



# Wespath

BENEFITS | INVESTMENTS



PARTICIPANT INVESTMENT OPTIONS

## Understanding Your Investment Options



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**About Us**

Wespath Benefits and Investments (Wespath) is a not-for-profit administrative agency of The United Methodist Church.

We supervise and administer retirement plans, investment funds and health and welfare benefit plans. Our participants are active and retired clergy and lay employees of The United Methodist Church and Methodist-affiliated organizations.

Helping you find  
the investment options  
to meet your needs



# Wespath Helps You Understand and Oversee Your Investments



## Three Opportunities for Managing Your Investments

- 1 Let LifeStage Investment Management choose your target allocation based on key personal information and rebalance your accounts when necessary.
- 2 Contact EY Financial Planning Services to determine an appropriate asset allocation for you and rebalance your accounts as needed.
- 3 Self-manage your investments and rebalance your accounts as needed.

## Wespath Is Here to Help

Investing can be intimidating—but it does not have to be! We have resources to guide you toward your personal goals. They include:

- LifeStage Investment Management (see page 5)
- EY Financial Planning Services (see page 10)

## Wespath Offers Investment Opportunities

With the right guidance and investment opportunities, you do have the ability to achieve a more financially secure retirement. Your Wespath-administered plans offer the following funds—choose the right ones for you.

### Investment Funds (see page 11)

- **Stable Value Fund (SVF)**—a low-risk bond fund
- **Inflation Protection Fund (IPF)**—a fixed-income, inflation-protected securities fund
- **Fixed Income Fund (FIF)**—a fund composed of a broad range of fixed-income instruments
- **Extended Term Fixed Income Fund (ETFIF)**—a fund composed of fixed-income securities with longer maturities
- **Multiple Asset Fund (MAF)**—a diversified multiple-asset-class “fund of funds”
- **U.S. Equity Fund (USEF)**—an equity fund composed of a broad range of companies that are domiciled primarily in the United States
- **U.S. Equity Index Fund (USEIF)**—a U.S. equity fund that employs a passive investment strategy
- **International Equity Fund (IEF)**—an equity fund composed of a broad range of non-U.S. domiciled companies

### The Social Values Choice Suite of Funds (see page 20)

- **U.S. Treasury Inflation Protection Fund (USTPF)**—a fixed-income, inflation-protected securities fund
- **Social Values Choice Bond Fund (SVCBF)**—a fixed-income fund that provides an option for investors with a heightened focus on companies’ environmental and social performance
- **Social Values Choice Equity Fund (SVCEF)**—an equity fund that provides an option for investors with a heightened focus on companies’ environmental and social performance

We reserve the right to change the policies and rules in this brochure at any time.

# LifeStage Investment Management

## Customized Fund Allocation

LifeStage Investment Management is one option for managing your Wespath-administered retirement account(s). LifeStage Investment Management allocates your contributions and the contributions made on your behalf to your retirement accounts among our investment funds.

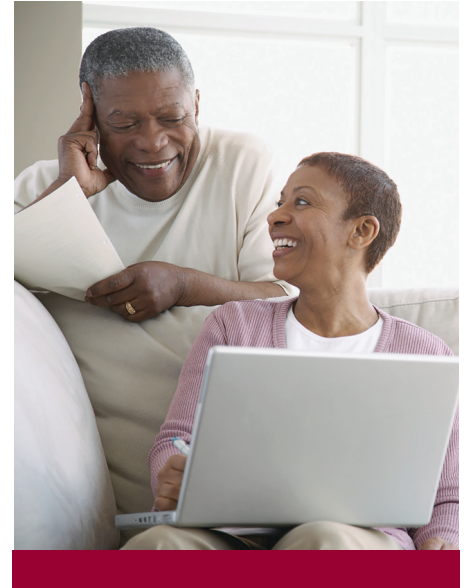
“Target fund allocation” refers to the proportions and mix of the investment funds that comprise your Wespath account balance(s). The target fund allocation, or investment mix, represents your individual investment portfolio and is based on:

- Your age
- The assets in your Wespath-administered retirement accounts
- Your answers to questions used to determine your LifeStage Personal Investment Profile (including risk tolerance and Social Security eligibility)
- Other factors unique to each individual participant

After determining your target fund allocation, LifeStage Investment Management manages your account automatically for you. As your age and circumstances change, LifeStage Investment Management adjusts your fund allocations accordingly. Differences in market returns may cause your individual investment fund allocations to fall outside a specified range compared to your target fund allocation. LifeStage Investment Management compares your actual fund allocations to your target fund allocations quarterly and makes changes when needed to align actual allocations with the target. During aberrant market conditions, Wespath may temporarily elect to suspend rebalancing back to the target allocation.

## A Proven Investment Strategy Sets an Appropriate Level of Risk/Return for Your Portfolio

LifeStage Investment Management applies the principle of diversification, a proven investment strategy used by professional investors and financial planners. Diversification means spreading your account dollars among different types of U.S. and international investments, such as stocks, bonds, real estate, commodities, positive social purpose loans, private equity and inflation protection securities, rather than investing your balances in only one fund or even in one type of investment.



## Ministerial Pension Plan Account Management

The Ministerial Pension Plan (MPP) provides clergy with pension benefits for their years of service to The United Methodist Church from 1982 through 2006.\*

As required by the plan, LifeStage Investment Management manages MPP accounts separately from other Wespath-administered defined contribution accounts, such as the Clergy Retirement Security Program (CRSP) and the Personal Investment Plan (PIP).

As a clergyperson approaches the age at which he or she will begin receiving monthly benefits from MPP, LifeStage Investment Management reduces the percentage of equity holdings (stocks) in the individual's MPP account more rapidly than it does for other accounts.

*\* MPP was replaced by CRSP effective January 1, 2007. Clergy who have an MPP account continue to incur investment gains or losses on MPP account balances until benefits are paid from the plan.*

# LifeStage Investment Management



“Diversification” means spreading your account dollars among different types of investments.

