

Primary Funds

Quarterly Report as of:
12/31/2025

	Ticker	1 Month	3 Month	YTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	Expense Ratio
TIPS												
Schwab US TIPS ETF™	SCHP	-0.56	-0.03	6.85	6.85	4.20	1.05	3.02	1.95	3.87	-11.96	0.03
Bloomberg US Treasury US TIPS TR USD		-0.40	0.13	7.01	7.01	4.23	1.12	3.09	1.84	3.90	-11.85	
US Fund Inflation-Protected Bond		-0.56	-0.01	6.86	6.86	3.68	0.43	2.71	2.05	2.82	-8.98	0.70
Schwab US TIPS ETF™ Rank		64	52	44	44	41	33	29	42	50	57	
Broad Domestic Fixed												
iShares Core US Aggregate Bond ETF	AGG	-0.24	1.00	7.19	7.19	4.69	-0.38	1.97	1.37	5.59	-13.06	0.03
Bloomberg US Agg Bond TR USD		-0.15	1.10	7.30	7.30	4.66	-0.36	2.01	1.25	5.53	-13.01	
US Fund Intermediate Core Bond		-0.22	1.02	7.07	7.07	4.81	-0.31	2.00	1.68	5.59	-13.32	0.54
iShares Core US Aggregate Bond ETF Rank		48	46	45	45	54	47	53	65	52	34	
Vanguard Total Bond Market ETF	BND	-0.27	0.95	7.11	7.11	4.69	-0.40	2.00	1.34	5.70	-13.15	0.03
Bloomberg US Agg Bond TR USD		-0.15	1.10	7.30	7.30	4.66	-0.36	2.01	1.25	5.53	-13.01	
US Fund Intermediate Core Bond		-0.22	1.02	7.07	7.07	4.81	-0.31	2.00	1.68	5.59	-13.32	0.54
Vanguard Total Bond Market ETF Rank		62	61	56	56	54	49	49	67	44	39	
Broad Municipal												
iShares National Muni Bond ETF	MUB	0.20	1.55	3.69	3.69	3.54	0.78	2.13	1.11	5.86	-7.50	0.05
Bloomberg Municipal 1-15 Yr TR USD		0.28	1.41	5.18	5.18	3.75	1.16	2.27	0.88	5.26	-5.95	
US SA Muni National Interim		1.60	2.48	3.38	2.33	4.52	1.12	2.33	1.30	5.28	-6.58	-N/A
iShares National Muni Bond ETF Rank		58	40	81	81	78	62	49	81	40	37	
Vanguard Tax-Exempt Bond ETF	VTEB	0.17	1.54	3.72	3.72	3.74	0.79	2.24	1.37	6.20	-8.18	0.03
Bloomberg Municipal TR USD		0.09	1.56	4.25	4.25	3.88	0.80	2.34	1.05	6.40	-8.53	
US Fund Muni National Interim		0.20	1.48	4.36	4.36	3.94	0.91	2.05	1.89	5.61	-8.23	0.63
Vanguard Tax-Exempt Bond ETF Rank		65	42	77	77	64	61	35	70	23	50	
Dynamic Fixed												
Hartford Total Return Bond ETF	HTRB	-0.29	0.98	7.40	7.40	5.57	0.01	-N/A	2.36	7.03	-14.33	0.29
Bloomberg US Agg Bond TR USD		-0.15	1.10	7.30	7.30	4.66	-0.36	2.01	1.25	5.53	-13.01	
US Fund Intermediate Core-Plus Bond		-0.17	1.03	7.33	7.33	5.38	0.18	2.52	2.37	6.22	-13.27	0.76
Hartford Total Return Bond ETF Rank		77	62	52	52	39	57	-N/A	44	23	74	
High Yield Municipal												
Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF	HYMB	0.07	1.63	2.09	2.09	4.99	0.67	2.61	5.58	7.37	-15.28	0.35
Bloomberg 65% High Grade/35% HY TR USD		-0.03	1.42	3.62	3.62	4.61	1.29	3.06	2.87	7.39	-10.14	
US Fund High Yield Muni		-0.02	1.36	2.86	2.86	4.78	1.03	2.73	4.95	6.48	-13.71	0.91
Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF Rank		41	37	81	81	48	70	61	35	35	75	

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High Yield Fixed												
State Street® SPDR® Blmbg Hi Yld Bd ETF	JNK	0.70	1.44	8.67	8.67	9.71	3.82	5.55	7.38	13.17	-12.44	0.40
Bloomberg US Corporate High Yield TR USD		0.57	1.31	8.62	8.62	10.06	4.51	6.53	8.19	13.44	-11.19	
US Fund High Yield Bond		0.62	1.27	8.01	8.01	9.25	4.22	5.56	7.63	12.08	-10.09	0.87
State Street® SPDR® Blmbg Hi Yld Bd ETF Rank		34	41	32	32	31	69	51	58	22	85	
iShares iBoxx \$ High Yield Corp Bd ETF	HYG	0.66	1.37	8.56	8.56	9.54	3.94	5.51	7.70	12.41	-11.37	0.49
Markit iBoxx Liquid High Yield TR USD		0.68	1.48	8.83	8.83	9.86	4.34	6.01	7.91	12.91	-10.73	
US Fund High Yield Bond		0.62	1.27	8.01	8.01	9.25	4.22	5.56	7.63	12.08	-10.09	0.87
iShares iBoxx \$ High Yield Corp Bd ETF Rank		43	50	36	36	39	61	54	49	46	65	
Global Fixed												
Vanguard Total World Bond ETF	BNDW	-0.40	0.61	5.03	5.03	4.87	-0.33	-N/A	2.44	7.19	-12.92	0.05
Bloomberg Global Agg Float Adj TR USD		0.33	0.50	8.67	8.67	4.61	-1.72	1.57	-1.09	6.49	-16.18	
US Fund Global Bond-USD Hedged		-0.17	0.72	5.01	5.01	5.45	0.41	2.35	3.87	7.81	-12.64	0.67
Vanguard Total World Bond ETF Rank		82	59	47	47	76	83	-N/A	87	65	56	
Large Cap Core												
iShares Core S&P 500 ETF	IVV	0.06	2.65	17.85	17.85	22.97	14.39	14.78	24.98	26.26	-18.13	0.03
S&P 500 TR USD		0.06	2.66	17.88	17.88	23.01	14.42	14.82	25.02	26.29	-18.11	
US Fund Large Blend		0.08	2.21	15.54	15.54	20.08	12.67	13.32	21.45	22.32	-16.96	0.73
iShares Core S&P 500 ETF Rank		45	34	25	25	23	20	13	23	26	51	
Vanguard S&P 500 ETF	VOO	0.06	2.65	17.84	17.84	22.97	14.38	14.78	24.98	26.25	-18.15	0.03
S&P 500 TR USD		0.06	2.66	17.88	17.88	23.01	14.42	14.82	25.02	26.29	-18.11	
US Fund Large Blend		0.08	2.21	15.54	15.54	20.08	12.67	13.32	21.45	22.32	-16.96	0.73
Vanguard S&P 500 ETF Rank		44	34	25	25	24	20	13	23	27	52	
Small Cap Core												
Vanguard Small-Cap ETF	VB	0.07	1.82	8.83	8.83	13.69	7.35	10.43	14.23	18.21	-17.60	0.05
CRSP US Small Cap TR USD		0.07	1.82	8.82	8.82	13.65	7.31	10.40	14.22	18.09	-17.64	
US Fund Small Blend		0.00	1.53	7.89	7.89	11.84	7.63	9.42	11.15	16.18	-16.24	0.97
Vanguard Small-Cap ETF Rank		39	47	45	45	28	51	19	19	28	63	
iShares Core S&P Small-Cap ETF	IJR	-0.06	1.66	5.95	5.95	10.12	7.23	9.76	8.61	16.03	-16.20	0.06
S&P SmallCap 600 TR USD		-0.05	1.70	6.02	6.02	10.17	7.31	9.81	8.70	16.05	-16.10	
US Fund Small Blend		0.00	1.53	7.89	7.89	11.84	7.63	9.42	11.15	16.18	-16.24	0.97
iShares Core S&P Small-Cap ETF Rank		49	53	65	65	71	55	37	77	59	47	

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International Large Cap Value												
iShares MSCI EAFE Value ETF	EFV	3.89	7.34	42.36	42.36	21.28	13.34	8.60	5.40	18.87	-5.38	0.31
MSCI ACWI Ex USA NR USD		3.00	5.05	32.39	32.39	17.33	7.91	8.41	5.53	15.62	-16.00	
US Fund Foreign Large Value		3.33	6.53	38.48	38.48	19.21	11.44	8.53	4.39	17.51	-9.09	0.95
iShares MSCI EAFE Value ETF Rank		30	32	31	31	25	21	49	39	39	18	
International Large Cap Core												
iShares Core MSCI EAFE ETF	IEFA	2.61	4.13	31.83	31.83	17.05	8.66	8.29	3.41	17.63	-15.13	0.07
MSCI ACWI Ex USA NR USD		3.00	5.05	32.39	32.39	17.33	7.91	8.41	5.53	15.62	-16.00	
US Fund Foreign Large Blend		2.59	4.35	30.40	30.40	16.73	8.12	8.05	4.85	16.25	-15.84	0.86
iShares Core MSCI EAFE ETF Rank		58	63	42	42	51	39	45	70	37	44	
Vanguard FTSE Developed Markets ETF	VEA	3.21	5.72	35.15	35.15	17.94	9.14	8.74	3.07	17.77	-15.35	0.03
FTSE Global All Cap ex US TR USD		2.95	4.89	32.37	32.37	17.64	8.38	8.88	5.86	16.17	-15.83	
US Fund Foreign Large Blend		2.59	4.35	30.40	30.40	16.73	8.12	8.05	4.85	16.25	-15.84	0.86
Vanguard FTSE Developed Markets ETF Rank		13	15	18	18	27	25	28	74	35	47	
International Large Cap Growth												
iShares MSCI EAFE Growth ETF	EFG	1.33	1.19	20.70	20.70	12.81	4.19	7.16	1.46	17.24	-22.93	0.34
MSCI ACWI Ex USA NR USD		3.00	5.05	32.39	32.39	17.33	7.91	8.41	5.53	15.62	-16.00	
US Fund Foreign Large Growth		1.48	0.74	20.29	20.29	13.71	3.44	7.54	5.18	16.18	-25.29	0.99
iShares MSCI EAFE Growth ETF Rank		56	53	46	46	61	47	62	72	45	40	
Emerging Markets Core												
iShares Core MSCI Emerging Markets ETF	IEMG	2.38	4.06	32.12	32.12	16.28	4.60	8.35	6.92	11.30	-19.87	0.09
MSCI EM NR USD		2.99	4.73	33.57	33.57	16.40	4.20	8.42	7.50	9.83	-20.09	
US Fund Diversified Emerging Mkts		2.57	4.73	30.55	30.55	15.87	4.29	7.93	6.04	12.32	-20.86	1.08
iShares Core MSCI Emerging Markets ETF Rank		60	65	45	45	45	48	40	43	51	44	
Vanguard FTSE Emerging Markets ETF	VWO	1.22	1.37	24.83	24.83	14.83	4.69	8.16	11.01	9.27	-17.72	0.07
FTSE Global All Cap ex US TR USD		2.95	4.89	32.37	32.37	17.64	8.38	8.88	5.86	16.17	-15.83	
US Fund Diversified Emerging Mkts		2.57	4.73	30.55	30.55	15.87	4.29	7.93	6.04	12.32	-20.86	1.08
Vanguard FTSE Emerging Markets ETF Rank		86	90	79	79	67	45	46	16	69	31	
Broad Real Assets												
State Street® Multi-Asset Real Ret ETF	RLY	0.95	3.93	20.29	20.29	8.13	10.86	7.71	2.33	2.70	7.61	0.50
Bloomberg US Agg Bond TR USD		-0.15	1.10	7.30	7.30	4.66	-0.36	2.01	1.25	5.53	-13.01	
US Fund Global Moderate Allocation		0.68	2.63	16.15	16.15	12.29	6.54	7.02	8.79	12.16	-13.20	1.03
State Street® Multi-Asset Real Ret ETF Rank		22	11	14	14	96	3	29	-N/A	100.00	1.00	

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Real Estate Domestic												
iShares Core US REIT ETF	USRT	-2.19	-1.79	2.50	2.50	8.15	6.47	5.57	8.60	13.62	-24.40	0.08
FTSE Nareit All Equity REITs TR USD		-2.14	-2.15	2.27	2.27	6.12	4.85	5.77	4.92	11.36	-24.95	
US Fund Real Estate		-1.98	-1.80	1.60	1.60	6.61	4.51	4.91	5.90	12.03	-25.67	1.10
iShares Core US REIT ETF Rank		56	46	41	41	17	8	33	19	19	18	

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TIPS												
Schwab US TIPS ETF™	SCHP	-0.56	-0.03	6.85	6.85	4.20	1.05	3.02	1.95	3.87	-11.96	0.03
Bloomberg US Treasury US TIPS TR USD		-0.40	0.13	7.01	7.01	4.23	1.12	3.09	1.84	3.90	-11.85	
US Fund Inflation-Protected Bond		-0.56	-0.01	6.86	6.86	3.68	0.43	2.71	2.05	2.82	-8.98	0.70
Schwab US TIPS ETF™ Rank		64	52	44	44	41	33	29	42	50	57	
Broad Domestic Fixed												
iShares Core US Aggregate Bond ETF	AGG	-0.24	1.00	7.19	7.19	4.69	-0.38	1.97	1.37	5.59	-13.06	0.03
Bloomberg US Agg Bond TR USD		-0.15	1.10	7.30	7.30	4.66	-0.36	2.01	1.25	5.53	-13.01	
US Fund Intermediate Core Bond		-0.22	1.02	7.07	7.07	4.81	-0.31	2.00	1.68	5.59	-13.32	0.54
iShares Core US Aggregate Bond ETF Rank		48	46	45	45	54	47	53	65	52	34	
Vanguard Total Bond Market ETF	BND	-0.27	0.95	7.11	7.11	4.69	-0.40	2.00	1.34	5.70	-13.15	0.03
Bloomberg US Agg Bond TR USD		-0.15	1.10	7.30	7.30	4.66	-0.36	2.01	1.25	5.53	-13.01	
US Fund Intermediate Core Bond		-0.22	1.02	7.07	7.07	4.81	-0.31	2.00	1.68	5.59	-13.32	0.54
Vanguard Total Bond Market ETF Rank		62	61	56	56	54	49	49	67	44	39	
Broad Municipal												
iShares National Muni Bond ETF	MUB	0.20	1.55	3.69	3.69	3.54	0.78	2.13	1.11	5.86	-7.50	0.05
Bloomberg Municipal 1-15 Yr TR USD		0.28	1.41	5.18	5.18	3.75	1.16	2.27	0.88	5.26	-5.95	
US SA Muni National Interim		1.60	2.48	3.38	2.33	4.52	1.12	2.33	1.30	5.28	-6.58	-N/A
iShares National Muni Bond ETF Rank		58	40	81	81	78	62	49	81	40	37	
Vanguard Tax-Exempt Bond ETF	VTEB	0.17	1.54	3.72	3.72	3.74	0.79	2.24	1.37	6.20	-8.18	0.03
Bloomberg Municipal TR USD		0.09	1.56	4.25	4.25	3.88	0.80	2.34	1.05	6.40	-8.53	
US Fund Muni National Interim		0.20	1.48	4.36	4.36	3.94	0.91	2.05	1.89	5.61	-8.23	0.63
Vanguard Tax-Exempt Bond ETF Rank		65	42	77	77	64	61	35	70	23	50	
Dynamic Fixed												
Hartford Total Return Bond ETF	HTRB	-0.29	0.98	7.40	7.40	5.57	0.01	-N/A	2.36	7.03	-14.33	0.29
Bloomberg US Agg Bond TR USD		-0.15	1.10	7.30	7.30	4.66	-0.36	2.01	1.25	5.53	-13.01	
US Fund Intermediate Core-Plus Bond		-0.17	1.03	7.33	7.33	5.38	0.18	2.52	2.37	6.22	-13.27	0.76
Hartford Total Return Bond ETF Rank		77	62	52	52	39	57	-N/A	44	23	74	
High Yield Municipal												
Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF	HYMB	0.07	1.63	2.09	2.09	4.99	0.67	2.61	5.58	7.37	-15.28	0.35
Bloomberg 65% High Grade/35% HY TR USD		-0.03	1.42	3.62	3.62	4.61	1.29	3.06	2.87	7.39	-10.14	
US Fund High Yield Muni		-0.02	1.36	2.86	2.86	4.78	1.03	2.73	4.95	6.48	-13.71	0.91
Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF Rank		41	37	81	81	48	70	61	35	35	75	

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High Yield Fixed												
State Street® SPDR® Blmbg Hi Yld Bd ETF	JNK	0.70	1.44	8.67	8.67	9.71	3.82	5.55	7.38	13.17	-12.44	0.40
Bloomberg US Agg Bond TR USD		-0.15	1.10	7.30	7.30	4.66	-0.36	2.01	1.25	5.53	-13.01	
US Fund High Yield Bond		0.62	1.27	8.01	8.01	9.25	4.22	5.56	7.63	12.08	-10.09	0.87
State Street® SPDR® Blmbg Hi Yld Bd ETF Rank		34	41	32	32	31	69	51	58	22	85	
Global Fixed												
Vanguard Total World Bond ETF	BNDW	-0.40	0.61	5.03	5.03	4.87	-0.33	-N/A	2.44	7.19	-12.92	0.05
Bloomberg Global Aggregate TR Hdg USD		-0.21	0.78	4.86	4.86	5.12	0.34	2.39	3.40	7.15	-11.22	
US Fund Global Bond-USD Hedged		-0.17	0.72	5.01	5.01	5.45	0.41	2.35	3.87	7.81	-12.64	0.67
Vanguard Total World Bond ETF Rank		82	59	47	47	76	83	-N/A	87	65	56	
Large Cap Core												
iShares Core S&P 500 ETF	IVV	0.06	2.65	17.85	17.85	22.97	14.39	14.78	24.98	26.26	-18.13	0.03
S&P 500 TR USD		0.06	2.66	17.88	17.88	23.01	14.42	14.82	25.02	26.29	-18.11	
US Fund Large Blend		0.08	2.21	15.54	15.54	20.08	12.67	13.32	21.45	22.32	-16.96	0.73
iShares Core S&P 500 ETF Rank		45	34	25	25	23	20	13	23	26	51	
Mid Cap Core												
Vanguard Mid-Cap ETF	VO	-0.30	-0.82	11.68	11.68	14.29	8.61	10.92	15.23	15.99	-18.68	0.04
CRSP US Mid Cap TR USD		-0.29	-0.82	11.70	11.70	14.30	8.62	10.94	15.25	15.98	-18.68	
US Fund Mid-Cap Blend		0.10	1.06	9.08	9.08	13.23	8.86	10.27	14.40	16.00	-14.01	0.86
Vanguard Mid-Cap ETF Rank		70	81	26	26	31	57	28	36	52	85	
Small Cap Core												
Vanguard Small-Cap ETF	VB	0.07	1.82	8.83	8.83	13.69	7.35	10.43	14.23	18.21	-17.60	0.05
DJ US Total Stock Market TR USD		-0.01	2.35	17.05	17.05	22.27	13.07	14.21	23.88	26.06	-19.53	
US Fund Small Blend		0.00	1.53	7.89	7.89	11.84	7.63	9.42	11.15	16.18	-16.24	0.97
Vanguard Small-Cap ETF Rank		39	47	45	45	28	51	19	19	28	63	
International Large Cap Core												
iShares Core MSCI EAFE ETF	IEFA	2.61	4.13	31.83	31.83	17.05	8.66	8.29	3.41	17.63	-15.13	0.07
MSCI ACWI Ex USA NR USD		3.00	5.05	32.39	32.39	17.33	7.91	8.41	5.53	15.62	-16.00	
US Fund Foreign Large Blend		2.59	4.35	30.40	30.40	16.73	8.12	8.05	4.85	16.25	-15.84	0.86
iShares Core MSCI EAFE ETF Rank		58	63	42	42	51	39	45	70	37	44	

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Emerging Markets Core												
Vanguard FTSE Emerging Markets ETF	VWO	1.22	1.37	24.83	24.83	14.83	4.69	8.16	11.01	9.27	-17.72	0.07
FTSE Global All Cap ex US TR USD		2.95	4.89	32.37	32.37	17.64	8.38	8.88	5.86	16.17	-15.83	
US Fund Diversified Emerging Mkts		2.57	4.73	30.55	30.55	15.87	4.29	7.93	6.04	12.32	-20.86	1.08
Vanguard FTSE Emerging Markets ETF Rank		86	90	79	79	67	45	46	16	69	31	
Broad Real Assets												
State Street® Multi-Asset Real Ret ETF	RLY	0.95	3.93	20.29	20.29	8.13	10.86	7.71	2.33	2.70	7.61	0.50
Bloomberg US Agg Bond TR USD		-0.15	1.10	7.30	7.30	4.66	-0.36	2.01	1.25	5.53	-13.01	
US Fund Global Moderate Allocation		0.68	2.63	16.15	16.15	12.29	6.54	7.02	8.79	12.16	-13.20	1.03
State Street® Multi-Asset Real Ret ETF Rank		22	11	14	14	96	3	29	-N/A	100.00	1.00	
Real Estate Domestic												
iShares Core US REIT ETF	USRT	-2.19	-1.79	2.50	2.50	8.15	6.47	5.57	8.60	13.62	-24.40	0.08
Russell 3000 TR USD		-0.02	2.40	17.15	17.15	22.25	13.15	14.29	23.81	25.96	-19.21	
US Fund Real Estate		-1.98	-1.80	1.60	1.60	6.61	4.51	4.91	5.90	12.03	-25.67	1.10
iShares Core US REIT ETF Rank		56	46	41	41	17	8	33	19	19	18	

Investment Strategy

The investment seeks to track the performance of the Bloomberg U.S. Aggregate Float Adjusted Index. This index measures the performance of a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States-including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities-all with maturities of more than 1 year. All of the fund's investments will be selected through the sampling process, and at least 80% of its assets will be invested in bonds held in the index.

Process Approach

By Lan Anh Tran 6/24/2025

This fund provides a well-constructed portfolio of investment-grade US bonds, warranting an Above Average Process rating.

