

# North Carolina Inflation Responsive Fund

A Custom Plan Investment Option

Fourth Quarter 2023 Fund Fact Sheet

Key Facts		Description / Objective
Plan Sponsor	State of North Carolina	The North Carolina Inflation Responsive Fund (the "Fund") is offered exclusively for participants in the NC 401(k) and NC 457 Plans. Effective 01/01/2016, the Fund is held in a group trust and you own units of the group trust. The Fund currently invests wholly in shares of a collective investment trust, the BlackRock Strategic Completion Non-Lendable Fund F, managed by BlackRock. The Fund seeks returns that provide a hedge to inflation over the medium- to long-term. The Strategic Completion Fund currently allocates to three underlying asset classes: United States Treasury Inflation Protected Securities (TIPS), Commodities, and Global Real Estate Investment Trusts (REITS). The Fund's allocation to each asset class is currently achieved by investing in an underlying index fund (collective investment trust) that is managed by BlackRock. BlackRock utilizes the firm's own target-date methodology to determine the Fund's asset allocation and strategic target weights.
Asset Class	Alternative - Diversified	
Primary Index	Real Assets BlackRock SCF Customized Index	
Net Assets	\$560.9 Million	
Inception Date	08/31/2011	
Net Expense Ratio	0.111%	

Annual Performance		
	Fund	Primary Index
2023	4.06%	3.60%
2022	-12.05%	-11.60%
2021	18.58%	18.04%
2020	2.59%	2.09%
2019	13.09%	12.91%

**Net Assets Balance** data presented is the most current data available as of the end of the quarter. The data is deemed reliable, but the accuracy cannot be guaranteed. All balances are unaudited.

**Net Expense Ratio** for a fund includes the investment management fee and, if applicable, the trust fund expenses, the custodial fee, and the administrative fee. Expense data is typically quoted with two decimal places; however, three decimal places will be displayed when values are available.

Custodial and trust expenses are estimated. The actual Net Expense Ratio may vary due to actual versus estimated custodial and trust expenses, as well as rounding.

For additional information on expenses, see the North Carolina Supplemental Retirement Plans Fee Statement (available at

<https://www.myncretirement.com/governance/boards-trustees-and-committees/supplemental-retirement-board-trustees-meetings#governing-documents>).

*North Carolina Supplemental Retirement Board of Trustees is solely responsible for:*

- (1) the selection of the Fund and its Underlying Funds (including the selection of the asset allocation percentages for each underlying fund);
- (2) decisions to offer Fund in the Plan; and
- (3) the selection, monitoring and replacement of the Fund and its Underlying Funds, and if applicable, the Fund's investment advisor(s).

The Primary Index was changed on November 1, 2018 to reflect a change in the Fund's investments, and the index returns for periods that include dates prior to November 1, 2018 are a combination of the current and prior Primary Indices.

*All investing involves risk. Alternative investments, such as commodities, derivatives, multicurrency, market neutral, and other strategies involve unique risks and may cause these investments to react differently to market conditions than traditional investments. These alternative investments may be speculative and more volatile than investments in more traditional equity and debt securities. If applicable, derivatives can increase losses and reduce opportunities for gains when market prices, interest rates, currency rate or the derivatives themselves behave in a way not anticipated by the fund.*

Performance (%)	As of 12/31/2023						
	Cumulative Returns		Average Annual Total Returns				
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Fund	7.28	4.06	4.06	2.77	4.72	3.16	--
Primary Index	6.74	3.60	3.60	2.63	4.50	2.03	

**Performance Calculations/Fund Fees Reflected In Performance.** All performance results include the deduction of the Net Expense Ratio, which currently includes an investment management fee of 0.090% and an operating fee of 0.021% (inclusive of an administrative fee of 0.0100% and custodial fees). Expenses are estimated and rounded, and actual expenses may vary. Performance results also are net of trading costs incurred by the investment manager. Each plan charges a separate \$26 annual recordkeeping and communications fee per account that is not reflected in performance.

Prior to 01/01/2016, the Plan invested in units of an insurance company separate account established on 08/31/2011, which was managed by PIMCO and known as the North Carolina Inflation Responsive Fund. The insurance company separate account was available as an investment option under a group variable annuity contract issued by Prudential Retirement Insurance and Annuity Company, Hartford, CT ("PRIAC"). On or about 12/11/2015, the separate account began exchanging its units of the PIMCO separate account for shares of the PIMCO Mutual Fund. The PRIAC group annuity terminated on or about 01/01/2016. The performance results shown for periods prior to 01/01/2016 are the actual performance of the PIMCO Mutual Fund dating back to its inception date of 08/31/2011 and reflect the deduction of the Current Fees for the Fund. They are not the past performance results of the insurance company separate account which is now terminated.

**Performance Risks.** Before investing, investors should carefully consider the investment objectives, risks, charges and expenses of this Fund and other plan investment options. The performance quoted represents past performance. The investment value and return will fluctuate so that an investment, when redeemed, may be worth more or less than original cost. Past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted. For performance data current to the most recent month end, please call 1-866-NC-PLANS (1-866-627-5267). It is possible to lose money investing in securities. Past performance is not indicative of future performance and short periods of performance may be particularly unrepresentative of long-term performance.

**Fund Disclosures.** Important risks for investors to understand prior to investing in this fund include the following: This fund invests in certain sectors, such as commodities and foreign currencies which can be highly volatile. The investment manager's strategies may introduce additional risks, such as credit risk, liquidity risk, foreign currency risk, and counterparty risk. The investment manager may implement certain strategies through derivatives including swaps, options, futures and forwards. The investment manager may take both long and short positions. A short sale is a transaction in which an investment manager sells a security it does



not own in anticipation that the market price of that security will decline. The fund utilizes leverage which may magnify increases or decreases in the fund's returns. An investment in this fund should be considered within the context of a total portfolio in order to achieve appropriate diversification. Investors should read the Statement of Additional Information for further information on the fund and associated risks.

Miscellaneous. Frequent exchanging of investment options by participants may harm long-term investors. Your plan and/or the Fund may have policies to detect and deter potentially abusive exchanges. The policies may require us to modify or terminate investment exchange privileges. Indices are unmanaged and cannot be invested in directly. See User Guide for Index definitions.

Empower Retirement's Role.

Empower Retirement, LLC provides the communications and recordkeeping services for the NC 401(k) and NC 457 Plans. The investments offered to you within the NC 401(k) and NC 457 Plans are not offered by or affiliated with Empower Retirement, LLC.

*For additional information about the investment options available through your plan, please call 1-866-NC-PLANS (1-866-627-5267).*

Data presented is as of the end of the quarter, unless otherwise specified within a table heading. Data and expense ratios presented are the most current made available as of the end of the quarter. For mutual funds, the fund company may have more recent data available on its website. Price corrections that impact performance data may occur after production of this material.

Retirement products and services are provided by Empower Annuity Insurance Company, Hartford, CT, or its affiliates.

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# Fund Fact Sheet User's Guide

*This guide will help provide a glossary of terms and benchmark definitions commonly found on fund fact sheets.*

In providing this information Prudential Retirement Insurance and Annuity Company (PRIAC) is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity. PRIAC may benefit from advisory and other fees paid to it or its affiliates for managing, selling, or settling of proprietary mutual funds, and other investment products or securities offered by PRIAC or its affiliates. Investment vehicles sponsored or managed by a PRIAC affiliate generate more revenue for the Empower Retirement, LLC. enterprise than non-proprietary investment vehicles.

PRIAC will also benefit from participant managed account services provided by third party Registered Investment Advisers (RIA) and sales personnel will receive compensation based upon plan sponsor adoption of the managed account service provided by a third-party RIA.

PRIAC's sales personnel generally receive greater compensation if plan assets are invested in proprietary investment vehicles. Sales personnel also receive compensation if plan sponsors/employers adopt other plan features such as automatic enrollment, automatic escalation, offshore sourcing, electronic delivery, GreenPath, Wellthy and other financial wellness services.

PRIAC may benefit directly from the difference between investment earnings of PRIAC's stable value funds and the amount credited to deposits in those funds. PRIAC may also benefit from broker-dealer or other entities' co-sponsorship of PRIAC conferences.

## Allocation

We break down the investment holdings into general investment classes. The pie chart shows how much emphasis is placed on stocks, bonds or cash. We also show how much is held in foreign stocks. Bond investments replace the portfolio allocation chart with the following: Quality Distribution: We reveal the quality of the bonds in a bond-heavy portfolio, from least risky to most risky, with the percentage assigned to each.

## Benchmark Performance

The holdings and characteristics may differ from those of the benchmark(s), and such differences may be material. Factors affecting portfolio performance that do not affect benchmark performance may include portfolio rebalancing, the timing of cash flows, credit quality, diversification and differences in volatility. In addition, financial indices do not reflect the impact of fees, applicable taxes or trading costs which reduce returns. Unless otherwise noted, financial indices assume reinvestment of dividends. You cannot make a direct investment in an index. The statistical data regarding such indices has not been independently verified.

## Fund/Portfolio Category

Morningstar, an investment research and investment management firm, assigns each mutual fund to a category, based on their actual investment style as measured by their underlying portfolio holdings over the past three years. Categories for Manager of Managers separate accounts are determined by Prudential.

## Morningstar Style Box

The Morningstar Style Box™ reveals a fund's investment strategy. For equity funds the vertical axis shows the market capitalization of the long stocks owned and the horizontal axis shows investment style (value, blend, or growth).

