolios' asset allocation shifts over time. As the Funds asset classes have been re-defined or added over time, the indices used to calculate the benchmarks have changed accordingly. As of January 1, 2025, the indices used to calculate the Custom Benchmarks are: Russell 1000 Index, Russell 2000 Index, MSCI ACWI ex-U.S. IMI Net Dividend Return Index, Bloomberg U.S. Long Credit Bond Index, Bloomberg U.S. Intermediate Credit Bond Index, Bloomberg U.S. Long Government Bond Index, Bloomberg U.S. Intermediate Government Bond Index, Bloomberg U.S. Securitized: MBS, ABS, and CMBS Index, Bloomberg 0-5 TIPS Index, FTSE NAREIT All Equity REITs, FTSE Global Core Infrastructure 50/50, and the Bloomberg Enhanced Roll Yield Index.

5 The Money Market Fund invests in units of BlackRock's Short-Term Investment Fund W. The inception data shown reflects the VRS Defined Contribution Plan's investment strategy inception date. Returns of the Fund from July 2012 through July 2016 represent performance of other BlackRock funds. Performance returns are linked.

6 An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment it is possible to lose money by investing in the Fund.

7 The current yield more closely reflects the earnings of the Fund than the total net return information. There is no guarantee that the Fund will earn the current yield in the future.

8 The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.

9 Direct transfers from the Stable Value Fund to the Money Market Fund (considered a "competing fund") are not permitted. Before transferring to the Money Market Fund, participants must first transfer to a "non-competing" fund for 90 days. Optional Retirement Plan for Higher Education (ORPHE) participants who want to make a direct exchange to another ORPHE provider, must first exchange to a "non-competing" fund on the Voya Financial investment platform for 90 days.

10 Effective August 2016, the benchmark represents a hypothetical return generated by the monthly yields of actively traded U.S. Treasuries based on [50% 2- year maturity + 50% 3- year maturity] plus an annualized spread of 0.25% and is representative of the Fund's expected return profile, given how the Fund is managed and book value accounting treatment. Prior to August 2016 the custom benchmark was based on the monthly yield of actively traded U.S Treasuries with a 3-year maturity plus an annualized spread of 0.50%. The benchmark returns are linked.

11 The current yield more closely reflects the earnings of the Fund than the total net return information. There is no guarantee that the Fund will earn the current yield in the future.

12 The Bond Fund invests in units of BlackRock's U.S. Debt Index Fund M. The U.S. Debt Index Fund M invests in the master Fund F. The inception date shown reflects the VRS Defined Contribution Plans strategy inception date.

13 The Inflation-Protected Bond Fund invests in units of BlackRock's U.S. Treasury-Inflation Protected Securities Fund M. The U.S. Treasury Inflation-Protected Securities Fund M invests in the master Fund F. The inception date shown reflects the inception date of the master Fund F.

14 The High-Yield Bond Fund invests in units of JPMorgan's Corporate High-Yield Fund-Investment Class. The inception date shown reflects the date the current investment team at JPMorgan commenced management responsibility of the Fund.

15 The Stock Fund invests in units of BlackRock's Equity Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.

16 The Small/Mid-Cap Stock Fund invests in units of BlackRock's Russell 2500 Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy date.

17 The International Stock Fund invests in units of BlackRock's MSCI ACWI IMI ex-USA, ex-China, Ex Hong Kong Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plan's investment strategy inception date. Returns from July 2012 through January 2026 represent performance of other BlackRock Funds. Performance returns are linked.

18 Effective February 2026, the performance benchmark is the MSCI ACWI IMI ex USA ex China ex Hong Kong Index. It was the MSCI ACWI ex USA IMI index from August 2016 through January 2026. It was the MSCI World ex USA index from July 2012 through July 2016. The benchmark returns are linked.

19 The Global Real Estate Fund invests in units of BlackRock's Developed Real Estate Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.

20 The inception date shown reflects the date the VRS Investment Portfolio (VRSIP) was unitized.

21 The VRS Custom Benchmark is a blend of the asset class benchmarks at policy weights.

22 Includes Pending Account VRSIP amount of $0.

23 Includes Preliminary Investment Portfolio Account - PIP amount of $1,471,850.

24 Includes $14,695,655 held in the administrative Special Accounts.

25 May not equal 100% due to rounding.

26 The data reflects the percentage of participants who selected a particular investment option as of June 30, 2026. There were 741,289 participant accounts as of June 30, 2026 across all unbundled DC plans.

All fund performance returns shown reflect all fund management fees and expenses, but do not reflect the Plan administrative fee charged by Voya Financial which would further reduce the returns shown. All calculations assume reinvestment of dividends and capital gains. All returns are calculated in U.S. dollars. Performance returns are provided by BlackRock, Galliard Capital Management, JPMorgan, Bank of New York (BNY) and Voya Financial. Benchmark returns are provided by BlackRock, BNY, Galliard, and Voya Financial. Although data is gathered from sources believed to be reliable, we cannot guarantee completeness or accuracy.

Plan Administrative Fee: An annual record keeping and communication services fee of $35.50 is deducted from participant accounts on a monthly basis (approximately $2.96 per month). Only one annual fee of $35.50 is deducted from participant accounts for those participants participating in more than one Commonwealth of Virginia defined contribution plan.

Excess over benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the interest rate environment for capital preservation funds.

Underperformance for an actively managed fund.

Excess performance for an actively managed fund.

Below benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the the nature of book value accounting treatment for stable value funds as it relates to interest rates.

TIAA ORPHE

Bundled ORP for Higher Education - TIAA RC Contract[1,2]

Data for period ending June 30, 2026

Fund	Type	Fund Expense Ratio	Returns: 1 Year	Returns: 3 Years*	Returns: 5 Years*	3 Year Statistics: Standard Deviation (%)	3 Year Statistics: Sharpe Ratio	3 Year Statistics: Tracking Error	3 Year Statistics: Information Ratio	5 Year Statistics: Standard Deviation (%)	5 Year Statistics: Sharpe Ratio	5 Year Statistics: Tracking Error	5 Year Statistics: Information Ratio
		%	%	%	%	%		%		%		%	
BlackRock Equity Index Fund J	Passive	0.01	**22.31**	**20.61**	**13.40**	13.05	1.21	0.01	n/a	15.85	0.61	0.01	n/a
S&P 500 Index			22.32	20.61	13.41	13.05	1.21			15.85	0.61		
Excess Return			-0.01	0.00	-0.01								
MSTAR Ave: Large Blend			*19.85*	*18.11*	*11.13*								
BlackRock Russell 2500 Index Fund J	Passive	0.02	**36.79**	**18.49**	**8.38**	17.89	0.76	0.05	n/a	19.31	0.24	0.05	n/a
Russell 2500 Index			36.72	18.40	8.30	17.89	0.76			19.31	0.24		
Excess Return			0.07	0.09	0.08								
MSTAR Ave: Mid-Cap Blend			*22.99*	*15.54*	*8.63*								
BlackRock MSCI ACWI ex-U.S. IMI Index Fund M	Passive	0.07	**27.36**	**18.77**	**8.74**	13.21	1.05	1.99	n/a	15.67	0.32	2.16	n/a
MSCI ACWI ex-U.S. IMI Index			26.56	18.50	8.44	13.99	0.98			15.60	0.30		
Excess Return			0.80	0.27	0.30								
MSTAR Ave: Foreign Large Blend			*21.13*	*16.50*	*8.25*								
BlackRock MSCI ACWI IMI Index Non-Lendable Fund M	Passive	0.05	**24.47**	**19.70**	**10.84**	12.54	1.18	0.80	n/a	15.15	0.47	0.85	n/a
MSCI ACWI IMI Index			24.22	19.45	10.57	12.84	1.14			15.17	0.45		
Excess Return			0.25	0.25	0.27								
MSTAR Ave: Global Large Stock Blend			18.13	*15.56*	*8.34*								
TIAA Real Estate Account	Active	0.86	4.27	-1.89	1.10	4.03	-1.62	2.20	-1.46	6.48	-0.40	3.18	-0.55
Custom Benchmark[3]			5.51	1.21	2.77	2.52	-1.36			5.04	-0.17		
Excess Return			-1.24	*-3.10*	*-1.67*								

*Annualized.

[1] Refer to the unbundled DC plans for information regarding BlackRock's LifePath Index Funds N, Short-Term Investment Fund W, U.S. Debt Index Fund M and U.S. TIPS Fund M. Although the unbundled DC plans use white label fund names and TIAA does not, these funds are the same exact funds.

[2] The TIAA Traditional Annuity is not included in this exercise due to the fact there is no performance benchmark associated with TIAA's fixed annuity product offering.

[3] Effective January 2014, the Custom Benchmark is 70% NCREIF Open End Diversified Core Equity (ODCE) Net Index, 20% Bloomberg 3-Month Treasury Bill Index and 10% Dow Jones U.S. Select REIT Index.TIAA's investment management team does not manage its real estate account to a published index benchmark. The Custom Benchmark represents a reasonable proxy of how TIAA allocates among real property, short-term investments and REITs over time. VRS anticipates that the TIAA Real Estate Account's returns may vary greatly from those of the custom benchmark.

Excess over benchmark return by 10 bps or more for index funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing.

Underperformance for an actively managed fund.

Data provided by TIAA, BlackRock, Morningstar, VRS and eVestment.