Process Portfolio

By Lan Anh Tran 6/24/2025

The fund tracks the Bloomberg US Aggregate Float Adjusted Index, which captures investment-grade, fixed-rate, taxable US bonds. The index implements minimum size thresholds for each security type, which ensures there's enough liquidity for the sizable asset base tracking it. The index also excludes riskier types of securities such as bonds with equity features, non-ERISA-eligible commercial MBS, and eurodollar bonds. It weights selected holdings by market value, after reducing the value of debt held by the Fed to adjust for float. As the Fed ramped up purchases of agency MBS since the 2008 global financial crisis, the fund is underweight here compared with category peers that do not adjust for float.

This weighting scheme tilts the portfolio heavily toward larger issuers, most notably the US Treasury. The fund's Treasury stake climbed to 50% from 40% in the last decade as issuance picked up, particularly since the pandemic. In comparison, the average category peer tends to park only 30% of their assets here. Overweighting Treasuries comes at the expense of allocations to agency MBS and asset-backed securities. Active managers in this category tend to load up on ABS to look for extra yield.

Stocking up on Treasuries also mutes credit risk. The fund tends to park around 70% of its assets in AAA and AA bonds compared with only 60% for the average category peer. Peers load up on BBB bonds instead, and some reach to junk bonds for additional yield. The fund's limited credit risk should cushion downturns duri...

People

By Lan Anh Tran 6/24/2025

Vanguard's fixed-income index team has a lot of advantages. It taps into a global network of portfolio managers, sector specialists, and trading desks to deliver accurate index tracking in the markets that it touches. It earns an Above Average People Pillar rating.

Experienced managers make up Vanguard's team. They're supported by a deep bench of talent that allows them to focus on portfolio construction and tracking performance. Each fund has a lead manager that collaborates with traders and sector specialists to ensure tracking performance stays within well-defined guardrails.

Specialization extends in many directions. ETF specialists help manage creation and redemption baskets, while a dedicated data team handles index changes and corporate actions. International specialists help manage portfolios in local markets outside of the US to keep costs down and tracking tight.

Many bonds aren't available for trading, so index funds cannot hold every bond in an index. Despite that drawback, Vanguard's team has continued to invest in new ways to improve the precision of its tracking efforts while keeping a lid on trading costs. It recently expanded its quantitative unit, which developed an optimization tool that incorporates traders' insights and liquidity data to improve tracking performance.

Performance

By Lan Anh Tran 6/24/2025

The fund's exchange-traded share class outpaced the category average by 26 basis points annualized from its 2007 inception through May 2025. Much of its outperformance comes from a conservative risk profile and Treasury-heavy portfolio. This provided better protection during credit shocks as investors fled to safe-haven assets like Treasuries. The fund outpaced the category average by 6.84 and 2.13 percentage points during the 2008 global financial crisis and the pandemic shock in March 2020, respectively.

On the other hand, the fund will lag category peers during risk-on environments. It trailed the category average by 38 basis points in 2024 as tight credit spreads slightly dented excess returns. It recouped some losses during the first four months of 2025 as tariff uncertainties widened credit spreads.

The fund does not currently take any duration bets compared with the category norm, but its average duration used to be slightly longer. This detracted from category-relative returns when yields on long-term bonds rose. Nonetheless, the fund's main return driver is its conservative credit risk profile. Tempering credit risk helped it outperform the category average by 20 basis points during the market meltdown in 2022, as safe assets fared relatively well that ye...

Parent Company

By Daniel Sotiroff 7/28/2025

Vanguard maintains its High Parent Pillar rating as it continues to grow under new leadership.

CEO Salim Ramji has had a busy first year captaining Vanguard’s crew, and the ship remains pointed in the right direction. The firm made its largest round of fee cuts in early 2025, which came at an estimated cost of USD 350 million. It established a separate division dedicated to its advice and wealth management efforts, a sign that it wants to seriously compete within those lines of business. Asset growth has continued to be a huge success. Only BlackRock’s inflows rival the money Vanguard is taking in. Likewise, the number of clients it serves has more than doubled since 2015.

Despite that success, an ever-growing number of clients has presented a challenge: Vanguard can’t grow its services fast enough to keep up with demand. In some instances, it has had to curb certain services and capabilities or raise fees on others to cope, causing some loyal clients to criticize what they perceive as deteriorating services.

Vanguard has ambitions to bring its disruptive legacy to the bond market. It created roughly a dozen low-cost bond exchange-traded funds for US investors and sever...

Manager Information and Ownership Levels

Manager Biography

Joshua C. Barrickman since 2/22/2013

Ohio Northern University, B.S.
Lehigh University, M.B.A.

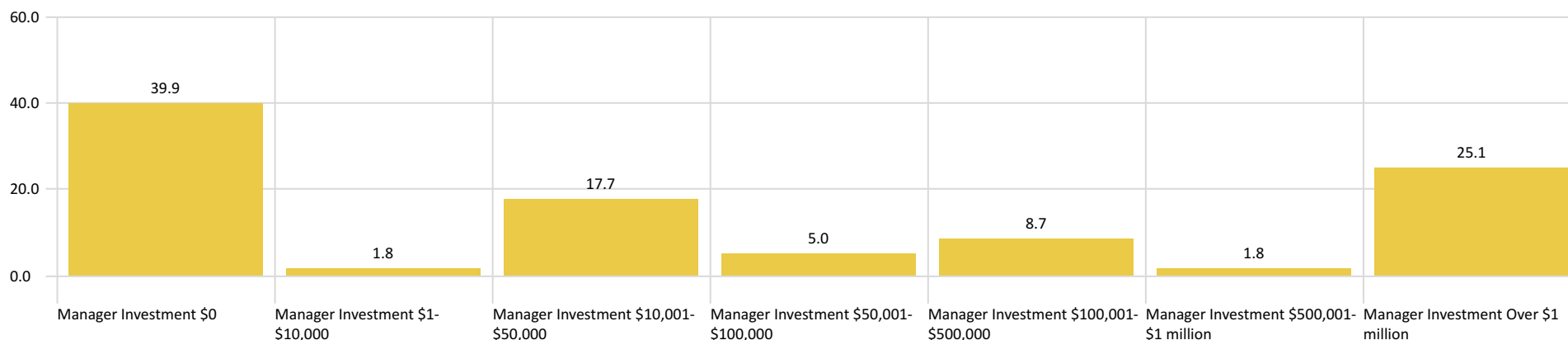
Joshua C. Barrickman, CFA, Principal of Vanguard and head of Vanguard’s Fixed Income Indexing Americas. He has been with Vanguard since 1998, has worked in investment management since 1999, has managed investment portfolios since 2005, and has co-managed the Fund since 2013. He has managed the Vanguard Variable Insurance Funds Global Bond Index Portfol...

Manager Biography

Manager Biography

Manager Biography

Manager Ownership Level

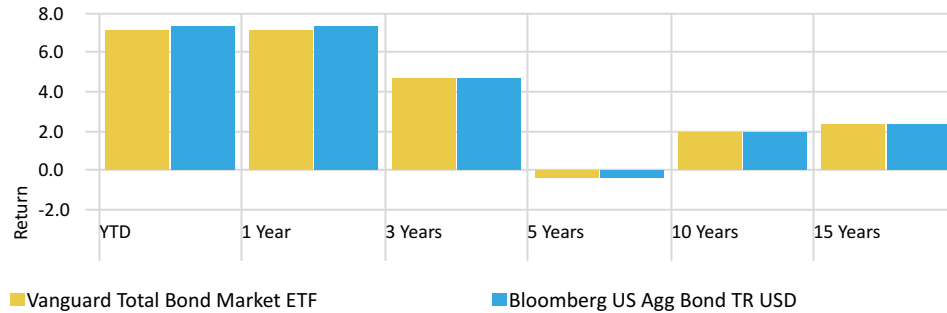


Vanguard Total Bond Market ETF

Ticker	BND	Prospectus Net Expense Ratio	0.03	Morningstar Category	US Fund Intermediate Core Bond
Manager Name	Joshua C. Barrickman	Turnover Ratio %	36.00	Fund Size	384,629,150,724.00
Inception Date	4/3/2007	Potential Capital Gains Exposure	-11.72	Alpha (3 Year)	0.02
Manager Tenure (Longest)	12.92	# of Holdings	17,744	Beta (3 Year)	0.99

Trailing Returns

As of Date: 12/31/2025



Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Vanguard Total Bond Market ETF	7.11	7.11	4.69	-0.40	2.00	3.13
Bloomberg US Agg Bond TR USD	7.30	7.30	4.66	-0.36	2.01	3.16

Excess Return vs. Benchmark

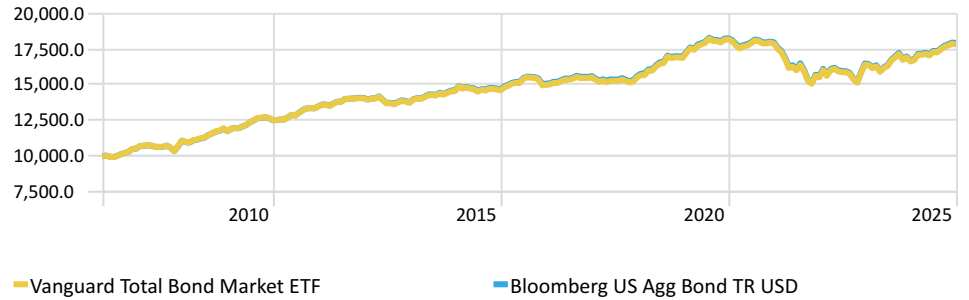
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-0.19	-0.19	0.03	-0.04	-0.01	-0.03

Investment Strategy

The investment seeks to track the performance of the Bloomberg U.S. Aggregate Float Adjusted Index. This index measures the performance of a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States-including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities-all with maturities of more than 1 year. All of the fund's investments will be selected through the sampling process, and at least 80% of its assets will be invested in bonds held in the index.

Investment Growth

Time Period: Since Common Inception (4/4/2007) to 12/31/2025



Calendar Year Returns

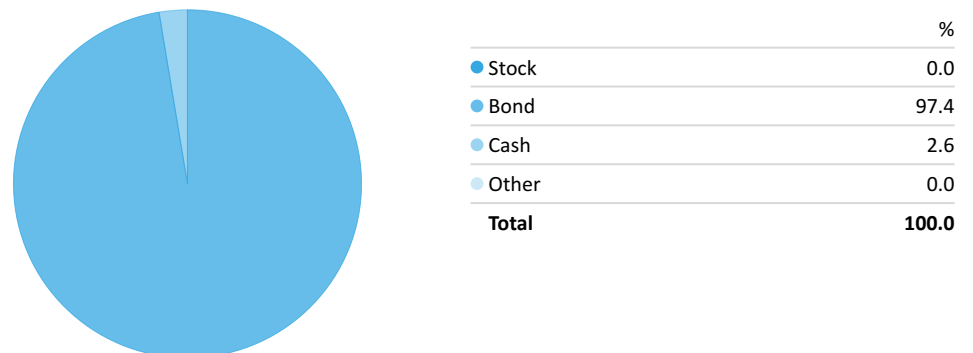
	2021	2022	2023	2024	2025
Vanguard Total Bond Market ETF	-1.66	-13.15	5.70	1.34	7.11
Bloomberg US Agg Bond TR USD	-1.54	-13.01	5.53	1.25	7.30

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	-0.12	-0.14	0.17	0.09	-0.19

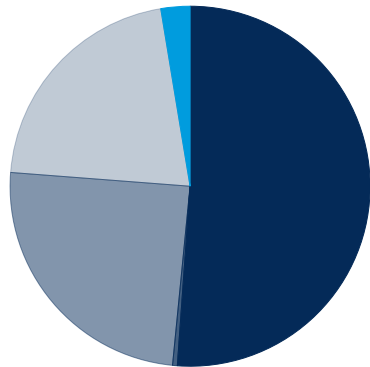
Asset Allocation

Portfolio Date: 11/30/2025



Fixed-Income Super Sectors

Portfolio Date: 11/30/2025

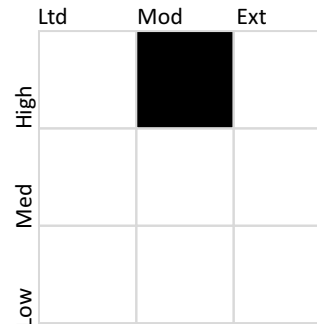


	%
Government	51.1
Municipal	0.4
Corporate	24.7
Securitized	21.2
Cash & Equivalents	2.6
Derivative	0.0
Total	100.0

Morningstar Style Box

Portfolio Date: 11/30/2025

Morningstar Fixed Income Style Box™



Fixed-Income Stats

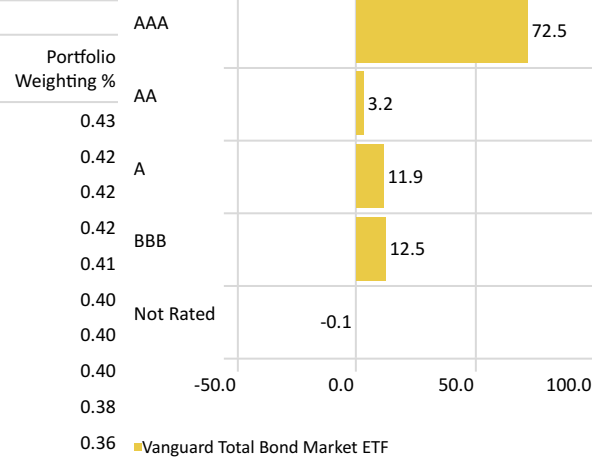
Average Eff Duration Survey	5.8
Average Eff Maturity Survey	8.0
Average Coupon	-
Average Price	95.7

Top Holdings

Portfolio Date: 11/30/2025

United States Treasury Notes	Portfolio Weighting %
United States Treasury Notes	0.43
United States Treasury Notes	0.42
United States Treasury Notes	0.42
United States Treasury Notes	0.42
United States Treasury Notes	0.41
United States Treasury Notes	0.40
United States Treasury Notes	0.40
United States Treasury Notes	0.40
United States Treasury Notes	0.38
United States Treasury Notes	0.36

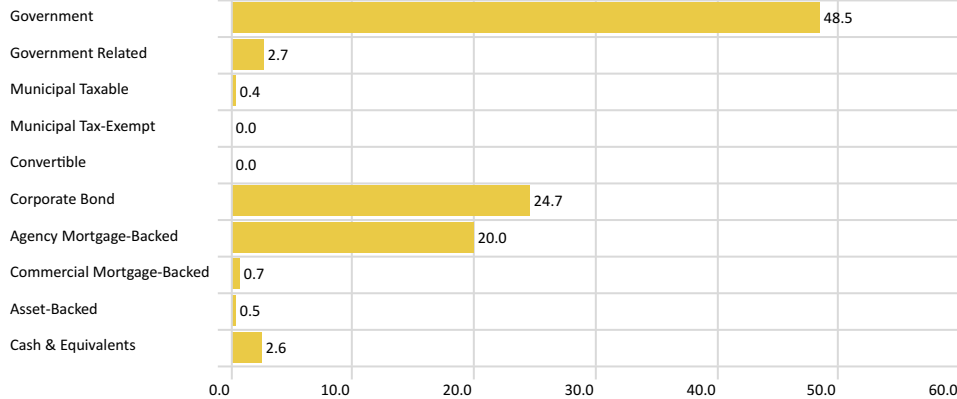
Credit Quality



Maturity

1-7 Day	0.00
8-30 Day	0.00
31-90 Day	0.00
91-182 Day	0.02
183-364 Day	0.04
1-3 Year	22.61
3-5 Year	16.81
5-7 Year	11.05
7-10 Year	9.78
10-15 Year	4.24
15-20 Year	6.75
20-30 Year	27.65
30+ Year	1.07

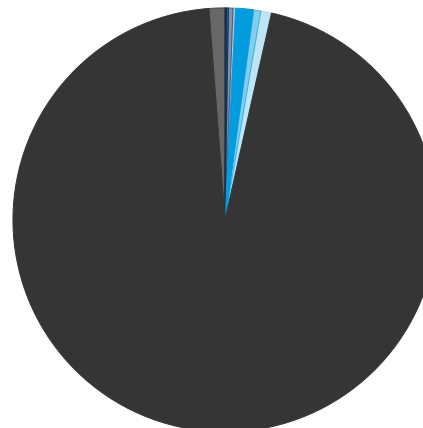
Fixed-Income Sectors



■ Vanguard Total Bond Market ETF

Fixed-Income Regional Exposure

Portfolio Date: 11/30/2025

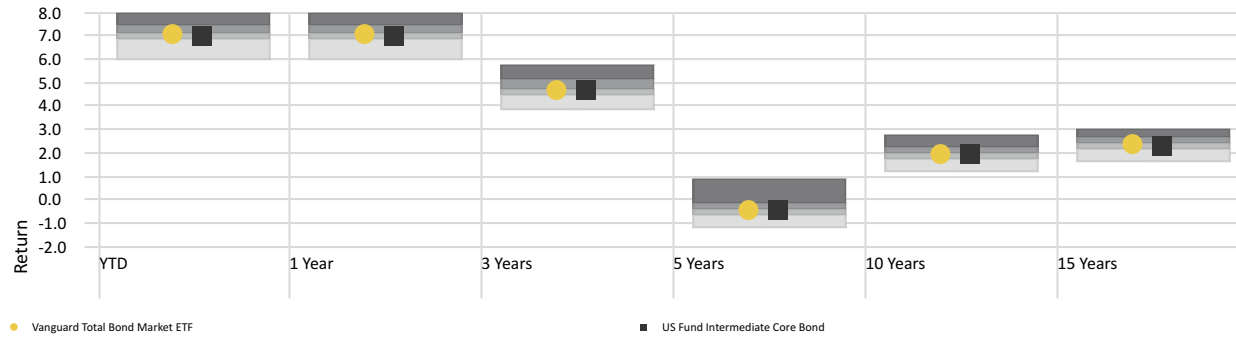


Region	%
Africa/Middle East	0.1
Asia Dev	0.2
Asia Emrg	0.3
Australasia	0.2
Europe Dev	1.3
Europe Emrg	0.1
Japan	0.5
Latin America	0.8
North America	95.3
United Kingdom	1.2
Total	100.0

Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Intermediate Core Bond Calculation Benchmark: Bloomberg US Agg Bond TR USD

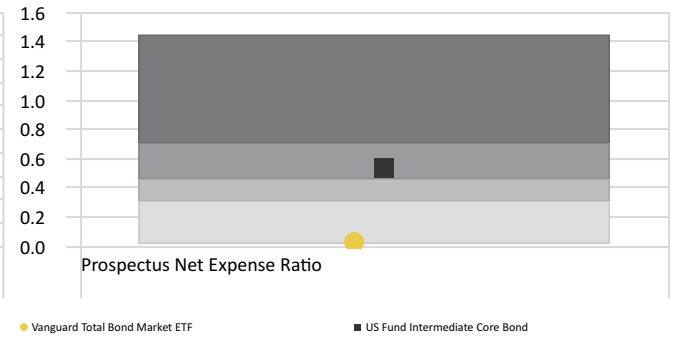
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Intermediate Core Bond

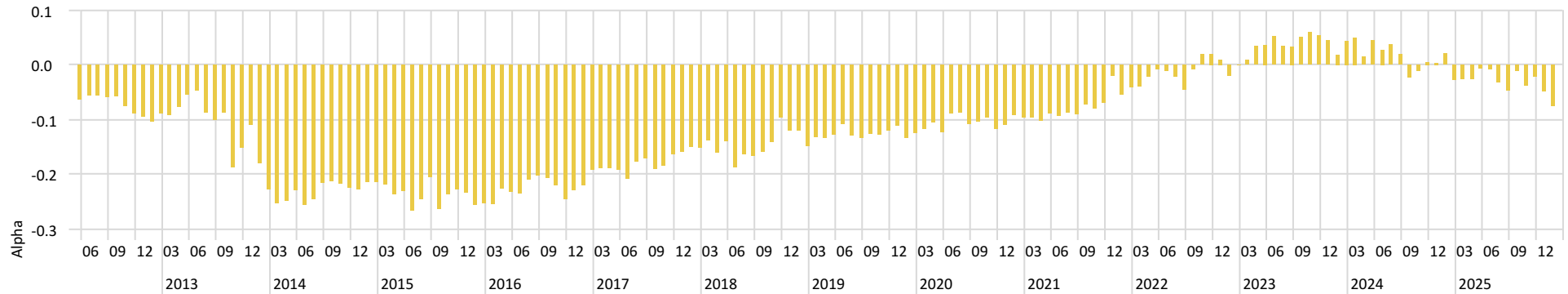
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

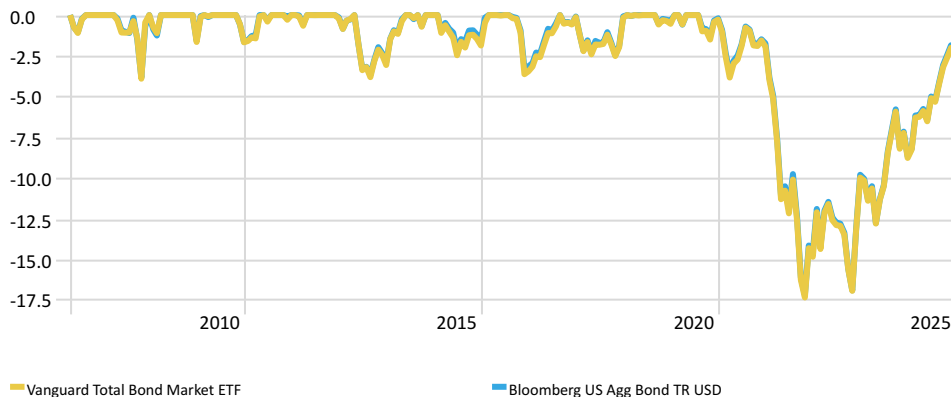
Time Period: Since Common Inception (5/1/2007) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



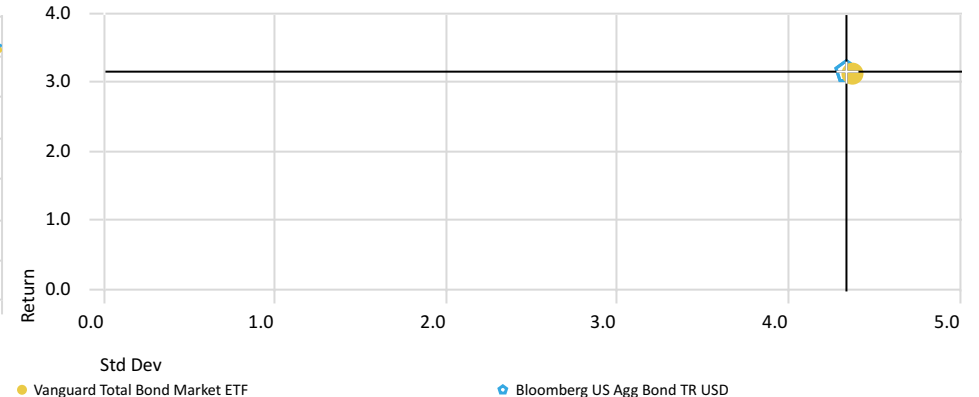
Drawdown

Time Period: Since Common Inception (5/1/2007) to 12/31/2025



Risk-Reward

Time Period: Since Common Inception (5/1/2007) to 12/31/2025



Investment Strategy

The investment seeks to track the performance of the Bloomberg Global Aggregate Float Adjusted Composite Index that measures the investment return of investment-grade U.S. bonds and investment-grade non-U.S. dollar-denominated bonds. The fund is a fund of funds and employs an indexing investment approach designed to track the performance of the index, which is a custom, USD-hedged index designed to track the market capitalized weights of the global investment-grade bond market and is comprised of the Bloomberg U.S. Aggregate Float Adjusted Index and the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index.