For portfolios holding fixed-income investments, a Fixed Income Style Box is calculated. The vertical axis shows the credit quality based on credit ratings and the horizontal axis shows interest-rate sensitivity as measured by effective duration. There are three credit categories - "High", "Medium", and "Low"; and there are three interest rate sensitivity categories - "Limited", "Moderate", and "Extensive"; resulting in nine possible combinations. As in the Equity Style Box, the combination of credit and interest rate sensitivity for a portfolio is represented by a darkened square in the matrix. Morningstar uses credit rating information from credit rating agencies (CRAs) that have been designated Nationally Recognized Statistical Rating Organizations (NRSROs) by the Securities and Exchange Commission (SEC) in the United States. For a list of all

## Morningstar Style Box (continued)

NRSROs, please visit <https://www.sec.gov/ocr/ocr-current-nrsros.html>. Additionally, Morningstar will use credit ratings from CRAs which have been recognized by foreign regulatory institutions that are deemed the equivalent of the NRSRO designation. To determine the rating applicable to a holding and the subsequent holding weighted value of a portfolio two methods may be employed. First is a common methodology approach where if a case exists such that two CRAs have rated a holding, the lower rating of the two should be applied; if three or more CRAs have rated a holding, the median rating should be applied; and in cases where there are more than two ratings and a median rating cannot be determined, the lower of the two middle ratings should be applied. Alternatively, if there is more than one rating available an average can be calculated from all and applied.

Please Note: Morningstar, Inc. is not an NRSRO nor does it issue a credit rating on the fund. Credit ratings for any security held in a portfolio can change over time.

Morningstar uses the credit rating information to calculate a weighted-average credit quality value for the portfolio. This value is based only upon those holdings which are considered to be classified as "fixed income", such a government, corporate, or securitized issues. Other types of holdings such as equities and many, though not all, types of derivatives are excluded. The weighted-average credit quality value is represented by a rating symbol which corresponds to the long-term rating symbol schemas employed by most CRAs. Note that this value is not explicitly published but instead serves as an input in the Style Box calculation. This symbol is then used to map to a Style Box credit quality category of "low," "medium," or "high". Funds with a "low" credit quality category are those whose weighted-average credit quality is determined to be equivalent to the commonly used High Yield classification, meaning a rating below "BBB", portfolios assigned to the "high" credit category have either a "AAA" or "AA+" average credit quality value, while "medium" are those with an average rating of "AA-" inclusive to "BBB-". It is expected and intended that the majority of portfolios will be assigned a credit category of "medium".

For assignment to an interest-rate sensitivity category, Morningstar uses the average effective duration of the portfolio. From this value there are three distinct methodologies employed to determine assignment to category.

Portfolio which are assigned to Morningstar municipal-bond categories employ static breakpoints between categories. These breakpoints are: "Limited" equal to 4.5 years or less, "Moderate" equal to 4.5 years to less than 7 years; and "Extensive" equal to more than 7 years. For portfolios assigned to Morningstar categories other than U.S. Taxable, including all domiciled

### Morningstar Style Box (continued)

outside the United States, static duration breakpoints are also used: "Limited" equals less than or equal to 3.5 years, "Moderate" equals greater than 3.5 years but less than or equal to 6 years, and "Extensive" is assigned to portfolios with effective durations of more than 6 years. Note: Interest-rate sensitivity for non-U.S. domiciled portfolios (excluding those in Morningstar convertible categories) may be assigned using average modified duration when average effective duration is not available.

For portfolios Morningstar classifies as U.S. Taxable Fixed-Income, interest-rate sensitivity category assignment is based on the effective duration of the Morningstar Core Bond Index (MCBI). The classification assignment is dynamically determined relative to the benchmark index value. A "Limited" category will be assigned to portfolios whose average effective duration is between 25% to 75% of MCBI average effective duration, where the average effective duration is between 75% to 125% of the MCBI the portfolio will be classified as "Moderate", and those portfolios with an average effective duration value 125% or greater of the average effective duration of the MCBI will be classified as "Extensive".

### Morningstar Style Box/Investment Style Box

While the category description tells you how the portfolio has been run in the past, the Style Box is a snapshot of what the portfolio currently owns. For equity separate accounts, Investment Style Box data is based on a quarter lag and assigned by Prudential.

### Morningstar Volatility Rank

The Morningstar Volatility Rank is an investment's 3-year standard deviation overall percentile rank within its US open-end, VA/L fund, or VA/L subaccount universe. The investment with the lowest standard deviation receives a rank of 1. We then classify investment portfolios as having one of three volatility levels relative to all types of mutual funds: Low, Moderate, and High. Investments with wider ranges of returns are labeled "high," as they are considered riskier than "low" volatility investments, which have had smaller ranges of returns.

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### Performance

The total return is shown for the quarter, year-to-date and preceding year, as well as the average annual total return for the past three, five, and 10 years if available. Since inception is also provided when applicable. To provide you with a point of comparison, the returns of the benchmark indexes are also provided.

### Quality Distribution

A nationally recognized statistical rating organization (NRSRO) gives a rating for each underlying debt security. Ratings are not intended to reflect investment performance and are subject to change. When the NRSRO is shown by name as the rating provider in the Morningstar® Style Box, the reader can use the following guidelines to interpret the rating symbols for the quality ranges. A.M. Best rates the relative financial strength and operating performance of each insurer in comparison with others. Ratings range from A++ (superior) and A (excellent) to C++ (fair) and C (marginal). Standard & Poor's rates a company's claims-paying ability. Ratings range from AAA (superior) and A (good) to BBB (adequate) and B (vulnerable) and CCC (extremely vulnerable). Moody's Investors Service rates a company's overall financial strength. Ratings range from Aaa (exceptional) and A (good) to Baa (adequate), B (poor) and Caa (very poor). Fitch's ratings are

### Quality Distribution (continued)

assigned to the insurance company's policyholder obligations, including assumed reinsurance obligations and contract holder obligations, such as guaranteed investment contracts. Ratings range from AAA (exceptionally strong) and AA (very strong) to C (poor). Ratings are subject to review and may change at any time. For further information about the rating agency methodology, please visit the applicable websites as follows: [www.ambest.com/ratings](http://www.ambest.com/ratings), or [www.standardandpoors.com/aboutcreditratings](http://www.standardandpoors.com/aboutcreditratings), or [www.moodys.com](http://www.moodys.com), or [www.fitchratings.com](http://www.fitchratings.com).

When the NRSRO is not shown by name as the rating provider in the Morningstar® Style Box, the rating information is provided by Morningstar directly. Morningstar seeks credit rating information from fund companies on a periodic basis (e.g., quarterly). In compiling credit rating information, Morningstar instructs fund companies to only use ratings that have been assigned by a Nationally Recognized Statistical Rating Organization (NRSRO). If two NRSROs have rated a security, fund companies are to report the lowest rating; if three or more NRSROs have rated the same security differently, fund companies are to report the rating that is in the middle. For example, if NRSRO X rates a security AA-, NRSRO Y rates the same security an A and NRSRO Z rates it a BBB+, the fund company should use the credit rating of 'A' in its reporting to Morningstar. Additionally, Morningstar accepts foreign credit ratings from widely recognized or registered ratings agencies. An NRSRO rating on a fixed-income security can change from time-to-time. PLEASE NOTE: Morningstar, Inc. is not itself an NRSRO nor does it issue a credit rating on a fund's fixed-income securities. For a list of all NRSROs, please visit <http://www.sec.gov/answers/nrsro.htm>.

For credit quality, Morningstar combines the credit rating information provided by the fund companies with an average default rate calculation to come up with a weighted-average credit quality. The weighted-average credit quality is currently a letter that roughly corresponds to the scale used by a leading NRSRO. Bond funds are assigned a style box placement of "low", "medium", or "high" based on their average credit quality. Funds with a low credit quality are those whose weighted-average credit quality determined to be less than "BBB-"; medium are those less than "AA-", but greater or equal to "BBB-"; and high are those with a weighted-average credit quality of "AA-" or higher. When classifying a bond portfolio, Morningstar first maps the NRSRO credit ratings of the underlying holdings to their respective default rates (as determined by Morningstar's analysis of actual historical default rates). Morningstar then averages these default rates to determine the average default rate for the entire bond fund. Finally, Morningstar maps this average default rate to its corresponding credit rating along a convex curve.

### Sector Allocation

Morningstar classifies each stock holding into 11 major industrial sectors for all Retail, Non-Qualified and Variable Annuity Fact sheets. The top five are listed on the Fund Fact Sheets. For Institutional Equity Sub-Advised Separate Accounts Source of Sector Classification: S&P/MSCI.

## Description of PRIAC Separate Accounts

In addition to registered mutual funds and bank collective trust funds, PRIAC makes available an array of insurance company separate accounts ("Separate Account") from which the retirement plan's fiduciary can construct the investment lineup for your retirement plan. A PRIAC Separate Account is an insurance company separate account whose investors include only qualified retirement plans and certain governmental retirement plans. PRIAC makes most Separate Accounts available as commingled investment vehicles; however, in certain instances, PRIAC may make a Separate Account available only to a single retirement plan client.

PRIAC offers a variety of different types of Separate Accounts through a group annuity contract issued by PRIAC. Each retirement plan's fiduciary is generally responsible for all investment decisions related to its plan and for selecting the investment options for the retirement plan's investment lineup. Each retirement plan's fiduciary is also responsible for monitoring and, if necessary, replacing the investment options on the retirement lineup. The following is a general description of the types of Separate Accounts offered by PRIAC.

**A Custom Client Separate Account** PRIAC provides investors with the information in this Fact Sheet to assist them in making investment decisions regarding the Fund. Investors must determine whether any other information is necessary in making those decisions. The investor is solely responsible for obtaining any other information required by the investor, which may not be available from PRIAC. To the extent PRIAC provides such information, PRIAC makes no warranty as to the accuracy of such information and makes no undertaking to continue to provide such information unless PRIAC agrees to continue to provide such information in writing. The investor is solely responsible for the decision to invest or continue to invest in the Fund. PRIAC assumes no responsibility for any investor's decision to invest or continue to invest in the Fund. Selection or termination of the Fund on a retirement plan's investment line-up is the sole responsibility of each retirement plan's fiduciary. These Separate Accounts are not part of the Manager of Manager's program.