## LifeStage Investment Management Selects Funds for You

Using our investment funds and key information about you, LifeStage Investment Management develops your customized target fund allocation. You are not required to provide any data or take any action. However, you have the option through LifeStage Investment Management to develop a Personal Investment Profile to fine-tune the target fund allocation created for you. To do so, you will need to answer the following questions when you elect LifeStage Investment Management or at any later date. (See page 9 “Electing LifeStage Investment Management” for more details.)

### 1. What Is Your Risk Tolerance?

Investing involves risk. On one hand, if you invest too aggressively, you increase the risk of losing value in your investments because of market fluctuation.

On the other hand, if you invest too conservatively, you may risk the opportunity to accumulate gains that could have been earned from investments with higher growth potential—gains that are important for maintaining the standard of living that you had before retirement. Also, you need to protect against the risk of inflation eroding the value of your hard-earned savings, and some conservative investments do not fully protect against inflation.

The following risk descriptions are merely a guide. We recommend that you seek the advice of a professional financial planner, such as those provided through EY Financial Planning Services (see page 10), to determine your risk tolerance.

| Your risk tolerance might be <b>Conservative</b> if you:                                                                                                                                                                                                                                                                                                                                          | Your risk tolerance might be <b>Moderate</b> if you:                                                                                                                                                                                                                                                                                         | Your risk tolerance might be <b>Aggressive</b> if you:                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Are willing to accept the potential for below-average investment performance in an effort to avoid higher investment risk,</li> <li>• Are likely to sell investments in volatile markets with rapidly fluctuating market performance, and</li> <li>• Are expecting to exhaust all or most of your account balance within seven or fewer years</li> </ul> | <ul style="list-style-type: none"> <li>• Are willing to accept the potential for average investment performance with average investment risk,</li> <li>• Are willing to tolerate some modest fluctuating market performance, and</li> <li>• Are expecting to exhaust all or most of your account balance within eight to 15 years</li> </ul> | <ul style="list-style-type: none"> <li>• Are willing to accept the potential for above-average investment performance with above-average risk,</li> <li>• Are unlikely to sell investments in volatile markets with rapidly fluctuating market performance, and</li> <li>• Are expecting to exhaust all or most of your account balance in 15 years or more</li> </ul> |

## 2. How Do Social Security Benefits Impact LifeStage Investment Management?

Most participants have paid Social Security taxes and meet the qualifications (including at least 10 years in non-government work) to receive a Social Security benefit.\* Your potential Social Security benefit is considered a source of retirement income by LifeStage Investment Management and factors into your target investment mix. The service assumes that the current value of your future Social Security benefit is similar to holding fixed income instruments. As a result, a higher percentage of your defined contribution account is invested in equities.

## 3. If You Have a Ministerial Pension Plan (MPP) Account, What Is Your Expected Benefits Commencement Date—the Date on Which You Anticipate Starting Your MPP Retirement Benefits?

This variable applies only to UMC clergy participants in MPP. Retirement age and the date you start receiving benefits aren't always the same. You may retire before or after age 65 and may choose to defer the start of your retirement benefits until a later date. The later you begin receiving benefits, the longer your investments will have an opportunity to grow.

The date on which you expect to begin receiving MPP benefits will influence how LifeStage Investment Management invests your MPP balance.

## 4. What Is Your Intention for the Non-Annuitized Portion of MPP?

This variable applies only to UMC clergy participants in MPP. MPP requires that you either convert 65% of your account balance to a lifetime monthly benefit payment (an "annuity") OR include the 65% of your account balance in LifeStage Retirement Income. You have options for the remaining (35%) account balance; you may keep it invested in MPP, roll it over to PIP or withdraw it from MPP.

Your decision about whether you plan to continue to invest the remaining balance or withdraw it at retirement affects how LifeStage Investment Management invests your MPP balance.



### LifeStage Investment Management Allocates Your Account Balance Based on Your Personal Investment Profile

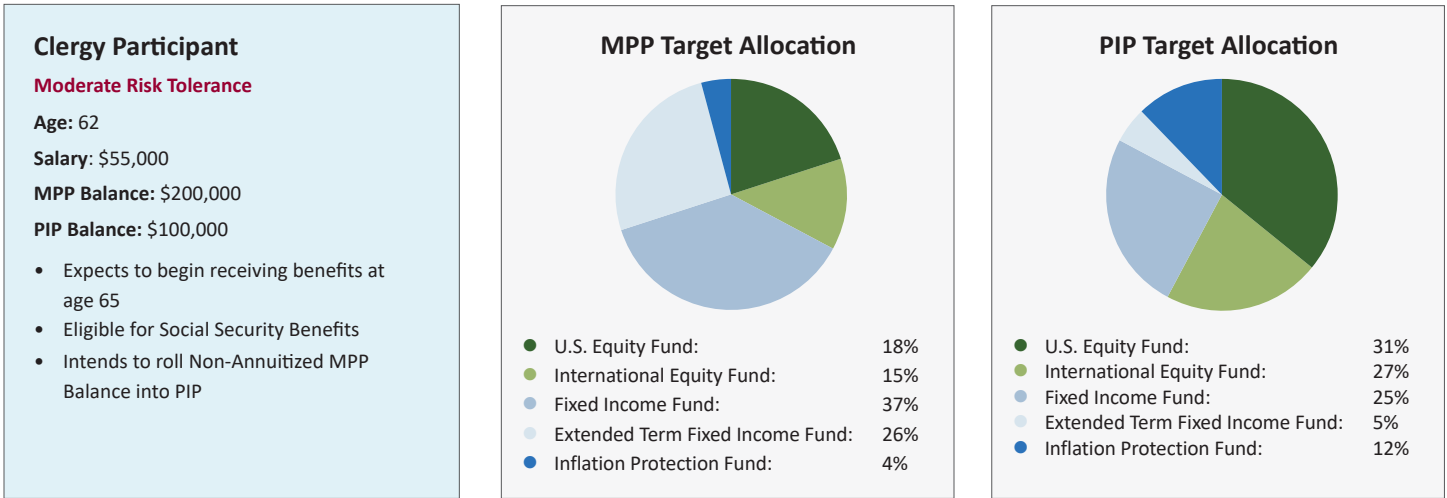
LifeStage Investment Management uses the answers to these questions and other information about you—including your actual or assumed compensation and assets you may have in your Wespath-administered retirement accounts—to determine a target fund allocation for you. If you do not answer questions in the Personal Investment Profile, LifeStage Investment Management uses a preselected profile that is appropriate for most participants: moderate risk tolerance, benefits to begin at the Social Security Full Retirement Age (as defined by the Social Security Administration) based on year of birth, participation in Social Security and investment of the 35% non-annuitized portion throughout retirement (if applicable).