Process Approach

By Morningstar Manager Research 12/29/2025

Vanguard Total World Bond ETF earns a High Process Pillar rating. Morningstar's evaluation of this security's process aims to determine the likelihood that it will outperform its Morningstar Category benchmark on a risk-adjusted basis over the long term.

The main driver of the rating is its parent firm's impressive long-term risk-adjusted performance, as shown by the firm's average 10-year Morningstar Rating of 3.6 stars. The parent firm's five-year risk-adjusted success ratio of 70% also contributes to the process. The measure indicates the percentage of a firm's funds that have beat their respective category's median return for the period. Their commendable success ratio suggests that the firm does well for investors and that this fund may benefit from that. This fund tracks an index, which supports the rating. Historical data, like Morningstar's Active/Passive Barometer, shows that passively managed funds have generally outperformed their active counterparts, especially over longer time horizons.

The investment strategy as stated in the fund's prospectus is:

The investment seeks to track the performance of the Bloomberg Global Aggregate Float Adjusted Composite Index that measures the investment return of investment-grade U.S. bonds and investment-grade non-U.S. dollar-denominated bonds. The fund is a fund of funds and employs an indexing investment approach designed to track the performance of the index, which is a custo...

Process Portfolio

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People

By Morningstar Manager Research 12/29/2025

Vanguard Total World Bond ETF's strong fixed income team drives the strategy's Above Average People Pillar rating. The fund takes a solo manager approach, with Joshua Barrickman as the only listed manager at the helm, who brings 20 years of portfolio management experience to the table. They manage a total of 18 strategies, with a Gold asset-weighted average Morningstar Medalist Rating, indicating the potential to deliver positive alpha relative to the category median in aggregate. With only one manager listed on the strategy, the passive strategy is vulnerable to key-person risk.

Note: This People Pillar rating is indirectly assigned by an analyst. Morningstar analysts evaluate the People Pillar for passive products at the brand level and may also differentiate by asset class. There is at least one other passive strategy at the firm that is covered by a Morningstar analyst, so the People Pillar rating of the fund is inherited from the rating that the Morningstar analyst assigned to investment vehicles under the same brand name.

Performance

By Morningstar Manager Research 12/29/2025

Performance has been a weak point for this share class. Over a long-term horizon, investors have not profited from this strategy's approach relative to the category index. Over the past five years, this fund has trailed its category index, the Bloomberg Barclays Global Aggregate Bond Index Hedged, by 64 basis points. More importantly, when looking across a longer horizon, performance looks bleak. On a seven-year basis, this share class lagged the index by an annualized 35 basis points.

When risk is properly accounted for, the strategy is not any more compelling. The share class had a lower Sharpe ratio, a measure of risk-adjusted returns, than the index over the trailing five-year period. But notably, these subpar risk-adjusted results have not come with more volatility than the benchmark, as measured by standard deviation. Finally, the share class proved itself ineffective as it was unable to generate alpha, over the same period, against the category group index: a benchmark that encapsulates the performance of the broader asset class.

Parent Company

By Daniel Sotiroff 7/28/2025

Vanguard maintains its High Parent Pillar rating as it continues to grow under new leadership.

CEO Salim Ramji has had a busy first year captaining Vanguard’s crew, and the ship remains pointed in the right direction. The firm made its largest round of fee cuts in early 2025, which came at an estimated cost of USD 350 million. It established a separate division dedicated to its advice and wealth management efforts, a sign that it wants to seriously compete within those lines of business. Asset growth has continued to be a huge success. Only BlackRock’s inflows rival the money Vanguard is taking in. Likewise, the number of clients it serves has more than doubled since 2015.

Despite that success, an ever-growing number of clients has presented a challenge: Vanguard can’t grow its services fast enough to keep up with demand. In some instances, it has had to curb certain services and capabilities or raise fees on others to cope, causing some loyal clients to criticize what they perceive as deteriorating services.

Vanguard has ambitions to bring its disruptive legacy to the bond market. It created roughly a dozen low-cost bond exchange-traded funds for US investors and sever...

Manager Information and Ownership Levels

Manager Biography

Joshua C. Barrickman since 9/4/2018

Ohio Northern University, B.S.
Lehigh University, M.B.A.

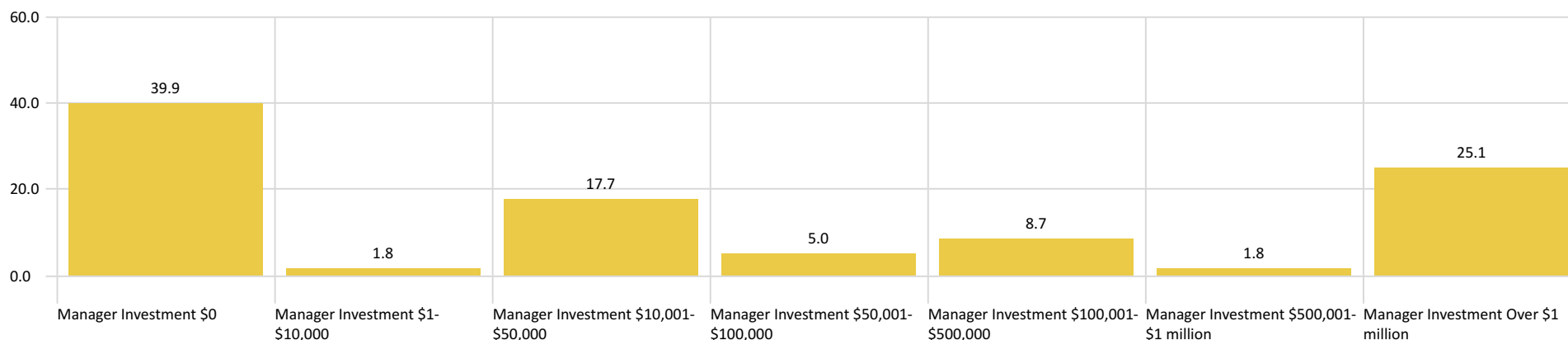
Joshua C. Barrickman, CFA, Principal of Vanguard and head of Vanguard’s Fixed Income Indexing Americas. He has been with Vanguard since 1998, has worked in investment management since 1999, has managed investment portfolios since 2005, and has co-managed the Fund since 2013. He has managed the Vanguard Variable Insurance Funds Global Bond Index Portfol...

Manager Biography

Manager Biography

Manager Biography

Manager Ownership Level

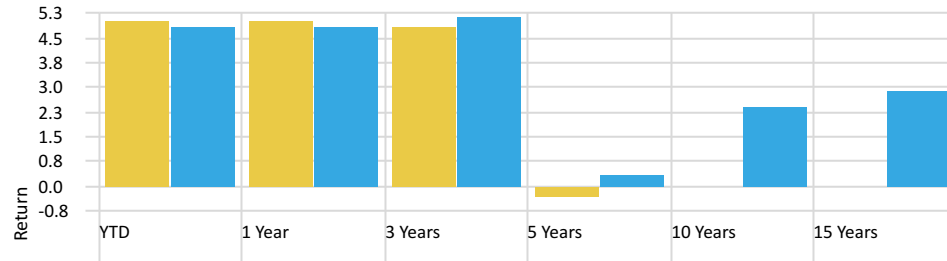


Vanguard Total World Bond ETF

Ticker	BNDW	Prospectus Net Expense Ratio	0.05	Morningstar Category	US Fund Global Bond-USD Hedged
Manager Name	Joshua C. Barrickman	Turnover Ratio %	12.00	Fund Size	1,546,755,800.00
Inception Date	9/4/2018	Potential Capital Gains Exposure	-6.34	Alpha (3 Year)	-0.25
Manager Tenure (Longest)	7.33	# of Holdings	4	Beta (3 Year)	1.18

Trailing Returns

As of Date: 12/31/2025



■ Vanguard Total World Bond ETF ■ Bloomberg Global Aggregate TR Hdg USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Vanguard Total World Bond ETF	5.03	5.03	4.87	-0.33	1.90	1.90
Bloomberg Global Aggregate TR Hdg USD	4.86	4.86	5.12	0.34	2.39	2.27

Excess Return vs. Benchmark

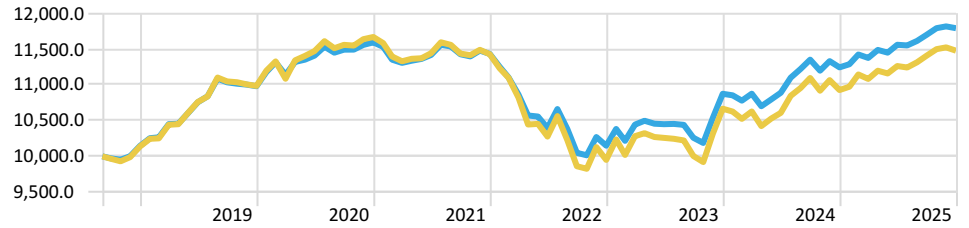
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	0.17	0.17	-0.26	-0.67	-0.38	-0.38

Investment Strategy

The investment seeks to track the performance of the Bloomberg Global Aggregate Float Adjusted Composite Index that measures the investment return of investment-grade U.S. bonds and investment-grade non-U.S. dollar-denominated bonds. The fund is a fund of funds and employs an indexing investment approach designed to track the performance of the index, which is a custom, USD-hedged index designed to track the market capitalized weights of the global investment-grade bond market and is comprised of the Bloomberg U.S. Aggregate Float Adjusted Index and the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index.

Investment Growth

Time Period: Since Common Inception (9/5/2018) to 12/31/2025



■ Vanguard Total World Bond ETF ■ Bloomberg Global Aggregate TR Hdg USD

Calendar Year Returns

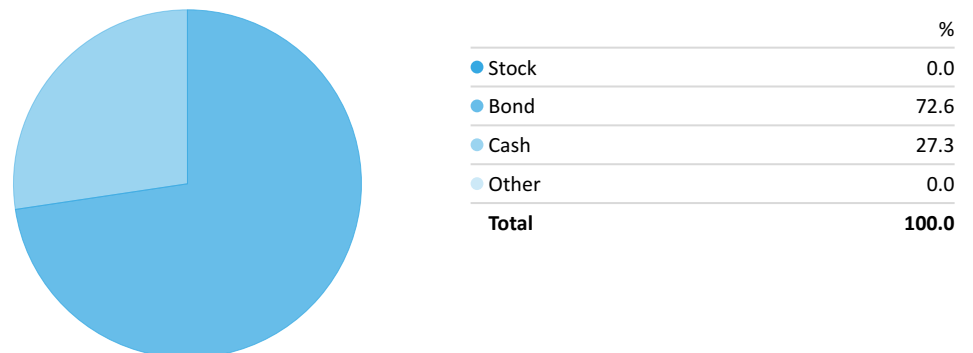
	2021	2022	2023	2024	2025
Vanguard Total World Bond ETF	-2.06	-12.92	7.19	2.44	5.03
Bloomberg Global Aggregate TR Hdg USD	-1.39	-11.22	7.15	3.40	4.86

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	-0.67	-1.70	0.04	-0.95	0.17

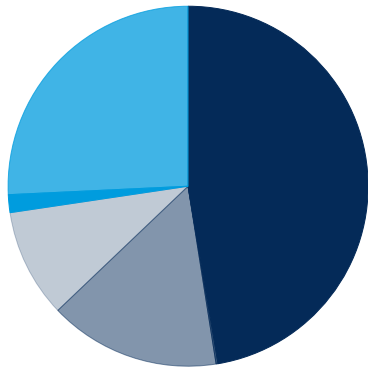
Asset Allocation

Portfolio Date: 11/30/2025



Fixed-Income Super Sectors

Portfolio Date: 11/30/2025

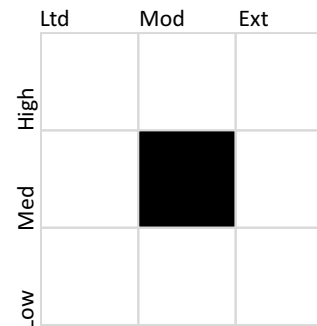


	%
Government	47.3
Municipal	0.2
Corporate	15.4
Securitized	9.8
Cash & Equivalents	1.6
Derivative	25.8
Total	100.0

Morningstar Style Box

Portfolio Date: 11/30/2025

Morningstar Fixed Income Style Box™



Fixed-Income Stats

Average Eff Duration Survey	6.3
Average Eff Maturity Survey	8.3
Average Coupon	3.2
Average Price	94.6

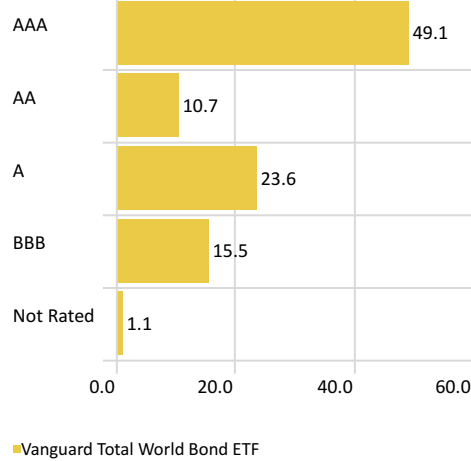
Top Holdings

Portfolio Date: 11/30/2025

Vanguard Total Bond Market ETF	51.34
Vanguard Total International Bond ETF	48.65

	Portfolio Weighting %
Vanguard Total Bond Market ETF	51.34
Vanguard Total International Bond ETF	48.65

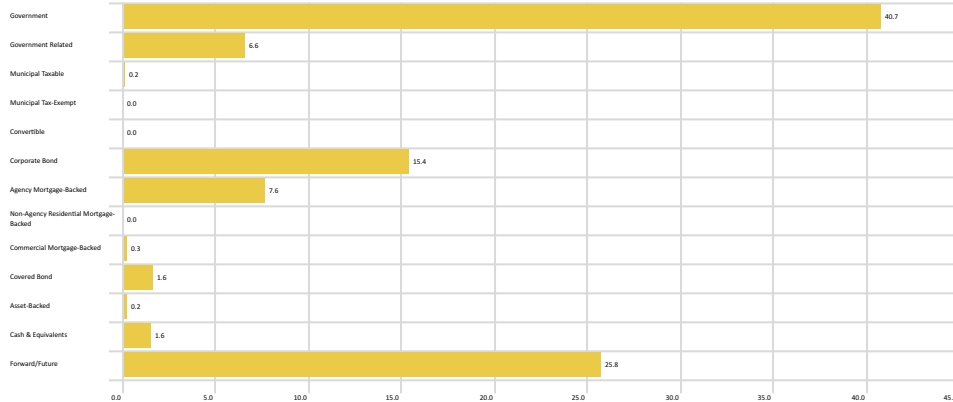
Credit Quality



Maturity

1-7 Day	0.00
8-30 Day	0.00
31-90 Day	0.00
91-182 Day	0.01
183-364 Day	0.02
1-3 Year	21.93
3-5 Year	18.61
5-7 Year	12.62
7-10 Year	13.85
10-15 Year	6.52
15-20 Year	6.56
20-30 Year	18.35
30+ Year	1.54

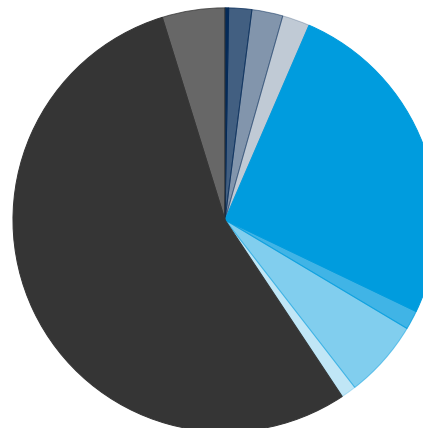
Fixed-Income Sectors



Vanguard Total World Bond ETF

Fixed-Income Regional Exposure

Portfolio Date: 11/30/2025

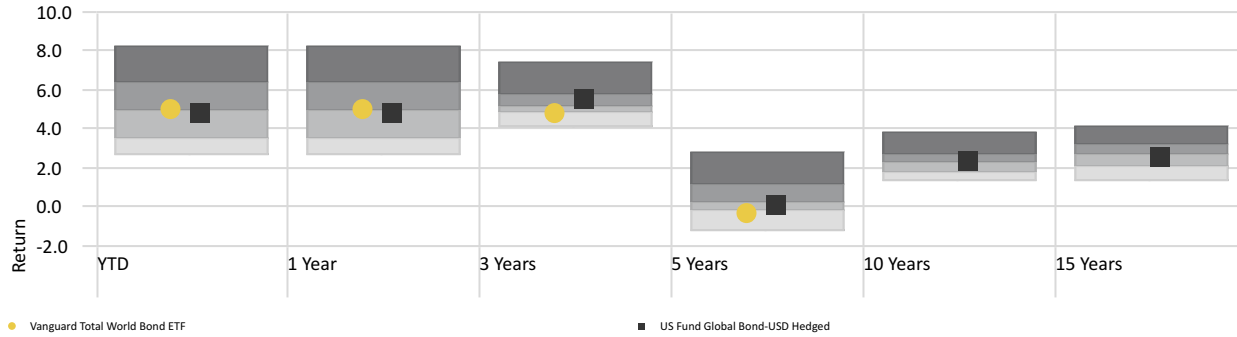


	%
Africa/Middle East	0.3
Asia Dev	1.8
Asia Emrg	2.4
Australasia	2.1
Europe Dev	25.6
Europe Emrg	1.5
Japan	5.9
Latin America	1.2
North America	54.5
United Kingdom	4.8
Total	100.0

Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Global Bond-USD Hedged Calculation Benchmark: Bloomberg Global Aggregate TR Hdg USD

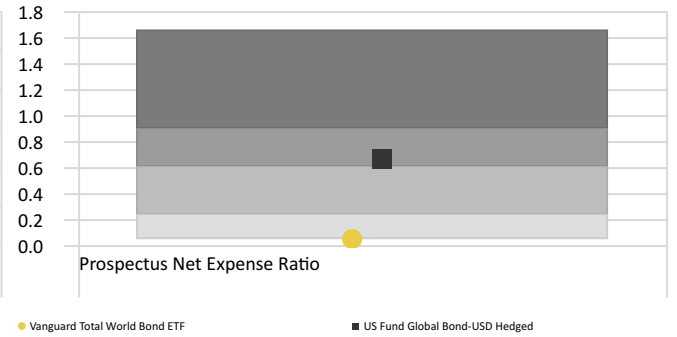
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Global Bond-USD Hedged

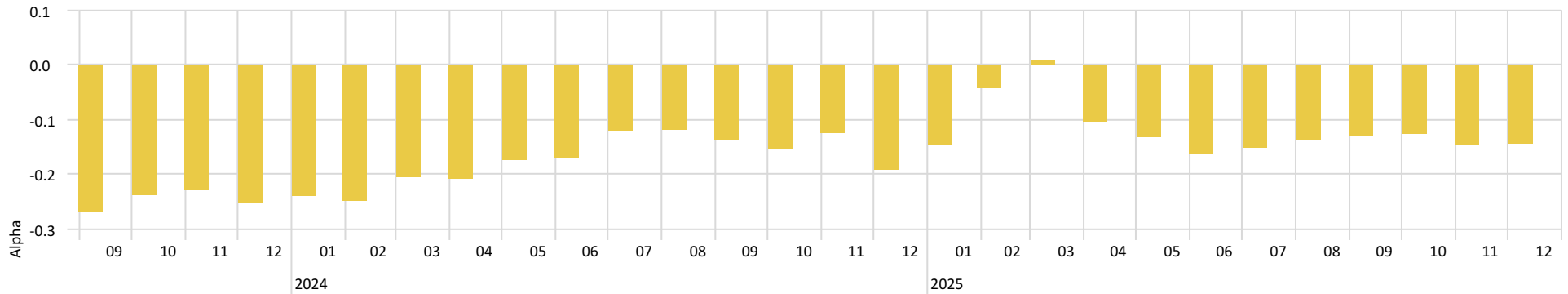
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

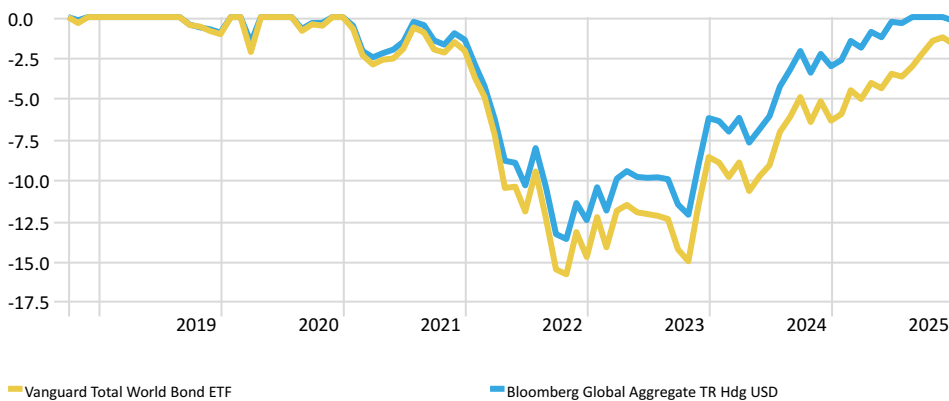
Time Period: Since Common Inception (10/1/2018) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



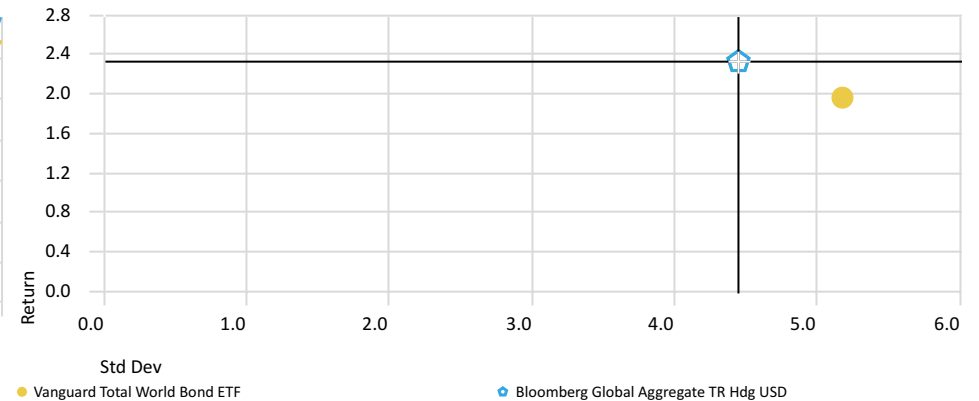
Drawdown

Time Period: Since Common Inception (10/1/2018) to 12/31/2025



Risk-Reward

Time Period: Since Common Inception (10/1/2018) to 12/31/2025



Investment Strategy

The investment seeks to track the investment results of the MSCI EAFE Value Index composed of developed market equities, excluding the U.S. and Canada, that exhibit value characteristics. The fund generally invests at least 80% of its assets in the component securities of its underlying index and in investments that have economic characteristics that are substantially identical to the component securities of its underlying index. The underlying index is a subset of the MSCI EAFE Index. Constituents of the underlying index include securities from Europe, Australasia and the Far East.