Bundled ORP for Higher Education - TIAA RC Contract Fund Annual Operating Expenses[1,2,3]
Information as of June 30, 2026

Investment Option	Investment Manager	Type	Investment Management Costs	Record-Keeping & Plan Administration Costs	[12(b)-1] Distribution Costs	Other Costs	Total Annual Expense Ratio	Expense Ratio YOY Change
TIAA Real Estate Account	TIAA	Active (variable annuity)	0.280000%	0.255000%	0.040000%	0.280000%	**0.86%**	-0.04%
BlackRock Equity Index Fund J	BlackRock	Passive	0.010000%	n/a	n/a	0.000900%	**0.01%**	0.00%
BlackRock Russell 2500 Index Fund J	BlackRock	Passive	0.012500%	n/a	n/a	0.010000%	**0.02%**	0.00%
BlackRock MSCI ACWI ex-U.S. IMI Index Fund M	BlackRock	Passive	0.050000%	n/a	n/a	0.018500%	**0.07%**	0.00%
BlackRock MSCI ACWI IMI Index Non-Lendable Fund M	BlackRock	Passive	0.035000%	n/a	n/a	0.009700%	**0.05%**	0.00%

[1] There are no short-term trading redemption costs associated with any of the investment options.

[2] Refer to the unbundled DC plans for information regarding BlackRock's LifePath Index Funds N, Short-Term Investment Fund W, U.S. Debt Index Fund M and U.S. TIPS Fund M. The unbundled DC plans use white label fund names for the aforementioned funds. However, TIAA does not have the capability to use white label fund names.

[3] Effective July 2022, TIAA no longer provides an estimated expense ratio for its TIAA Traditional Annuity product.

Bundled ORP for Higher Education - TIAA RC Contract [1]
Annual Calendar Year End Return Data

TIAA Traditional Annuity RC	**4.51**	**4.66**	**4.79**	**4.17**	**3.55**
TIAA Real Estate Account	**3.97**	**-4.12**	**-13.62**	**8.19**	**17.87**
Custom Index	3.29	0.33	-6.72	2.09	18.86
BlackRock Equity Index Fund J	**17.87**	**25.02**	**26.29**	**-18.11**	**28.72**
S&P 500 Index	17.88	25.02	26.29	-18.11	28.71
MSTAR Ave: Large Blend	15.56	20.70	22.14	-16.96	26.07
BlackRock Russell 2500 Index Fund J[2]	**12.02**	**12.09**	**17.61**	**-18.35**	**18.22**
Russell 2500 Index	11.91	12.00	17.42	-18.37	18.18
MSTAR Ave: Mid-Cap Blend	8.94	14.25	15.91	-14.01	23.40
BlackRock MSCI ACWI ex-U.S. IMI Index Fund M	**32.51**	**5.09**	**15.47**	**-16.31**	**8.57**
MSCI ACWI ex-U.S. IMI Index	31.96	5.23	15.62	-16.58	8.53
MSTAR Ave: Foreign Large Blend	30.00	4.78	16.31	-15.84	9.72
BlackRock MSCI ACWI IMI Index Non-Lendable Fund M	**22.42**	**16.54**	**21.72**	**-18.05**	**18.27**
MSCI ACWI IMI Index	22.06	16.37	21.58	-18.40	18.22
MSTAR Ave: Global Large Stock Blend	19.09	12.41	17.81	-16.67	17.72

Data provided by TIAA, BlackRock and Morningstar.

[1] Refer to the unbundled DC plans for information regarding BlackRock's LifePath Index Funds N, Short-Term Investment Fund W, U.S. Debt Index Fund M and U.S. TIPS Fund M. Although the unbundled DC plans use white label names and TIAA does not, these are the exact same funds.
[2] Returns reflect that of the M share class for 2022 and 2021.

Defined Contribution Plans Advisory Committee Report
TIAA RC Contract Investment Performance

Below are the totals for the period ending June 30, 2026. Returns greater than one year are annualized.

Investment Options	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs / Since Inception[1]	Fund Expense Ratio[2]	Inception Date	Market Value	% of Market Value[19]	% of Participants Selecting an Option[20]
Target Date Portfolios [3,4]	%	%	%	%	%	%	%	%		$	%	%
BlackRock LifePath Index Retirement Fund N	**-0.22**	**5.36**	**5.45**	**11.65**	**9.95**	**4.28**	**6.05**	**0.06**	**8/1/05**	**50,411,523**	**7.8**	**11.0**
Custom Benchmark	-0.27	5.53	5.29	11.57	9.94	4.28	6.01					
BlackRock LifePath Index 2030 Fund N	**-0.18**	**6.93**	**6.55**	**13.77**	**11.88**	**5.71**	**8.17**	**0.06**	**8/1/05**	**47,803,389**	**7.4**	**8.2**
Custom Benchmark	-0.26	7.15	6.37	13.67	11.86	5.68	8.10					
BlackRock LifePath Index 2035 Fund N	**-0.08**	**8.76**	**7.87**	**16.23**	**13.73**	**6.97**	**9.39**	**0.06**	**7/5/06**	**42,735,352**	**6.6**	**8.8**
Custom Benchmark	-0.22	9.01	7.60	16.05	13.67	6.91	9.29					
BlackRock LifePath Index 2040 Fund N	**-0.12**	**10.34**	**9.26**	**18.71**	**15.53**	**8.18**	**10.52**	**0.06**	**8/1/05**	**51,774,701**	**8.0**	**9.5**
Custom Benchmark	-0.27	10.66	8.98	18.48	15.46	8.09	10.39					
BlackRock LifePath Index 2045 Fund N	**-0.18**	**12.00**	**10.60**	**21.17**	**17.29**	**9.34**	**11.47**	**0.06**	**7/5/06**	**49,425,841**	**7.6**	**10.7**
Custom Benchmark	-0.36	12.37	10.27	20.92	17.20	9.23	11.33					
BlackRock LifePath Index 2050 Fund N	**-0.27**	**13.40**	**11.64**	**23.32**	**18.76**	**10.26**	**12.11**	**0.06**	**9/30/07**	**33,990,294**	**5.2**	**9.1**
Custom Benchmark	-0.45	13.82	11.27	23.03	18.66	10.14	11.96					
BlackRock LifePath Index 2055 Fund N	**-0.32**	**14.05**	**12.12**	**24.36**	**19.45**	**10.68**	**12.34**	**0.06**	**5/19/10**	**21,760,117**	**3.4**	**8.3**
Custom Benchmark	-0.51	14.54	11.77	24.11	19.37	10.57	12.20					
BlackRock LifePath Index 2060 Fund N	**-0.33**	**14.16**	**12.19**	**24.52**	**19.52**	**10.72**	**12.36**	**0.06**	**11/17/14**	**7,373,484**	**1.1**	**5.1**
Custom Benchmark	-0.53	14.68	11.87	24.32	19.47	10.62	12.23					
BlackRock LifePath Index 2065 Fund N	**-0.33**	**14.16**	**12.19**	**24.52**	**19.53**	**10.73**	**13.33**	**0.06**	**9/23/19**	**12,495,128**	**1.9**	**3.9**
Custom Benchmark	-0.53	14.69	11.87	24.32	19.48	10.62	13.27					
BlackRock LifePath Index 2070 Fund N	**-0.33**	**14.16**	**12.19**	**24.52**	**n/a**	**n/a**	**18.66**	**0.06**	**9/27/24**	**1,426,379**	**0.2**	**0.3**
Custom Benchmark	-0.53	14.69	11.87	24.32	n/a	n/a	18.28					
Individual Options												
BlackRock Short-Term Investment Fund W [5]	**0.32**	**0.96**	**1.92**	**4.16**	**4.94**	**3.85**	**2.60**	**0.08**	**7/1/03**	**8,254,692**	**1.3**	**6.6**
FTSE 3 Month Treasury Bill Index	0.31	0.93	1.87	4.05	4.86	3.69	2.40					
Yield as of 06/30/26: 3.85%[6]												
BlackRock U.S. Debt Index Fund M [7]	**0.24**	**0.67**	**0.72**	**3.80**	**4.18**	**0.12**	**1.58**	**0.03**	**6/6/96**	**14,446,722**	**2.2**	**14.8**
Bloomberg U.S. Aggregate Bond Index	0.24	0.67	0.62	3.79	4.16	0.08	1.54					
BlackRock U.S. TIPS Fund M [8]	**-0.47**	**0.90**	**1.30**	**3.45**	**4.03**	**1.05**	**2.66**	**0.03**	**7/30/02**	**8,233,603**	**1.3**	**10.6**
Bloomberg U.S. TIPS Index	-0.47	0.89	1.15	3.42	3.98	1.01	2.58					
BlackRock Equity Index Fund J [9]	**-0.95**	**15.20**	**10.20**	**22.31**	**20.61**	**13.40**	**15.52**	**0.01**	**3/5/97**	**89,649,268**	**13.8**	**22.9**
S&P 500 Index	-0.95	15.20	10.21	22.32	20.61	13.41	15.51					
BlackRock Russell 2500 Index Fund J [10]	**3.67**	**20.24**	**22.65**	**36.79**	**18.49**	**8.38**	**12.32**	**0.02**	**9/30/08**	**13,979,496**	**2.2**	**4.7**
Russell 2500 Index	3.68	20.26	22.71	36.72	18.40	8.30	12.25					
BlackRock MSCI ACWI ex-U.S. IMI Index Fund M [11]	**-0.50**	**12.53**	**14.11**	**27.36**	**18.77**	**8.74**	**10.08**	**0.07**	**2/28/11**	**26,920,148**	**4.2**	**14.8**
MSCI ACWI ex-U.S. IMI Index	-1.03	13.82	13.05	26.56	18.50	8.44	9.81					
BlackRock MSCI ACWI IMI Index Non-Lendable Fund M [12]	**-0.38**	**14.32**	**12.06**	**24.47**	**19.70**	**10.84**	**12.86**	**0.05**	**4/12/13**	**92,767,914**	**14.3**	**25.6**
MSCI ACWI IMI Index	-0.61	14.93	11.77	24.22	19.45	10.57	12.54					
TIAA Real Estate Account [13]	**1.16**	**1.48**	**2.10**	**4.27**	**-1.89**	**1.10**	**2.72**	**0.86**	**10/2/95**	**14,553,858**	**2.3**	**21.8**
Custom Composite Benchmark [14]	0.71	2.30	3.73	5.51	1.21	2.77	3.79					
TIAA Traditional Annuity RC [15,16,17,18]	**0.38**	**1.15**	**2.27**	**4.57**	**4.64**	**4.43**	**4.24**	**---[21]**	**8/1/05**	**48,704,444**	**7.5**	**24.6**
Self-Directed Brokerage Account												
TIAA - Self-Directed Account	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**11,551,779**	**1.8**	**1.1**
Total										**$648,258,132**		

Footnotes >

1 If the fund was not in existence for 10 years, fund and corresponding benchmark returns shown represent performance from the since inception date.