Whether you set your own variables through the Personal Investment Profile or rely on our preselected profile, there is nothing more for you to do. LifeStage Investment Management will manage the investment of your account balance(s). You may review your LifeStage Personal Investment Profile periodically and update it when appropriate.

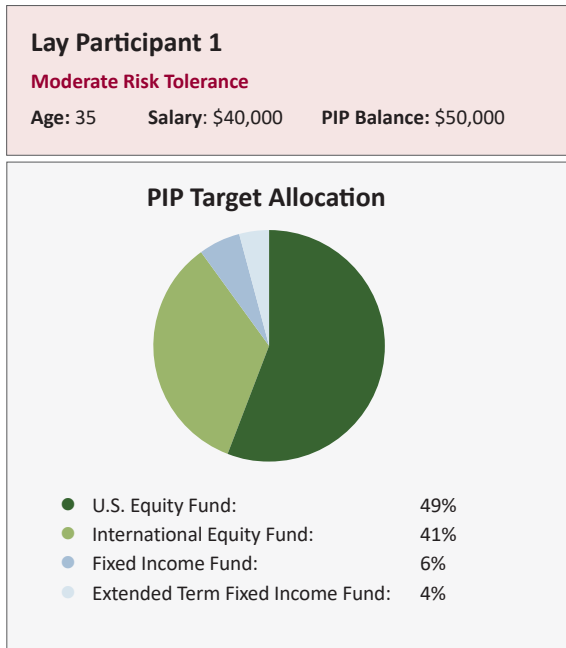
\* Some clergy do not participate in Social Security and will not receive Social Security benefits when they retire.

# LifeStage Investment Management

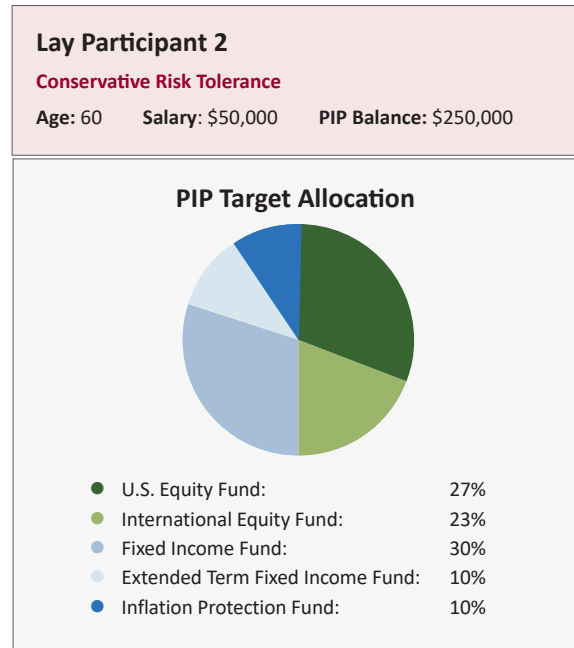
## Sample LifeStage Investment Management Fund Allocations



*LifeStage Investment Management decreases equity exposure for MPP participants as they approach retirement.*



*Early-in-career participant has increased equity exposure.*



*Late-in-career participant has decreased equity exposure.*

The information presented on this page is for illustrative purposes only and represents an approximation of a participant's fund allocations for the examples given. Actual fund allocations may vary.



# Is LifeStage Investment Management Right for You?

LifeStage Investment Management is a great way for many participants to invest their defined contribution accounts effortlessly and sensibly, but it may not be appropriate for everyone. Your defined contribution accounts might not benefit from LifeStage Investment Management if you:

- Have significant retirement resources outside of Wespath,
- Have or will receive a pension from a prior employer,
- Entered the work force relatively late in life,
- Have an illness that could shorten your life expectancy,
- Have some Social Security coverage but elected not to participate in Social Security as a clergyperson, or
- Intend to use your defined contribution account balances for a purpose other than lifetime income.

Other situations could also affect whether LifeStage Investment Management is right for you. EY financial planners are available at no additional cost\* to help you determine if LifeStage Investment Management is appropriate for your defined contribution accounts (see page 10).

For more detailed information about how LifeStage Investment Management works, log on to Benefits Access at [benefitsaccess.org](https://benefitsaccess.org).

## Electing LifeStage Investment Management

If you have an MPP account, LifeStage Investment Management will automatically manage your MPP account.

You can choose whether or not to use LifeStage Investment Management for your defined contribution accounts.\*\* To elect LifeStage Investment Management and complete your Personal Investment Profile, choose this option on your Enrollment form if you are a new participant, or log on to Benefits Access at [benefitsaccess.org](https://benefitsaccess.org).



There are a number of factors to consider when deciding how to manage your defined contribution accounts.\*\*

\* Costs for these services are included in Wespath's operating expenses that are paid for by the funds.

\*\* Your defined contribution accounts include any accounts you may have in the Personal Investment Plan (PIP), the defined contribution component of the Clergy Retirement Security Program (CRSP DC) and/or the Horizon 401(k) Plan (Horizon).

# EY Financial Planning Services



Participants can call EY as often as they like and spend as much time on the phone as necessary.

Another way for participants to determine how to allocate their accounts among our funds is with objective guidance from a qualified financial professional.

Eligible participants in Wespeth-administered retirement plans can receive financial planning assistance at no additional cost\* from EY, a leading global financial services firm. Participants can call EY as often as they like and spend as much time on the phone as necessary.

EY Financial Planning Services are available to:

- Active participants with an account balance,
- Surviving spouses with an account balance, and
- Terminated and retired participants with an account balance of at least \$10,000.

EY financial planners have been trained in topics important to participants in Wespeth-administered retirement plans, such as the clergy housing allowance, clergy tax issues, and our plans and programs. You can expect to receive objective guidance—without the sales pitch. Unlike many financial planners, EY planners will never try to sell you investment products or services, because they don't offer any.