**Empower Separate Account** - Empower provides investors with the information in this Fact Sheet to assist them in making investment decisions regarding the Fund. Investors must determine whether any other information is necessary in making those decisions. The investor is solely responsible for obtaining any other information required by the investor, which may not be available from Empower. To the extent Empower provides such information, Empower makes no warranty as to the accuracy of such information and makes no undertaking to continue to provide such information unless Empower agrees to continue to provide such information in writing. The investor is solely responsible for the decision to invest or continue to invest in the Fund. Empower assumes no responsibility for any investor's decision to invest or continue to invest in the Fund. Selection or termination of the Fund on a retirement plan's investment line-up is the sole responsibility of each retirement plan's fiduciary. These Separate Accounts are not part of the Manager of Manager's program.

**ISelect Platform: Limitation of PRIAC's Responsibilities Institutional Select Separate Accounts.** PRIAC provides investors with the information in this Fact Sheet to assist them in making investment decisions regarding the Fund. Investors must determine whether any other information is necessary in making those decisions. The investor is solely responsible for obtaining any other information required by the investor, which may not be available from PRIAC. The investor is solely responsible for the decision to invest or continue to invest in the Fund. PRIAC assumes no responsibility for any investor's decision to invest or continue to invest in the Fund. These Separate Accounts are not part of the Manager-of-Managers program and therefore, PRIAC does not assume any responsibility with respect to the selection, monitoring, or replacement of the investment manager. Selection or termination of the Fund on a retirement plan's investment line-up is the sole responsibility of each retirement plan's fiduciary.

**PRIAC Manager-of-Managers Institutional Sub-Advised Separate Accounts** - With respect to separate accounts designated as Institutional Sub-Advised Funds under the Manager-of-Managers Program, PRIAC acknowledges it is a fiduciary as defined by ERISA Section 3(38), as

amended, for the selection, monitoring, and, if necessary, the replacement of the investment manager. Selection or termination of the fund on a retirement plan's investment line-up is the sole responsibility of each retirement plan's fiduciary.

**PRIAC Manager-of-Managers Retail-Branded Sub-Advised Separate Accounts** With respect to separate accounts designated as Retail-Branded Sub-Advised Funds under the Manager-of-Managers Program, PRIAC acknowledges it is a fiduciary as defined by ERISA Section 3(38), as amended, for the selection, monitoring, and if necessary, replacement of the investment manager. Selection or termination of the Fund on a retirement plan's investment line-up is the sole responsibility of each retirement plan's fiduciary.

**PRIAC Separate Account Fund-of-Fund and Target Date Products:** These separate accounts are manufactured by PRIAC and comprised of multiple underlying investment options. For fund-of-fund separate accounts for which PRIAC serves as an ERISA §3(38) investment manager, PRIAC is responsible for the selection, monitoring and replacement of underlying funds. This type of Separate Account offered by PRIAC is not part of the Manager of Manager's program, and therefore, unless otherwise noted, PRIAC does not assume any responsibility with respect to the selection, monitoring, or replacement of the investment manager.

### Custom Plan Investment Options (Recordkeeping Constructs)

These investment options are designed and maintained by your plan sponsor and/or the plan's investment adviser and are not investment options offered by PRIAC. PRIAC provides investors with the information in this Fact Sheet to assist them in making investment decisions regarding the investment option. Investors must determine whether any other information is necessary in making those decisions. The investor is solely responsible for obtaining any other information required by the investor, which may not be available from PRIAC. The investor is solely responsible for the decision to invest or continue to invest in the investment option. PRIAC assumes no responsibility for any investor's decision to invest or continue to invest in the investment option. Selection or termination of the Fund on a retirement plan's investment line-up is the sole responsibility of each retirement plan's fiduciary. These investment options are not part of the Manager-of-Managers program.

### Description of PICA Separate Accounts

The Prudential Insurance Company of America, Inc. (PICA) makes available group annuity insurance contracts such as variable annuities and insurance company separate accounts to institutional clients. Empower Annuity Insurance Company (EAIC) services as the administrator and reinsurer of many of these accounts. Each retirement plan's fiduciary is generally responsible for all investment decisions related to its plan and for selecting the investment options for the retirement plan's investment lineup. Each retirement plan's fiduciary is also responsible for monitoring and, if necessary, replacing the investment options on the retirement plan's investment lineup. **Note:** Empower Annuity Insurance Company of America and Empower Life & Annuity Insurance Company of New York (affiliates of EAIC) reinsure certain PICA separate accounts, as such, receive the economic benefits pertaining to these PICA accounts.

### For More Information

**Para hablar con un representante de servicios al cliente en español (u**

otros lenguajes), por favor, llama a nuestro numero gratuito 800 entre las 8:00 a.m. y las 8:00 p.m., Hora del Este, días de trabajo. (To speak with a Service Representative through an interpreter in Spanish (or other languages), please call our tollfree number week-days between 8:00 a.m. and 8:00 p.m. Eastern Time.)

## Benchmark Definitions

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### NO ACTION REQUIRED: FOR YOUR INFORMATION

#### Overview

On April 1, 2022, Empower Annuity Insurance Company of America (EAICA), formerly known as Great-West Life & Annuity Insurance Company, the parent company of Empower Retirement, LLC (Empower) acquired the full-service retirement business of Prudential Financial, Inc. In connection with the transaction, EAICA acquired all shares of the following entities, which are no longer affiliated with Prudential Financial, Inc.: Prudential Retirement Insurance and Annuity Company; Prudential Bank & Trust, FSB; Global Portfolio Strategies, Inc.; TBG Insurance Services Corporation; MC Insurance Agency Services, LLC; and Mullin TBG Insurance Agency Services, LLC. On October 3, 2022, Prudential Retirement Insurance and Annuity Company was renamed Empower Annuity Insurance Company. For additional information regarding the name changes, please see [www.empower.com/name-change](http://www.empower.com/name-change).

Empower is in the process of integrating the acquired full-service retirement business. Effective January 1, 2023, Global Portfolio Strategies, Inc. was merged into Empower Capital Management, LLC, an Empower affiliate. Effective March 31, 2023, Prudential Bank & Trust, FSB is merging into Empower Trust Company, LLC, an Empower affiliate, and all services performed by Prudential Bank & Trust, FSB will be assumed by Empower Trust Company, LLC.

Please use the following to determine if Empower is now the service provider for an account or product. If an individual has multiple accounts, they may be a customer of Prudential Financial, Inc. and its affiliates (together, Prudential) and Empower.

#### **If an individual is an annuitant, contingent annuitant or other beneficiary under a group annuity contract issued or reinsured by Prudential's pension risk transfer business or a plan participant whose benefit is administered by Prudential's pension risk transfer business... How does an individual know if this applies?**

- They were previously issued an annuity certificate from the Prudential Insurance Company of America in connection with their employer's defined benefit plan, OR they previously received a communication from their employer that Prudential has issued a guaranteed annuity covering all or a portion of their pension benefit or pays their pension benefit.
- Service Provider...The account remains with Prudential and was not impacted by the transaction. The "Important Disclosures Regarding the Empower Transaction" listed below **do not apply** to the account.

#### **If an individual independently purchased an individual annuity, life insurance or investment product with Prudential... How does an individual know if this applies?**

- They independently purchased a product from Prudential (other than a SmartSolution IRA) that is unrelated to an employer workplace plan.
- The product purchased is issued by The Prudential Insurance Company of America (PICA), Pruco Life Insurance Company, or Pruco Life Insurance Company of New Jersey.
- They purchased an investment product or service through Pruco Securities, LLC.
- Service Provider...The account remains with Prudential and was not impacted by the transaction. The "Important Disclosures Regarding the Empower Transaction" listed below **do not apply** to the account.

**If an individual is a participant in the Prudential Employee Savings Plan (PESP); the Jennison Associates Savings Plan; the Assurance Savings Plan; the Prudential Supplemental Employee Savings Plan; the Prudential Financial, Inc. 2021 Omnibus Incentive Plan and the attendant Prudential Long-Term Incentive Program; the Prudential Financial, Inc. 2016 Deferred Compensation Plan for Non-Employee Directors; or the**

### **PGIM, Inc. Omnibus Deferred Compensation Plan... How does an individual know if this applies?**

- They receive statements and other notifications from Prudential in connection with one or more of these plans.
- Service Provider...Prudential remains the service provider for the plans. Empower is currently providing services as a sub-contractor for a transitional period. Please carefully review the "Important Disclosures Regarding the Empower Transaction" below that **apply to the account as applicable**.

**If an individual is a participant in a retirement plan previously serviced by Prudential Retirement that may include defined benefit plans, nonqualified plans, defined contribution plans and 401(k) plans (including a plan that permits self-directed brokerage accounts), or is an account holder of a SmartSolution IRA, an Auto Roll IRA or an NFS Prudential Brokerage Account...This category includes certain Stable Value products on third party recordkeeping platforms where the service provider will transfer to Empower. These clients will be notified directly... How does an individual know if this applies?**

- They receive a notification from Prudential Retirement notifying them that Empower will become the service provider for their account.
- They receive a welcome email or letter from Empower.
- Service Provider...Empower is now the service provider for the account. However, with respect to SmartSolution IRAs and certain Auto Roll IRAs, Prudential Investment Management Services LLC (PIMS) remains the broker-dealer for a transitional period. Please carefully review the "Important Disclosures Regarding the Empower Transaction" below that **apply**.