Process Approach

By Brendan McCann 11/3/2025

This fund captures most of the opportunity set in a cost-effective way and earns an Above Average Process Pillar rating.

Process Portfolio

By Brendan McCann 11/3/2025

The fund seeks to track the MSCI EAFE Value Index, a subset of the MSCI EAFE Index. The MSCI EAFE Index targets the top 85% of stocks from 21 overseas developed markets by their free-float-adjusted market cap, excluding Canada and the US. Each stock receives a value and growth score based on fundamentals such as book value/price and internal growth rate. Once scored, MSCI allocates stocks to either the MSCI EAFE Value or Growth Index, ensuring each index comprises around 50% of the MSCI EAFE Index's market cap. MSCI assigns some stocks to both indexes because of their similar growth and value characteristics. Buffer rules reduce unnecessary turnover, which consistently remains around half of the foreign large-value category average.

The index diversifies stock-specific risk and currently holds close to 500 stocks—a number that has remained stable over the past 10 years. Concentration hasn't been a concern; the index typically holds less than 20% of its assets in the top 10 holdings.

The portfolio misses part of the foreign value market. A typical peer tends to have around 10% of its assets invested in emerging-markets stocks. This puts the fund at a disadvantage when emerging markets surge, but they are riskier, and excluding them should help contain risk. Some funds in the category invest in small-cap stocks. But overall, they inhabit a minuscule allocation. Leaving them out should have little effect on the fund's category-relative performan...

People

By Brendan McCann 11/3/2025

The iShares equity index team earns an Above Average People Pillar rating, a testament to the quality of its index-tracking capabilities. The team leverages BlackRock's industry-leading technology and a robust global infrastructure to consistently deliver tight index-tracking performance in all the global markets that it touches. Automated workflows and the team's extensive supporting staff effectively minimize potential disruptions caused by personnel changes.

BlackRock's Aladdin platform performs most of the portfolio-management tasks and helps ensure the team achieves precise index tracking. Experienced managers guide the team, stepping in for tasks such as dealing with index changes, rebalances, certain corporate actions, and trade approvals. Collaboration is key within BlackRock. All managers have access to a worldwide network of traders and peers that enhances the fund's day-to-day operations. BlackRock's global trading desk forms an integral part of this network. It taps into local markets to execute cost-effective transactions. An independent risk committee diligently oversees the fund's tracking performance, ensuring it remains within prescribed boundaries and further instilling confidence in the team's approach to tracking an index.

Performance

By Brendan McCann 11/3/2025

The fund is fully invested regardless of market conditions, so its category-relative performance tends to rise and fall as cheaper stocks perform better or worse than their pricier peers, respectively. Over the past 10 years through September 2025, this fund's annualized total return outperformed the foreign large-value category by 37 basis points annualized. The fund has generally outperformed its peers during periods when value stocks do especially well.

For instance, the foreign large-value category average outperformed the foreign large-blend category average over the five years through September 2025, and the fund outperformed most of its peers during the same timeframe. Investors can rely on low fees and a broad representation of the opportunity set to provide an advantage during these periods.

On the other hand, active managers may have an advantage when foreign value stocks are out of favor. They can invest in better-performing segments that are outside of this fund's scope or hold cash. Unlike its actively managed peers, the fund remains fully invested and is unable to pivot to other segments when cheap stocks sour...

Parent Company

By Jason Kephart 1/10/2025

BlackRock has raised the bar for what it means to be a truly diversified asset manager. After going on a private-asset shopping spree in 2024 to acquire infrastructure, credit, and alternative fund data capabilities, few other firms can match its breadth of offerings. It remains to be seen if these acquisitions will be as transformative and beneficial for investors as its 2009 purchase of Barclays Global Investors, which included its now iconic iShares brand of exchange-traded funds. BlackRock continues to earn an Above Average rating for Parent.

There are reasons for optimism. CEO Larry Fink’s track record of acquisitions stands out for its focus on expanding what BlackRock can offer, rather than looking to build scale. The firm has been able to deliver packaged versions of its products, like direct indexing, through its popular model portfolios for financial advisors at low costs that have made significant improvements to investor outcomes.

For hands-off investors, BlackRock’s multi-asset options like its target-date strategies and once flagship global allocation strategy are among their respective Morningstar Categories’ best options. ...

Manager Information and Ownership Levels

Manager Biography

Jennifer Hsui since 12/1/2012

University of California

Jennifer Hsui, Managing Director & Portfolio Manager at BlackRock Investment Management LLC has been employed by BlackRock Fund Advisors as a senior portfolio manager since 2007. Prior to that, Ms. Hsui was a portfolio manager from 2006 to 2007 for BGFA. She was a research analyst for RBC Capital Markets from 2003 to 2006.

Manager Biography

Peter Sietsema since 4/1/2025

Peter Sietsema has been with BFA since 2007, including his years with BGI, which merged with BFA in 2009. Mr. Sietsema has been employed by BFA or its affiliates as a Director since 2011 and a Vice President from 2009 to 2010. Mr. Sietsema has been a Portfolio Manager of each fund since 2023.

Manager Biography

Matt Waldron since 4/1/2025

University of Delaware, B.A., Finance

Matt Waldron, CFA, Managing Director, is US Head of International Portfolio Management within BlackRock Global Markets & Index Investments (“BGM”). He is responsible for the overall management of ETFs, CTFs, and Institutional SMAs that are predominantly invested in developed and emerging markets. Mr. Waldron’s service with the firm dates back to 2003. Prior to his current role, Mr. Waldron

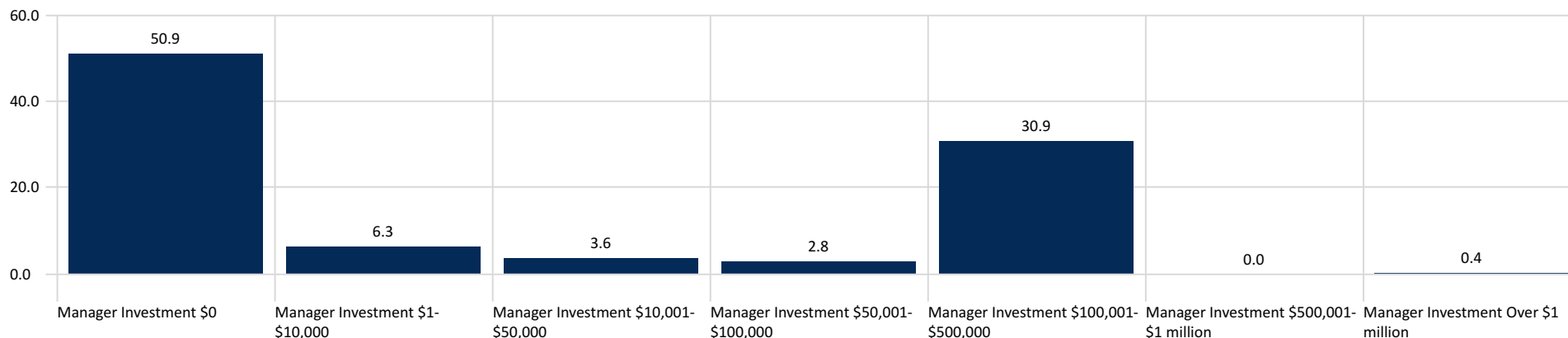
WAS

Manager Biography

Steven White since 4/1/2025

Steven White, Director, is Co-CIO for Index Equity Investments within BlackRock Global Markets & Index Investments (“BGM”) Steven co-leads the CIO function, which is responsible for leading efforts to drive scale, quality and risk-managed investment outcomes for clients. Within the function he has direct responsibilities for investment risk and performance oversight across the global book as well as Index Equities Index Advocacy function which looks to enhance benchmark methodologies managed to by t...

Manager Ownership Level

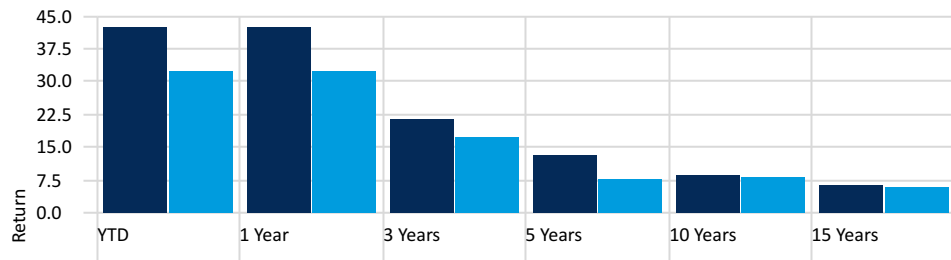


iShares MSCI EAFE Value ETF

Ticker	EFV	Prospectus Net Expense Ratio	0.31	Morningstar Category	US Fund Foreign Large Value
Manager Name	Multiple	Turnover Ratio %	3.90	Fund Size	28,160,029,952.00
Inception Date	8/1/2005	Potential Capital Gains Exposure	8.47	Alpha (3 Year)	4.39
Manager Tenure (Longest)	13.08	# of Holdings	429	Beta (3 Year)	0.92

Trailing Returns

As of Date: 12/31/2025



■ iShares MSCI EAFE Value ETF ■ MSCI ACWI Ex USA NR USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
iShares MSCI EAFE Value ETF	42.36	42.36	21.27	13.34	8.60	5.55
MSCI ACWI Ex USA NR USD	32.39	32.39	17.33	7.91	8.41	6.09

Excess Return vs. Benchmark

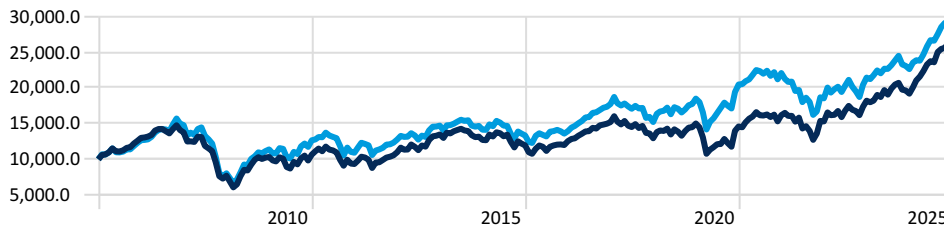
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	9.97	9.97	3.94	5.43	0.18	-0.55

Investment Strategy

The investment seeks to track the investment results of the MSCI EAFE Value Index composed of developed market equities, excluding the U.S. and Canada, that exhibit value characteristics. The fund generally invests at least 80% of its assets in the component securities of its underlying index and in investments that have economic characteristics that are substantially identical to the component securities of its underlying index. The underlying index is a subset of the MSCI EAFE Index. Constituents of the underlying index include securities from Europe, Australasia and the Far East.

Investment Growth

Time Period: 1/1/2006 to 12/31/2025



■ iShares MSCI EAFE Value ETF ■ MSCI ACWI Ex USA NR USD

Calendar Year Returns

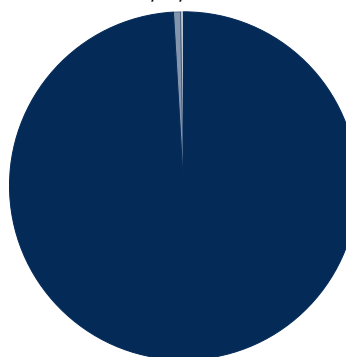
	2021	2022	2023	2024	2025
iShares MSCI EAFE Value ETF	10.82	-5.38	18.87	5.40	42.36
MSCI ACWI Ex USA NR USD	7.82	-16.00	15.62	5.53	32.39

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	2.99	10.62	3.26	-0.13	9.97

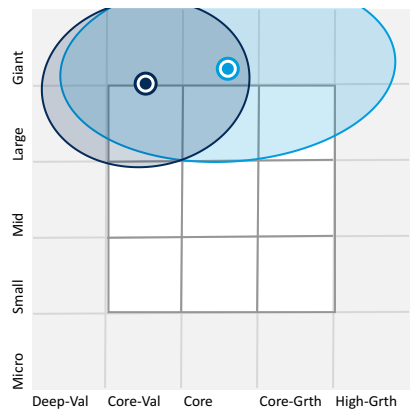
Asset Allocation

Portfolio Date: 12/31/2025



	%
Stock	99.1
Bond	0.0
Cash	0.7
Other	0.3
Total	100.0

Holdings-Based Style Map



- iShares MSCI EAFE Value ETF 12/31/2025
- MSCI ACWI Ex USA NR USD 12/31/2025

Morningstar Style Box

Portfolio Date: 12/31/2025

	Value	Blend	Growth
Large	52.4	37.9	1.7
Mid	3.5	3.9	0.6
Small	0.0	0.1	0.0

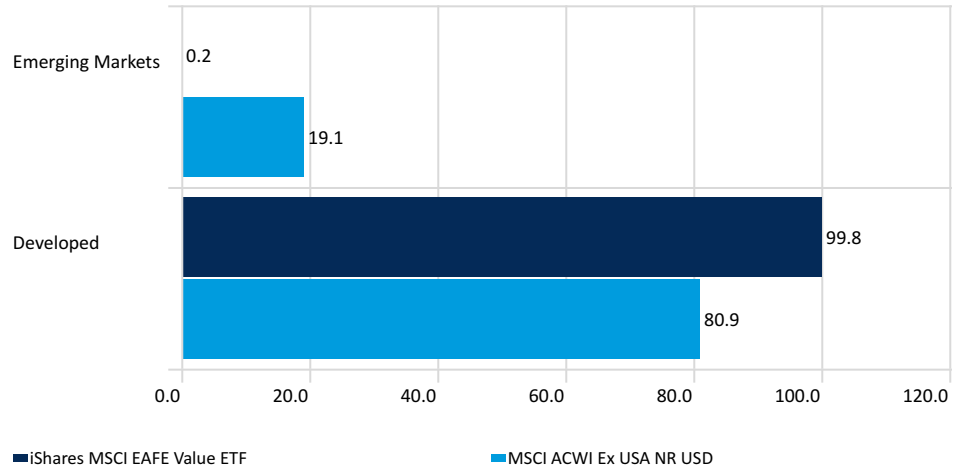
Market Cap	%
Market Cap Giant %	53.6
Market Cap Large %	38.3
Market Cap Mid %	8.0
Market Cap Small %	0.1
Market Cap Micro %	0.0

Top Holdings

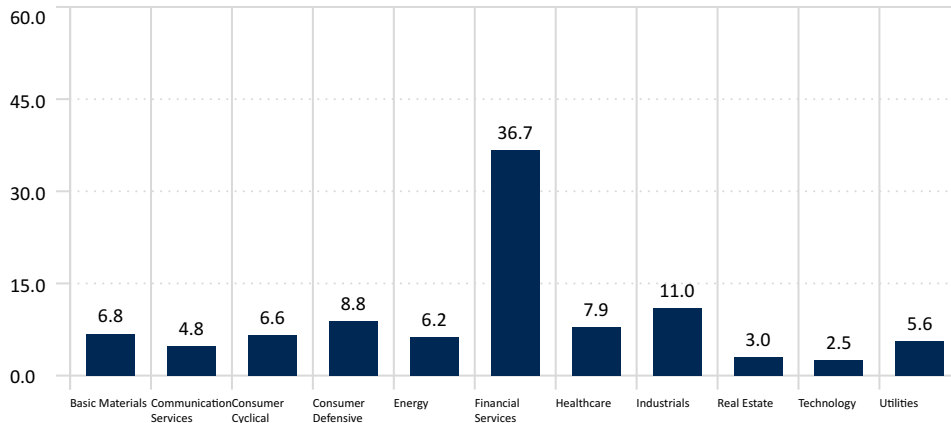
Portfolio Date: 1/5/2026

	Portfolio Weighting %	Benchmark Weighting %
Roche Holding AG	2.68	
HSBC Holdings PLC	2.61	
Nestle SA	2.31	
Shell PLC	1.99	
Toyota Motor Corp	1.92	
Mitsubishi UFJ Financial Group Inc	1.73	
Banco Santander SA	1.67	
Allianz SE	1.65	
BHP Group Ltd	1.47	
Siemens AG	1.31	

Regional Exposure

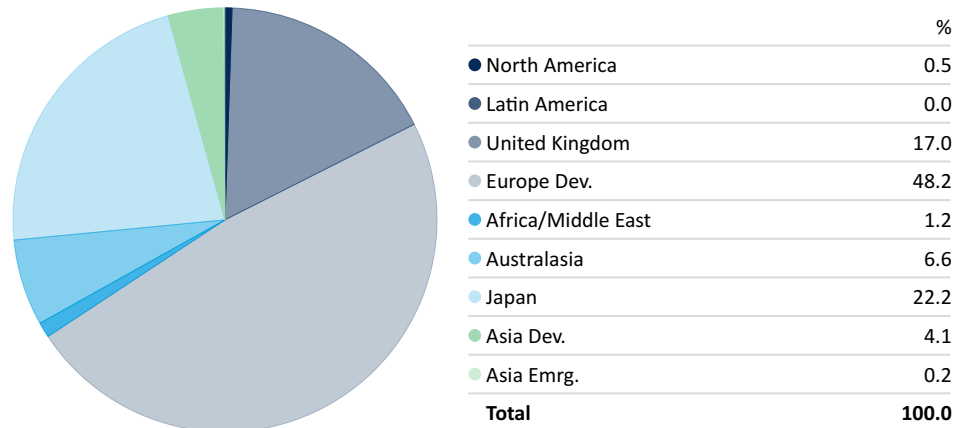


Sector Weight



Equity Regional Exposure

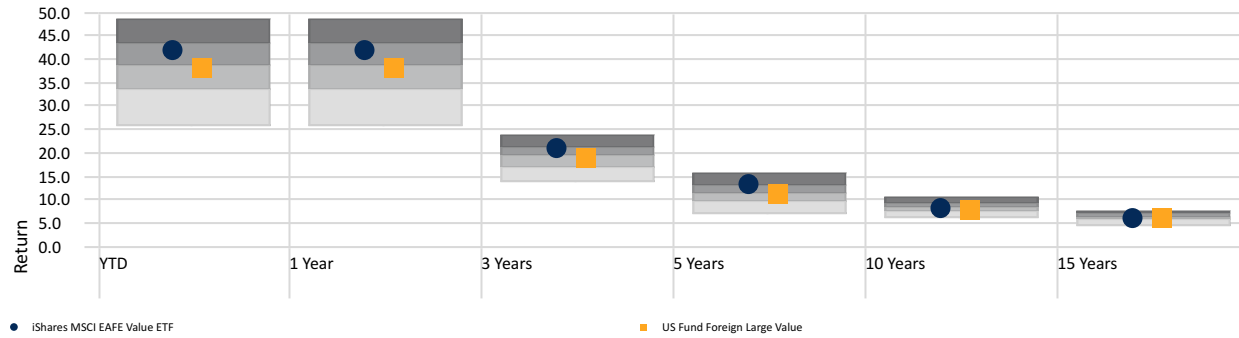
Portfolio Date: 12/31/2025



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Foreign Large Value Calculation Benchmark: MSCI ACWI Ex USA NR USD

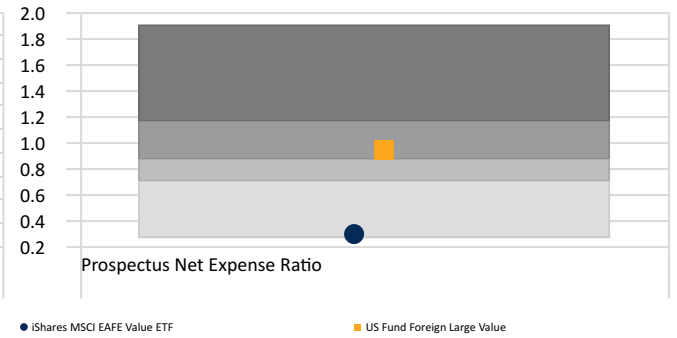
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Foreign Large Value