To begin using this service, just call EY directly at **1-800-360-2539** business days from 8:00 a.m. to 7:00 p.m., Central time. You can also log on to their website at **wespeth.eynavigate.com** to connect with a financial planner and to view financial planning articles, webinars and calculators on a wide range of topics.

For more information, please see [wespeth.org/r/ey](https://wespeth.org/r/ey).

## What Information Will I Have to Provide?

EY financial planners may request personal and financial information from you that will help them address your particular financial concerns. Information you share with EY will not be shared outside EY with anyone.

## What Information Will Wespeth Provide?

For purposes of identification and communication, we will send EY your name, address, email address and participant number (not your Social Security number). EY representatives will only have your account balance information if you provide it to them.

\* Costs for these services are included in Wespeth's operating expenses that are paid for by the funds.

# Our Investment Funds

We offer diversified investment funds to eligible plan participants. All funds are carefully monitored and are administered according to the investment policy established and monitored by our Board of Directors. The funds are managed by Wespath’s subsidiary, UMC Benefit Board, Inc., with various subadvisors listed below under “Management/ Subadvisors.”

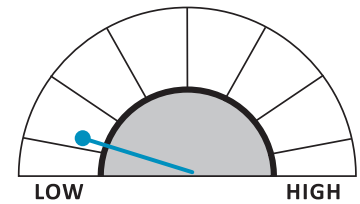
The descriptions of these funds will help you make investment choices for your existing balances and future contributions to PIP, CRSP DC and/or Horizon if you do not elect

LifeStage Investment Management to manage your defined contribution accounts. This is not an offer to purchase or sell securities. Offers will only be made through the **Investment Funds Description – P Series** posted on **wespath.org**. We recommend that you consult a professional financial planner, read thoroughly the descriptions on the following pages and examine the **Investment Funds Description – P Series** before making investment decisions regarding the funds.

|                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>You may transfer balances from one investment fund to another</b></p>                                                               | <ul style="list-style-type: none"> <li>Your contributions (and earnings) are generally not available to you until you terminate employment or retire.</li> <li>You may change the investment of your future contributions (subject to certain limitations more fully described in the <i>Investment Funds Description – P Series</i>).</li> <li>Purchase and sale transactions for all our funds (except the Stable Value Fund) are valued each business day based on the value of the investments held in each fund (see a listing of pricing holidays at our website).</li> <li>For the Stable Value Fund, each unit aims to maintain a value of \$1.00 (each participant’s number of units vary based on contributions, withdrawals and the performance of the fund).</li> </ul>                                                                                                                                                                                                                                 |
| <p><b>All funds are subject to management and administrative fees</b></p>                                                                 | <ul style="list-style-type: none"> <li>We calculate each fund’s expense ratio based on investment management fees, custodial fees, and administration and overhead expenses.</li> <li>The expense ratios shown below reflect a recent change to the fee calculation methodology (effective July 1, 2023). This methodology is applicable for the entire year beginning January 1, 2024.</li> <li>Actual annual fund operating expenses and the related expense ratio can differ from year to year. Actual annual fund operating expenses may vary depending on, among other things, market events, fund size, transaction costs, timing of fund inflows and outflows, and applicable internal costs and third-party fees.</li> <li>More information about the funds’ fees and expenses, including the fee calculation methodology change, is available in the <i>Investment Funds Description – P Series</i>.</li> <li>No fees are charged to participants for purchasing or selling units in our funds.</li> </ul> |
| <p><b>The investment funds available in Wespath-administered retirement plans are intended for investors with a long-term horizon</b></p> | <ul style="list-style-type: none"> <li>Short-term or excessive trading into and out of a fund may harm a fund’s performance by disrupting portfolio management strategies and by increasing expenses. These expenses are borne by all fund unitholders, including long-term unitholders who do not generate such costs.</li> <li>A participant may not purchase units in a particular fund for 60 days after selling units in the same fund (this policy applies only to interfund transfers—not to new contributions, rollovers, loans or withdrawals).</li> <li>This policy only affects the purchase, not the sale, of fund units.</li> <li>This policy applies to funds we offer, with the exception of the Stable Value Fund.</li> <li>Interfund purchases of shares in the Stable Value Fund may be executed at any time.</li> </ul>                                                                                                                                                                          |

The individual funds are profiled in the subsequent pages. Participants in PIP, CRSP DC and Horizon can select from among these investment funds, or they may elect LifeStage Investment Management to choose investment fund allocations for them. Orders submitted prior to 3:00 p.m., Central time are processed at the end of the day, based on closing price. Any order received after 3:00 p.m. is processed the next business day. For detailed information about the funds, please refer to the *Investment Funds Description – P Series*.

## RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



# Stable Value Fund (SVF)

## Type of Fund

Actively managed fixed-income fund.

## Objective

To preserve invested principal and earn current income.

## Who Should Invest

Investors who are reluctant to risk the loss of capital contributions or accumulated interest.

## Investments

The investment fund consists of a broad selection of short- and medium-term, fixed-income instruments, including U.S. government and agency bonds, corporate bonds, mortgages, and asset-backed securities.

Additionally, the fund may hold insurance company issued Guaranteed Investment Contracts (GICs) or similar instruments, as well as cash equivalents.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

## Strategy

The fund seeks preservation of capital while earning current income higher than that of money market funds. The fund invests in a broad range of high-quality, low-risk, fixed-income instruments. These include U.S. government and agency bonds, corporate bonds, mortgages, asset-backed securities, and other similar types of investments.

The fund enters into contracts with highly rated financial institutions and insurance companies (“Wrap Contracts”). Wrap Contracts provide a principal protection feature designed to protect investors from interest rate risk to assure investors can transfer or withdraw the value of all contributions and accumulated interest.

SVF seeks to maintain a constant unit price of \$1.00 and credit participants with interest at month-end. Each month, Wespath posts the interest rate earned by the fund during the previous month on the Stable Value Fund Crediting Rate page: [wespath.org/retirement-investments/investment-information/funds/stable-value-fund-crediting-rate](http://wespath.org/retirement-investments/investment-information/funds/stable-value-fund-crediting-rate).