2 Fund investment advisers may voluntarily agree to waive expenses. Expense waivers may be terminated at any time.

3 The BlackRock LifePath Index Funds N invest in the master LifePath Index Funds F. The inception dates shown reflect the inception date of the master LifePath Funds F. The inception dates for most LifePath Funds N were 8/15/17. The 2065 Fund's N inception date was 11/15/19, and the 2070 inception date was 10/04/2024. Returns prior to Funds' N inception dates are those of Funds F with deductions taken for Funds N investment management fees.

4 Custom Benchmarks are calculated using blended returns of third-party indices that proportionately reflect the respective weightings of the Portfolios' asset classes. Weightings are adjusted quarterly to reflect the Portfolios' asset allocation shifts over time. As the Funds asset classes have been re-defined or added over time, the indices used to calculate the benchmarks have changed accordingly. As of January 1, 2025, the indices used to calculate the Custom Benchmarks are: Russell 1000 Index, Russell 2000 Index, MSCI ACWI Ex-U.S. IMI Net Dividend Return Index, Bloomberg U.S. Long Credit Bond Index, Bloomberg U.S. Intermediate Credit Bond Index, Bloomberg U.S. Long Government Bond Index, Bloomberg U.S. Intermediate Government Bond Index, Bloomberg U.S. Securitized: MBS, ABS, and CMBS Index, Bloomberg 0-5 TIPS Index, FTSE NAREIT All Equity REITs, FTSE Global Core Infrastructure 50/50, and the Bloomberg Enhanced Roll Yield Index.

5 An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment it is possible to lose money by investing in the Fund.

6 The current yield more closely reflects the earnings of the Fund than the total net return information.

7 The BlackRock U.S. Debt Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 7/20/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M's investment management fees.

8 The BlackRock U.S. Treasury Inflation-Protected Securities Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 7/20/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M' investment management fees.

9 The BlackRock Equity Index Fund J invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund J was 3/20/17. Returns prior to Fund J's inception date are those of Fund F with deductions taken for Fund J's investment management fees.

10 The BlackRock Russell 2500 Fund J invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund J was 10/15/21. Returns prior to Fund J's inception date are those of Fund F with deductions taken for Fund J's investment management fees.

11 The BlackRock MSCI ACWI ex-U.S. IMI Index Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 12/31/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M's investment management fees.

12 The BlackRock MSCI ACWI IMI Index Non-Lendable Fund M invests in the master Fund F. Inception dates for the master Fund F and Fund M are both 4/12/13.

13 Transfers out of the TIAA Real Estate Account (REA) are limited to one per quarter. Currently, these transfers do require a minimum transaction of at least $1000 (except for systematic transfers, which must be at least $100), or entire accumulation if less; however, this minimum may be reduced or eliminated in the future. Individual contract owners are limited from making transfers from making transfers into their account accumulation if, after giving effect to such transfer, the total value of such contract owner's Account accumulation (under all contracts issued to such contract owner) would exceed $150,000.

14 Effective January 2014, the Custom Composite Index is 70% NCREIF Open End Diversified Core Equity (ODCE) Net Index, 20% Bloomberg 3-Month Treasury Bill Index, and 10% Dow Jones U.S. Select REIT Index. Prior periods include other representative indices. TIAA's investment management team does not manage its real estate portfolio to a specific published index benchmark. The Custom Composite Index represents a reasonable proxy of how TIAA allocates assets among real property, short-term investments, and REITs over time. The Virginia Retirement System anticipates that Fund returns may vary greatly from those of the Custom Composite Index. Benchmark returns are not available for months that do not end on a calendar quarter due to the fact that NCREIF ODCE Index returns are only published each calendar quarter.

15 Upon separation from service or retirement, participants can convert their TIAA Traditional accumulation dollar amount to a lifetime income, transfer Payout Annuity, interest-only or required minimum distribution option(s). TIAA Traditional Annuity transfers and withdrawals must be paid in installments over an 84-month period under the Transfer Payout Annuity for the Retirement Choice (RC) contract. Under the Transfer Payout Annuity, each installment includes a portion of principal and interest, based on the rate in effect at the time of the transfer or withdrawal. There are two exceptions to the payout installment. Lump sum withdrawals are available within 120 days after termination of employment with a 2.5% surrender charge and for balances less than $5,000, the surrender charge is waived and 100% of the balance must be withdrawn.

16 The TIAA Traditional Annuity RC contract has minimum guaranteed rate during the accumulation phase of 1% to 3% . The current minimum rate for the RC contract is 3%. Further, the TIAA Traditional Annuity RC contract applies to premiums deposited during the applicable calendar year and is guaranteed for 10 years, at which point the minimum rate for these premiums will be reset.

17 TIAA's annual credited rate on new money for the RC contract for the month of June was 5.25%.

18 The TIAA Traditional Annuity is not an investment for purposes of federal securities laws; it is a guaranteed insurance contract. Therefore, unlike a variable annuity or mutual fund, the TIAA Traditional Annuity does not include an identifiable expense ratio. Each premium allocated to the TIAA Traditional Annuity buys a definite amount of lifetime income for participants based on the rate schedule in effect at the time the premium is paid. In addition, the TIAA Traditional Annuity provides a guarantee of principal, a guaranteed minimum rate of interest and the potential for additional amounts of interest when declared by TIAA's Board of Trustees. Additional amounts, when declared, remain in effect for the "declaration year" that begins each March for the accumulating annuities and January for lifetime payout annuities. Additional amounts are not guaranteed for future years.

19 May not equal 100% due to rounding.

20 The data reflects the percentage of participants who selected a particular investment option as of June 30, 2026. There were 5,843 (RC contract) participants as of June 30, 2026.

21 Effective July 2022, TIAA no longer provides an estimated expense ratio for its TIAA Traditional Annuity product.

Performance returns shown reflect all fund management fees and other investment related expenses, but do not reflect the TIAA annual administrative fee of $28 (deducted at $7.00 per quarter) which would further reduce the returns shown. Performance returns do not reflect redemption fees and/or surrender charges, if applicable.

All calculations assume reinvestment of dividends and capital gains. All returns are calculated in U.S dollars. Fund and benchmark returns are provided by TIAA and BlackRock. Although data is gathered from sources to be reliable, the Virginia Retirement System cannot guarantee completeness or accuracy.

Excess over benchmark return by 10 bps or more for index funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing.

Underperformance for an actively managed fund.

DC Investment Belief Statements

Virginia Retirement System®

VRS Defined Contribution Plans Investment Belief Statements

APPROVED BY THE BOARD OF TRUSTEES: APRIL 23, 2026*

I. Introduction

The Virginia Retirement System (VRS) fulfills the fiduciary obligations outlined in the *Code of Virginia,* which require the VRS Board of Trustees (Board) to discharge its duties with respect to the defined contribution (DC) plans solely in the interest of the beneficiaries thereof and affords the Board the opportunity to contract with private corporations or institutions subject to the standards set forth in § 51.1-124.30 to provide investment products and services. The Board, therefore, developed these Defined Contribution Plans Investment Beliefs to guide the strategic management of the VRS DC Plans investment program. These statements represent a high-level framework for making decisions that require balancing multiple, often competing, factors and issues. In addition, the Defined Contribution Plans Investment Beliefs provide context for VRS actions and reflect VRS values, with a focus on maintaining the long-term commitment to provide benefits to participants.

II. VRS DC Investment Belief Statements

The Board developed the following Defined Contribution Plans Investment Belief Statements to guide decisions and provide an anchor to the stated goals and objectives.

Goals and Objectives

A defined contribution plan provides participants an individual account to exercise discretion over their retirement assets using investment options selected by VRS or selected by the participant through the brokerage window. Each participant has an individual risk tolerance, time horizon and investment objectives.

1. The primary objective of the VRS DC Plans is to provide participants with an array of investment choices across a range of asset classes, risk levels and investment strategies so participants have the opportunity to develop a retirement income stream that complements the VRS Defined Benefit (DB) Plan or other retirement income.

2. Given the vital role of the DC Plans in VRS' primary retirement plan offerings, appropriate governance of the DC Plans is critical.

- **a.** The VRS Board of Trustees has overall fiduciary authority over the DC investment program. To assist the Board in fulfilling its duty the Board has appointed a Defined Contribution Plans Advisory Committee to provide the Board with objective DC plan design and investment advice.

(Continued)

b. Governing documents such as the Charter for the DC Plans Advisory Committee, DC Investment Policy Statements, Master Trusts and Plan Documents delineate various roles and responsibilities of the Board, the Committee, VRS staff and other interested parties. The Foreign Adversaries Policy provides guidance regarding the security selection.

3. VRS is responsible for offering a reasonable range of diversified portfolios to serve as the Plans' default investment option and for participants who do not have the time, desire, or expertise to design and manage a diversified portfolio.