### **Important Disclosures Regarding the Empower Transaction**

Effective April 1, 2022, the following will apply:

- All references to "Prudential Retirement" refer to Empower. Prudential Retirement is no longer a business unit of Prudential.
- Certain insurance products written by The Prudential Insurance Company of America were reinsured to EAICA and Empower Life & Annuity Insurance Company of New York (for New York business). Empower will become the administrator of this business acquired from Prudential.
- Empower refers to the products and services offered by EAICA and its subsidiaries, including Empower Retirement, LLC. Empower is not affiliated with Prudential or its affiliates.
- Full-service retirement sales personnel and certain service personnel are no longer registered representatives of Prudential Investment Management Services LLC (PIMS) and are registered representatives of Empower Financial Services, Inc., formerly known as GWFS Equities, Inc., For a transition period, certain back office and service personnel will remain registered representatives of PIMS.
- During a transition period, Prudential and, as applicable, its affiliates will continue to provide services to Empower. PIMS will continue to provide certain broker-dealer services under the terms of existing services agreements for certain plans and will continue to be the broker-dealer of record for existing SmartSolution IRAs and certain Auto Roll IRAs for a transition period.
- On or about May 1, 2023, the principal underwriter and distributor for certain legacy Prudential products will change from Prudential Investment Management Services LLC to Empower Financial Services, Inc, resulting from the sale of Prudential's retirement business to Empower. The change of principal underwriter and distributor will not impact the way these products operate. You can find further details if you wish in the prospectus to be released on or about May 1, 2023, to determine which principal underwriter and distributor supports the product you are invested in.
- Any documents pertaining to fraud or security commitments by Prudential Retirement are no longer applicable and are replaced with Empower's commitments as set forth at <https://participant.empower-retirement.com/participant/#!/articles/securityGuarantee>.
- If Empower is the service provider for an account, Prudential's Privacy Statements and Privacy Notices are replaced with Empower's Privacy Notice as set forth at <https://www.empower-retirement.com/privacy> for the account.

All product names, logos and brands are property of their respective owners. "EMPOWER" and all associated logos and product names are trademarks of Empower Annuity Insurance Company of America. Prudential, the Prudential logo and the Rock Design are trademarks of Prudential Financial, Inc. and its affiliates and are used under license.

Information provided herein, including linked documents, is being provided for informational or educational purposes only. By sharing it, neither PIMS nor Prudential is acting as a fiduciary as defined by the Department of Labor or otherwise. If investment advice is needed, please consult with a qualified professional. Prudential Financial, its affiliates and their financial professionals do not render tax or legal advice. Please consult with your tax and legal advisors regarding your personal circumstances.

Empower Sponsor 2.2023

### **[END] Important Information Regarding the Empower Transition.**

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**3 Year Constant Maturity Treasury Index** Market yield on U.S. Treasury securities at 3-year constant maturity, quoted on investment basis.

**5 Yr Treasury Avg Yield** Market yield on U.S. Treasury securities at 5-

year constant maturity, quoted on investment basis.

**60% MSCI ACWI Index / 40% Bloomberg Global Aggregate Index** An unmanaged, weighted average composite consisting of the 60% MSCI All Country World Index, 40% Bloomberg Aggregate.



**60% Russ 1000 Gro/40% Bloomberg Agg** An unmanaged, weighted average composite consisting of the Russell 1000<sup>®</sup> Growth Index (60%) and the Bloomberg Aggregate Bond Index (40%).

**60% Russ 1000 Val Index/40% Bloomberg Agg** An unmanaged, weighted average composite consisting of the Russell 1000 Value Index (60%) and the Bloomberg Aggregate Bond Index (40%).

**60% Russell 1000 / 40% Bloomberg Aggregate** An unmanaged, weighted average composite consisting of the 60% Russell 1000, 40% Bloomberg Aggregate.

**60% S&P 500 Index/40% Bloomberg U.S. Aggregate Bond Index** An unmanaged, weighted average composite Index that consists of the S&P 500 Index (60%) and the Bloomberg U.S. Aggregate Bond Index (40%).

**Balanced Asset Allocation Index** The custom benchmark reflects Bloomberg Aggregate Bond Index 45%, MSCI EAFE 11%, Russell 3000 Index 44%.

**BlackRock SCF Customized Index** An unmanaged, weighted average composite consisting of 41.4% Bloomberg U.S. TIPS Index, 37% FTSE ERPA/NAREIT Developed Real Estate Index, 21.5% Bloomberg Roll Select Commodity Index, (reflects no deductions for fees, expenses or taxes)

**Bloomberg Commodity Index** Measures the performance of future contracts on physical commodities which traded on US exchanges and London Metal Exchange. The commodity weightings are based on production and liquidity, subject to weighting restrictions applied annually.

**Bloomberg Corporate High Yield Index** The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on EM country definition, are excluded.

**Bloomberg EM Local Currency Government TR USD** The Bloomberg Emerging Markets Local Currency Government Index is a flagship index that measures the performance of local currency Emerging Markets (EM) debt.

**Bloomberg Global Aggregate Bond Index Ex-US (USD Hedged)** Measures the performance of global investment grade fixed-rate debt markets that excludes USD-dominated securities.

**Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index** Global Aggregate ex-USD Float Adjusted RIC Capped Index ETFs gather total assets under management of \$16.20B. The average expense ratio is 0.09%.

**Bloomberg Global Aggregate Index** Bloomberg Global Aggregate Index provides a broad based measure of the international investment grade bond market. The index combines the U.S. Aggregate Index with dollar-denominated versions of the Pan-European Index and the Japanese, Canadian, Australian and New Zealand components of the Global Treasury Index.

**Bloomberg Government 1-3 Year Index** The index measures the performance of the U.S. Treasury and U.S. Agency Indices with maturities of 1-3 years, including Treasuries and U.S. agency debentures. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

**Bloomberg Government 1-5 Yr TR USD** US Government 1-5 Year

Unmanaged index that measures the performance of 1-5 year government bonds issued by the US Treasury.

**Bloomberg Government Bond Index** Measures the performance of the U.S. Treasury and U.S. Agency Indices, including Treasuries and U.S. agency debentures. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

**Bloomberg Government/Corporate 1 Yr Duration TR USD** The index measures the performance of investment grade, U.S. denominated, fixed-rate securities excluding STRIPS, TIPS and floaters. Its minimum index rating is A3 and the max maturity is 5 years.

**Bloomberg Government-Long Term Index** Measures the performance of the U.S. Treasury and U.S. Agency Indices with maturities of 10 years and greater, including Treasuries and U.S. agency debentures. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

**Bloomberg Mortgage-Backed Securities Index** Measures the performance of the agency mortgage-backed pass-through securities (both fixed-rate and hybrid ARM) issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

**Bloomberg Municipal 20 Yr 17-22 Index** Measures the performance of USD-denominated long-term tax exempt bond market with maturities of 20 years (17-22), including state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.

**Bloomberg Municipal 3 Yr 2-4 Index** Measures the performance of USD-denominated long-term tax exempt bond market with maturities of 3 years(2-4), including state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.

**Bloomberg Municipal Bond Index** The Municipal Managed Money Index is a rules-based, market-value-weighted tax-exempt bond market index.

**Bloomberg Municipal California Exempt TR USD** Measures the performance of USD-denominated long-term tax exempt bond market, including California bonds only.

**Bloomberg Municipal Index** Measures the performance of USD-denominated long-term tax exempt bond market, including state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.

**Bloomberg Municipal New York Exempt TR** Measures the performance of USD-denominated long-term tax exempt bond market, including New York bonds only.

**Bloomberg Roll Select Commodity Index** The Bloomberg Roll Select Commodity Index (BCOMRS or "Roll Select") is a dynamic version of the Bloomberg Commodity Index ("BCOM") that aims to mitigate the effects of contango market structure on index performance.

**Bloomberg Treasury Long Term Index** The index measures the performance of public obligations of the U.S. Treasury with maturities of 10 years and greater, including securities roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices.

**Bloomberg U.S. Aggregate Bond Index** Measures the performance of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-through's), ABS, and CMBS. It rolls up into other Bloomberg flagship indices, such

as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.

**Bloomberg U.S. Aggregate Float Adjusted Index** The Bloomberg US Aggregate Bond Index is a broad-based benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency).

**Bloomberg U.S. Credit Index** Measures the performance of the US Corporate and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities. It is a subset of the US Government/Credit Index and the US Aggregate Index.

**Bloomberg U.S. Gov./Credit Intermediate Index** Measures the performance of the U.S. investment grade fixed rate bond market, with index components for Agencies, Financial Institutions, Industrial, Treasuries and Utility, with remaining time to maturity of 1-10 years. It's a custom index.

**Bloomberg U.S. Gov/Credit Long Term Index** The Bloomberg US Government/Credit Bond Index is a broad-based flagship benchmark that measures the non-securitized component of the US Aggregate Index. It includes investment grade, US dollar-denominated, fixed-rate Treasuries, government-related and corporate securities.

**Bloomberg U.S. Gov/Credit Long Term Index** Measures the performance of the US Corporate and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities with maturities of 10 years and greater. It is a subset of the US Government/Credit Index and the US Aggregate Index.

**Bloomberg U.S. Government Bond Index** Measures the performance of the U.S. Treasury and U.S. Agency Indices, including Treasuries and U.S. agency debentures. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

**Bloomberg U.S. Government/Credit 1-3 Year Index** The index measures the performance of non-securitized component of the U.S. Aggregate Index with maturities of 1-3 years, including Treasuries, government-related issues and corporates. It is a subset of the U.S. Aggregate Index.

**Bloomberg U.S. Government/Credit 1-5 Year Index** Measures the performance of the non-securitized component of the U.S. Aggregate Index including treasuries, government-related issues and corporates with maturities of one to five years. It is a subset of the U.S. Aggregate Index.