## Performance Benchmark

B of A Merrill Lynch 3-Month Treasury Bill Index

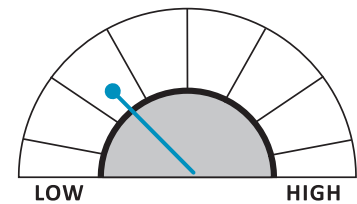
## Annual Fund Operating Expenses

All expenses of the fund are paid directly out of SVF. The expenses include investment management fees, custody fees, and administrative and overhead expenses. SVF’s expenses in 2023 were 0.50% of the fund’s total assets.

## SVF Risk Disclosures

For more detailed information regarding the investments of SVF and the inherent risks thereof, please see the *Investment Funds Description – P Series*, available at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).

## RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



# Inflation Protection Fund (IPF)

## Type of Fund

Fixed-income, inflation-protected securities fund.

## Objective

To provide investors with current income and to protect principal from loss of purchasing power due to inflation.

## Who Should Invest

Investors who wish to attain long-term protection from the loss of purchasing power due to inflation but are willing to incur some short-term losses of principal.

## Investments

The investment portfolio consists primarily of U.S. and international government-issued inflation-protected securities, which are designed to protect investors from inflation and are normally backed by the credit of the issuing government. IPF's investment portfolio also may include U.S. and foreign fixed income securities, commodities futures contracts, cash and cash equivalents, alternative investments, and real assets.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

## Strategy

The fund employs a blended approach of passive and active investment management. For the passively managed component, the subadvisor(s) attempts to match the return of the performance benchmark. For the active management component, the subadvisor(s) exercise(s) professional judgment to seek attractively valued investments that, in their opinion, represent good long-term investment opportunities.

## Performance Benchmark

The fund uses a blended benchmark to measure the success of its performance. The benchmark includes the following:

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**90%** Bloomberg U.S. Treasury Inflation-Linked Bond Index

**10%** Bloomberg Commodity Index

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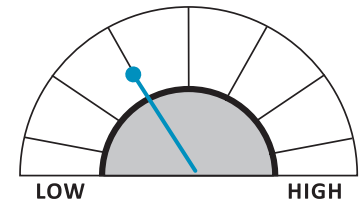
## Annual Fund Operating Expenses

All expenses of the fund are paid directly by IPF, and are reflected in the unit price calculated for the fund. The expenses include investment management fees, custody fees, and administrative and overhead expenses. The unit price is multiplied by the number of units held in each participant's account to determine the total value of the participant's holdings in the fund. IPF's expenses in 2023 were equal to approximately 0.50% of the fund's total assets.

## IPF Risk Disclosures

For more detailed information regarding the investments of IPF and the inherent risks thereof, please see the *Investment Funds Description – P Series*, available at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).

RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



# Fixed Income Fund (FIF)

## Type of Fund

Fund composed of a diversified portfolio of fixed-income instruments.

## Objective

To earn current income by investing in a diversified mix of fixed-income instruments.

## Who Should Invest

Investors who seek a greater portion of their investment return from current income, rather than capital appreciation, but exhibit willingness to incur some risk.

## Investments

The fund is primarily composed of fixed income securities such as U.S. and non-U.S. government bonds, agency bonds, corporate bonds, emerging market debt and securitized products. The corporate bonds held are primarily of companies that are domiciled in the U.S. and that are rated either investment grade or high yield. The fund also holds loan participation interests secured by mortgages and other types of loan participations originated through the Positive Social Purpose (PSP) Lending Program, which invests in affordable housing and community development facilities in the U.S., as well as institutions focused on microfinance opportunities in developing countries.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

## Strategy

FIF employs a blended approach of enhanced passive and active investment management. For the enhanced passive management component, the subadvisor(s) attempts to slightly exceed the performance of the benchmark. For the active management component, the fund employs different subadvisors to make decisions about the fund's investments.

The fund relies on subadvisors to exercise professional judgment in seeking investments in attractively valued securities that, in their opinion, represent good long-term investment opportunities.

## Performance Benchmark

Bloomberg U.S. Universal Index, ex Mortgage-Backed Securities

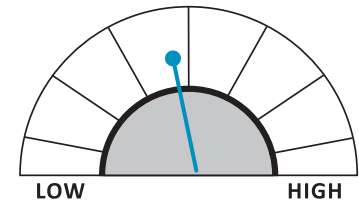
## Annual Fund Operating Expenses

All expenses of the fund are paid directly by FIF, and are reflected in the unit price calculated for the fund. The expenses include investment management fees, custody fees, and administrative and overhead expenses. The unit price is multiplied by the number of units held in each participant's account to determine the total value of the participant's holdings in the fund. FIF's expenses in 2023 were equal to 0.48% of the fund's total assets.

## FIF Risk Disclosures

For more detailed information regarding the investments of FIF and the inherent risks thereof, please see the *Investment Funds Description – P Series*, available at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).

## RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



# Extended Term Fixed Income Fund (ETFIF)

## Type of Fund

Fund composed of a broad range of fixed-income instruments with longer-term maturities.

## Objective

To earn current income and provide exposure to long term interest rates by primarily investing in a broad mix of longer-term fixed-income instruments.

## Who Should Invest

Investors with a desire for exposure to long-term interest rates, who seek a greater portion of their investment return from current income rather than capital appreciation but exhibit willingness to incur some risk.

## Investments

The fund is primarily composed of long-term fixed income securities, such as U.S. government bonds, agency bonds, corporate bonds and securitized products. The corporate bonds held are primarily of companies that are domiciled in the U.S. and that are primarily investment grade. ETFIF-P may hold loan participation interests secured by mortgages and other types of loan participations originated through the PSP Lending Program, which invests in affordable housing and community development facilities in the U.S., as well as institutions focused on microfinance opportunities in developing countries.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

## Strategy

ETFIF seeks high current income while preserving capital. ETFIF employs a blended approach of enhanced passive and active investment management. For the enhanced passive management component, the subadvisor(s) attempts to slightly exceed the performance of the benchmark. For the active management component, the fund employs different subadvisors to make decisions about the fund's investments.