4. To the extent possible, VRS will explore and implement capabilities, controls and procedures that are transferrable from VRS' DB plan activities to VRS' DC plans activities, particularly with respect to investments.

a. Well-structured alternative investments can enhance an individual participant's portfolio risk/reward profile. VRS will examine methods for providing qualifying alternative investment options into its menu of pre-mixed diversified investment options, where feasible.

5. VRS will monitor and evaluate DC plans industry best practices and incorporate them where feasible to seek to enhance plan outcomes as demonstrated by qualitative and quantitative measures.

6. Controlling and managing costs is critical to a successful DC plan investment program.

a. Investment options should provide competitive net-of-cost risk-adjusted returns.

b. The DC Plans' costs should be transparent to the individual participant.

c. Given VRS' large-scale presence in the institutional marketplace, it is beneficial for the individual participant to access VRS' expertise and capabilities.

d. Unbundling of DC administration and investment activities should lead to improved cost management.

7. Investment offerings should present wide-ranging options to accommodate participants' varying investment knowledge and/or interest in managing their investments while addressing the differences among participants at varying career stages.

a. Individuals should be educated to recognize that their specific investment plans require a long-term, multi-decade planning/investment horizon.

b. Investment horizons are unique to the individual participant and may extend beyond the accumulation phase into the retirement (decumulation) phase.

(Continued)

- **c.** In keeping with industry best practice, the administrative and investment aspects of the individual's overall investment plan should be unbundled/disaggregated to allow for maximum design flexibility.

- **d.** VRS should continue efforts to contact eligible employees who are not participating in the VRS DC plans to build awareness of plan benefits.

8. The self-directed brokerage window that VRS provides in the VRS DC Plans can serve as an effective investment tool for individual participants.

9. VRS should continue to explore viable solutions to assist participants in managing the critically important task of decumulation of retirement assets.

10. Participant investment education is a valuable resource to participants and can enhance a successful program.

- **a.** Participant investment education should cover certain key topics consistent with industry best practices including:

  - **i.** Identifying principal retirement planning risks (see Belief Statement 11).

  - **ii.** Understanding the accumulation phase versus the decumulation phase.

  - **iii.** Analyzing the costs associated with various investment options.

  - **iv.** Considering the impact of non-plan (outside) assets.

  - **v.** Considering other potential sources of retirement income.

- **b.** VRS should also consider making various investment advice and financial planning solutions/products available to participants.

11. VRS should seek to inform DC plan participants about fundamental retirement planning risks.

- **a.** *Shortfall risk* – The probability or potential that individuals may not meet their long-term retirement savings goal.

- **b.** *Longevity risk* – The potential that individuals may outlive their retirement assets.

- **c.** *Drawdown risk* – The impact that short-term declines in a portfolio can have on long-term values.

Unbundled DC Plan Structure
Investment Policy Statement

VRS Investment Policy Statement
for an Unbundled Defined Contribution Plan Structure

**APPROVED BY THE BOARD OF TRUSTEES:
EFFECTIVE APRIL 23, 2026***

The Virginia Retirement System (VRS) sponsors several primary and supplemental defined contribution (DC) plans. Most plans operate fully under an unbundled (open architecture) approach whereby the investment function is contracted separately from the recordkeeping, enrollment and marketing functions. The purposes of the plans are set forth in the Plan Documents and Master Trusts, which are accessible on the VRS website at dcpemployers.varetire.org.

This Investment Policy Statement has been adopted by the VRS Board of Trustees (Board) to provide guidelines for the investment offerings under an unbundled plan construct. Plans using an unbundled structure approach include the Deferred Compensation Plan of the Commonwealth of Virginia, the Virginia Cash Match Plan, the Optional Retirement Plan of the Commonwealth of Virginia for Political Appointees, the Optional Retirement Plan of the Commonwealth of Virginia for Public School Superintendents, the Virginia Supplemental Retirement Plan, the defined contribution component of the Hybrid Retirement Plan and the Optional Retirement Plan of the Commonwealth of Virginia for Employees of Institutions of Higher Education.

1. Investment Objectives

In a defined contribution investment program, each participant has his or her own risk tolerance, time horizon and investment objectives. Participants are responsible for their own investment decisions. To help meet these varying needs, the VRS unbundled DC plans seek to provide participants with an array of investment choices across a range of asset classes, risk levels, and investment strategies so they can construct and/or invest in portfolios that address their individual needs, and do so using investment vehicles and structures that provide competitive risk-adjusted returns at a reasonable cost. Additionally, institutionally priced out-of-plan and/or in-plan guaranteed or non-guaranteed retirement income solutions may be made available.

The Board recognizes that DC plan participants have varying levels of investment knowledge and/or interest in actively managing their investments. The following organizational framework has been designed to categorize the types of investment options available to VRS unbundled DC plan participants:

- *Do-It-For-Me Investors:* These investors may have limited investment knowledge, confidence, or interest in managing their investments. For whatever reason, they prefer a pre-packaged, diversified investment option that has been designed to reasonably fit most people of their ages and retirement planning horizons. To meet this need, a series of Target Date Portfolios is made available whose investment policy, glide paths, and investment strategies are expected to meet the general needs of the average DC plan participant, based on a periodic analysis of the demographic characteristics of participants and the long-term investment opportunity set.

** Originally adopted February 16, 2012. Amended November 14, 2013, February 9, 2017, January 2, 2020 and April 23, 2026.*

(Continued)

- *Help-Me-Do-It Investors:* These investors have some knowledge of investments and want to be more involved in structuring their portfolios, but they would like the ability to pick from a menu of fund options that have been screened by VRS and for which investment fees and expenses have been negotiated to institutional price levels through VRS bargaining power. To meet this need, a menu of Core Investment Options is made available, each targeted to a different asset class or strategy. The core fund lineup will generally consist of funds representing the constituent asset classes included in the target date portfolios, but there may be funds included in the core lineup that are not included in the target date portfolios, and vice versa.
- *Do-It-Myself Investors:* Some investors are very knowledgeable and/or desire to take a very active approach to their investments, and, therefore, may desire investment alternatives in addition to those offered as part of the Target Date Portfolios or Core Investment Options. To meet this need, a self-directed brokerage account (SDBA) is made available to self-designated knowledgeable investors who are willing to accept all risks, costs, and operational rules and procedures related to participating in a SDBA.

2. Decision Making

The Board is responsible for the following:

- Selection of the default investment option. (Appendix 1)
- Within Target Date Portfolios, ensuring a robust process is used to establish the glide path's asset allocation and to determine which asset classes and strategies to include. (Appendix 1)
- Within the Core Investment Options, included asset classes. (Appendix 2)
- Whether to offer a Self-Directed Brokerage Account (SDBA). (Appendix 3)
- Whether individual investment advice and/or managed accounts will be provided and the terms on which it will be available to participants.

Beyond these guidelines, the Board delegates to the Chief Investment Officer (CIO) all other decisions related to VRS unbundled defined contribution investments. Changes that are contemplated are expected to be done with due consideration of administrative needs as to the operations, outreach, and communications, etc. The CIO or a designee will report regularly to the Defined Contribution Plans Advisory Committee (DCPAC) and Board on the status and investment results of the DC investment program. Included in such reporting will be performance benchmarks selected by the CIO to appropriately measure or compare the risk and investment objectives of the various investment options.

In carrying out its fiduciary duty to oversee DC investments, the Board will consider advice and recommendations provided by the DCPAC. The specific duties and responsibilities of the DCPAC are described in the DCPAC Charter.

Additionally, the Board developed a set of Defined Contribution Plans Investment Belief Statements intended to help guide the strategic management of the VRS DC investment program.

(Continued)

3. Plan Level Policies

The CIO has full authority to hire and terminate investment managers and negotiate or renegotiate fees. The CIO shall develop policies and procedures for hiring, monitoring and terminating investment managers and other investment-related service providers. The CIO shall also develop procedures for appropriate mapping of plan assets and/or funds as situations arise. Mapping means the transfer of assets from a discontinued investment option or terminated investment manager to another investment option or investment manager under the DC plans. The CIO works with the Director to coordinate implementation relating to changes to the unbundled DC plans investment program and may consult with the DCPAC as needed.

The CIO is responsible for ensuring that adequate due diligence is being performed in the evaluation of potential and existing investments, and that all investment activity will be in compliance with applicable regulatory requirements.

4. Trading Restrictions and Redemption Fees

The Board and the investment managers may impose restrictions and/or fees that discourage investment trading that could have an adverse impact on the management of a fund, other plan participants, or clients of the fund's management.

5. Authority to Execute Contracts

The CIO and the Chief Administrative Officer (CAO) have full authority to execute contracts on behalf of VRS, provided that any contract relating directly to an investment decision must be approved by the CIO. Such contracts may include, but not be limited to, investment management contracts, subscription agreements, service agreements and consulting contracts.

6. Best Execution

Generally, all investment transactions executed on behalf of the plans should be made on the basis of best execution. VRS defines best execution as the process and price that results in the best overall performance impact, as judged by the portfolio manager, taking into account current market conditions. VRS will generally discourage the use of soft dollar arrangements, and where such arrangements are utilized, staff will review this usage for reasonableness.

7. Foreign Adversaries

VRS will mitigate its direct and indirect economic exposure to foreign adversaries as identified by federal agencies involved in law enforcement, national security, security regulation, and economic policies related to the economic activities of U.S. persons. The Board delegates to the CIO all decisions relating to the implementation and administration of such exposure.

8. Use of Consultants/Service Providers

The CIO has the authority to hire consultants, research providers, and other service providers providing that such expenditures align with the Board-approved operating budget.

9. Code of Ethics

The investment staff will conduct its affairs in a manner that reflects the highest standards of ethical conduct. The staff is expected to comply with the CFA Institute of Code of Ethics and Standards of Professional Conduct.