**Bloomberg U.S. High Yield 2% Issuer Cap Index** Measures the performance of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. It follows the same rules as the uncapped index but limits the exposure of each issuer to 2% of the total market value and redistributes any excess market value index-wide on a pro-rata basis.

**Bloomberg U.S. Treasury Inflation Notes: 1-10 Year** The index measures the performance of inflation-protected securities issued by the U.S. Treasury (TIPS).

**Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index** The Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index is a market-capitalization-weighted index that includes all inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than five years.

**Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) Index** Measures the performance of rules-based, market value-weighted inflation-protected securities issued by the U.S. Treasury. It is a subset of the Global Inflation-Linked Index (Series-L).

**Bloomberg U.S. Universal Index** Measures the performance of USD-denominated, taxable bonds that are rated either investment grade or high-yield. It represents the union of the U.S. Aggregate Index, U.S. Corporate High Yield Index, Investment Grade 144A Index, Eurodollar Index, U.S. Emerging Markets Index, and the non-ERISA eligible portion of the CMBS Index.

**Bloomberg US 1-5 Year Credit Bond Index** Includes investment-grade (rated Baa3 or above by Moody's) corporate and international dollar-denominated bonds with maturities of 1 to 5 years.

**Bloomberg US Corporate Bond TR USD** The Bloomberg US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

**Bloomberg US Corporate High Yield Index** Measures the performance of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds, including corporate bonds, fixed-rate bullet, puttable, and callable bonds, SEC Rule 144A securities, Original issue zeros, Pay-in-kind (PIK) bonds, Fixed-rate and fixed-to-floating capital securities.

**Bloomberg US Government Treasury 1-3 Year Index** The index measures the performance of the U.S. Treasury and U.S. Agency Indices with maturities of 1-3 years, including Treasuries and U.S. agency debentures. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

**Bloomberg US Treasury Inflation Notes TR Index Value** The Index measures the performance of the U.S. treasury inflation-linked bond market. Securities must be rated investment grade as defined by the Index methodology. The principal and the interest of all constituent bonds must be inflation-linked and denominated in U.S. Dollars. Nominal U.S. Treasury bonds, floating rate bonds and STRIPS are excluded.

**BofAML All Convertible All Qualities** BofAML All Convertible All Qualities measures the performance of convertible bonds.

**BofAML Preferred Stock Fixed Rate TR USD** BofAML Preferred Stock Fixed Rate TR USD measures the performance of preferred stock securities.

**Capital Growth Asset Allocation Index** The custom benchmark reflects Bloomberg Aggregate Bond Index 25%, MSCI EAFE 15%, Russell 3000 Index 60%.

**CBOE S&P 500 BuyWrite BXM** The CBOE S&P 500 BuyWrite Index (ticker symbol BXM) is a benchmark index designed to show the hypothetical performance of a portfolio that engages in a buy-write strategy using S&P 500 index call options.

**Credit Suisse Equity Market Neutral USD** The Credit Suisse Equity Market Neutral Hedge Fund Index is a subset of the Credit Suisse Hedge Fund Index<sup>SM</sup> that measures the aggregate performance of dedicated short bias funds. Equity market neutral funds typically take both long and short positions in stocks while seeking to reduce exposure to the systematic risk of the market (i.e., a beta of zero is desired). Equity market neutral funds typically seek to exploit investment opportunities unique to a specific group of stocks, while maintaining a neutral exposure to broad groups of stocks defined for example by sector, industry, market capitalization, country, or region. The index has

a number of subsectors including statistical arbitrage, quantitative long/short, fundamental long/short and index arbitrage. Managers often apply leverage to enhance returns.

**Credit Suisse Leveraged Loan USD** This index tracks the investable market of the U.S. dollar denominated leveraged loan market. It consists of issues rated "5B" or lower, meaning that the highest rated issues included in this index are Moody's/S&P ratings of Baa1/BB+ or Ba1/BBB+. All loans are funded term loans with a tenor of at least one year and are made by issuers domiciled in developed countries.

**Credit Suisse Managed Futures USD** The index measures the performance of market trends across a range of asset classes, including: Equities, Fixed Income, Commodities and Currencies. It has demonstrated positive expected returns during upward trending markets and the ability to hedge against some negative tail risk events, potentially making it a less expensive but effective hedge over the long term. The index is asset-weighted.

**CRSP U.S. Large Cap Index** The CRSP US Large Cap Index includes U.S. companies that comprise the top 85 percent of investable market capitalization and are traded on NYSE, NYSE American, NYSE ARCA, NASDAQ, Bats Global Markets, and the Investors Exchange.

**CRSP U.S. Large Cap Value Index** The CRSP U.S. Value Style Indexes are part of CRSP's investable index family. Once securities are assigned to a size-based market cap index, they are made eligible for assignment to a value or growth index using CRSP's multifactor model. CRSP classifies value securities using the following factors: book to price, forward earnings to price, historical earnings to price, dividend-to-price ratio and sales-to-price ratio.

**CRSP U.S. Mega Cap Index** The CRSP U.S. Mega Cap Index includes the largest U.S. companies, with a target of including the top 70 percent of investable market capitalization. The index includes securities traded on NYSE, NYSE American, NYSE ARCA, NASDAQ, Bats Global Markets, and the Investors Exchange.

**CRSP U.S. Mid Cap Index** The CRSP U.S. Mid Cap Index targets inclusion of the U.S. companies that fall between the 70-85 percent of investable market capitalization. The index includes securities traded on NYSE, NYSE American, NYSE ARCA, NASDAQ, Bats Global Markets, and the Investors Exchange.

**CRSP U.S. Total Market Index** Nearly 4,000 constituents across mega, large, small and micro capitalizations, representing nearly 100% of the U.S. investable equity market, comprise the CRSP US Total Market Index.

**CRSP US Mid Cap Growth Index** CRSP classifies growth securities using the following factors, future long-term growth in earning per share (EPS), future short-term growth in EPS, 3-year historical growth in EPS, 3-year historical growth in sales per share, current investment-to-assets ratio and return on assets.

**Day One 2015 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the

asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One 2020 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One 2025 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One 2030 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional

assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One 2035 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One 2040 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index

as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One 2045 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One 2050 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One 2055 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective

January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One 2060 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One 2065 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a

go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One Income Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time.

**Day One IncomeFlex Target 2015 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target 2020 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target 2025 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target 2030 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target 2035 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also

effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target 2040 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target 2045 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target 2050 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund

Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target 2055 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target 2060 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index

performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target 2065 Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**Day One IncomeFlex Target Balanced Benchmark** The custom benchmark reflects the normal weighted average of the respective Day One Fund's stock/non-traditional assets/bond/cash allocation, as represented by the S&P 1500 Composite Index, the Russell Developed ex North America Large Cap Index, the MSCI Emerging Markets Net Dividend Index, the Bloomberg Commodities Index, the PGIM Retirement Real Estate Fund Benchmark, the Bloomberg US Treasury: US TIPS Index, the Bloomberg US Aggregate Bond Index and the FTSE Three Month T-Bill. Effective January 1, 2013, the International asset class is represented in the mandate benchmark by the Russell Developed ex North America Large Cap Index, replacing the MSCI EAFE Net Dividend Index. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time. Effective close of business December 31, 2018, Russell discontinued the Russell Developed Ex-North America Large Cap Net Index. Therefore, also effective on December 31, 2018, the FTSE Developed Markets Ex-North America Index (FTSE Index) replaced the Russell Developed Ex-North America Large Cap Net Index as the primary performance benchmark for the Day One Funds' underlying PGIM Quant Solutions International Developed Markets Index Fund and a component of the custom benchmark with respect to each Day One Fund. The FTSE Index performance will be reflected in the performance of the Day One Funds' custom benchmark index on a go-forward basis only; the custom benchmark's performance history will not be re-stated.

**DJ Brookfield Global Infra TR USD** The Dow Jones Brookfield Global Infrastructure Composite Index is designed to measure the performance of pure-play infrastructure companies domiciled globally. The index covers all sectors of the infrastructure market and includes Master Limited Partnerships (MLPs) in addition to other equity securities.

**Dow Jones U.S. Completion Total Stock Market Index** The Dow Jones U.S. Completion Total Stock Market Index is a subindex of the Dow Jones U.S. Total Stock Market Index that excludes components of the S&P 500®.

**Dow Jones U.S. Total Stock Market Index** The index measures the

performance of all US equity securities with readily available prices. It represents the top 95% of the US stock market based on market capitalisation. The index is float-adjusted market capitalisation weighted.

**FTSE 4Good US Select Index** The FTSE4Good US Select Index is a socially responsible investment (SRI) index of US stocks that excludes companies with certain business activities such as weapons, tobacco, gambling, alcohol, nuclear power, and adult entertainment. Additionally, in order to be included companies must meet a series of stringent environmental and social criteria in areas including environmental management, labor rights, human rights, health and safety, and diversity.

**FTSE Developed Markets Ex North America Index** The FTSE Developed Markets Ex North America Index comprises Large and Mid cap stocks providing coverage of Developed markets, excluding the US and Canada.

**FTSE Global All Cap ex US Index** The FTSE Global All Cap ex US Index is a free-float, market-capitalization weighted index representing the performance of around 5350 large, mid and small cap companies in 46 developed and emerging markets worldwide, excluding the USA.

**FTSE Gold Mines PR USD** The FTSE Gold Mines Index encompasses all gold mining companies that have a sustainable, attributable gold production of at least 300,000 ounces a year and that derive 51% or more of their revenue from mined gold. 5-Year Performance - Capital Return

**FTSE Three Month T-Bill** Measures the performance of the last three three-month Treasury bill month-end rates.

**FTSE WGBI NonUSD USD** The index measures the performance of fixed-rate, local currency, investment-grade sovereign bonds of all WGBI countries except the United States and is stated in US dollar terms. It is a subset of Citigroup World Government Bond Index (WGBI).

