

**Q2 2025  
Meeting Minutes  
NFP PEPs  
The 401(k)**

**Meeting Date: 07/21/2025**

**Attendees**

NFP Carina Gascon

**Administrative Review**

Signed IPS on file ☒

**Investment Due Diligence**

**Investment Analysis Summary**

- NFP provided an economic and market commentary for Q2 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.
  - 19 funds are acceptable:
    - IndexSelect Moderate Target Date Series R6 (8)
    - IndexSelect Aggressive Target Date Series R6 (8)
    - IndexSelect Conservative Target Date Series R6 (8)
    - 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 CI 1, 97181N189 (10)
    - BlackRock U.S. TIPs Index Fund CI 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
    - GGT Fidelity Inst AM Core PI Fxd In CL N, 97184N640
  - 1 fund is on watchlist:
    - Small Cap Growth II I1 (AB Small Cap Growth), 97182E220
  - Potential Replacements:

**Market Summary - Q2 2025**

Global Equity markets posted strong returns over the quarter with both International equities and U.S. equities returning over 10%. Fixed income markets were also positive over the quarter. U.S. equities returned 11.0% (Russell 3000) with Information Technology and Telecommunication Services as the best performing sectors and Energy and Health Care as the worst performing sectors. In a reversal from Q1 2025, large cap growth outperformed large cap value by about 1400 basis points (17.8% for Russell 1000 Growth vs. 3.8% for Russell 1000 Value). International equities and Emerging Markets equities performed well over the quarter, returning 12.1% (MSCI EAFE) and 12.0% (MSCI Emerging Markets), respectively. The broad U.S. fixed income market returned 1.2% (Bloomberg Barclays Aggregate) over the quarter. The Fed held the Fed Funds Rate steady over the quarter, and the 10-year treasury rate remained largely unchanged from the previous quarter end. The unemployment rate ticked down slightly to 4.1% this quarter from 4.2% at the previous quarter end.

**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

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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 scored a 5 again 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, 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 & 2016. AB Small Cap Growth remains a strong long-term manager, having outperformed the Small Cap Growth peer group by more than 50 basis points over the 1-, 3- and 10-year annualized periods.

### Notes

The Great West GIA fund was reviewed as the plan's cash alternative option. The crediting rate remained at 1.45% in Q3 2025. NFP to continue to monitor the crediting rate.

### Disclosures