Target Date Portfolios
As of April 23, 2026
Appendix 1

A series of target date portfolios with investment policy glide paths and investment strategies that are expected to meet the general needs of the average DC plan participant in different age cohorts is offered through the plans. A glide path represents the changes made to the asset allocation mix over time as the target date approaches. There is a higher equity allocation in the longer dated portfolios because of the long-term investment time horizon. Over time, the equity allocation decreases as the investment time horizon decreases.

The Board expects target date portfolios to be broadly diversified. These portfolios may include exposure to various sub-segments of the broad asset classes as well as to alternative asset classes as determined by the target date provider using reasonable optimization techniques to measure the risk/reward trade off. Asset classes used within target date portfolios may include: large cap domestic equity; small/mid cap domestic equity; international equity; emerging market equity and debt; domestic core fixed income; high-yield bonds; inflation-protected securities; international/global fixed income; commodities; real estate; and cash. A target date portfolio is not required to include each of these asset classes and may include other asset classes. If feasible, a retirement income solution may be incorporated within those portfolios near, at and through retirement.

The target date portfolios' glide paths shall be based on sound investment theory and investment methodology as well as reasonable capital market assumptions. Plan demographics shall be taken into consideration when developing a custom glide path or selecting an off-the-shelf provider. Based on work done by a consultant together with VRS staff, advice from the DCPAC, and general investment philosophy of VRS, the Board expects to employ a glide path that is more on the conservative side of the target date portfolios available at the time of the study. The percentage allocation to equities in a more conservative glide path is comparatively lower than that of an aggressive glide path at retirement.

The target date portfolios serve as the unbundled DC plans default investment option.

Asset Classes: Core Funds
As of April 23, 2026
Appendix 2

Core investment options shall represent the broad asset classes available in the capital markets to the extent they are practical and, when prudent, certain sub-asset classes. The core fund lineup will generally consist of funds representing the constituent asset classes included in the target date portfolios, but there may be funds included in the core lineup that are not included in the target date portfolios, and vice versa. From time-to-time additional asset classes may be added or existing asset classes may be deleted in order to maintain an array of investment options that address participants' changing needs or changes in the investment industry. If feasible, retirement income solutions may be included as part of the menu of core investment options.

The Board delegates to the CIO decisions as to 1) whether a fund investment option shall utilize a passive or active investment strategy or a combination of both; 2) whether a fund should exhibit a large, mid, or small capitalization structure or a combination thereof; 3) whether a fund should exhibit a growth, value, blended style, or targeted volatility orientation; 4) whether a fund should have a single investment manager or use multiple investment managers or firms; and 5) whether a fund invests in a single asset class or more than one asset class.

The following asset class categories are considered for possible inclusion in the plans:

Capital Preservation
- Money Market
- Stable Value

Fixed Income
- Investment grade (short-term, intermediate, long-term)
- Inflation-Protected
- High-Yield
- International/Global

Global Public Equity
- U.S. Equity
- Non-U.S. Developed Equity
- Emerging Equity

Real Estate (public & private)

Asset Allocation
- VRS unitized investment portfolio (VRSIP) – includes all asset classes utilized in the VRS investment portfolio.

Self-Directed Brokerage Account
As of April 23, 2026
Appendix 3

A Self-Directed Brokerage Account (SDBA) is available for self-designated knowledgeable investors who acknowledge and understand the SDBA's operational rules and procedures as well as the risks and costs associated with the investments allowed in the SDBA. Subject to limitations imposed by the SDBA provider, allowable SDBA investments include mutual funds, exchange traded funds (ETFs) and individual securities. Participants must complete the SDBA enrollment materials prior to investing in the SDBA.

The SDBA is made available through the plans' third-party administrator (record keeping contract) and is not contracted for separately. The third-party administrator (record keeper) may change the SDBA provider from time to time.

Bundled DC Plan Structure
Investment Policy Statement

VRS Investment Policy Statement
for a Bundled Defined Contribution Plan Structure

This Investment Policy Statement has been adopted by the VRS Board of Trustees (Board) to provide guidelines for the investment offerings provided to participants of the Optional Retirement Plan of the Commonwealth of Virginia for Employees of Institutions of Higher Education (ORPHE) when a bundled plan construct is utilized. The purpose of the plan is set forth in the Plan Document and Master Trust, which are accessible on the VRS website at dcpemployers.varetire.org. Bundled plans use the same company for investments, recordkeeping, enrollment and marketing services. A bundled plan provider's investment platform may include the provider's proprietary investment options as well as non-proprietary options.

1. Investment Objectives

In a defined contribution (DC) investment program, each participant has his or her own risk tolerance, time horizon and investment objectives. Participants are responsible for their own investment decisions. To help meet these varying needs, the VRS ORPHE seeks to provide participants with an array of investment choices across a range of asset classes, risk levels, and investment strategies so they can construct and/or invest in portfolios that address their individual needs, and do so using investment vehicles and structures that provide competitive risk-adjusted returns at a reasonable cost within a bundled plan construct. Additionally, institutionally priced out-of-plan and/or in-plan guaranteed or non-guaranteed retirement income solutions may be made available.

The Board recognizes that DC plan participants have varying levels of investment knowledge and/or interest in actively managing their investments, and, therefore, may desire investment alternatives in addition to those offered as part of a core investment lineup. To meet this need, a self-directed brokerage account (SDBA) is made available to self-designated knowledgeable investors who are willing to accept all risks, costs, and operational rules and procedures related to participating in a SDBA.

2. Decision Making

The Board is responsible for the following:

- Selection of the plan default investment option. (Appendix 1)
- Within the fund lineup, included asset classes. (Appendix 2)
- Whether to offer a Self-Directed Brokerage Account (SDBA). (Appendix 3)
- Whether individual investment advice will be provided and the terms on which it will be available to participants.

(Continued)

** Originally adopted February 16, 2012. Amended November 14, 2013, February 9, 2017, January 2, 2020 and April 23, 2026.*

Beyond these guidelines, the Board delegates to the Chief Investment Officer (CIO) all other investment decisions related to the ORPHE as it relates to the bundled plan structure. The CIO or a designee will report regularly to the Defined Contribution Plans Advisory Committee (DCPAC) and Board on the status and investment results of the investment program. Included in such reporting will be performance benchmarks selected by the CIO to appropriately measure or compare the risk and investment objectives of the various investment options.

In carrying out its fiduciary duty to oversee DC investments, the Board will consider advice and recommendations provided by the DCPAC. The specific duties and responsibilities of the DCPAC are described in the DCPAC Charter.

Additionally, the Board developed a set of Defined Contribution Plans Investment Belief Statements intended to help guide the strategic management of the VRS DC investment program.

3. Plan Level Policies

The CIO shall work with the VRS Director and the DCPAC when hiring and terminating a bundled plan provider. The CIO has full authority to select or eliminate fund options within a bundled plan provider's investment program using reasonable processes and to negotiate or renegotiate investment fees. The CIO shall also develop procedures for appropriate mapping of bundled plan assets and/or funds as situations arise. Mapping means the transfer of assets from a discontinued investment option or terminated provider to another investment option or provider under the ORPHE. The CIO works with the Director to coordinate implementation relating to changes to the bundled plan investment program and may consult with the DCPAC as needed.

The CIO is responsible for ensuring that adequate due diligence is performed when evaluating potential and existing investments, and that all investment activity will be in compliance with applicable regulatory requirements.

4. Trading Restrictions and Redemption Fees

The Board and the bundled plan provider(s) may impose restrictions and/or fees that discourage investment trading that could have an adverse impact on the management of a fund, other participants, or clients of the provider companies.

(Continued)

5. Best Execution

Taking into consideration the nature of a bundled DC plan structure, generally all investment transactions executed on behalf of the plan should be made on the basis of best execution. VRS defines best execution as the process and price that results in the best overall performance impact, as judged by the portfolio manager, taking into account current market conditions. VRS will generally discourage the use of soft dollar arrangements, and where such arrangements are utilized, staff will review this usage for reasonableness.

6. Foreign Adversaries

VRS will mitigate its direct and indirect economic exposure to foreign adversaries as identified by federal agencies involved in law enforcement, national security, security regulation and economic policies related to the economic activities of U.S. persons. The Board delegates to the CIO all decisions relating to the implementation and administration of such exposure.

7. Use of Consultants/Service Providers

The CIO has the authority to hire consultants, research providers and other service providers providing that such expenditures align with the Board-approved operating budget.

8. Code of Ethics

The investment staff will conduct its affairs in a manner that reflects the highest standards of ethical conduct. The staff is expected to comply with the CFA Institute of Code of Ethics and Standards of Professional Conduct.

Default Investment Option
Effective January 2, 2020
Appendix 1

TIAA-CREF Program: BlackRock LifePath Index Funds

Asset Classes: Investment Options
Effective April 23, 2026
Appendix 2

Investment options shall represent the broad asset classes available in the capital markets to the extent they are practical and, when prudent, certain sub-asset classes. From time to time additional asset classes may be added, or existing asset classes may be deleted in order to maintain an array of investment options that address participants' changing needs or changes in the investment industry. If feasible, retirement income solutions may be included as part of the menu of core investment options and embedded within asset allocation funds (i.e., target date funds).

The Board notes that due to the nature of the bundled plan structure, investment decisions are limited to investment options that are, or can be made, available on a provider's investment platform. It is possible that bundled plan constraints may limit the scope of investment options available to participants, limit access to more attractive options within the asset classes and limit the extent to which negotiations can be made relative to investment management and investment related fees.