**HFRI RV: Multi-Strategy Index** Multi-Strategies employ an investment thesis predicated on realization of a spread between related yield instruments in which one or multiple components of the spread contains a fixed income, derivative, equity, real estate, MLP or combination of these or other instruments. Strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager. In many cases these strategies may exist as distinct strategies across which a vehicle which allocates directly, or may exist as related strategies over which a single individual or decision making process manages. Multi-strategy is not intended to provide broadest-based mass market investors appeal, but are most frequently distinguished from others arbitrage strategies in that they expect to maintain >30% of portfolio exposure in 2 or more strategies meaningfully distinct from each other that are expected to respond to diverse market influences.

**ICE BofA 3 Month U.S. Treasury Bill Index** The ICE BofA 3 Month U.S. Treasury Index measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. The issue is purchased at the beginning of the month and held for a full month; at the end of the month that issue is sold and rolled into a newly selected issue.

**ICE BofA US Dollar 3-Month Deposit Offered Rate Constant Maturity TR USD** Is a subset of The Bank of America Merrill Lynch 0-1 Year US Treasury Index including all securities with a remaining term to final maturity less than 3 months.

**ICE BofA US High Yield TR USD** ICE BofAML US High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$250 million. In addition, qualifying securities must have risk exposure to countries that are members of the FX-G10, Western Europe or territories of the US and Western Europe. The FX-G10 includes all Euro members, the US, Japan, the UK, Canada, Australia, New Zealand, Switzerland, Norway and Sweden.

**ICE BofAML Fixed Rate Preferred Securities** The Index is designed to replicate the total return of a diversified group of investment-grade preferred securities.

**ICE BofAML US Convnt Bonds** The ICE BofAML U.S. Corporate, Government and Mortgage Index is a broad-based measure of the total rate of return performance of the U.S. investment grade bond markets.

**iMoneyNet Taxable Money Funds - Net** Includes all taxable retail and institutional money funds. Consists of funds in the Treasury Retail, Treasury Institutional, Treasury & Repo Retail, Treasury & Repo Institutional, Government & Agency Retail, Government & Agency Institutional, First Tier Retail, First Tier Institutional, Second Tier Retail, and Second Tier Institutional categories.

**IncomeFlex Aggressive Fund Benchmark** IncomeFlex Aggressive Fund Benchmark: Each IncomeFlex Fund's composite benchmark reflects the weighted average of the Fund's stock/international stock/bond allocation, as represented by the Russell 3000 Index, the MSCI ACWI ex US Index, and the Bloomberg US Aggregate Bond Index, respectively.

**IncomeFlex Conservative Fund Benchmark** IncomeFlex Conservative Fund Primary Benchmark: Each IncomeFlex Fund's composite benchmark reflects the weighted average of the Fund's stock/international stock/bond/cash allocation, as represented by the Bloomberg US Aggregate Bond Index, the Russell 3000 Index, and the MSCI ACWI ex US Index, respectively.

**IncomeFlex Moderate Fund Benchmark** IncomeFlex Moderate Fund Primary Benchmark: Each IncomeFlex Fund's composite benchmark reflects the weighted average of the Fund's stock/international stock/bond allocation, as represented by the Bloomberg US Aggregate Bond Index, the Russell 3000 Index, and the MSCI ACWI ex US Index, respectively.

**JP Morgan Emerging Market Bonds Plus** Measures the performance of fix-rate for external-currency denominated debt instruments including brady bonds, loans, Eurobonds in emerging markets. Countries covered are Argentina, Brazil, Bulgaria, Mexico, Morocco, Nigeria, the Philippines, Poland, Russia, and South Africa. It covers more of the eligible instruments than the EMBI+ by relaxing somewhat the strict EMBI+ limits on secondary market trading liquidity.

**JPM EMBI Global TR USD** The index measures the performance of fix-rate for external-currency denominated debt instruments including brady bonds, loans, Eurobonds in emerging markets. Countries covered are Argentina, Brazil, Bulgaria, Mexico, Morocco, Nigeria, the Philippines, Poland, Russia, and South Africa. It covers more of the eligible instruments than the EMBI+ by relaxing somewhat the strict EMBI+ limits on secondary market trading liquidity.

**JPMorgan Govt Bond Index exUS (\$Hdgd)** The index measures the



performance of fixed rate issuances for local debt instruments from high-income countries spanning Europe, North America and Asia-Pacific regions. It is a sub-set of GBI Global index excluding bond from U.S. The developed markets index lineup has a long track record since the launch of the GBI Global in 1989 and has grown to include indices covering the Eurozone and Cash Deposit Rates.

**Lifetime Aggressive Growth Primary Benchmark** Each Lifetime Fund's composite benchmark reflects the weighted average of the Fund's stock/international stock/bond allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index and the Bloomberg US Aggregate Bond Index, respectively.

**Lifetime Balanced Primary Benchmark** Each Lifetime Fund's composite benchmark reflects the weighted average of the Fund's stock/international stock/bond allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index and the Bloomberg US Aggregate Bond Index, respectively.

**Lifetime Conservative Growth Primary Benchmark** Each Lifetime Fund's composite benchmark reflects the weighted average of the Fund's stock/international stock/bond allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index and the Bloomberg US Aggregate Bond Index, respectively.

**Lifetime Growth Primary Benchmark** Each Lifetime Fund's composite benchmark reflects the weighted average of the Fund's stock/international stock/bond allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index and the Bloomberg US Aggregate Bond Index, respectively.

**Lifetime Income & Equity Primary Benchmark** Each Lifetime Fund's composite benchmark reflects the weighted average of the Fund's stock/international stock/bond/cash allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index, the Bloomberg US Aggregate Bond Index and the Citigroup 3-Month T-Bill Index, respectively.

**Lipper International Fund Index** The Lipper International Fund Index measures the performance of the 30 largest mutual funds in the international equity fund objective, as determined by Lipper, Inc. The Morningstar category average represents a universe of funds with similar objectives

**Morningstar Aggressive Target Risk TR USD** The Morningstar Target Risk Index family is designed to meet the needs of investors who would like to maintain a target level of equity exposure through a portfolio diversified across equities, bonds and inflation-hedged instruments. The Morningstar Aggressive Target Risk Index seeks approximately 95% exposure to global equity markets. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Conservative Target Risk TR USD** The Morningstar Target Risk Index family is designed to meet the needs of investors who would like to maintain a target level of equity exposure through a portfolio diversified across equities, bonds and inflation-hedged instruments. The Morningstar Conservative Target Risk Index seeks approximately 20% exposure to global equity markets. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Global Allocation TR USD** The index measures the performance of a multi-asset class portfolio of global equities, global bonds and cash. This portfolio is held in a static allocation that is appropriate for investors who seek average exposure to global equity market risk and returns. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Global Long/Short Currency** The index measures the performance of global highly liquid exchange listed futures contracts in currencies. It has the ability to go both long and short, providing greater flexibility and the potential to capture both upward and downward movements in price. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2010 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2010. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2015 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2015. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2020 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2020. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2025 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2025. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2030 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2030. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2035 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2035. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2040 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2040. The Moderate risk profile is for investors who are

comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2045 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2045. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2050 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2050. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2055 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2055. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate 2060 TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target maturity date of 2060. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Lifetime Allocation Moderate Income TR USD** The index measures the performance of a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a US investor who has a target of moderate income. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar MLP Composite** The index measures the performance of US publicly trading energy master limited partnerships. It is a diversified, distribution-dollar weighted index that targets the top 97% of investable universe by float market capitalization. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Moderate Target Risk TR USD** The Morningstar Target Risk Index family is designed to meet the needs of investors who would like to maintain a target level of equity exposure through a portfolio diversified across equities, bonds and inflation-hedged instruments. The Morningstar Moderate Target Risk Index seeks approximately 60% exposure to global equity markets.

**Morningstar Moderately Conservative Target Risk TR USD** The Morningstar Target Risk Index family is designed to meet the needs of investors who would like to maintain a target level of equity exposure through a portfolio diversified across equities, bonds and inflation-

hedged instruments. The Morningstar Moderately Conservative Target Risk Index seeks approximately 40% exposure to global equity markets. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

**Morningstar Technology Sector Index** Measures the performance of companies engaged in the design, development, and support of computer operating systems and applications. This sector also includes companies that provide computer technology consulting services. Also includes companies engaged in the manufacturing of computer equipment, data storage products, networking products, semiconductors, and components.

**Morningstar US Market** The index measures the performance of US securities and targets 97% market capitalization coverage of the investable universe. It is a diversified broad market index.

**MSCI AC Asia Ex Japan NR USD** The MSCI AC Asia ex Japan Index captures large and mid cap representation across 2 of 3 Developed Markets (DM) countries\* (excluding Japan) and 9 Emerging Markets (EM) countries\* in Asia. With 953 constituents, the index covers approximately 85% of the free float adjusted market capitalization in each country.

**MSCI AC Far East Ex Japan NR USD** The MSCI AC Far East ex Japan Index captures large and mid cap representation across 2 Developed Markets countries (excluding Japan) and 7 Emerging Markets countries in the Far East\*. With 863 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

**MSCI ACWI ex US Growth NR USD** The MSCI ACWI ex USA Growth Index captures large and mid cap securities exhibiting overall growth style characteristics across 22 Developed Markets (DM) countries and 26 Emerging Markets (EM) countries\*. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend.

**MSCI ACWI ex US Value NR USD** The MSCI ACWI ex USA Value Index captures large and mid cap securities exhibiting overall value style characteristics across 22 Developed and 26 Emerging Markets countries\*. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

**MSCI ACWI Ex USA Value Index** Measures the performance of the value large and mid cap segments of the particular regions, excluding USA equity securities, including developed and emerging market. It is free float-adjusted market-capitalization weighted.

