

**Q1 2025  
Meeting Minutes  
NFP PEPs  
The 401(k)**

**Meeting Date: 04/30/2025**

**Attendees**

NFP

Carina Gascon

**Administrative Review**

Signed IPS on file ☒

**Investment Due Diligence**

**Investment Analysis Summary**

- NFP provided an economic and market commentary for Q1 2025.
- NFP reviewed the investment scoring methodology and criteria for monitoring, watchlisting and removing investments from the fund menu.
- NFP reviewed plan asset balances across all investment options.
- NFP reviewed the Plan's investment scorecard covering available funds as well as their current scores and performance metrics, scoring history, asset class coverage, as well as other key metrics.
  - All funds were reviewed from a quantitative and qualitative perspective.
  - 15 funds are acceptable:
    - Fidelity Small Cap Index, FSSNX (10)
    - State Street Aggregate Bond Index K, SSFEX (10)
    - State Street Small/Mid Cap Equity Idx K, SSMKX (10)
    - Fidelity Total International Index, FTIHX (10)
    - BlackRock Equity Index Fund CL 1, 97183J632 (10)
    - BlackRock U.S. Debt Index Fd CL 1, 97183J624 (10)
    - Fidelity Long-Term Trs Bd Index, FNBGX (8)
    - Large Cap Value I1 (Putnam LCV), 97183K381 (10)
    - BlackRock Developed Real Estate Index Fund Cl 1, 97181N189 (10)
    - BlackRock U.S. TIPs Index Fund Cl 1, 97181N197 (10)
    - EIFA Series I, EIFAI
    - International Equity I1 (Fidelity Intl Cap Apprec), 97183C348
    - Large Cap Growth III I1 (AB Large Cap Growth), 97184D766
    - Small Cap Value III I1 (PIMCO RAE SCV), 97184J383
    - BlackRock Long Term Credit Index Fd CL 6, 390935575
  - 1 fund is on watchlist:
    - Small Cap Growth II I1 (AB Small Cap Growth), 97182E220
  - Potential Replacements:
    - IndexSelect Aggressive 2035 F, 97183K662 (8)
    - IndexSelect Aggressive Retirement F, 97183K639 (7)
    - IndexSelect Aggressive 2055 F, 97183K647 (7)
    - IndexSelect Aggressive 2045 F, 97183K654 (7)
    - IndexSelect Aggressive 2065 F, 97184C404
    - IndexSelect Conservative Retirement F, 97183K571 (7)
    - IndexSelect Conservative 2055 F, 97183K589 (7)
    - IndexSelect Conservative 2045 F, 97183K597 (7)
    - IndexSelect Conservative 2035 F, 97183K613 (8)
    - IndexSelect Conservative 2065 F, 97184C834
    - IndexSelect Moderate Retirement F, 97183K522 (6)
    - IndexSelect Moderate 2055 F, 97183K530 (7)
    - IndexSelect Moderate 2045 F, 97183K548 (7)
    - IndexSelect Moderate 2035 F, 97183K555 (7)
    - IndexSelect Moderate 2065 F, 97184C883
    - Core Bond I1 (Lord Abbett Total Return), 97183J566 (10)

**Market Summary - Q1 2025**

Global equity markets were mixed over the quarter, with international equities posting positive returns while U.S. equities were negative. Fixed income markets were positive over the quarter as rates declined across much of the yield curve. U.S.

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equities declined 4.7% (Russell 3000), with Energy as the best-performing sector and Consumer Discretionary and Information Technology as the worst-performing sectors. In a reversal from 2024, large-cap value outperformed large-cap growth by over 1,200 basis points (2.1% for Russell 1000 Value vs. -10.0% for Russell 1000 Growth). International equities and emerging markets equities performed well over the quarter, returning 7.0% (MSCI EAFE) and 2.9% (MSCI Emerging Markets), respectively. The broad U.S. fixed income market returned 2.8% (Bloomberg Barclays Aggregate) over the quarter. While the Fed held the federal funds rate steady during the quarter, longer-term rates fell, with the 10-year Treasury declining by over 30 basis points. The unemployment rate increased slightly to 4.2% this quarter, from 4.1% at the previous quarter-end. (All data from MPI)