The fund relies on the subadvisors to exercise professional judgment in seeking investments in attractively valued securities that, in their opinion, represent good long-term investment opportunities.

## Performance Benchmark

Bloomberg U.S. Long Government/Credit Bond Index

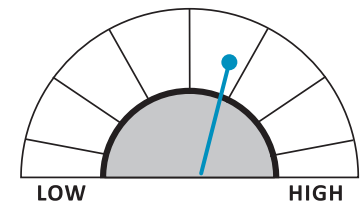
## Annual Fund Operating Expenses

All expenses of the fund are paid directly by ETFIF, and are reflected in the unit price calculated for the fund. The expenses include investment management fees, custody fees, and administrative and overhead expenses. The unit price is multiplied by the number of units held in each participant's account to determine the total value of the participant's holdings in the fund. ETFIF's expenses in 2023 were equal to 0.33% of the fund's total assets.

## ETFIF Risk Disclosures

For more detailed information regarding the investments of ETFIF and the inherent risks thereof, please see the *Investment Funds Description – P Series*, available at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).

## RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



# Multiple Asset Fund (MAF)

## Type of Fund

Diversified multiple-asset-class “fund of funds.”

## Objective

To attain current income and capital appreciation by investing in a broad mix of investments.

## Who Should Invest

Investors with relatively long time horizons who seek long-term investment growth and income from exposure to a broadly diversified portfolio of assets. Investors should be willing to experience some fluctuations in the value of the fund, though generally not as much as from holding a fund composed exclusively of common stocks.

## Investments

Primarily a prespecified mix of units of our funds: 10% IPF, 25% FIF, 35% USEF and 30% IEF.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

## Strategy

The prespecified allocation of the underlying funds closely adheres to the long-term strategic asset allocation established by our Board of Directors. Market fluctuations may cause the actual MAF asset allocation to not conform to the prespecified mix. We periodically rebalance MAF to plus or minus 3% of the prespecified percentage allocation if the allocation falls outside the targets.

IPF holdings will be rebalanced if the fund’s percentage allocation falls outside of a range of 8-12% of MAF; FIF holdings will be rebalanced if the fund’s percentage allocation falls outside of a range of 23-27% of MAF; USEF holdings will be rebalanced if the fund’s percentage allocation falls outside of a range of 32-38% of MAF; and IEF holdings will be rebalanced if the fund’s percentage allocation falls of a range of 27-33% of MAF. In addition, the total equity holdings in MAF (U.S. Equity Fund and International Equity Fund holdings combined) have a target range of 62–68%. The total fixed

income holdings in MAF (Fixed Income Fund and Inflation Protection Fund holdings combined) have a target range of 32–38%. We will rebalance MAF if the percentage allocation for equity or fixed income holdings falls outside those target ranges. During aberrant market conditions, we may temporarily elect to suspend rebalancing back to the prespecified mix. We will resume rebalancing once market conditions have improved.

The underlying funds employ a combination of active and passive (index) strategies. Generally, MAF will have significant passive index exposure to large company U.S. stocks and will use active management in less efficient markets.

## Performance Benchmark

The fund uses a blended benchmark to measure its performance. The benchmark includes the following:

- 10%** Custom Inflation Protection Fund Benchmark
- 25%** Bloomberg U.S. Universal Index, ex Mortgage-Backed Securities
- 35%** Russell 3000 Index
- 30%** MSCI All Country World Index, ex-USA Investable Market Index

## Annual Fund Operating Expenses

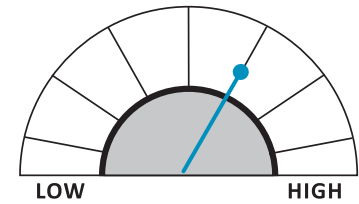
Expenses of MAF are incurred primarily by the funds in which MAF invests. All these funds are offered by Wespath. Therefore, MAF, as a shareholder of such funds, bears its pro rata share of the expenses of the funds. MAF may also incur expenses from alternate investment strategies. All expenses incurred by MAF are reflected in the unit price calculated for the fund. The unit price is multiplied by the number of units held in each investor’s account to determine the total value of the investor’s holdings in the fund. MAF’s expenses in 2023 were equal to 0.59% of the fund’s total assets.

## MAF Risk Disclosures

For more detailed information regarding the investments of MAF and the inherent risks thereof, please see the *Investment Funds Description – P Series*, available at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).



## RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



# U.S. Equity Index Fund (USEIF)

## Type of Fund

A passively managed equity fund composed of a broad range of companies that are domiciled primarily in the United States.

## Objective

To obtain long-term capital appreciation from a passively managed, broadly diversified portfolio that primarily includes equities of companies domiciled in the U.S. and traded on a regulated U.S. stock exchange.

## Who Should Invest

Investors who seek long-term investment growth through exposure to the broad U.S. equity market and who are willing to accept the risk of wide fluctuations in the unit price of the fund.

## Investments

The fund's investments consist primarily of equity securities of companies based in the United States. To a lesser extent, the fund will hold equity index futures to maintain exposure to the U.S. public equities market.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

## Strategy

The fund employs passive investment management that is designed to closely match the fund benchmark, less fees and expenses. For passive management, the fund applies a sampling approach to create a fund that seeks to match the overall characteristics of the benchmark and achieve efficiencies without investing in all the equities in the benchmark.

## Performance Benchmark

Russell 3000 Index

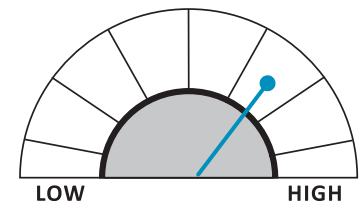
## Annual Fund Operating Expenses

All expenses of the fund are paid directly by USEIF, and are reflected in the unit price calculated for the fund. The expenses include investment management fees, custody fees, and administrative and overhead expenses. The unit price is multiplied by the number of units held in each participant's account to determine the total value of the participant's holdings in the fund. USEIF's expenses in 2023 were equal to 0.31% of the fund's total assets.

## USEIF Risk Disclosures

For more detailed information regarding the investments of USEIF and the inherent risks thereof, please see the *Investment Funds Description – P Series Investment Funds Description – P Series*, available at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).

RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



# U.S. Equity Fund (USEF)

## Type of Fund

Equity fund composed of a broad range of companies that are domiciled primarily in the United States.

## Objective

To obtain long-term capital appreciation by investing in a broadly diversified portfolio that primarily includes equities of companies domiciled in the U.S. and traded on a regulated U.S. stock exchange, and to a lesser extent, U.S. private equity and U.S. private real estate.

## Who Should Invest

Investors who seek long-term investment growth through exposure to the broad U.S. equity market and who are willing to accept the risk of wide fluctuations in the unit price of the fund.

## Investments

The fund's investments consist primarily of equity securities of companies based in the United States. The fund may also invest in U.S. shares of companies domiciled outside the United States. The fund will hold equity index futures to maintain exposure to the U.S. public equities market.

In addition, a portion of USEF may invest in publicly traded real estate investment trusts (REITs), private equity partnerships and private real estate partnerships.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

## Strategy

The fund employs a blended use of passive and active investment management. For passive management, the fund includes investments that are designed to closely match the performance of various indexes representing different market segments. An index fund holds all, or a representative sample, of the securities that make up its target market index.

For active management, the fund employs different investment management firms to make decisions about the fund's investments. The fund relies on the professional judgment of its investment managers to seek investments in attractively valued companies that, in their opinion, represent good long-term investment opportunities.

## Performance Benchmark

Russell 3000 Index

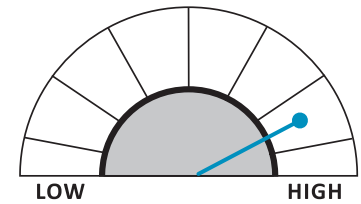
## Annual Fund Operating Expenses

All expenses of the fund are paid directly by USEF, and are reflected in the unit price calculated for the fund. The expenses include investment management fees, custody fees, and administrative and overhead expenses. The unit price is multiplied by the number of units held in each participant's account to determine the total value of the participant's holdings in the fund. USEF's expenses in 2023 were equal to 0.56% of the fund's total assets.

## USEF Risk Disclosures

For more detailed information regarding the investments of USEF and the inherent risks thereof, please see the *Investment Funds Description – P Series Investment Funds Description – P Series*, available at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).

## RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



# International Equity Fund (IEF)

## Type of Fund

Equity fund composed of a broad range of companies that are primarily domiciled outside the United States.

## Objective

To attain long-term capital appreciation from a diversified portfolio of non-U.S. domiciled companies.

## Who Should Invest

Investors who seek long-term investment growth through exposure to companies based in developed and lesser-developed non-U.S. countries and who are willing to accept the risk of potentially wide fluctuations in the unit price of the fund.

## Investments

The fund's investments are primarily non-U.S. domiciled companies traded on a stock exchange, non-U.S. equity index futures and, to a lesser extent, non-U.S. private equity and private real estate.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

## Strategy

The fund relies on the professional judgment of its investment managers to decide how to allocate fund assets among different countries and/or regions of the world and in which equities the fund should invest.

The investment managers seek to invest in attractively valued companies that represent above-average, long-term investment opportunities

## Performance Benchmark

MSCI All Country World Index, ex USA Investable Market Index

## Annual Fund Operating Expenses

All expenses of the fund are paid directly by IEF, and are reflected in the unit price calculated for the fund. The expenses include investment management fees, custody fees, and administrative and overhead expenses. The unit price is multiplied by the number of units held in each participant's account to determine the total value of the participant's holdings in the fund. IEF's expenses in 2023 were equal to 0.76% of the fund's total assets.

## IEF Risk Disclosures

For more detailed information regarding the investments of IEF and the inherent risks thereof, please see the *Investment Funds Description – P Series*, available at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).

# The Social Values Choice Suite of Funds

Wespath offers a “Social Values Choice” suite of funds for participants with a heightened focus on corporate environmental and social performance.

The funds include:

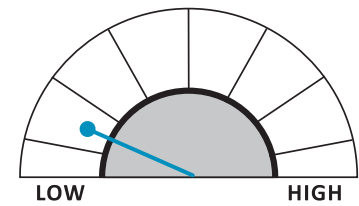
- **U.S. Treasury Inflation Protection Fund (USTPF)**
- **Social Values Choice Bond Fund (SVCBF)**
- **Social Values Choice Equity Fund (SVCEF)**

Combined, the three funds provide access to asset class diversification and inflation protection.

SVCBF, an actively-managed fixed income fund, and SVCEF, a passively-managed global equity fund, may exclude specific investments subject to United Methodist resolutions concerning peace in the Middle East. In addition, the funds exclude companies that derive a significant amount of revenue from involvement in the fossil fuels industry.



## RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



# U.S. Treasury Inflation Protection Fund (USTPF)

## Type of Fund

A fixed income, inflation-protected securities fund.

## Objective

To provide investors with current income and to protect principal from long-term loss of purchasing power due to inflation by investing in U.S. Treasury Inflation Protected Securities (TIPS), as well as cash and cash equivalents.

## Who Should Invest

Investors who seek current income, wish to obtain long-term protection from the loss of purchasing power due to inflation and are willing to incur some short-term losses of principal.

## Investments

The fund is primarily composed of U.S. TIPS.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

## Strategy

USTPF employs a passive fixed income strategy. It may use a sampling approach as an efficient and cost-effective alternative for creating a portfolio that closely matches the overall characteristics of the performance benchmark without investing in all of the fixed income securities in the benchmark.

USTPF seeks to achieve its investment objective by investing primarily in U.S. Treasury Inflation Protected Securities, which are backed by the debt repayment ability of the U.S. government. USTPF may invest up to 10% of the fund in cash or cash equivalents in the form of units of the sweep account. USTPF seeks to produce a return that matches that of the performance benchmark, the Bloomberg U.S. Inflation Linked Bond Index, over a market cycle of five to seven years, gross-of-fees.