**MSCI ACWI Index** Captures large and mid cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. With 2,499 constituents, the index covers approximately 85% of the global investable equity opportunity set.

**MSCI ACWI Large Cap NR USD** The MSCI ACWI Large Cap Index captures large cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries\*. With 1,487 constituents, the index covers about 70% of the free float-adjusted market capitalization in each country.

**MSCI ACWI SMID NR USD** The MSCI ACWI SMID Cap Index captures mid and small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries\*. With 7,329

constituents, the index covers approximately 28% of the free float-adjusted market capitalization in each country.

**MSCI All Country Asia Pacific Cmp** The index measures the performance of the large and mid cap segments of the Asia Pacific region equity securities, including developed and emerging market. It is free float-adjusted market-capitalization weighted.

**MSCI All Country World Ex United States Net Index** The MSCI ACWI ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries\*. With 1,863 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

**MSCI All Country World Ex US Investable Market Index** The MSCI ACWI ex USA Investable Market Index (IMI) captures large, mid and small cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 24 Emerging Markets countries. With 6,435 constituents, the index covers approximately 99% of the global equity opportunity set outside the US.

**MSCI All Country World Ex. U.S. Index** Measures the performance of the large and mid cap segments of the particular regions, excluding USA equity securities, including developed and emerging market. It is free float-adjusted market-capitalization weighted.

**MSCI All Country World Index (net)** The MSCI ACWI captures large and mid cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries.

**MSCI China NR USD** The MSCI China Index captures large and mid cap representation across China H shares, B shares, Red chips, P chips and foreign listings (e.g. ADRs). With 461 constituents, the index covers about 85% of this China equity universe. Currently, the index also includes Large Cap A shares represented at 5% of their free float adjusted market capitalization.

**MSCI EAFE (net)** The MSCI EAFE Index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The Index is available for a number of regions, market segments/sizes and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries.

**MSCI EAFE Growth (net)** The MSCI EAFE Growth Index captures large and mid cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada

**MSCI EAFE Value Index (net)** The index measures the performance of the value large and mid cap segments of developed markets, excluding the US & Canada equity securities. It is free float-adjusted market-capitalization weighted.

**MSCI EM (Emerging Markets) Latin America Index** Measures the performance of the large and mid cap segments of emerging Latin America equity securities. It is free float-adjusted market-capitalization weighted.

**MSCI Emerging Markets IMI Index** The MSCI Emerging Markets Investable Market Index (IMI) captures large, mid and small cap representation across 26 Emerging Markets (EM) countries\*. With 2,829 constituents, the index covers approximately 99% of the free float-adjusted market capitalization in each country

**MSCI Emerging Markets Index** Measures the performance of the large and mid cap segments of emerging market equity securities. It is free float-adjusted market-capitalization weighted.

**MSCI Emerging Markets Net Dividend Index** Measures the performance of the large and mid cap segments of emerging market equity securities. It is free float-adjusted market-capitalization weighted.

**MSCI Europe Net Dividend Index** Represents the performance of large and mid-cap equities across 15 developed countries in Europe. The Index has a number of sub-Indexes which cover various sub-regions market segments/sizes, sectors and covers approximately 85% of the free float-adjusted market capitalization in each country.

**MSCI India NR USD** The MSCI India Index is designed to measure the performance of the large and mid cap segments of the Indian market. With 79 constituents, the index covers approximately 85% of the Indian equity universe.

**MSCI Japan Index** Measures the performance of the large and mid cap segments of Japan equity securities. It is free float-adjusted market-capitalization weighted.

**MSCI Japan Net Dividend Index** MSCI Japan Index measures the performance of the large and mid cap segments of Japan equity securities. It is free float-adjusted market-capitalization weighted.

**MSCI Pacific Index** Captures large and mid cap representation across 5 Developed Markets (DM) countries in the Pacific region. With 471 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

**MSCI US REIT Index** Measures the performance of the large, mid and small cap segments of the US equity securities. It is comprised of Equity REITs securities and based on the MSCI USA Investable Market Index, with the exception of Mortgage REIT and selected Specialized REITs. The index represents approximately most of the US REIT universe and securities are classified in the REIT sector according to the Global Industry Classification Standard. It is a free float market capitalization weighted index.

**MSCI World Ex USA SMID NR USD** The MSCI World ex USA SMID Cap Index captures mid and small cap representation across 22 of 23 Developed Market (DM) countries\*. With 3,117 constituents, the index covers approximately 28% of the free float-adjusted market capitalization in each country.

**MSCI World Growth (net)** Measures the performance of the growth large and mid cap segments of world equity securities. It is free float-adjusted market-capitalization weighted.

**MSCI World Index** Captures large and mid cap representation across 23 Developed Markets (DM) countries. With 1,653 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

**MSCI World Index (net)** Is a broad global equity benchmark that represents large and mid-cap equity performance across 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country and MSCI World benchmark does not offer exposure to emerging markets.

**MSCI World Metals & Mining Index** The MSCI World Metals and Mining Index is composed of large and mid cap stocks across 23 Developed Markets (DM) countries\*. All securities in the index are classified in the Metals & Mining industry (within the Materials sector)

according to the Global Industry Classification Standard (GICS®).

**MSCI World Value Index (net)** Measures the performance of the value large and mid cap segments of world equity securities.

**Multi-Asset Inflation Index** The custom benchmark reflects Bloomberg Commodity Index (25%), Bloomberg U.S. Treasury Inflation Notes: 1-10 Year (25%) and MSCI ACW Commodity Producers Index (50%).

**NASDAQ Composite Total Return** Includes all domestic and international based common type stocks listed on The NASDAQ Stock Market. The NASDAQ Composite Index is a broad based Index.

**PESP IncomeFlex Target Balanced** The custom benchmark reflects Bloomberg Aggregate Bond Index (40%), MSCI ACWI ex USA Index (15%) and Russell 3000 Index (45%).

**PGIM Retirement Real Estate Fund Benchmark** For periods prior to and including September 30, 2012, the benchmark for this composite was comprised of the NCREIF Open-End Diversified Core Equity Fund Index (NFI-ODCE), the S&P Developed Property Index and the Citigroup U.S. Domestic Three Month Treasury Bill Total Return Index re-weighted on a monthly basis to correspond to the Fund's investment allocation. In order to better align the benchmark with the composite's strategic allocations, for periods October 1, 2012 to April 1, 2018, the benchmark for this composite was comprised of 75% NCREIF Open-End Diversified Core Equity Fund Index and 25% S&P Developed Property Index. PRREF's custom benchmark was changed when the fund transitioned their US REIT component from global real estate securities to a US-only REIT ETF (Vanguard's VNQ) on April 1, 2018. At that time VNQ, the new ETF, was in the process of changing their benchmark, so for a short period, there was a transition index used as a component of PRREF's custom benchmark. Subsequently, from April 1, 2018 through July 31, 2018, PRREF's benchmark was comprised of 75% of the NCREIF Open-End Diversified Core Equity Fund Index (ODCE), and 25% MSCI US Investable Market Real Estate 25/50 Transition Index. Effective August 1, 2018, PRREF's benchmark is comprised of 75% of the NCREIF Open-End Diversified Core Equity Fund Index (ODCE), and 25% MSCI US Investable Market Real Estate 25/50 Index. The MSCI US Investable Market Real Estate 25/50 Index is a free float-adjusted market capitalization weighted index that is comprised of Equity REIT securities. The MSCI US Investable Market Real Estate 25/50 Index is based on the MSCI USA Investable Market Index (IMI) ("the parent index"), which is comprised of all the securities included in the MSCI USA Large Cap, MSCI USA Mid Cap and MSCI USA Small Cap Indices. Note: The ODCE index is not professionally managed, does not have a defined investment objective, and does not incur fees or expenses. Investors cannot invest directly in the index.

**Preservation Asset Allocation Index** The custom benchmark reflects Bloomberg Aggregate Bond Index 65%, MSCI EAFE 7%, Russell 3000 Index 28%.

**Retirement Goal 2020 Primary Benchmark** The custom benchmark for the Fund is a pro rata combination of the benchmarks for the Fund's underlying asset classes, based on the normal asset allocation for each Fund. The benchmark reflects the weighted average of the Fund's U.S. stock/international stock/bond/cash allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index, the Bloomberg US Aggregate Bond Index and the Citigroup 3-Month T-Bill Index, respectively. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time.

**Retirement Goal 2030 Primary Benchmark** The custom benchmark for the Fund is a pro rata combination of the benchmarks for the Fund's underlying asset classes, based on the normal asset allocation for each

Fund. The benchmark reflects the weighted average of the Fund's U.S. stock/international stock/bond/cash allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index, the Bloomberg US Aggregate Bond Index and the Citigroup 3-Month T-Bill Index, respectively. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time.

**Retirement Goal 2040 Primary Benchmark** The custom benchmark for the Fund is a pro rata combination of the benchmarks for the Fund's underlying asset classes, based on the normal asset allocation for each Fund. The benchmark reflects the weighted average of the Fund's U.S. stock/international stock/bond/cash allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index, the Bloomberg US Aggregate Bond Index and the Citigroup 3-Month T-Bill Index, respectively. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time.

**Retirement Goal 2050 Primary Benchmark** The custom benchmark for the Fund is a pro rata combination of the benchmarks for the Fund's underlying asset classes, based on the normal asset allocation for each Fund. The benchmark reflects the weighted average of the Fund's U.S. stock/international stock/bond/cash allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index, the Bloomberg US Aggregate Bond Index and the Citigroup 3-Month T-Bill Index, respectively. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time.