The Board delegates to the CIO decisions as to 1) whether a fund investment option shall utilize a passive or active investment strategy or a combination of both; 2) whether a fund should exhibit a large, mid, or small capitalization structure or a combination thereof; 3) whether a fund should exhibit a growth, value, blended style, or targeted volatility orientation; 4) whether a fund should have a single investment manager or use multiple investment managers or firms and; 5) whether a fund invests in a single asset class or more than one asset class.

The following asset class categories are considered for possible inclusion in the plan:

Capital Preservation
- Money Market
- Stable Value
- Fixed Annuity

Fixed Income
- Investment grade (short-term, intermediate, long-term)
- Inflation-Protected
- High-Yield
- International/Global

Global Public Equity
- U.S. Equity
- Non-U.S. Developed Equity
- Emerging Equity

Real Estate (public & private)

Asset Allocation
- Target Date
- Risk Based

(Continued)

Asset Classes: Investment Options
Effective April 23, 2026
Appendix 2 *(continued)*

The Board expects asset allocation funds to be diversified portfolios. These portfolios may include exposure to various sub-segments of the broad asset classes as well as to alternative asset classes as determined by the provider company using reasonable optimization techniques to measure the risk/reward trade off. Asset classes used within asset allocation funds may include: large cap domestic equity, small/mid cap domestic equity, international equity, emerging market equity and debt, domestic core fixed income, high-yield bonds, inflation-protected securities, international/global fixed income, commodities, real estate and cash. An asset allocation fund is not required to include each of these asset classes and may include other asset classes. Glide paths for target date portfolios shall be based on sound investment theory and investment methodology as well as reasonable capital market assumptions. A glide path represents the changes made to the asset allocation mix over time as the target date approaches. There is a higher equity allocation in the longer dated portfolios because of the long-term investment time horizon. Over time, the equity allocation decreases as the investment time horizon decreases.

Self-Directed Brokerage Account
Effective April 23, 2026
Appendix 3

A Self-Directed Brokerage Account (SDBA) is made available through the plan's bundled provider(s) and is not contracted for separately. A bundled plan provider may change its SDBA provider from time to time.

The SDBA is available for self-designated knowledgeable investors who acknowledge and understand the SDBA's operational rules and procedures as well as the risks and costs associated with the investments allowed in the SDBA. Subject to limitations imposed by the SDBA provider, allowable investments include mutual funds, exchange traded funds (ETFs) and individual securities. Participants must complete the SDBA enrollment materials prior to investing in the SDBA.

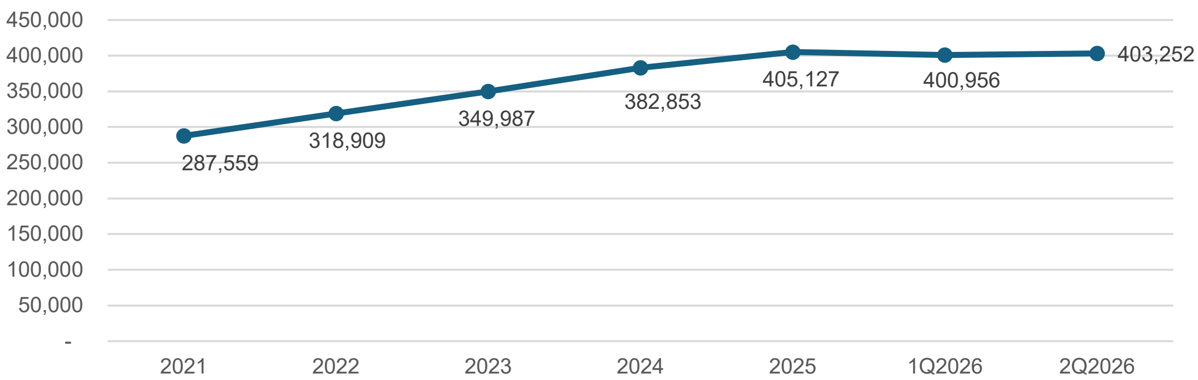
Quarterly Review

VRS Defined Contribution Plans
April 1, 2026– June 30, 2026

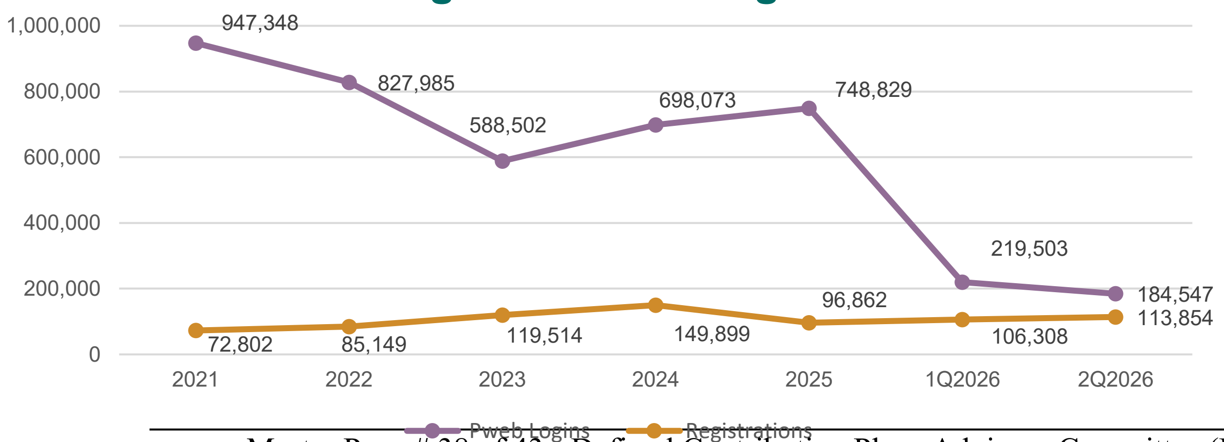
VRS Defined Contribution Plans[1]
2nd Quarter 2026– *DC Plans Metrics*

Total Assets[2]: $11,972,351,191.07   Total Accounts[2]: 741,289

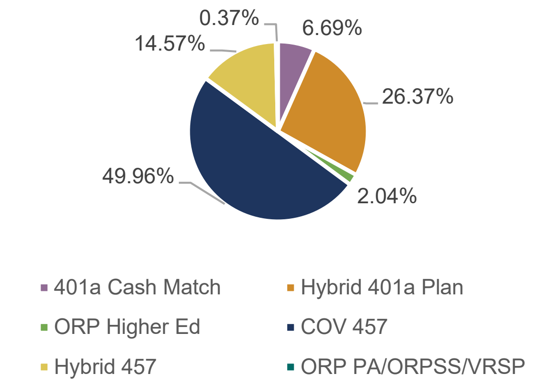
Unique Participants



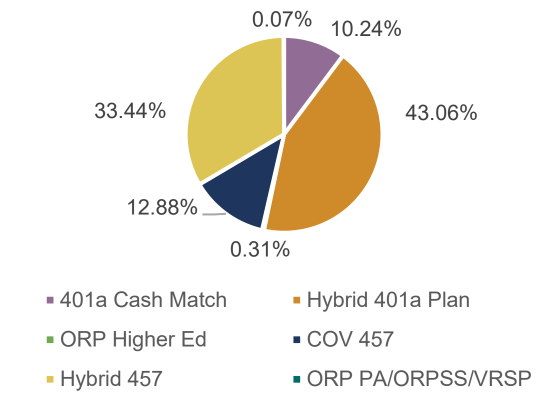
Account Access Registrations & Logins



Assets Under Management



Accounts Under Management



Top 10 Visited Pages

1. Dashboard
2. Account Details
3. Retirement Summary (MyOM)
4. Transactions
5. Account Summary
6. Balance
7. Manage Investments
8. Account History
9. Loans/Withdrawals
10. Mail Preferences

VRS Defined Contribution Plans
2nd Quarter 2026– *DC Plans Participant Engagement*

Call Center Participant Services

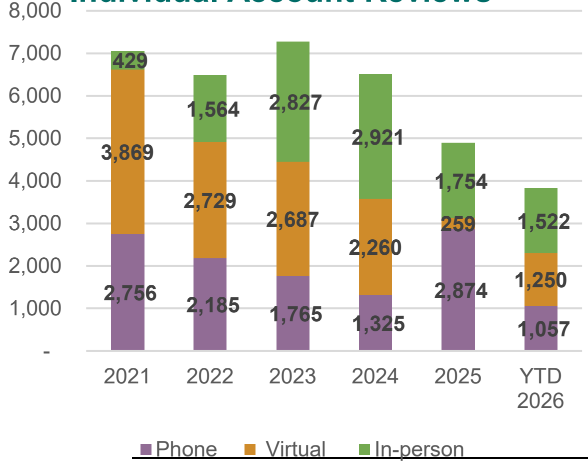
- 44,025 calls received YTD 2026
- 94,713 calls received in 2025
- 68,791 calls received in 2024
- 60,397 calls received in 2023
- 55,471 calls received in 2022
- 55,311 calls received in 2021

Current call trends:
1. Terminations
2. Plan Overview
3. Account Maintenance
4. Phone Update
5. Plan Participation