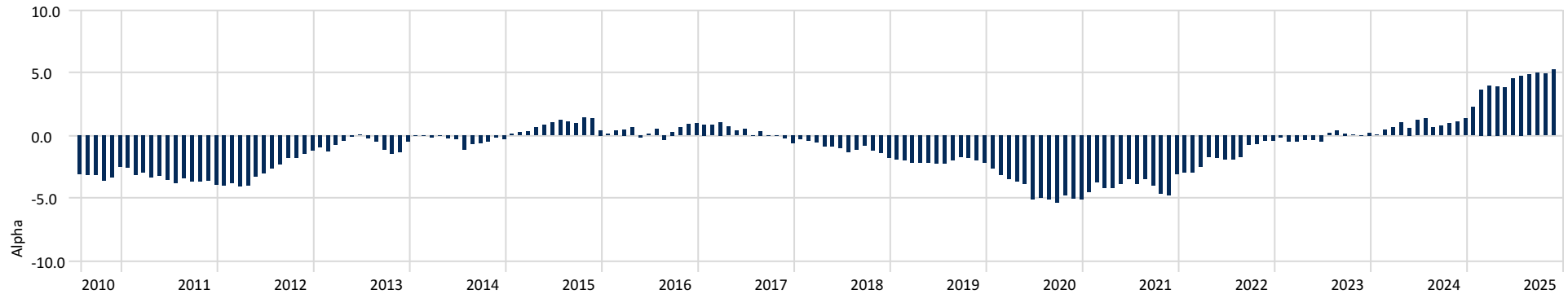
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

Time Period: Since Common Inception (9/1/2005) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



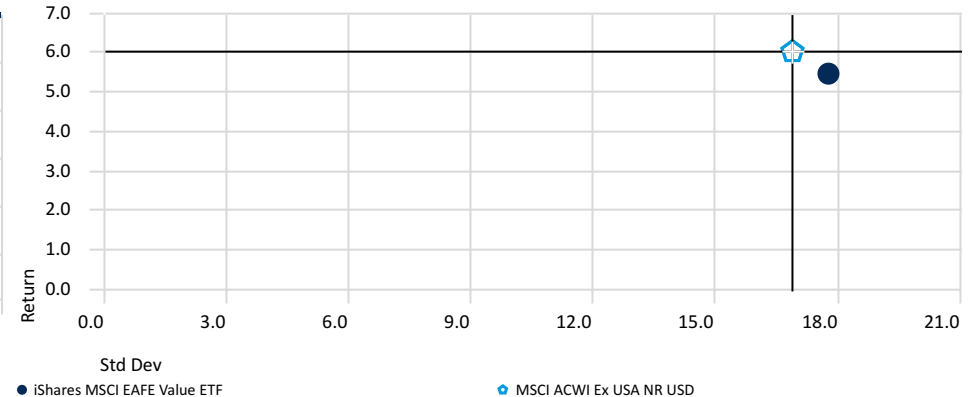
Drawdown

Time Period: Since Common Inception (9/1/2005) to 12/31/2025



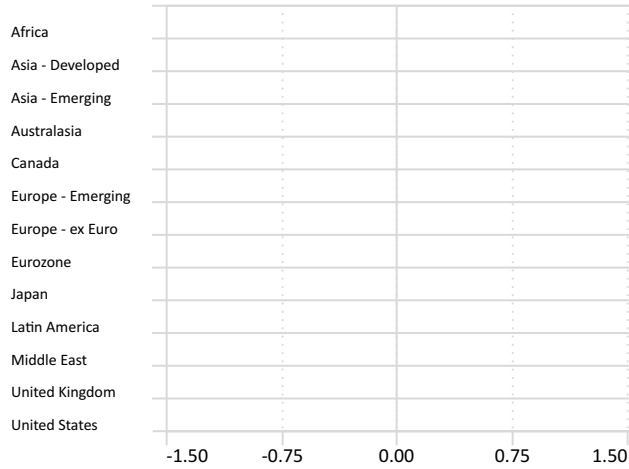
Risk-Reward

Time Period: Since Common Inception (9/1/2005) to 12/31/2025



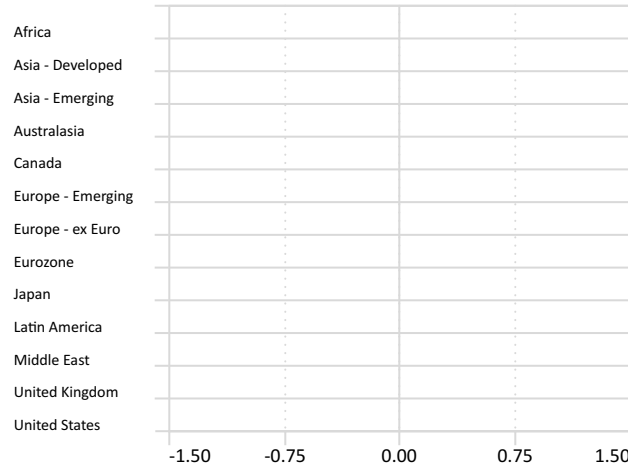
Allocation Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



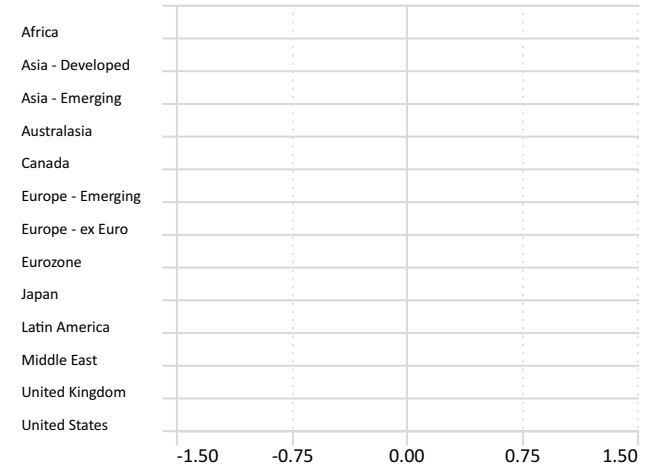
Selection Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Region (QTD)

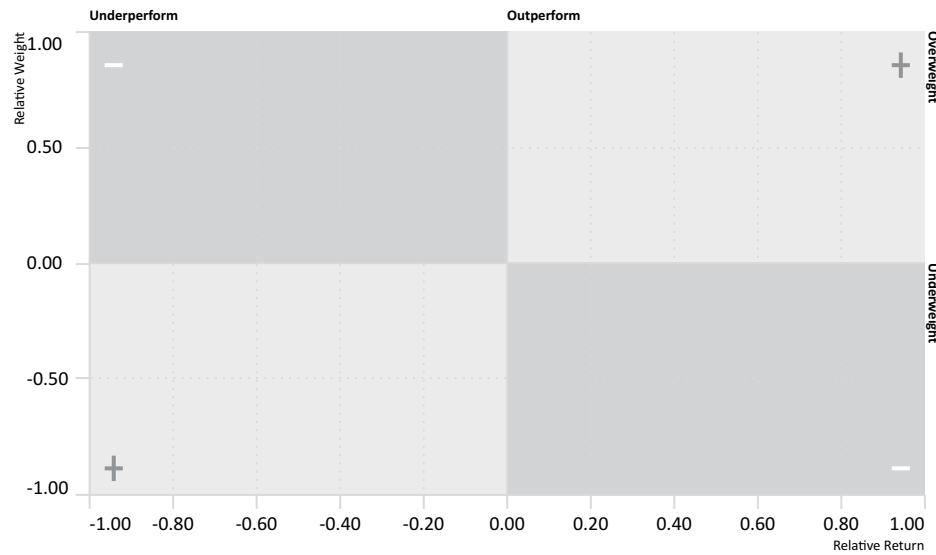
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

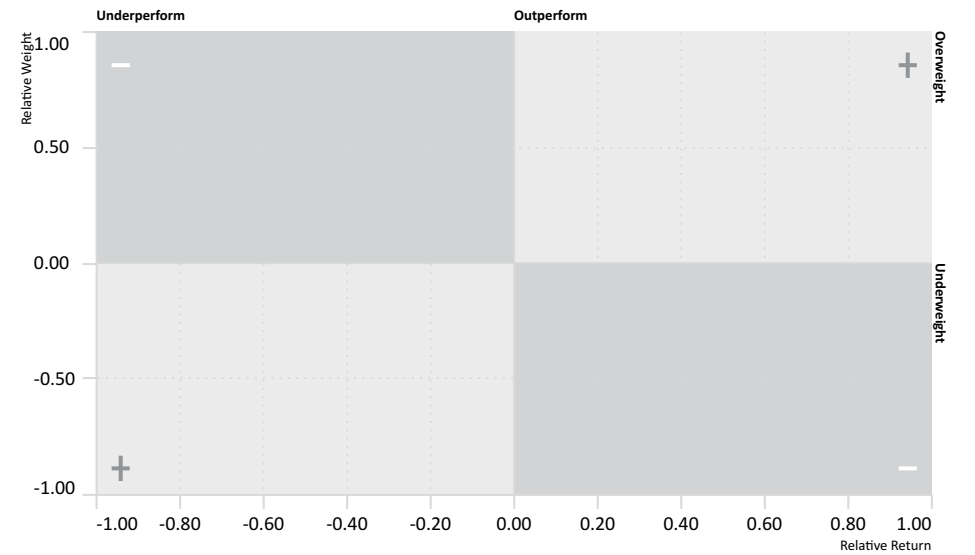
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

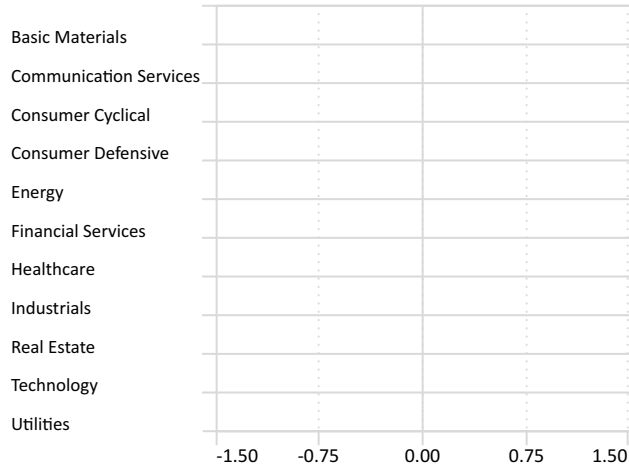
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

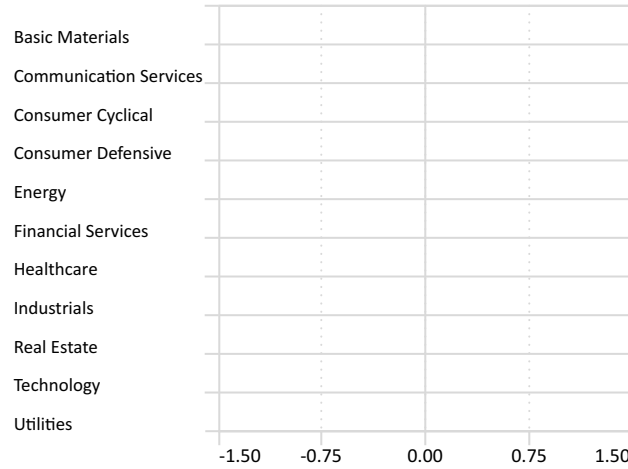
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



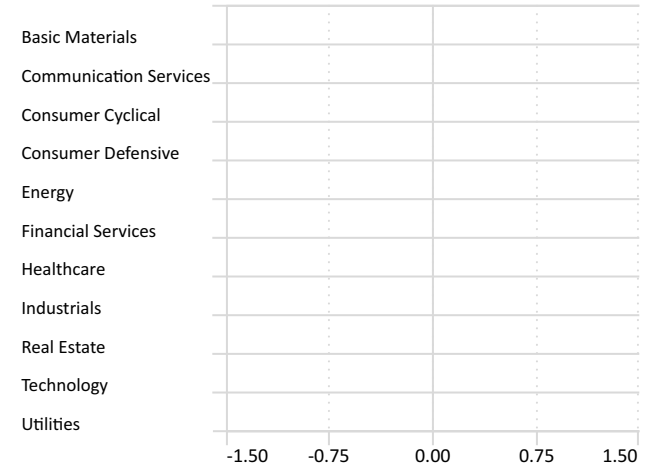
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

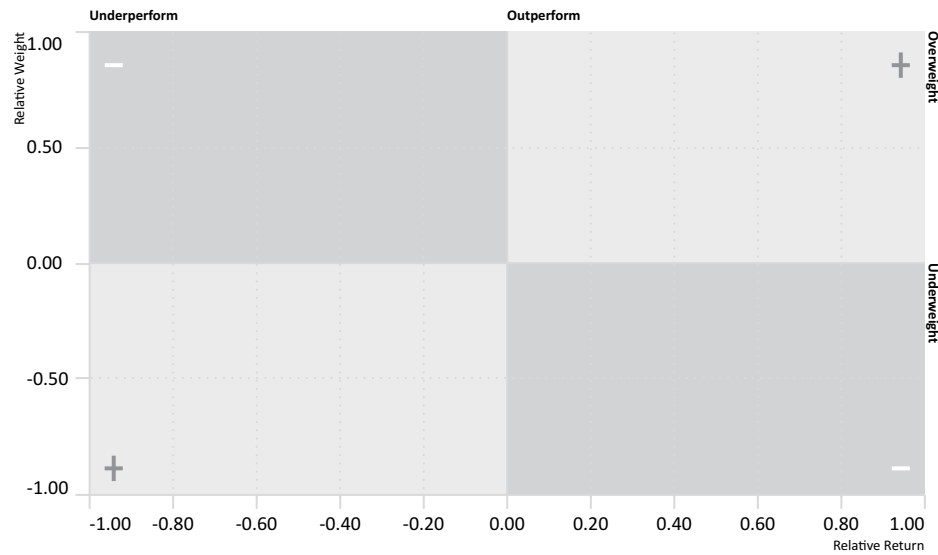
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

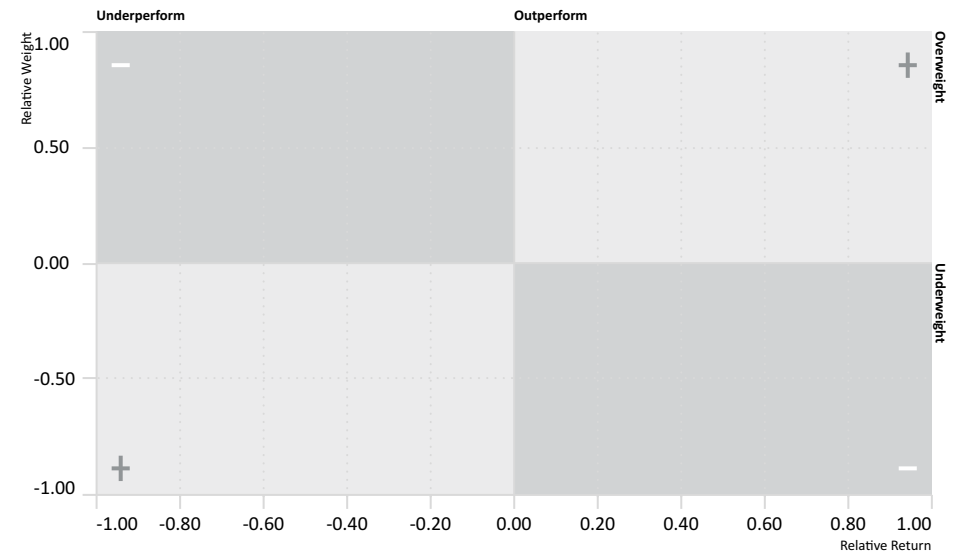
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

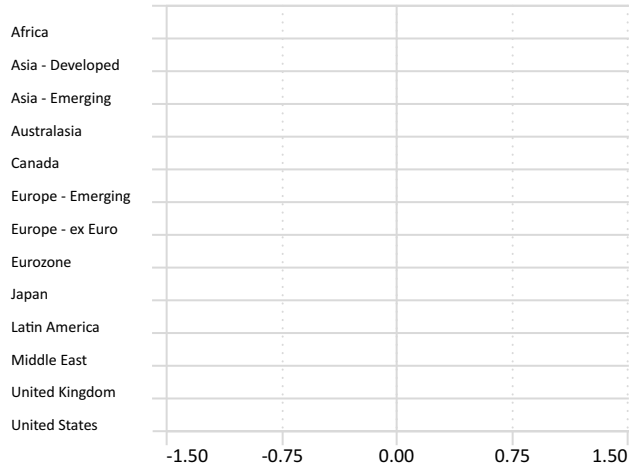
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

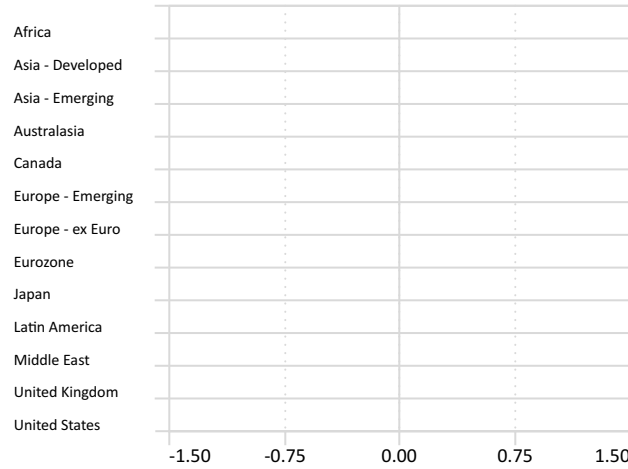
Allocation Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



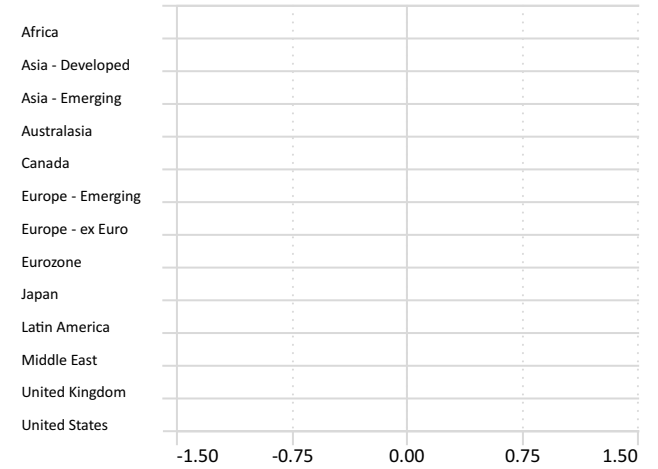
Selection Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Region (1 Year)

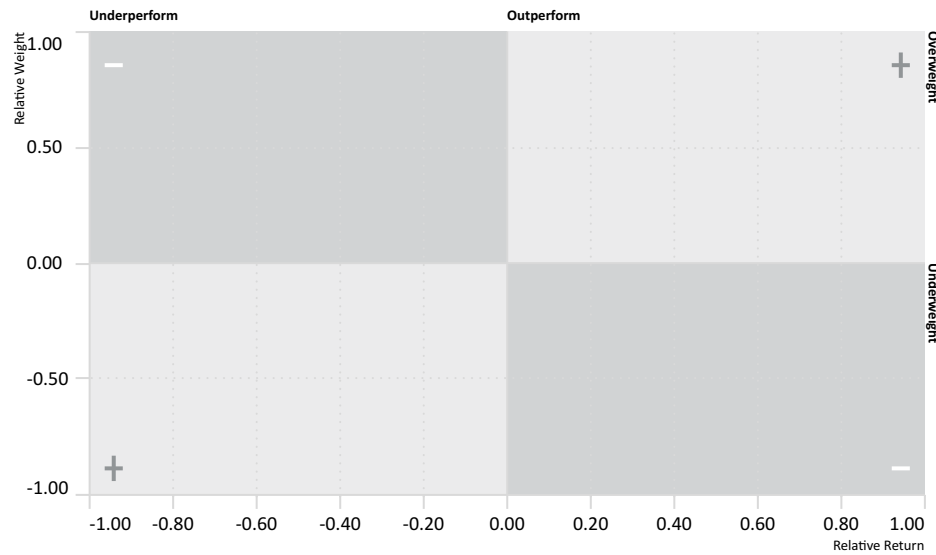
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

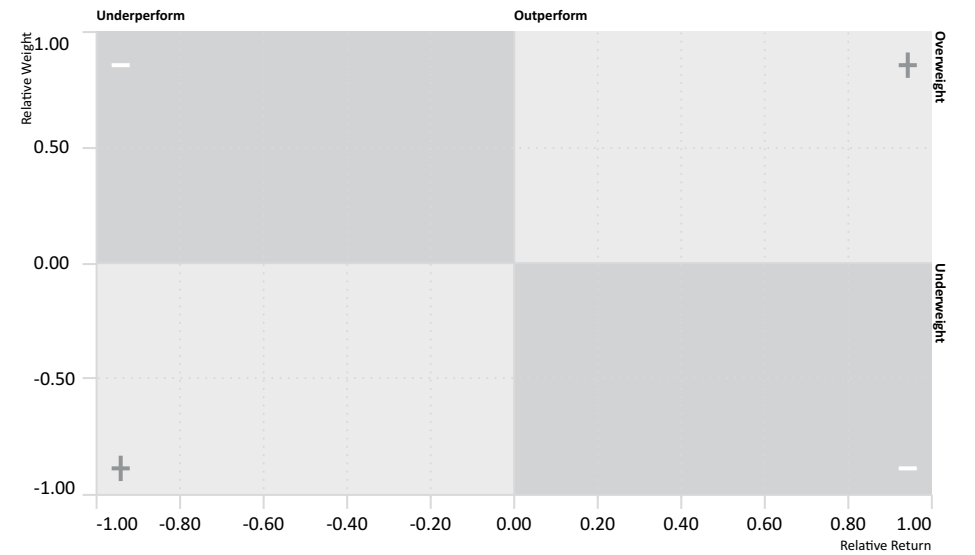
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