## Performance Benchmark

Bloomberg U.S. Inflation Linked Bond Index

## Annual Fund Operating Expenses

All expenses of the fund are paid directly by USTPF, and are reflected in the unit price calculated for the fund. The expenses include investment management fees, custody fees, and administrative and overhead expenses. The unit price is multiplied by the number of units held in each client's account to determine the total value of the client's holdings in the fund. USTPF's expenses in 2023 were equal to 0.28% of the fund's total assets.

## USTPF Risk Disclosures

For more detailed information regarding the investments of USTPF and the inherent risks thereof, please see the *Investment Funds Description – P Series* at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).

\* Signatory to the United Nations Principles for Responsible Investment

# Social Values Choice Bond Fund (SVCBF)

## Type of Fund

A fixed income fund that provides an option for investors with a heightened focus on companies' environmental and social performance.

## Objective

To earn current income while preserving capital by primarily investing in a diversified mix of fixed income instruments issued by entities that fulfill investor preferences for a heightened focus on corporate environmental and social performance.

## Who Should Invest

Investors who have a heightened focus on corporate environmental and social performance and seek a greater portion of their investment return from current income, rather than capital appreciation, but exhibit willingness to incur some market risk for the potential of modest capital appreciation.

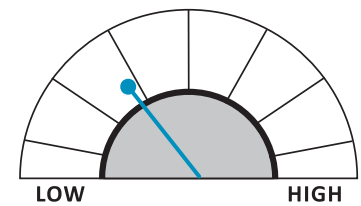
## Investments

The fund is primarily composed of fixed income securities such as U.S. and non-U.S. government bonds, agency bonds, corporate bonds and securitized products that fulfill investor preferences for a heightened focus on corporate environmental and social performance. SVCBF also may invest in futures, forwards and swaps in the interest rate, currency and credit default markets and hold cash or cash equivalents in the form of units of the sweep account. The sweep account does not exclude the companies identified by a threshold number of The United Methodist Church Annual Conferences as referenced below.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



## Strategy

The fund excludes companies that derive a significant amount of revenue from involvement in the fossil fuels industry. In addition, the fund may exclude specific investments subject to United Methodist resolutions concerning peace in the Middle East.

SVCBF employs an active investment management strategy.

## Performance Benchmark

Bloomberg U.S. Universal Index, ex Mortgage-Backed Securities

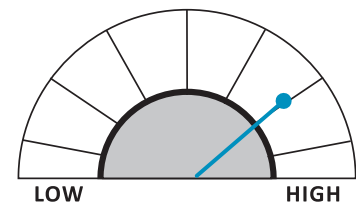
## Annual Fund Operating Expenses

All expenses of the fund are paid directly by SVCBF, and are reflected in the unit price calculated for the fund. The expenses include investment management fees, custody fees, and administrative and overhead expenses. The unit price is multiplied by the number of units held in each client's account to determine the total value of the client's holdings in the fund. SVCBF's expenses in 2023 were equal to 0.39% of the fund's total assets.

## SVCBF Risk Disclosures

For more detailed information regarding the investments of SVCBF and the inherent risks thereof, please see the *Investment Funds Description – P Series* at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).

RELATIVE LEVEL OF RISK COMPARED TO OTHER WESPATH FUNDS



# Social Values Choice Equity Fund (SVCEF)

## Type of Fund

An equity fund that provides an option for investors with a heightened focus on companies' environmental and social performance.

## Objective

To attain long-term capital appreciation from a passively-managed portfolio of U.S. and non-U.S. domiciled publicly owned companies that fulfills investor preferences for a heightened focus on corporate environmental and social performance.

## Who Should Invest

Investors who have a heightened focus on corporate environmental and social performance, seek long-term investment growth through exposure to the U.S. and non-U.S. public equities of companies and are willing to accept the risk of wide fluctuations in the unit price of the fund.

## Investments

The investment fund consists of U.S. stocks, non-U.S. stocks, equity index futures contracts and exchange traded funds (ETFs) to maintain exposure to the U.S. and non U.S. equity markets. Uninvested cash in SVCEF is held as cash or cash equivalents in the form of units of the Sweep Account. The sweep account does not exclude the companies identified by a threshold number of The United Methodist Church Annual Conferences as referenced below. In addition to the application of Wespath's Ethical Exclusions policies, SVCEF excludes companies with exposure to fossil fuel reserves used for energy purposes and specific companies subject to The United Methodist Church Annual Conference resolutions concerning peace in the Middle East.

## Management/Subadvisors

Wespath engages external subadvisors to manage the investments of the funds. A list of the asset managers that act as subadvisors to the funds can be accessed here: [www.wespath.org/retirement-investments/investment-information/asset-managers](http://www.wespath.org/retirement-investments/investment-information/asset-managers).

## Strategy

SVCEF employs a passive equity strategy. The fund performance benchmark for SVCEF is the MSCI World Environmental, Social and Governance (ESG) ex Fossil Fuels Index. MSCI ESG Research, an internationally recognized expert in evaluating corporate environmental, social and governance policies and practices and the provider of the MSCI World ESG ex Fossil Fuels Index, will identify companies with highly rated sustainable policies and practices for inclusion in the performance benchmark.

The fund excludes companies that derive a significant amount of revenue from involvement in the fossil fuels industry. In addition, the fund may exclude specific investments subject to United Methodist resolutions concerning peace in the Middle East.

## Performance Benchmark

MSCI World Environmental, Social and Governance (ESG) ex Fossil Fuels Index

## Annual Fund Operating Expenses

All expenses of the fund are paid directly by SVCEF, and are reflected in the unit price calculated for the fund. The expenses include investment management fees, custody fees, and administrative and overhead expenses. The unit price is multiplied by the number of units held in each participant's account to determine the total value of the participant's holdings in the fund. SVCEF's expenses in 2023 were equal to 0.34% of the fund's total assets.

## SVCEF Risk Disclosures

For more detailed information regarding the investments of SVCEF and the inherent risks thereof, please see the *Investment Funds Description – P Series* at [wespath.org/assets/1/7/3052.pdf](http://wespath.org/assets/1/7/3052.pdf).



# Wespath

BENEFITS | INVESTMENTS

*Caring For Those Who Serve*

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wespath.org



If you have questions, please call us at **1-800-851-2201**.

Representatives are available business days from 8:00 a.m. to 6:00 p.m., Central time.