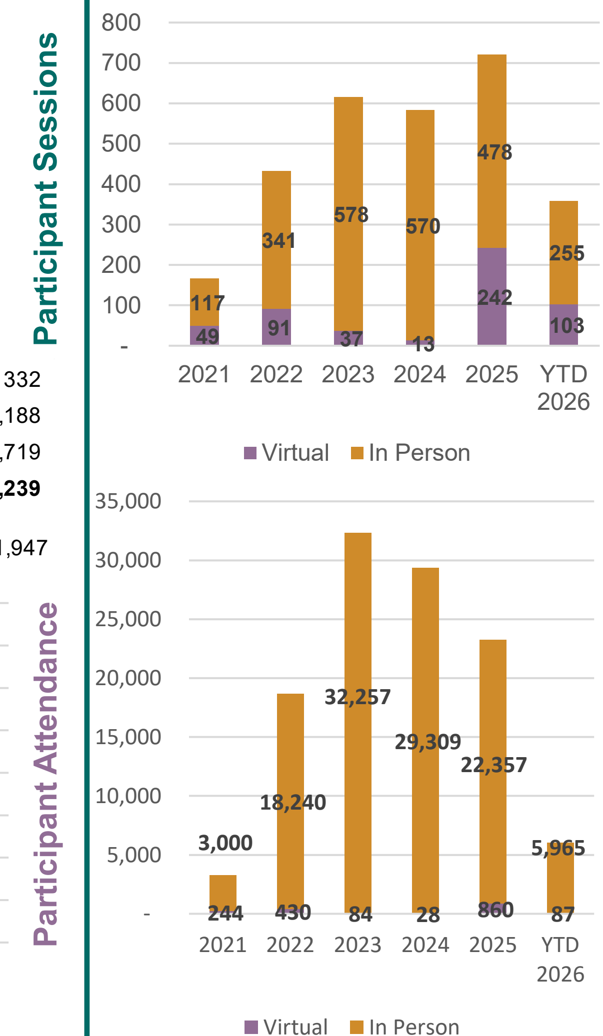
Advisory Services

Advisor Calls	332
Online Adopters	4,188
Professional Management Members*	4,719
Total Activity	**9,239**
*2Q26 Fees Paid By Professional Management Members	$201,947

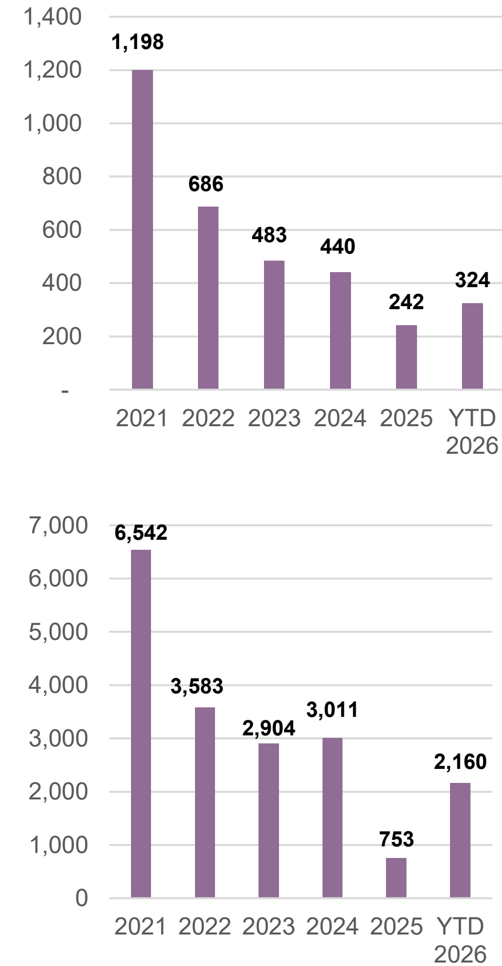
Individual Account Reviews



Group Meetings

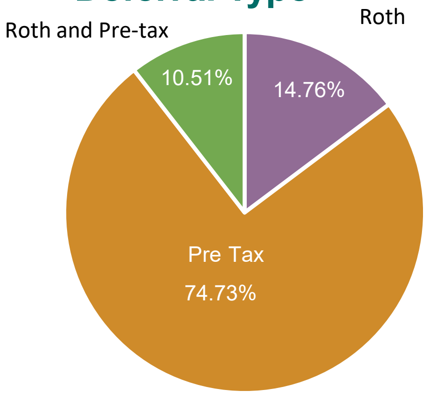


Webinars



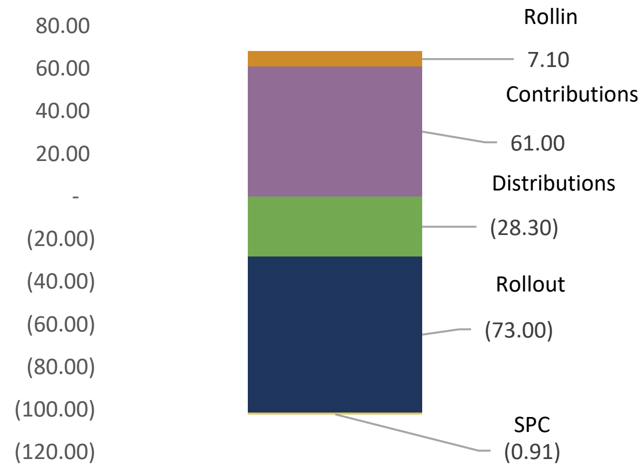
VRS Defined Contribution Plans
2nd Quarter 2026– *COV 457 Plan, Virginia Cash Match Plan*

Deferral Type

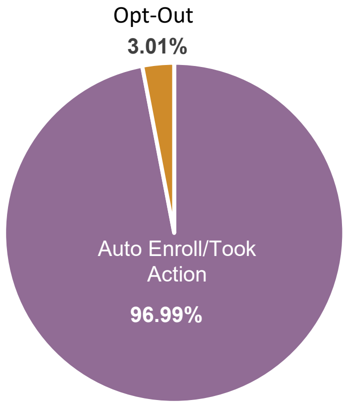


Average pre tax deferral per pay $209.00
Average Roth deferral per pay $228.20

Contributions/Distributions[5]



Auto Enrollment



3.01% Opt Out rate for quarter
5.3% opt out rate since conversion to Voya

Participant Status Overview[6]

171,332 total accounts

56% Active

44% Separated

$3,095m assets at risk

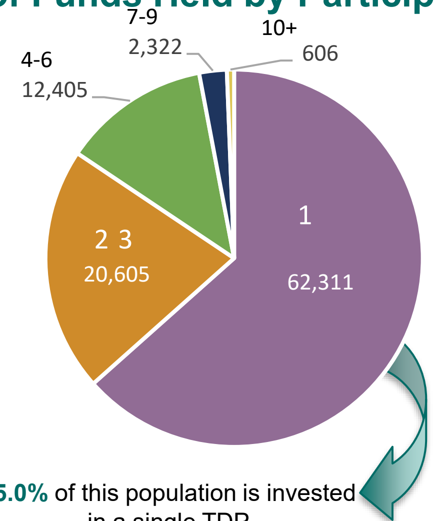
COV 457 Participation Rates

- State[4] 34.5%
- Non-state 9.7%

Top 10 Fund Holdings

1.	Stock Fund	$2,344,011,924.06
2.	Target Date Portfolio	$2,121,036,949.25
3.	Small/Mid Cap Stock Fund	$565,421,356.05
4.	Stable Value Fund	$561,692,689.53
5.	International Stock Fund	$357,874,250.65
6.	Bond Fund	$192,742,176.49
7.	Schwab PCRA	$187,914,380.09
8.	Money Market Fund	$154,504,693.55
9.	Global Real Estate Fund	$100,779,971.79
10.	VRS Investment Portfolio	$74,380,056.48

of Funds Held by Participants

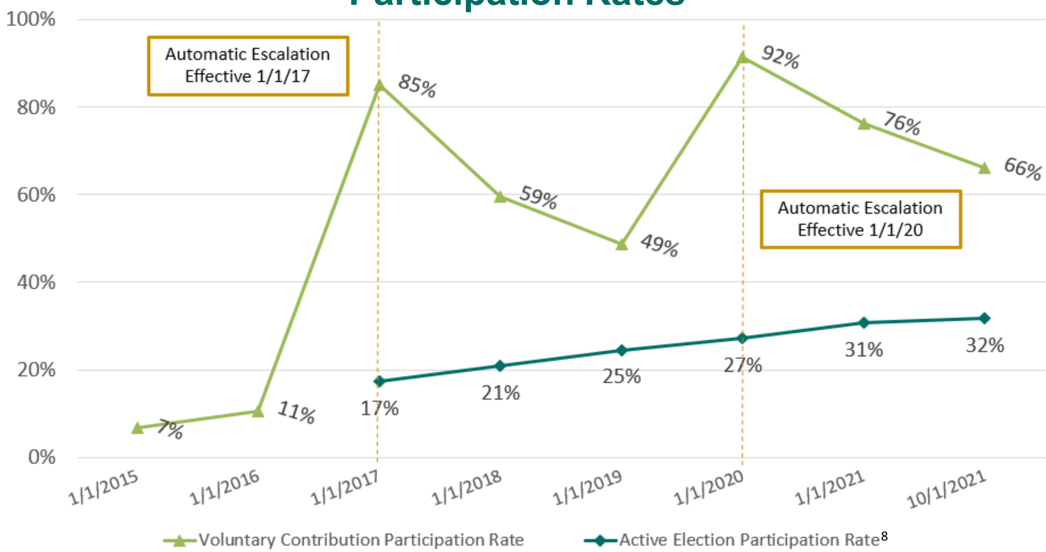


85.0% of this population is invested in a single TDP

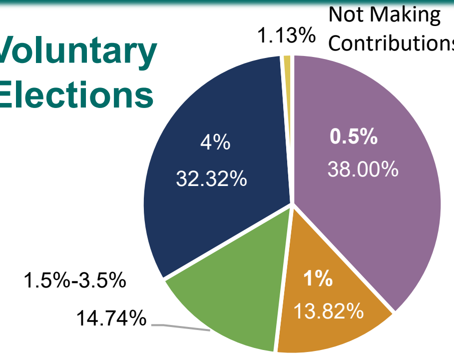
VRS Defined Contribution Plans
2nd Quarter 2026– *Hybrid Retirement Plan – 401(a) & 457(b)*

1.5% to 3.5%

Participation Rates[7]