**Retirement Goal 2060 Primary Benchmark** The custom benchmark for the Fund is a pro rata combination of the benchmarks for the Fund's underlying asset classes, based on the normal asset allocation for each Fund. The benchmark reflects the weighted average of the Fund's U.S. stock/international stock/bond/cash allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index, the Bloomberg US Aggregate Bond Index and the Citigroup 3-Month T-Bill Index, respectively. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time.

**Retirement Goal Income Primary Benchmark** The custom benchmark for the Fund is a pro rata combination of the benchmarks for the Fund's underlying asset classes, based on the normal asset allocation for each Fund. The benchmark reflects the weighted average of the Fund's U.S. stock/international stock/bond/cash allocation, as represented by the Russell 3000 Index, the MSCI EAFE Index, the Bloomberg US Aggregate Bond Index and the Citigroup 3-Month T-Bill Index, respectively. Because the asset allocation of each Fund changes over time, the custom benchmark allocations also change over time.

**Russell 1000 Growth Index** Measures the performance of the large-cap growth segment of the US equity securities. It includes the Russell 1000 index companies with higher price-to-book ratios and higher forecasted growth values. It is market-capitalization weighted.

**Russell 1000 Value Index** Measures the performance of the large-cap value segment of the US equity securities. It includes the Russell 1000 index companies with lower price-to-book ratios and lower expected growth values. It is market-capitalization weighted.

**Russell 2000 Growth Index** Measures the performance of small-cap growth segment of the US equity universe. It includes those Russell 2000 companies with higher price/book ratios and higher predicted and forecasted growth values. It is market-capitalization weighted.

**Russell 2000 Index** Measures the performance of the small-cap segment of the US equity universe. It is a subset of the Russell 3000 Index and it represents approximately 8% of the US market. It includes approximately 2,000 of the smallest securities based on a combination

of their market cap and current index membership.

**Russell 2000 Value Index** Measures the performance of small-cap value segment of the US equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower expected and historical growth values.

**Russell 2500 Growth Index** Measures the performance of the small to mid-cap growth segment of the US equity universe. It includes Russell 2500 index companies with higher price-to-book ratios and higher forecasted growth values. It is market-capitalization weighted.

**Russell 2500® Index** Measures the performance of the small to mid-cap segment of the US equity universe, commonly referred to as mid cap. It is a subset of the Russell 3000 index. It includes approximately 2,500 of the smallest securities based on a combination of their market cap and current index membership. The index is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set.

**Russell 2500® Value Index** Measures the performance of the small to mid-cap value segment of the US equity universe. It includes Russell 2500 index companies with lower price-to-book ratios and lower expected and historical growth rates.

**Russell 3000 Growth** Measures the performance of the broad growth segment of the US equity universe. It includes Russell 3000 index companies with higher price-to-book ratios and higher forecasted growth values. It is market-capitalization weighted.

**Russell 3000 Index** Measures the performance of the largest 3,000 US companies representing approximately 98% of the investable US equity market. It is constructed to provide a comprehensive, unbiased and stable barometer of the broad market and is completely reconstituted annually to ensure new and growing equities are reflected.

**Russell 3000 Value Index** Measures the performance of the broad value segment of US equity value universe. It includes Russell 3000 index companies with lower price-to-book ratios and lower forecasted growth values. It is market-capitalization weighted.

**Russell Midcap Growth Index** Measures the performance of the midcap growth segment of the U.S. equity universe. It includes those Russell Midcap Index companies with higher price-to-book ratios and higher forecasted growth values.

**Russell Midcap Index** Measures the performance of the mid-cap segment of the US equity universe. It is a subset of Russell 1000 index and includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The index represents approximately 31% of the total market capitalization of the Russell 1000 companies. It is constructed to provide a comprehensive and unbiased barometer for the mid-cap segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap opportunity set.

**Russell Midcap Value Index** Measures the performance of the mid-cap value segment of the US equity universe. It includes Russell midcap index companies with lower price-to-book ratios and lower forecasted growth values. It is market-capitalization weighted.

**S&P 1000 Index** The S&P 1000® Index combines the S&P MidCap 400® and the S&P SmallCap 600® to form an investable benchmark for the

mid- to small-cap segment of the U.S. equity market.

**S&P 1500 Cons Discretionary TR** The S&P Composite 1500® Consumer Discretionary Index comprises those companies included in the S&P Composite 1500 that are classified as members of the GICS® consumer discretionary sector.

**S&P 1500 Cons Staples TR** The S&P Composite 1500® Consumer Staples Index comprises those companies included in the S&P Composite 1500 that are classified as members of the GICS® consumer staples sector.

**S&P 1500 Energy TR** The S&P Composite 1500® Energy Index comprises those companies included in the S&P Composite 1500 that are classified as members of the GICS® energy sector.

**S&P 1500 Financials TR** The S&P Composite 1500® Financials Index comprises those companies included in the S&P Composite 1500 that are classified as members of the GICS® financials sector.

**S&P 1500 Health Care TR** The S&P Composite 1500® Health Care Index comprises those companies included in the S&P Composite 1500 that are classified as members of the GICS® health care sector.

**S&P 1500 Index** The S&P Composite 1500® combines three leading indices, the S&P 500®, the S&P MidCap 400®, and the S&P SmallCap 600® to cover approximately 90% of the U.S. market capitalization. It is designed for investors seeking to replicate the performance of the U.S. equity market or benchmark against a representative universe of tradable stocks.

**S&P 1500 Industrials TR** The S&P Composite 1500® Industrials Index comprises those companies included in the S&P Composite 1500 that are classified as members of the GICS® industrials sector.

**S&P 1500 Telecom Services TR** The S&P Composite 1500® Communication Services comprises those companies included in the S&P Composite 1500 that are classified as members of the GICS® communication services sector.

**S&P 1500 Utilities TR** The S&P Composite 1500® Utilities Index comprises those companies included in the S&P Composite 1500 that are classified as members of the GICS® utilities sector.

**S&P 500 Information Technology** Comprises those companies included in the S&P 500 that are classified as members of the GICS® information technology sector.

**S&P 500 Index** The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities. There is over USD 7.8 trillion benchmarked to the index, with index assets comprising approximately USD 2.2 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

**S&P 500 Industrials** The S&P 500® Industrials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® industrials sector

**S&P 500 Telecomm Service** The S&P 500® Telecommunication Services Index comprises those companies included in the S&P 500 that are classified as members of the GICS® telecommunication services sector.

**S&P 500 Value Index** We measure value stocks using three factors: the ratios of book value, earnings, and sales to price. S&P Style Indices

divide the complete market capitalization of each parent index into growth and value segments. Constituents are drawn from the S&P 500®.

**S&P 500-Consumer Discretionary** The S&P 500® Consumer Discretionary Index comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer discretionary sector.

**S&P 500-Energy** The S&P 500® Energy Index comprises those companies included in the S&P 500 that are classified as members of the GICS® energy sector.

**S&P 500-Financial Services** The S&P 500® Financials Index comprises those companies included in the S&P 500 that are classified as members of the GICS® financials sector.

**S&P 500-Health Care** The S&P 500® Health Care Index comprises those companies included in the S&P 500 that are classified as members of the GICS® health care sector.

**S&P 500-Utilities** The S&P 500® Utilities Index comprises those companies included in the S&P 500 that are classified as members of the GICS® utilities sector.

**S&P 600 Index** The S&P SmallCap 600® Index (S&P 600) is a stock market index established by Standard & Poor's. It covers roughly the small-cap range of US stocks, using a capitalization-weighted index.

**S&P Composite 1500® Index** The S&P Composite 1500® combines three leading indices, the S&P 500®, the S&P MidCap 400®, and the S&P SmallCap 600® to cover approximately 90% of the U.S. market capitalization. It is designed for investors seeking to replicate the performance of the U.S. equity market or benchmark against a representative universe of tradable stocks.

**S&P Developed Property Index** This index defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.

**S&P Global Infrastructure Index** The S&P Global Infrastructure Index is designed to track 75 companies from around the world chosen to represent the listed infrastructure industry while maintaining liquidity and tradability. To create diversified exposure, the index includes three distinct infrastructure clusters: energy, transportation, and utilities.

**S&P Global REIT** Measures the performance of publicly traded equity REITs listed in both developed and emerging markets. It is a member of the S&P Global Property Index Series.

**S&P MidCap 400 Growth Index** Measures growth stocks using three factors: sales growth, the ratio of earnings change to price, and momentum. S&P Style Indices divide the complete market capitalization of each parent index into growth and value segments. Constituents are drawn from the S&P MidCap 400®.

**S&P MidCap 400 Index** The S&P MidCap 400® provides investors with a benchmark for mid-sized companies. The index, which is distinct from the large-cap S&P 500®, measures the performance of mid-sized companies, reflecting the distinctive risk and return characteristics of this market segment.

**S&P North American Natural Resources TR** The S&P North American Natural Resources Index provides investors with a benchmark that represents U.S. traded securities that are classified under the GICS®

energy and materials sector excluding the chemicals industry; and steel sub-industry.

**S&P United States REIT** Measures the performance of investable universe of publicly traded real estate investment trusts domiciled in the United States.

**S&P/LSTA Leveraged Loan Index** The S&P/LSTA Leveraged Loan Index represents the U.S. Senior loan market.

**S&P500-Consumer Staples** The S&P 500® Consumer Staples Index comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer staples sector.

**Spliced Bloomberg U.S. Treasury 3-10 Year Index** Bloomberg U.S. 3-10 Year Government Float Adjusted Index through December 11, 2017; Bloomberg U.S. Treasury 3-10 Year Bond Index thereafter.

**USTREAS Treasury Bill Constant Maturity Rate 3 Year** This index is an average yield on United States Treasury securities adjusted to a constant maturity of 3 year, as made available by the Federal Reserve Board. Yields are interpolated by the United States Treasury from the daily yield curve.