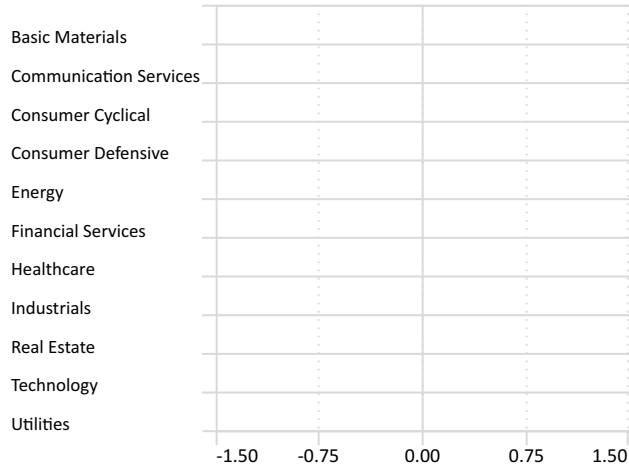
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

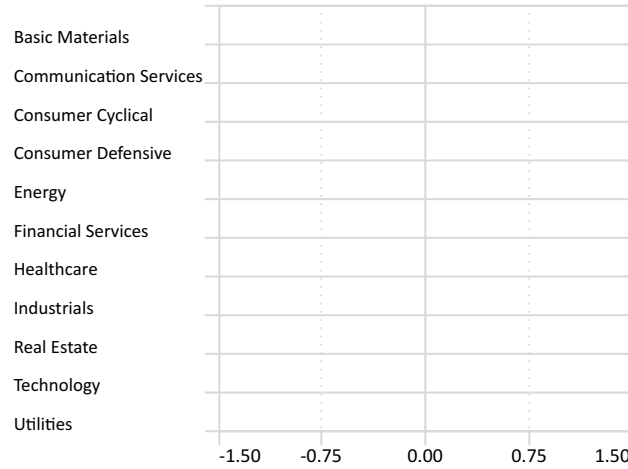
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



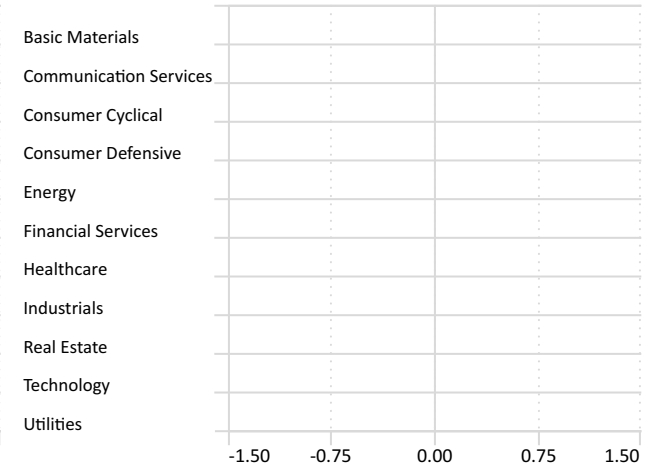
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

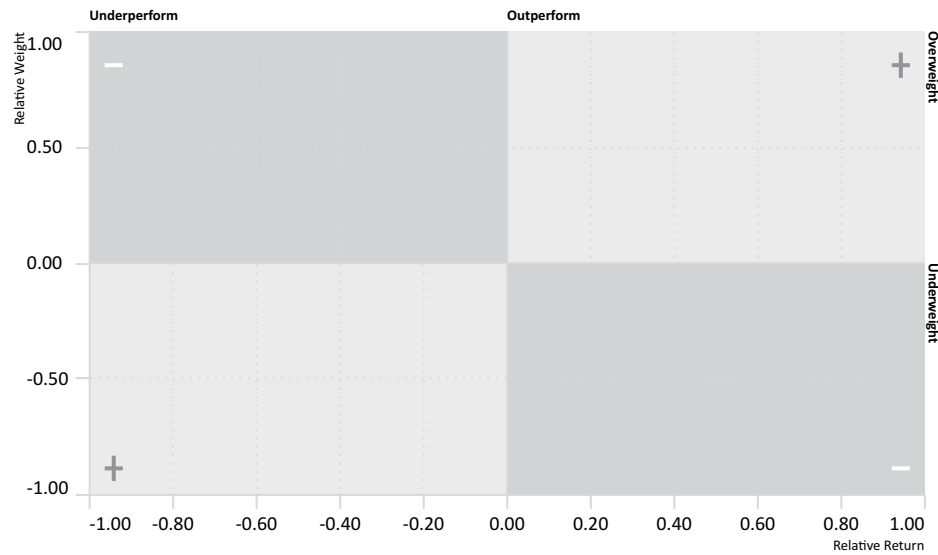
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

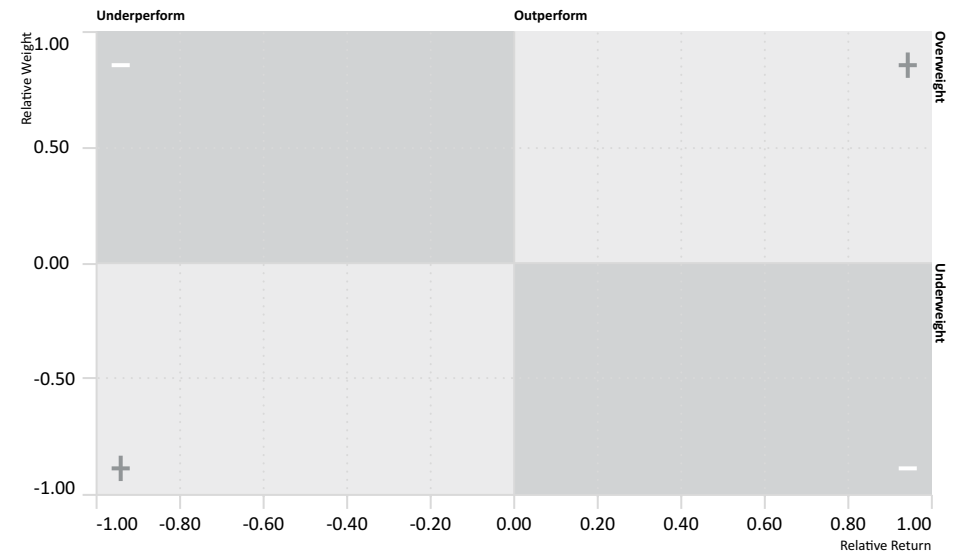
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

Investment Strategy

The investment seeks to track the investment results of the MSCI EAFE IMI Index composed of large-, mid- and small-capitalization developed market equities, excluding the U.S. and Canada. The fund generally will invest at least 80% of its assets in the component securities of its underlying index and in investments that have economic characteristics that are substantially identical to the component securities of its underlying index. The index is designed to measure large-, mid- and small-capitalization equity market performance and includes stocks from Europe, Australasia and the Far East.

Process Approach

By Brendan McCann 10/28/2025

Low turnover and effectively following the contours of its slice of the international market earn it an Above Average Process Pillar rating.

Process Portfolio

By Brendan McCann 10/28/2025

The MSCI EAFE Investable Market Index targets the top 99% of stocks by market capitalization in 21 developed countries excluding the US and Canada. Stocks must meet certain liquidity requirements to ensure they are easy to transact, and the index employs buffers to reduce unnecessary turnover and its associated trading costs. The final portfolio is market-cap-weighted and reconstitutes semiannually with minor adjustments made quarterly, like adding recent IPOs.

Market-cap weighting works well in most developed stock markets because the stocks within usually reflect new information quickly, making it hard for active managers to gain an edge. The average passive foreign stock fund tends to outperform its average active peer long-term, although the edge is less pronounced compared with the US stock market. Market-cap weighting also requires less turnover, which keeps transaction costs to a minimum.

The portfolio largely reflects the composition of the international market outside of North America, but it ignores emerging-market and small-cap stocks. This means the portfolio can look different from the complete international market and could miss out if those stocks outperform. However, those markets tend to represent a small portion of the universe. Sector allocations tend to be within 4 percentage points of the Morningstar Global Markets ex-US Index, which represents a broader view of the foreign stock market. ...

People

By Brendan McCann 10/28/2025

The iShares equity index team earns an Above Average People Pillar rating, a testament to the quality of its index-tracking capabilities. The team leverages BlackRock's industry-leading technology and a robust global infrastructure to consistently deliver tight index-tracking performance in all the global markets that it touches. Automated workflows and the team's extensive supporting staff effectively minimize potential disruptions caused by personnel changes.

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Performance

By Brendan McCann 10/28/2025

The MSCI EAFE Investable Market Index underperformed the Morningstar Global Markets ex-US Index by 89 basis points annualized over the trailing 10 years through September 2025. However, most share classes were in the top half of their respective categories.

Fees also affect the performance of funds that track this index. Funds with higher fees tend to underperform similar funds with lower fees and track their index better. The MSCI EAFE Investable Market Index was slightly more volatile than the Morningstar Global Markets ex-US Index, and its risk-adjusted performance was slightly lower.

Differences in country weightings can influence short-term performance. For example, the index's hefty allocation to Japanese stocks hurt its total return in 2021 and 2022, and its lack of emerging-markets exposure helped.

Most of the variations in performance of these funds stem from the way they treated currency exposure. Some funds tracking this index hedge away all or some of the risk from currency fluctuations. Hedging isn...

Parent Company

By Jason Kephart 1/10/2025

BlackRock has raised the bar for what it means to be a truly diversified asset manager. After going on a private-asset shopping spree in 2024 to acquire infrastructure, credit, and alternative fund data capabilities, few other firms can match its breadth of offerings. It remains to be seen if these acquisitions will be as transformative and beneficial for investors as its 2009 purchase of Barclays Global Investors, which included its now iconic iShares brand of exchange-traded funds. BlackRock continues to earn an Above Average rating for Parent.

There are reasons for optimism. CEO Larry Fink’s track record of acquisitions stands out for its focus on expanding what BlackRock can offer, rather than looking to build scale. The firm has been able to deliver packaged versions of its products, like direct indexing, through its popular model portfolios for financial advisors at low costs that have made significant improvements to investor outcomes.

For hands-off investors, BlackRock’s multi-asset options like its target-date strategies and once flagship global allocation strategy are among their respective Morningstar Categories’ best options. ...

Manager Information and Ownership Levels

Manager Biography

Jennifer Hsui since 10/18/2012

University of California

Jennifer Hsui, Managing Director & Portfolio Manager at BlackRock Investment Management LLC has been employed by BlackRock Fund Advisors as a senior portfolio manager since 2007. Prior to that, Ms. Hsui was a portfolio manager from 2006 to 2007 for BGFA. She was a research analyst for RBC Capital Markets from 2003 to 2006.

Manager Biography

Peter Sietsema since 4/1/2025

Peter Sietsema has been with BFA since 2007, including his years with BGI, which merged with BFA in 2009. Mr. Sietsema has been employed by BFA or its affiliates as a Director since 2011 and a Vice President from 2009 to 2010. Mr. Sietsema has been a Portfolio Manager of each fund since 2023.

Manager Biography

Matt Waldron since 4/1/2025

University of Delaware, B.A., Finance

Matt Waldron, CFA, Managing Director, is US Head of International Portfolio Management within BlackRock Global Markets & Index Investments (“BGM”). He is responsible for the overall management of ETFs, CTFs, and Institutional SMAs that are predominantly invested in developed and emerging markets. Mr. Waldron’s service with the firm dates back to 2003. Prior to his current role, Mr. Waldron

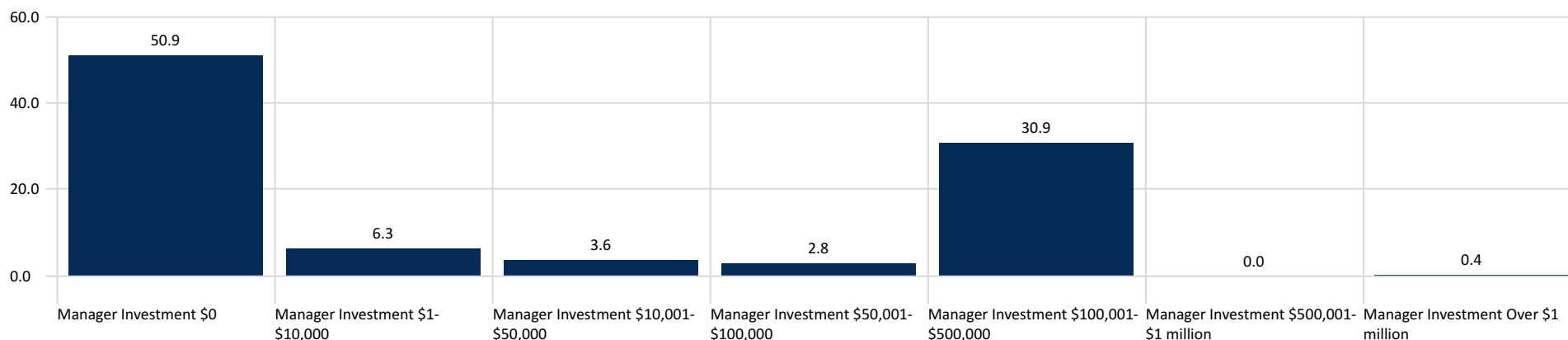
WAS

Manager Biography

Steven White since 4/1/2025

Steven White, Director, is Co-CIO for Index Equity Investments within BlackRock Global Markets & Index Investments (“BGM”) Steven co-leads the CIO function, which is responsible for leading efforts to drive scale, quality and risk-managed investment outcomes for clients. Within the function he has direct responsibilities for investment risk and performance oversight across the global book as well as Index Equities Index Advocacy function which looks to enhance benchmark methodologies managed to by t...

Manager Ownership Level

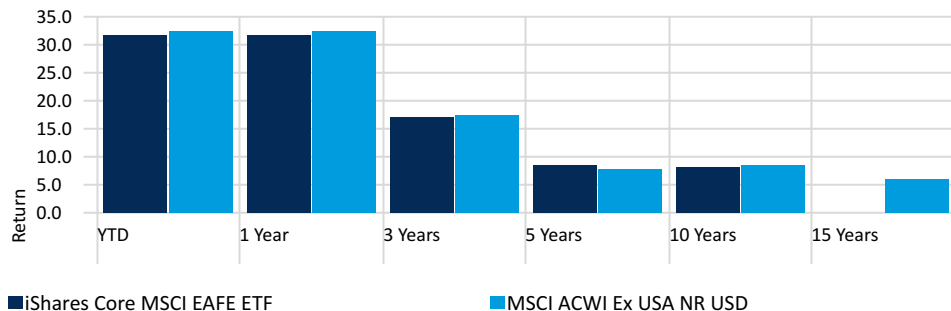


iShares Core MSCI EAFE ETF

Ticker	IEFA	Prospectus Net Expense Ratio	0.07	Morningstar Category	US Fund Foreign Large Blend
Manager Name	Multiple	Turnover Ratio %	3.00	Fund Size	169,027,983,322.00
Inception Date	10/18/2012	Potential Capital Gains Exposure	18.41	Alpha (3 Year)	-0.48
Manager Tenure (Longest)	13.25	# of Holdings	2,614	Beta (3 Year)	1.03

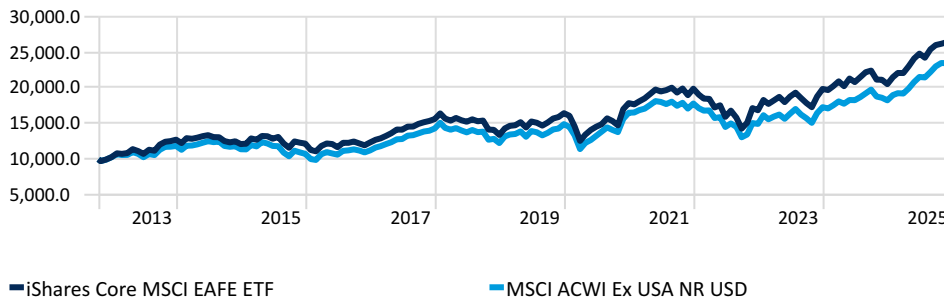
Trailing Returns

As of Date: 12/31/2025



Investment Growth

Time Period: 10/19/2012 to 12/31/2025



Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
iShares Core MSCI EAFE ETF	31.83	31.83	17.04	8.66	8.29	7.82
MSCI ACWI Ex USA NR USD	32.39	32.39	17.33	7.91	8.41	6.90

Calendar Year Returns

	2021	2022	2023	2024	2025
iShares Core MSCI EAFE ETF	11.29	-15.13	17.63	3.41	31.83
MSCI ACWI Ex USA NR USD	7.82	-16.00	15.62	5.53	32.39

Excess Return vs. Benchmark

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-0.56	-0.56	-0.29	0.75	-0.13	0.92

Excess Return vs. Benchmark

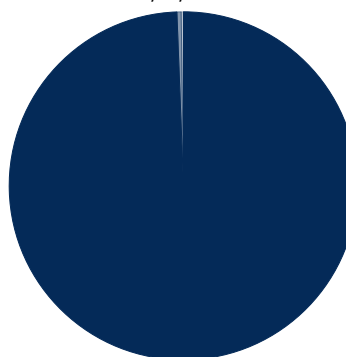
	2021	2022	2023	2024	2025
Excess Return	3.47	0.87	2.01	-2.13	-0.56

Investment Strategy

The investment seeks to track the investment results of the MSCI EAFE IMI Index composed of large-, mid- and small-capitalization developed market equities, excluding the U.S. and Canada. The fund generally will invest at least 80% of its assets in the component securities of its underlying index and in investments that have economic characteristics that are substantially identical to the component securities of its underlying index. The index is designed to measure large-, mid- and small-capitalization equity market performance and includes stocks from Europe, Australasia and the Far East.

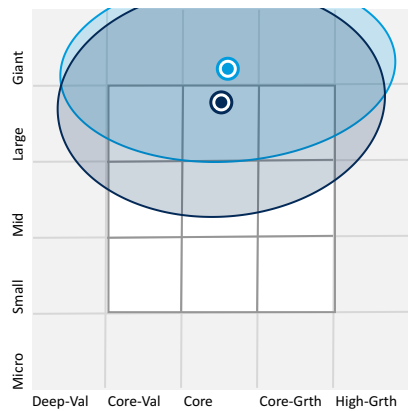
Asset Allocation

Portfolio Date: 12/31/2025



Asset Class	%
Stock	99.4
Bond	0.0
Cash	0.4
Other	0.2
Total	100.0

Holdings-Based Style Map



● iShares Core MSCI EAFE ETF 12/31/2025
 ● MSCI ACWI Ex USA NR USD 12/31/2025

Morningstar Style Box

Portfolio Date: 12/31/2025

	Value	Blend	Growth
Large	25.0	34.9	19.0
Mid	5.1	7.8	4.6
Small	1.2	1.6	0.8

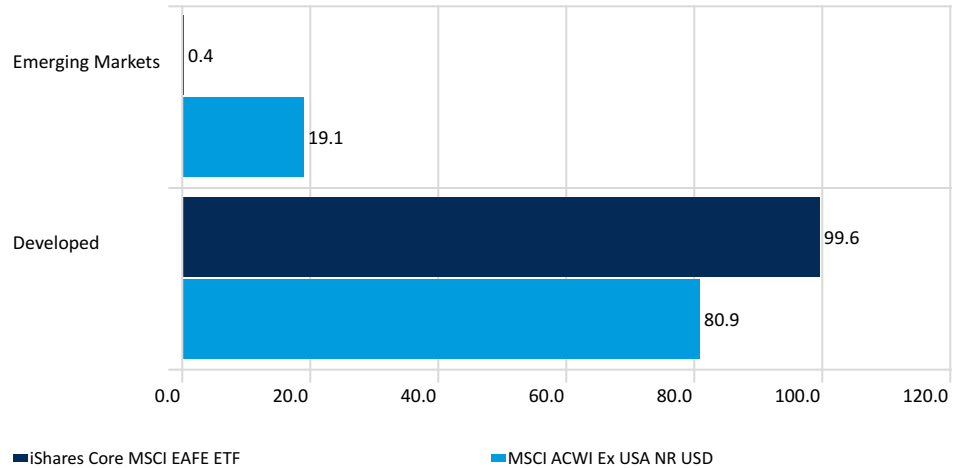
Market Cap	%
Market Cap Giant %	47.1
Market Cap Large %	31.8
Market Cap Mid %	17.5
Market Cap Small %	3.5
Market Cap Micro %	0.2

Top Holdings

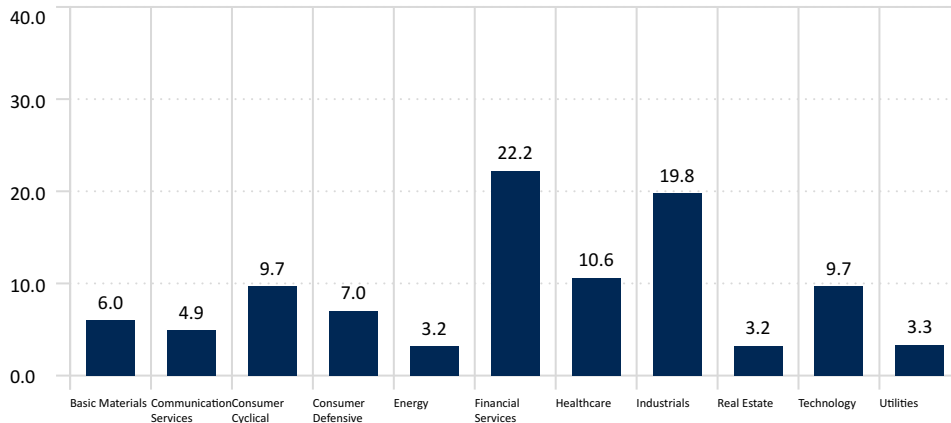
Portfolio Date: 1/5/2026

	Portfolio Weighting %	Benchmark Weighting %
ASML Holding NV	1.97	
Roche Holding AG	1.19	
HSBC Holdings PLC	1.16	
AstraZeneca PLC	1.15	
Novartis AG Registered Shares	1.07	
SAP SE	1.04	
Nestle SA	1.02	
Siemens AG	0.89	
Shell PLC	0.88	
Toyota Motor Corp	0.85	