### Scorecard Methodology

A review of the Scorecard Methodology was discussed. The scoring system includes pass/fail criteria on a scale of 0 to 10 (10 being the best). Eighty percent of the fund's score is quantitative, incorporating both Modern Portfolio Theory statistics and peer group rankings. The other twenty percent of the score is qualitative. Primary considerations are given to manager tenure, fund expenses and strength of statistics, however, other significant factors may also be considered in the qualitative review. Active and asset allocation strategies are evaluated over a five-year time period and passive strategies are evaluated over a three-year time period. The Scorecard Point System is as follows: Acceptable: 7-10 points | Watch List: 5-6 points | Review: 0-4 points.

The Scorecard Methodology supports upholding the impartial conduct standards as the scores and analytics do not include any advisor compensation components and are calculated by incorporating all investment fees and revenue sharing. In addition, any and all compensation earned by the advisor (if any) is explicitly disclosed and reasonable given services provided. All information material to any investment recommendations has been disclosed and no misleading information has been provided to fiduciaries in their determination of action.

### Fund Review

#### Small Cap Growth

Small Cap Growth II I1 (AB Small Cap Growth) (97182E220) is on the watchlist.

AB Small Cap Growth's score dropped from an 8 to a 5 this quarter, as the strategy lost three points for risk / return measures and two points for peer group rank metrics. In the wake of the fastest rising interest rate environment on record, in which higher growth companies have suffered disproportionately to others, management continues to adhere to an unemotional rules-based approach, which has helped guide the strategy successfully through historical periods of challenging macroeconomics. Samantha Lau, who has been Co-PM on this strategy since 2010 and worked with her predecessor Bruce since 1997, retains sole CIO responsibilities. Furthermore, since Bruce's retirement, the rest of the four-person team remains intact, continuing to employ their time-tested strategy.

The team invests in companies they believe to have underestimated earnings growth potential, seeking those with positive earnings surprises and estimate revisions, as well as earnings acceleration and strong secular growth trends. As evidenced by the significant excess returns being rolled off from the first half of 2020, the team has a storied history of outperforming during quality growth rallies. While the strategy has been challenged by the recent macroeconomic turbulence and uncertainty, it does have a track record of strong rebounds after periods of turmoil, such as after 2009 and 2016. AB Small Cap Growth remains a strong long-term manager having outperformed both the Russell 2000 Growth Index and the Small Cap Growth peer group by more than 110 basis points over the 10-year annualized period.

### Fund Changes

#### Advisor Managed Accounts Service

Eliminate flexPATH AMAs and map to NFP Personalized Portfolios

The flexPATH AMA Solution is no longer available to The 401(k) Plan. The first set of adopters transitioned to the NFP Personalized Portfolios on 1/1/25.

#### Allocation Series

Eliminate IndexSelect Aggressive Target Date Series Class F  
Map to IndexSelect Aggressive Target Date Series R6

Eliminate IndexSelect Conservative Target Date Series Class F



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Map to IndexSelect Conservative Target Date Series R6

Eliminate IndexSelect Moderate Target Date Series Class F

Map to IndexSelect Moderate Target Date Series R6

The F share class for IndexSelect is no longer available to The 401(k) Plan. This fund change will be effective 5/9/2025.

### Core Fixed Income

Eliminate Core Bond I1 (Lord Abbett Total Return) (97183J566) (Recent Scores: 10,10,10,10)

Map to FIAM Core Plus CIT (97184N640) (Recent Scores: 10,10,10,10)

FIAM Core Plus Bond has consistently ranked in the top quartile for return rank and information rank and has outperformed Lord Abbett over the 3-, 5- and 10-year trailing time periods. NFP has access to a N share class of FIAM Core Plus offered at 0.20% that will be used. This fund change will be effective 5/9/2025.

### Notes

The Great West GIA fund was reviewed as the plan's cash alternative option. The crediting rate remained at 1.45% in Q2 2025. NFP to continue to monitor the crediting rate.

### Pending Action Items

Fund Changes By Firm ☒

The fund changes are effective May 9, 2025.

### Disclosures