Voluntary Elections



Top 10 Fund Holdings

1.	Target Date Portfolio	$4,436,667,668.38
2.	Stock Fund	$237,238,948.46
3.	Small/Mid Cap Stock Fund	$62,301,818.37
4.	International Stock Fund	$54,671,129.77
5.	Money Market Fund	$29,075,995.91
6.	Bond Fund	$21,311,665.67
7.	Schwab PCRA	$16,185,414.71
8.	Global Real Estate Fund	$14,499,793.23
9.	Stable Value Fund	$11,790,749.82
10.	Inflation Protected Bond Fund	$8,148,810.51

Participant Status Overview[3]

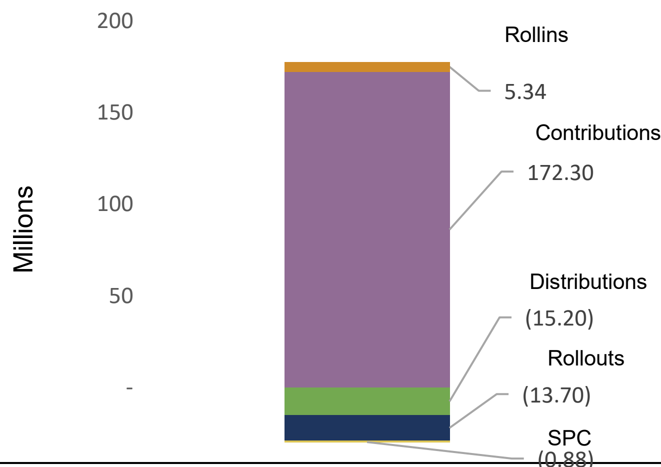
567,086 total accounts

71% Active

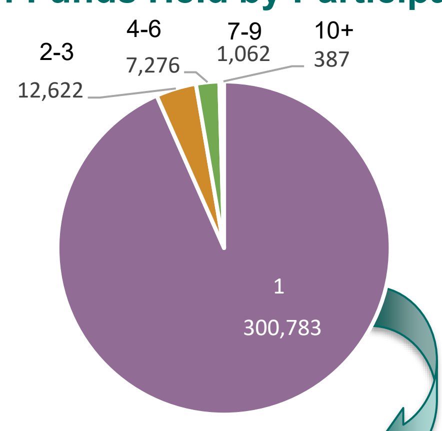
29% Separated

$1,011m assets at risk

Contributions/Distributions



of Funds Held by Participants



99.1% of this population is invested in a single TDP

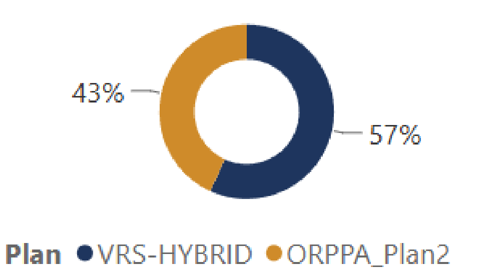
VRS Defined Contribution Plans

2nd Quarter 2026– ORPHE and ORPPA*

ORPPA Participation

Participant Accounts: 539
Assets: $43,178,280
Provider: Voya

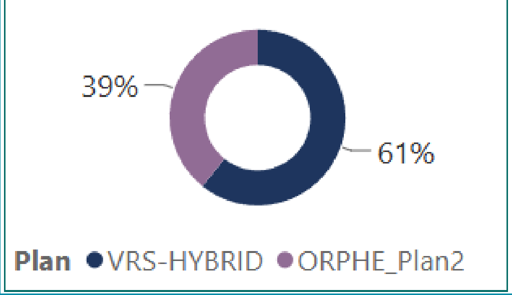
ORPPA-Eligible Plan Coverage



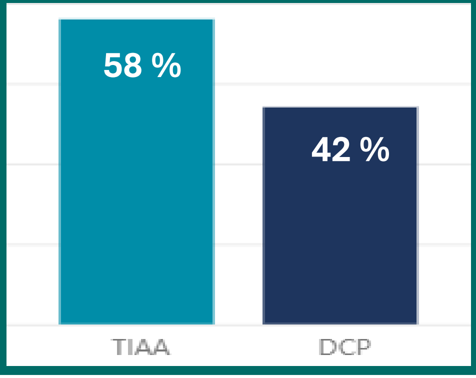
ORPHE Participation

Participant Accounts: 10,900
Assets: $1,6814,0254,329
Providers: Voya and TIAA

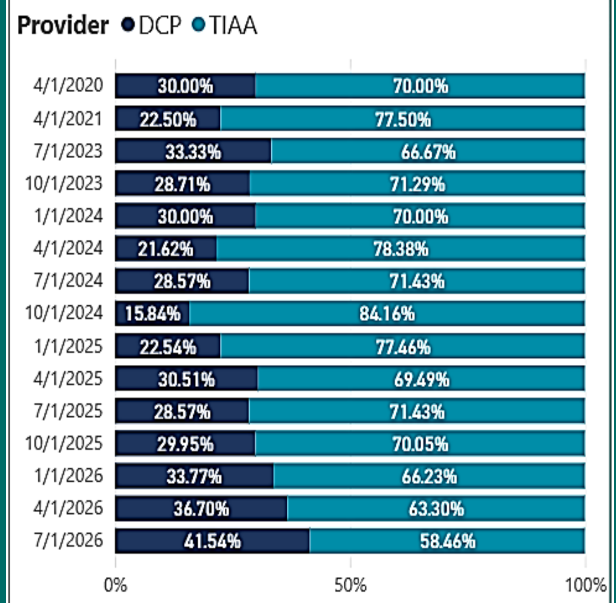
ORPHE-Eligible Plan Coverage



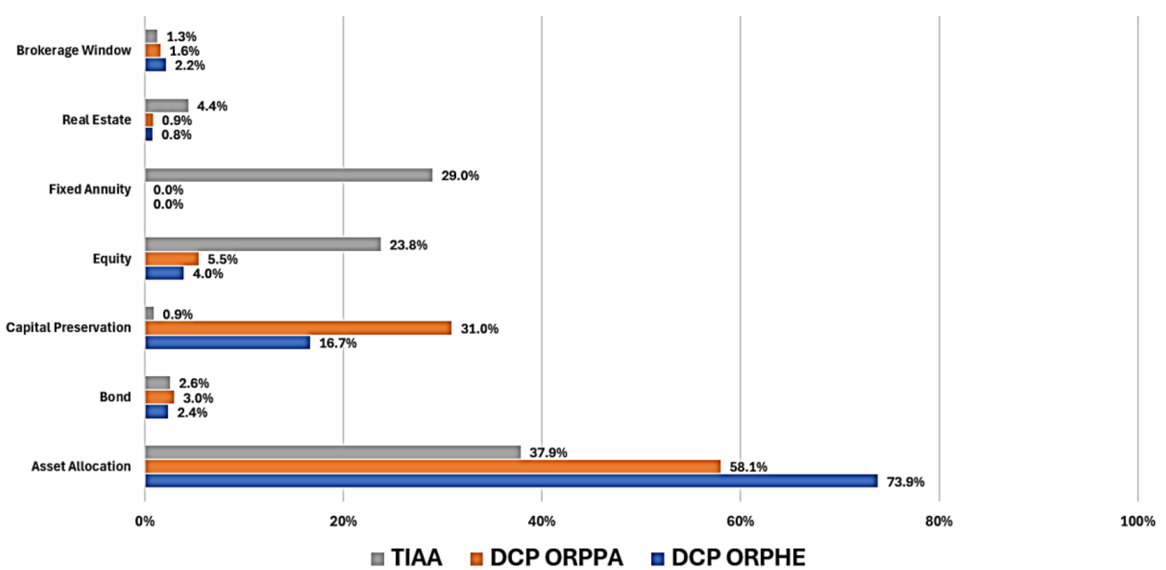
ORPHE YTD Provider Election



ORPHE Provider Election Rates Over Time



Participant Holdings by Plan and Assets



ORPHE Deselected Providers:
Fidelity, T. Rowe Price, Empower, Corebridge, MetLife
Participants: 1,086
Assets: $185,409,677

*Excludes opt-out higher ed institutions. ^Excludes deselected investments. Some currently selected funds on the TIAA platform may include assets across the RC, RA, and GRA contracts. +Includes both international and domestic equity.

VRS Defined Contribution Plans

2nd Quarter 2026– *DC Plans Metrics*

Source Information/Additional Footnotes

All data unless noted otherwise was provided by Voya Financial and is as of 6/30/2026.

1. Includes DC plans record kept by Voya Financial
2. Total assets and accounts include beneficiaries, forfeiture, and reserve accounts.
3. Web statistics provided by Google Analytics.
4. Includes employees at higher education institutions who are also eligible for a 403(b).
5. Cash Flow Definitions
   - Rollins – Contributions into a participant's account from a retirement plan or IRA.
   - Contributions – Payroll contributions from a participant's paycheck.
   - Plan Transfers – Transfer of funds between VRS retirement plans.
   - Distributions – Consists of auto enrollment refunds, required minimum distributions (RMDs) unforeseen emergency withdrawals and full, partial, installment and de minimis requests
   - Rollouts – Withdrawal request sent to another retirement plan or IRA
   - SCP – A request to transfer employee contribution funds from the plan to VRS to purchase service credit. Please note, SCP is not permitted from the H401 plan.
6. Active Participants do not have a termination date on file and may not have made a contribution during the quarter. Terminated Participants have a termination date on file.
7. Source: 10/1/21 Active Hybrid Member Demographics Report.
8. Active Election participation rate includes members who had a self-selected voluntary election on file prior to the automatic escalation that occurred on 12/16/19.
9. Chart shows the current status of active participants set up as auto-enroll eligible after plan conversion, January 1, 2025; excludes terminated participants.