Regional Exposure

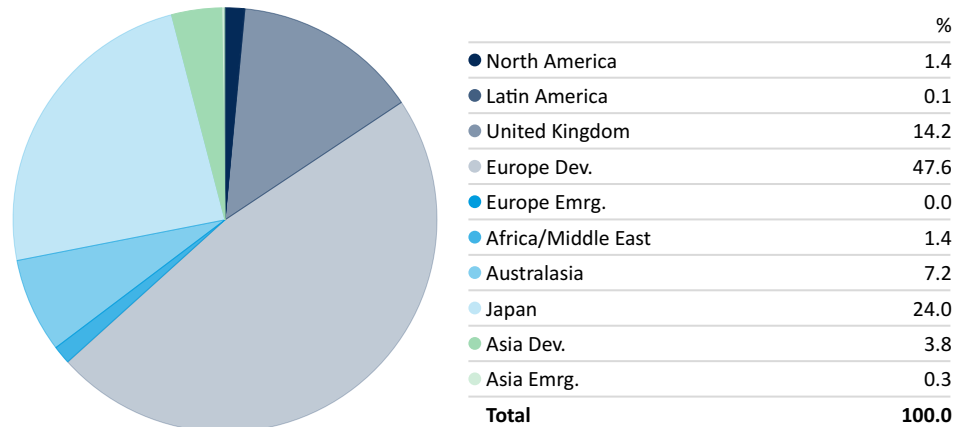


Sector Weight



Equity Regional Exposure

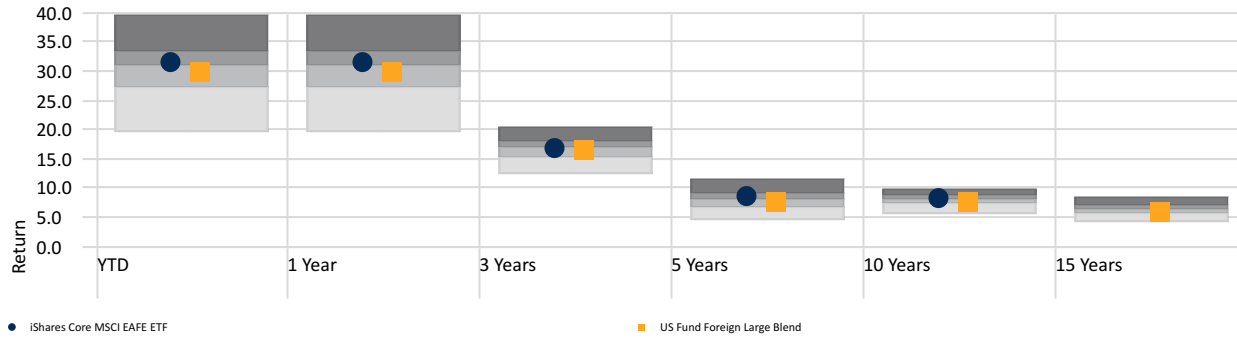
Portfolio Date: 12/31/2025



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Foreign Large Blend Calculation Benchmark: MSCI ACWI Ex USA NR USD

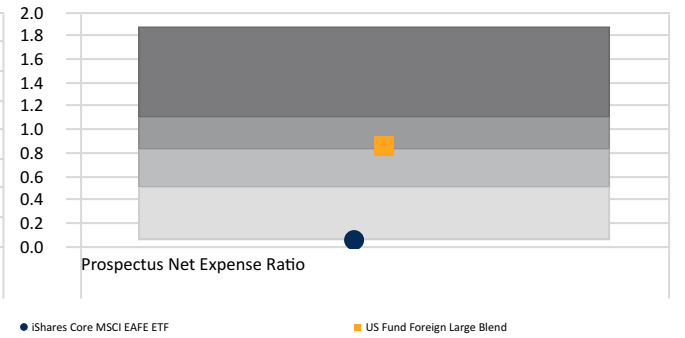
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Foreign Large Blend

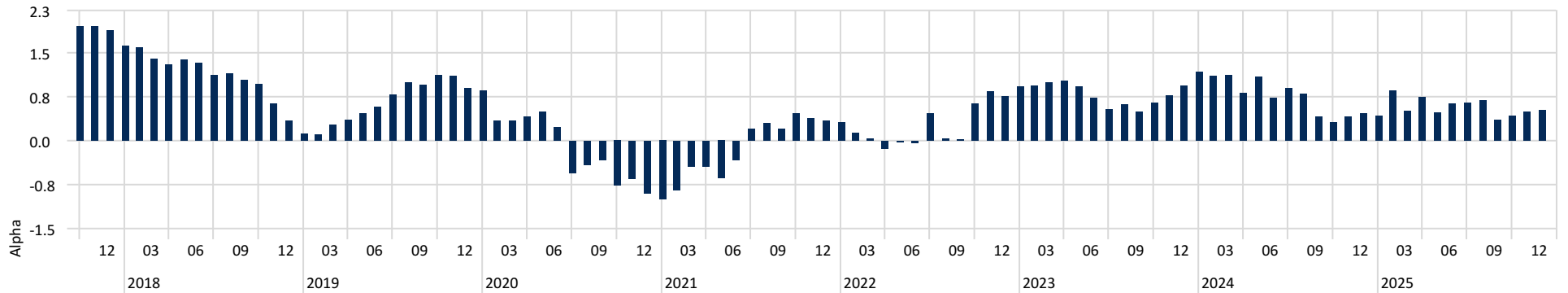
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

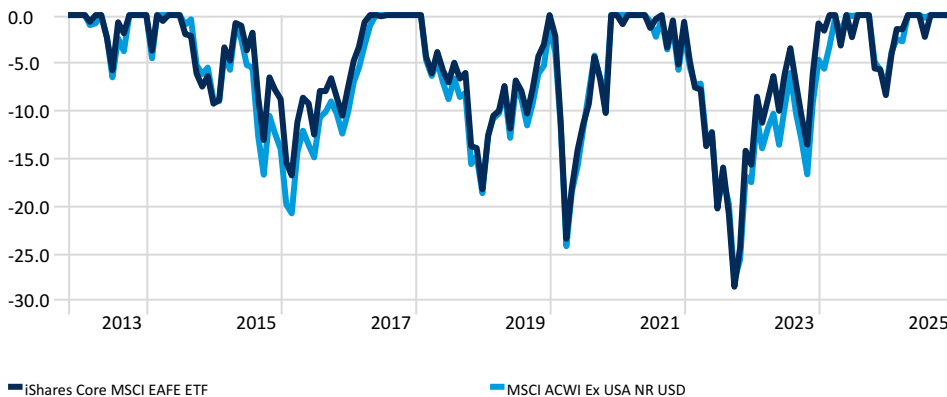
Time Period: Since Common Inception (11/1/2012) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



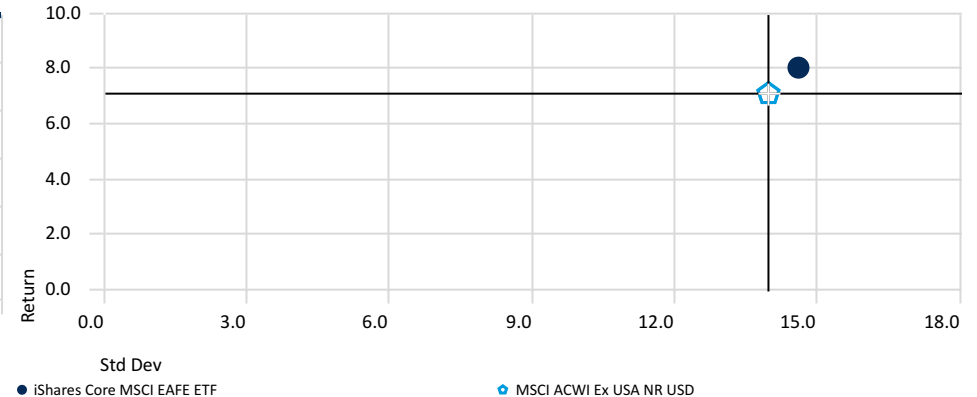
Drawdown

Time Period: Since Common Inception (11/1/2012) to 12/31/2025



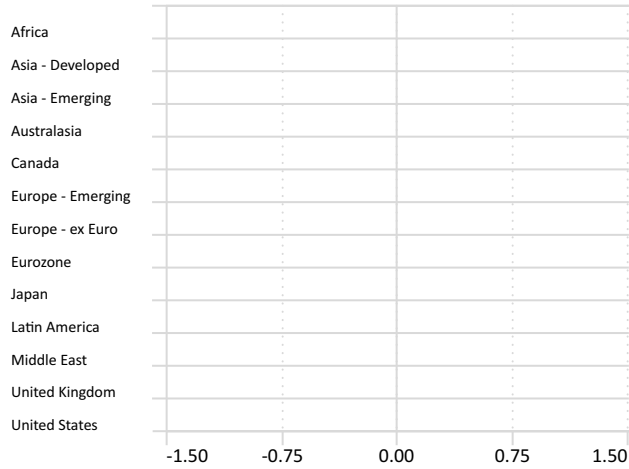
Risk-Reward

Time Period: Since Common Inception (11/1/2012) to 12/31/2025



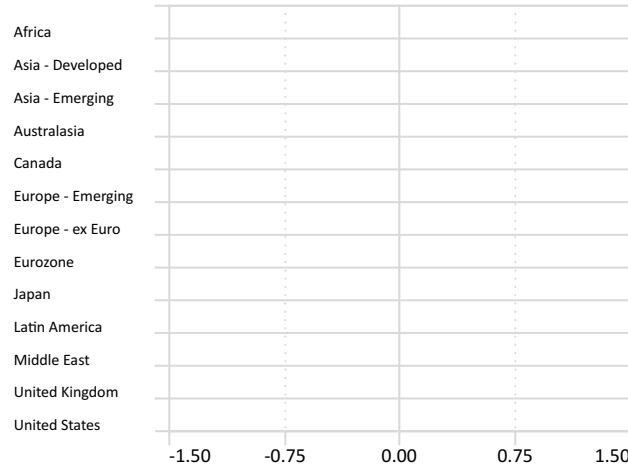
Allocation Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



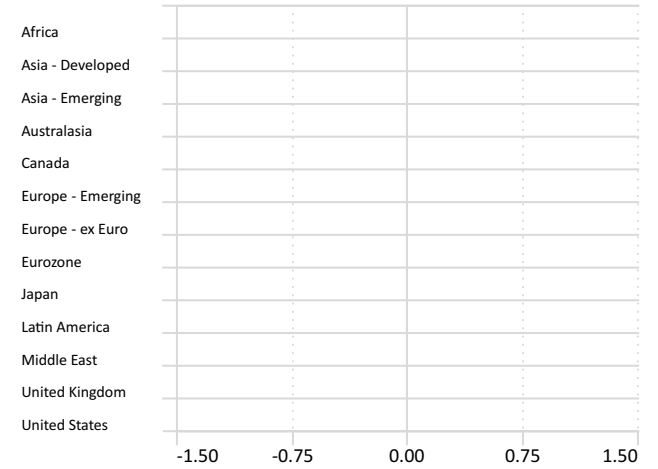
Selection Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Region (QTD)

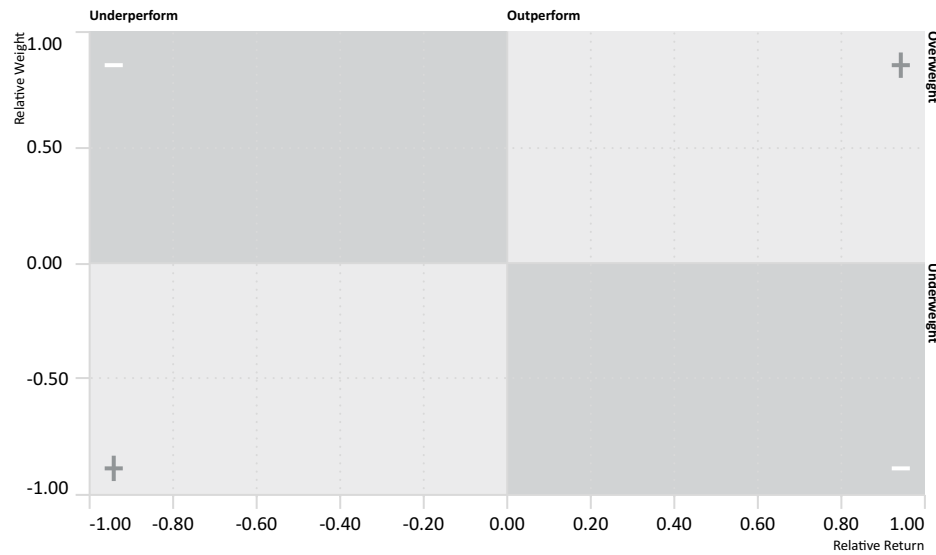
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

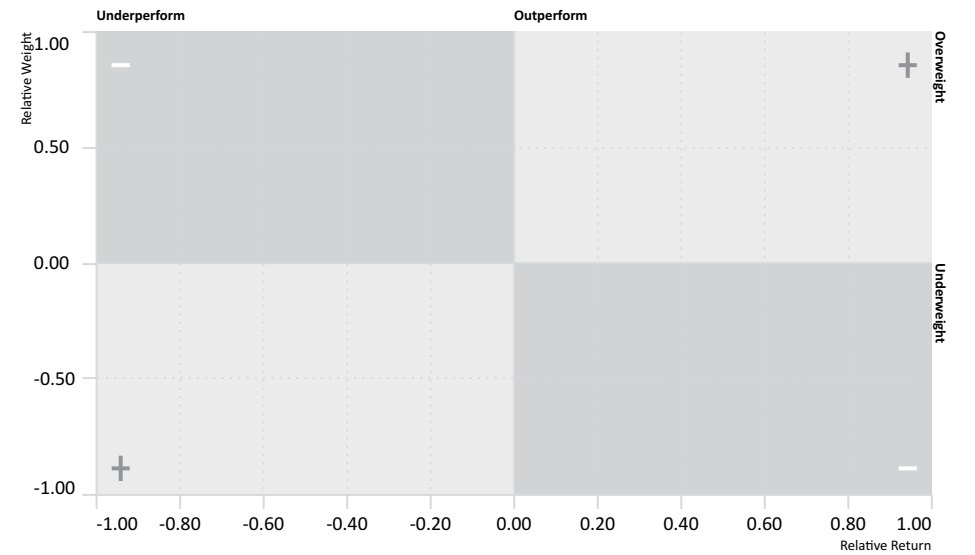
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

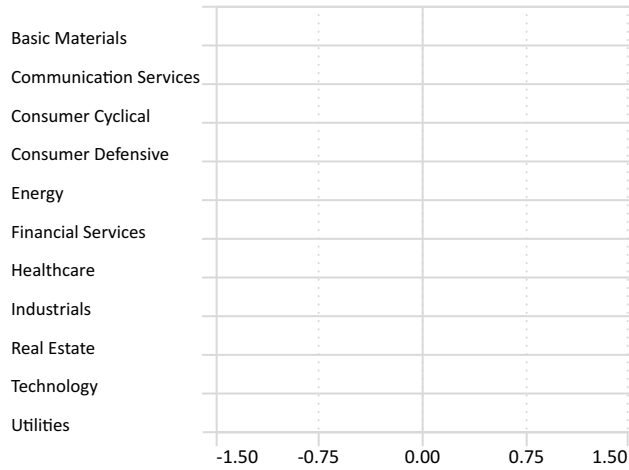
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

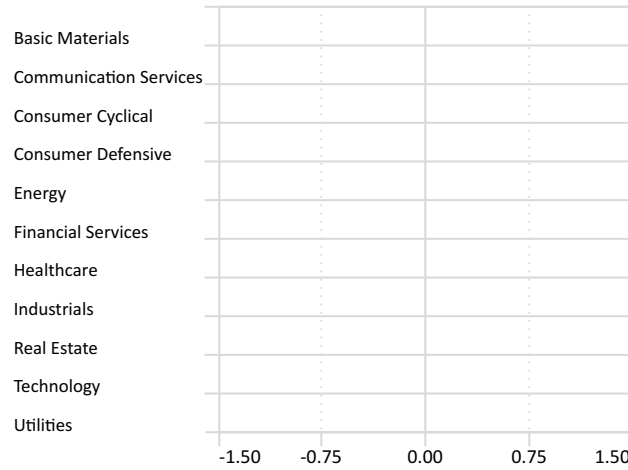
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



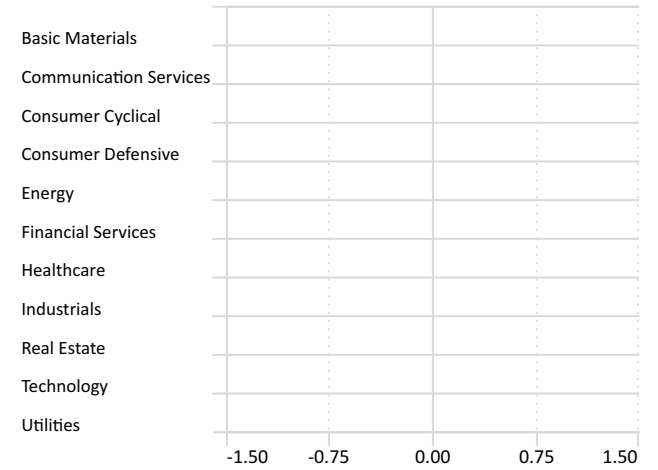
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

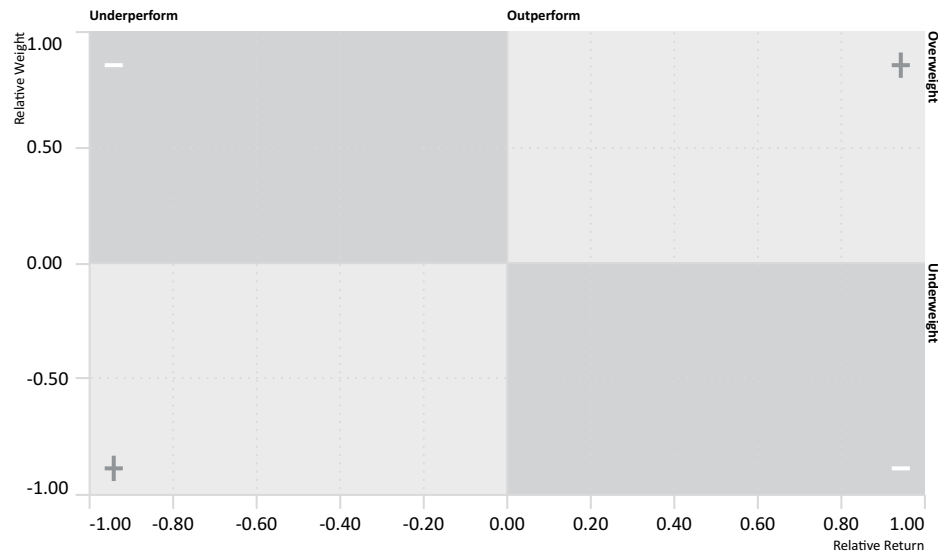
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

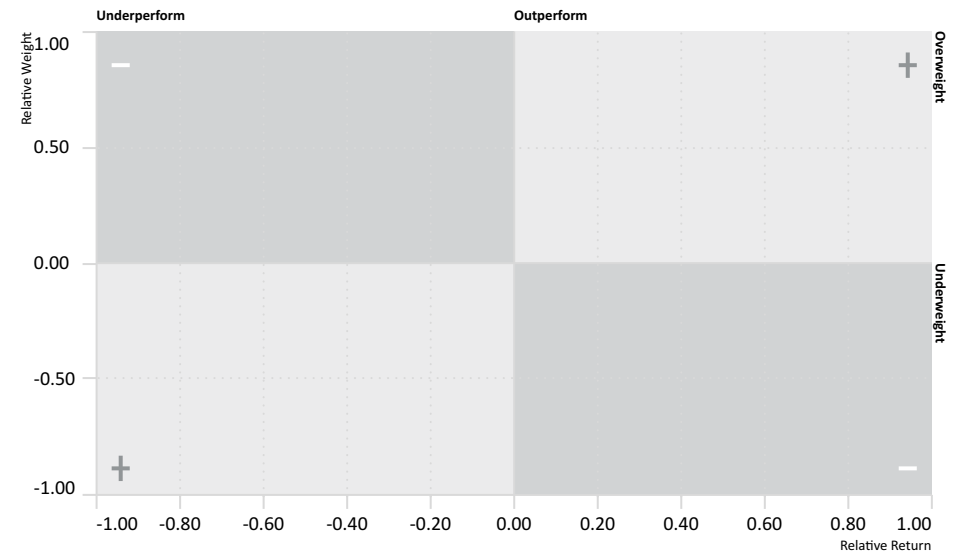
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

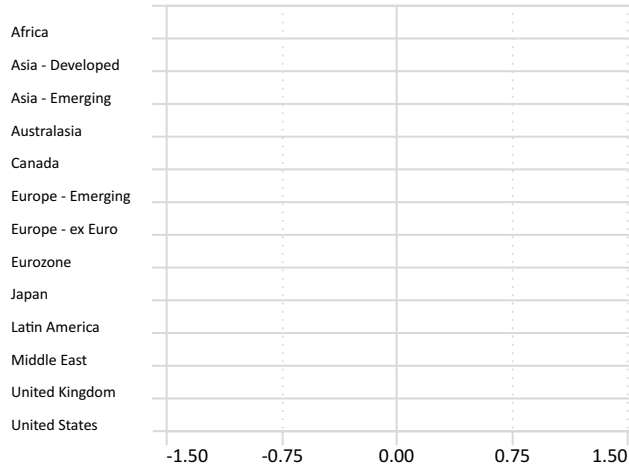
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

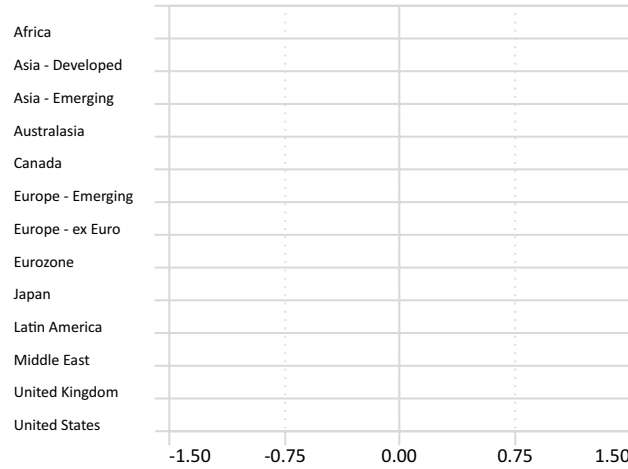
Allocation Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



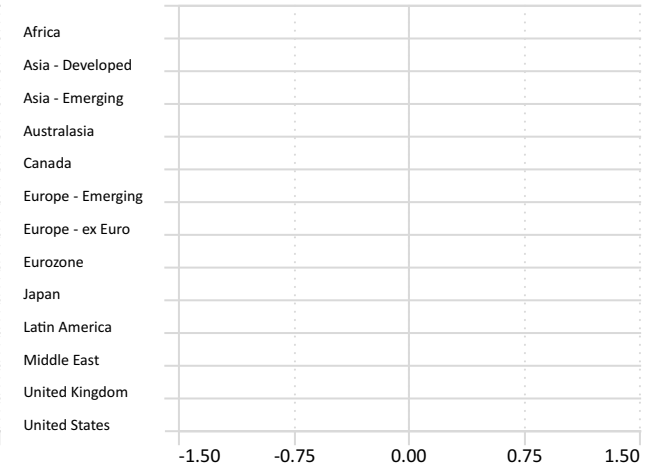
Selection Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Region (1 Year)

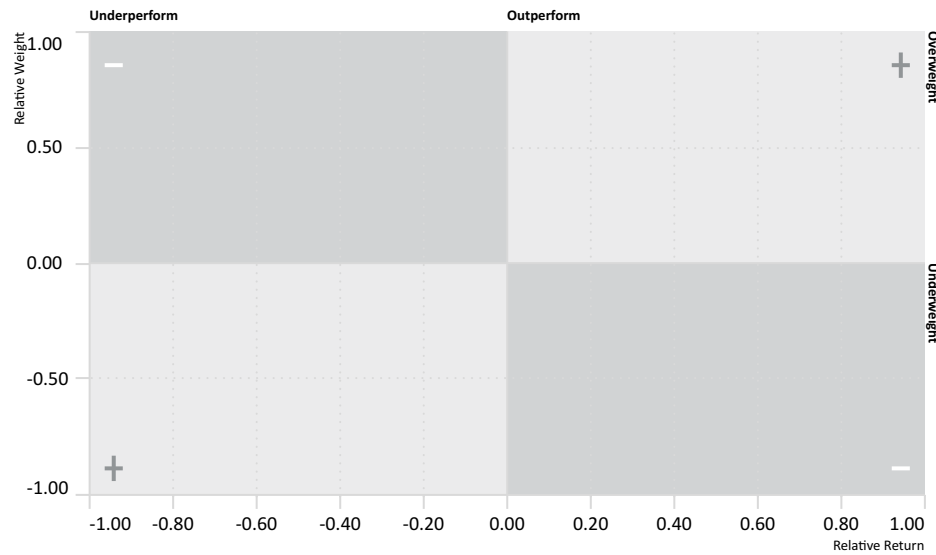
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

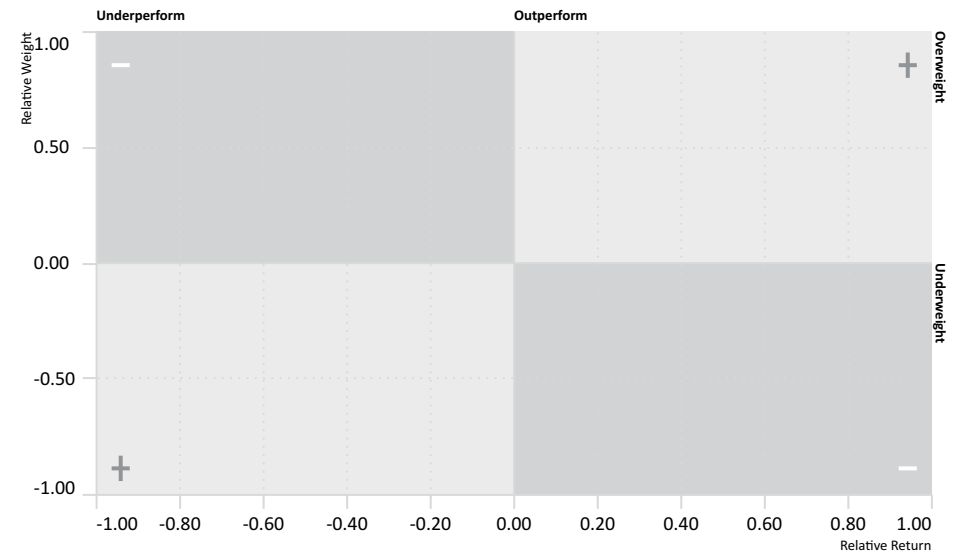
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

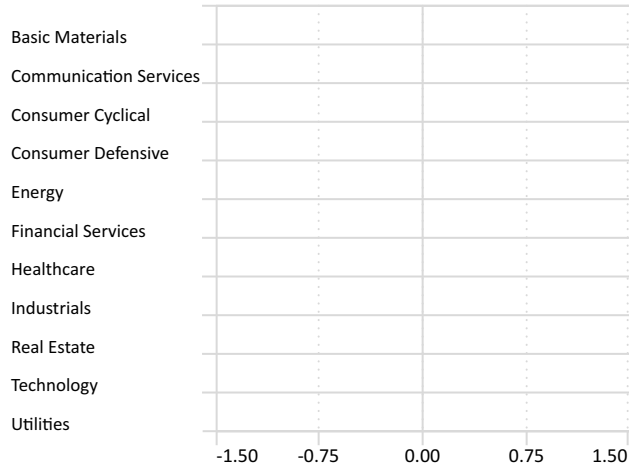
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

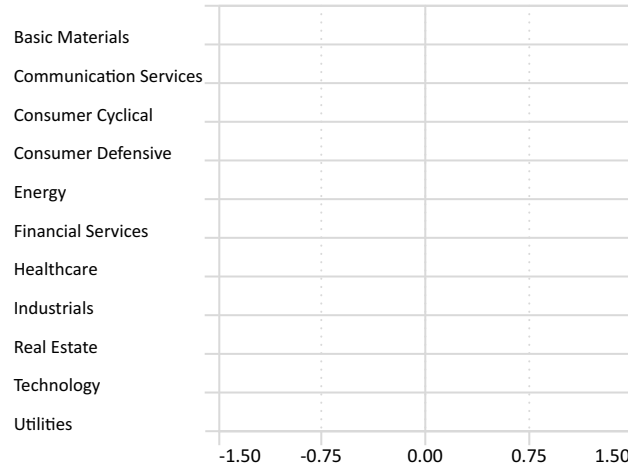
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



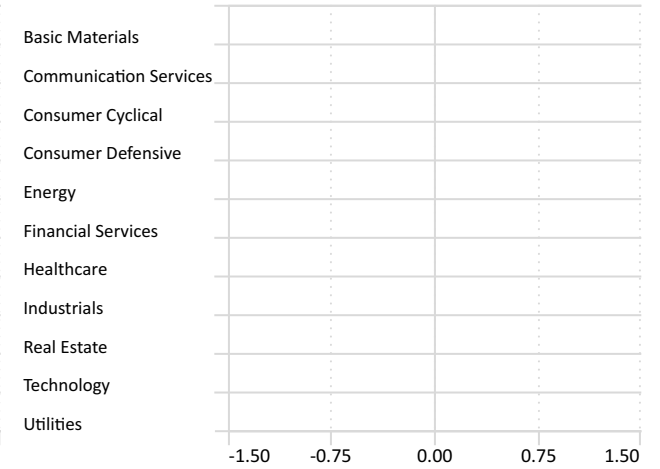
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

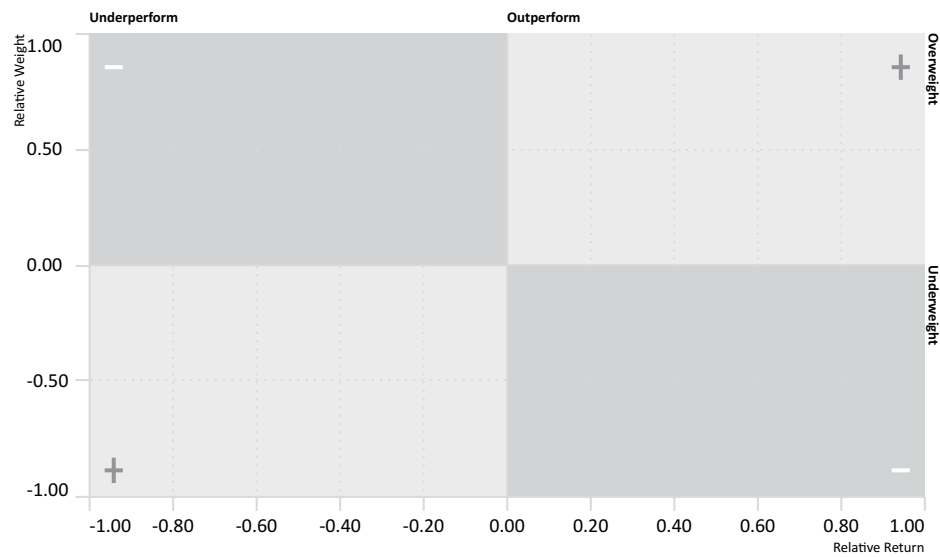
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

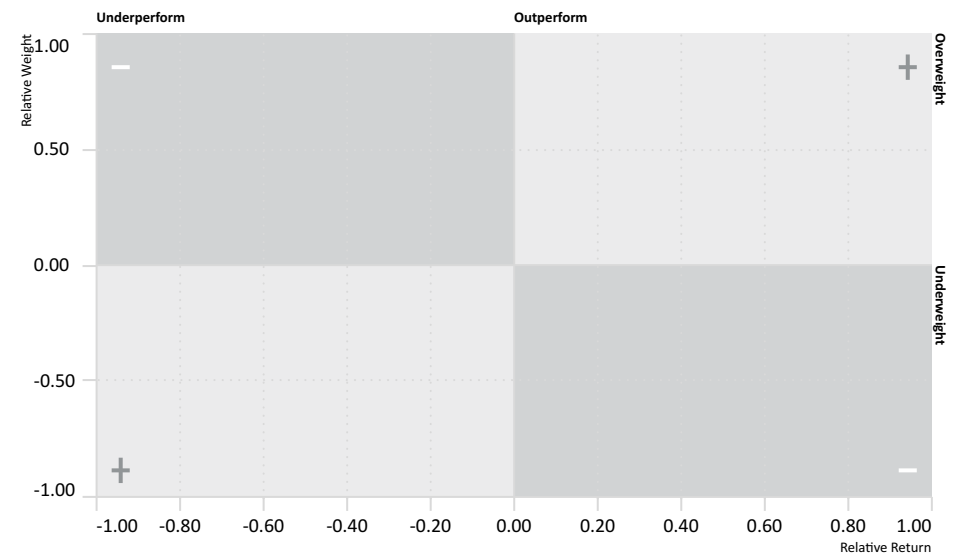
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

Investment Strategy

The investment seeks to track the investment results of the MSCI EAFE Growth Index composed of developed market equities, excluding the U.S. and Canada, that exhibit growth characteristics. The fund generally will invest at least 80% of its assets in the component securities of its underlying index and in investments that have economic characteristics that are substantially identical to the component securities of its underlying index. The index is a subset of the MSCI EAFE Index. Constituents of the underlying index include securities of companies located in Europe, Australasia and the Far East.

Process Approach

By Brendan McCann 11/3/2025

The fund captures most of the opportunity set in a cost-effective way, earning it an Above Average Process Pillar rating.

Process Portfolio

By Brendan McCann 11/3/2025

The fund seeks to track the MSCI EAFE Growth Index, a subset of the MSCI EAFE Index. The MSCI EAFE Index targets the top 85% of stocks from 21 overseas developed markets by their free-float-adjusted market cap, excluding Canada and the US. Each stock receives a value and growth score based on variables such as book value/price and internal growth rate. Once scored, MSCI allocates stocks to either the MSCI EAFE Growth or Value index, ensuring each index comprises around 50% of the MSCI EAFE Index's market cap. MSCI assigns some stocks to both indexes owing to their similar growth and value characteristics. Buffer rules reduce unnecessary turnover, which consistently remains around half that of the foreign large-growth category average.

The index diversifies stock-specific risks and currently holds close to 350 stocks, a number that has trended down over the past five years. However, concentration hasn't been a concern. The index typically holds less than 25% of its assets in its top 10 holdings.

The portfolio misses part of the foreign growth market. A typical peer tends to have around 10% of its assets invested in emerging-markets stocks. This puts the fund at a disadvantage when emerging markets surge, but they are riskier, and excluding them should help contain risk. Some category rivals invest in small-cap stocks. But overall, they inhabit a minuscule allocation. Leaving them out should have little effect on the fund's category-relative performance...

People

By Brendan McCann 11/3/2025

The iShares equity index team earns an Above Average People Pillar rating, a testament to the quality of its index-tracking capabilities. The team leverages BlackRock's industry-leading technology and a robust global infrastructure to consistently deliver tight index-tracking performance in all the global markets that it touches. Automated workflows and the team's extensive supporting staff effectively minimize potential disruptions caused by personnel changes.

BlackRock's Aladdin platform performs most of the portfolio-management tasks and helps ensure the team achieves precise index tracking. Experienced managers guide the team, stepping in for tasks such as dealing with index changes, rebalances, certain corporate actions, and trade approvals. Collaboration is key within BlackRock. All managers have access to a worldwide network of traders and peers that enhances the fund's day-to-day operations. BlackRock's global trading desk forms an integral part of this network. It taps into local markets to execute cost-effective transactions. An independent risk committee diligently oversees the fund's tracking performance, ensuring it remains within prescribed boundaries and further instilling confidence in the team's approach to tracking an index.

Performance

By Brendan McCann 11/3/2025

The fund barely beat the foreign large-growth category average by 3 basis points annualized over the trailing 10 years through September 2025. Its volatility was slightly higher than that of competitors, and it was almost identical to the category in terms of risk-adjusted performance.

Fund performance relative to peers usually hovers near the middle of the category, fluctuating between the upper and lower halves. Its low fees make it cheaper than 95% of its peers and have helped it remain competitive even when performance wanes.

While a low fee provides a durable advantage, country allocations and stock selection have influenced category-relative performance. This fund briefly outperformed its category norm before quickly reverting to during the 2007-08 global financial crisis. Initially, poor stock selection by active managers in countries such as Switzerland and Japan provided this passive portfolio with a cushion. However, the effect reversed in 2009 when active managers' stock-picking improved. Competitors chose higher-performing stocks, particularly in Japan, where the impact was most significant.

Parent Company

By Jason Kephart 1/10/2025

BlackRock has raised the bar for what it means to be a truly diversified asset manager. After going on a private-asset shopping spree in 2024 to acquire infrastructure, credit, and alternative fund data capabilities, few other firms can match its breadth of offerings. It remains to be seen if these acquisitions will be as transformative and beneficial for investors as its 2009 purchase of Barclays Global Investors, which included its now iconic iShares brand of exchange-traded funds. BlackRock continues to earn an Above Average rating for Parent.

There are reasons for optimism. CEO Larry Fink’s track record of acquisitions stands out for its focus on expanding what BlackRock can offer, rather than looking to build scale. The firm has been able to deliver packaged versions of its products, like direct indexing, through its popular model portfolios for financial advisors at low costs that have made significant improvements to investor outcomes.

For hands-off investors, BlackRock’s multi-asset options like its target-date strategies and once flagship global allocation strategy are among their respective Morningstar Categories’ best options. ...

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Manager Biography

Jennifer Hsui since 12/1/2012

University of California

Jennifer Hsui, Managing Director & Portfolio Manager at BlackRock Investment Management LLC has been employed by BlackRock Fund Advisors as a senior portfolio manager since 2007. Prior to that, Ms. Hsui was a portfolio manager from 2006 to 2007 for BGFA. She was a research analyst for RBC Capital Markets from 2003 to 2006.

Manager Biography

Peter Sietsema since 4/1/2025

Peter Sietsema has been with BFA since 2007, including his years with BGI, which merged with BFA in 2009. Mr. Sietsema has been employed by BFA or its affiliates as a Director since 2011 and a Vice President from 2009 to 2010. Mr. Sietsema has been a Portfolio Manager of each fund since 2023.

Manager Biography

Matt Waldron since 4/1/2025

University of Delaware, B.A., Finance

Matt Waldron, CFA, Managing Director, is US Head of International Portfolio Management within BlackRock Global Markets & Index Investments (“BGM”). He is responsible for the overall management of ETFs, CTFs, and Institutional SMAs that are predominantly invested in developed and emerging markets. Mr. Waldron’s service with the firm dates back to 2003. Prior to his current role, Mr. Waldron

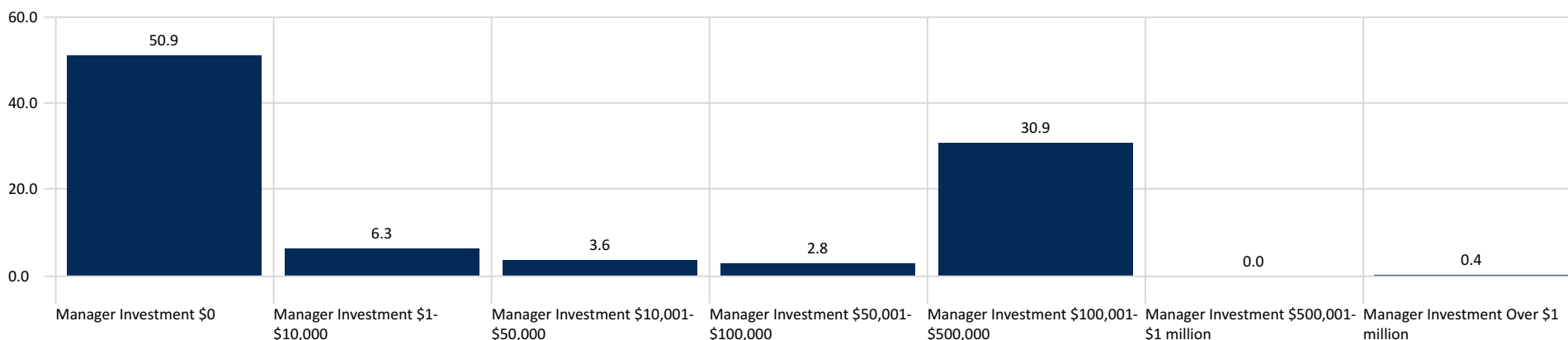
WAS

Manager Biography

Steven White since 4/1/2025

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Manager Ownership Level

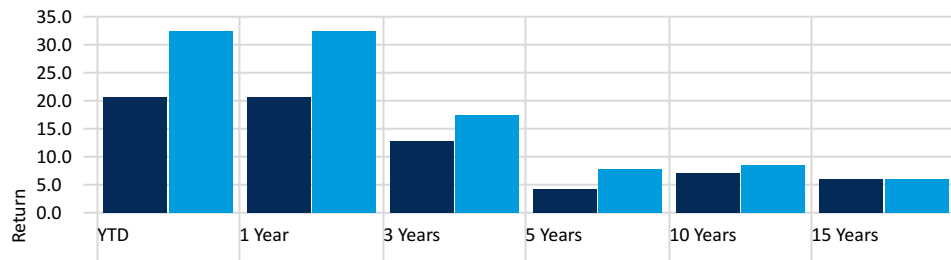


iShares MSCI EAFE Growth ETF

Ticker	EFG	Prospectus Net Expense Ratio	0.34	Morningstar Category	US Fund Foreign Large Growth
Manager Name	Multiple	Turnover Ratio %	23.00	Fund Size	9,802,197,567.00
Inception Date	8/1/2005	Potential Capital Gains Exposure	-3.75	Alpha (3 Year)	-5.12
Manager Tenure (Longest)	13.08	# of Holdings	385	Beta (3 Year)	1.12

Trailing Returns

As of Date: 12/31/2025



■ iShares MSCI EAFE Growth ETF ■ MSCI ACWI Ex USA NR USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
iShares MSCI EAFE Growth ETF	20.70	20.70	12.81	4.19	7.16	5.91
MSCI ACWI Ex USA NR USD	32.39	32.39	17.33	7.91	8.41	6.09

Excess Return vs. Benchmark

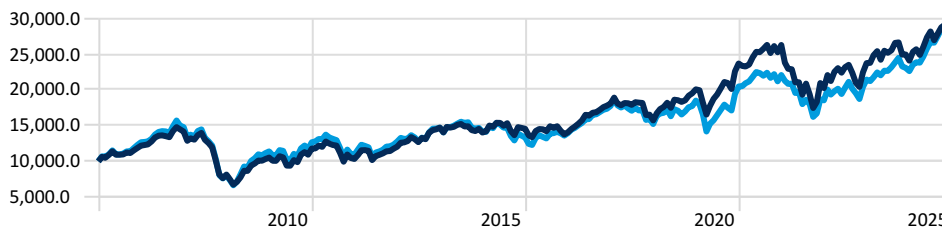
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-11.68	-11.68	-4.52	-3.72	-1.25	-0.19

Investment Strategy

The investment seeks to track the investment results of the MSCI EAFE Growth Index composed of developed market equities, excluding the U.S. and Canada, that exhibit growth characteristics. The fund generally will invest at least 80% of its assets in the component securities of its underlying index and in investments that have economic characteristics that are substantially identical to the component securities of its underlying index. The index is a subset of the MSCI EAFE Index. Constituents of the underlying index include securities of companies located in Europe, Australasia and the Far East.

Investment Growth

Time Period: 1/1/2006 to 12/31/2025



■ iShares MSCI EAFE Growth ETF ■ MSCI ACWI Ex USA NR USD

Calendar Year Returns

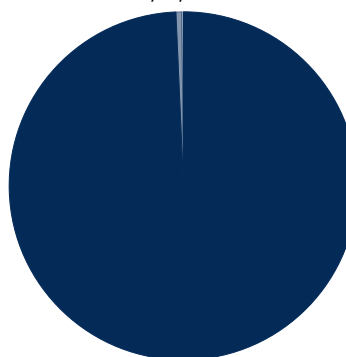
	2021	2022	2023	2024	2025
iShares MSCI EAFE Growth ETF	10.95	-22.93	17.24	1.46	20.70
MSCI ACWI Ex USA NR USD	7.82	-16.00	15.62	5.53	32.39

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	3.13	-6.92	1.62	-4.07	-11.68

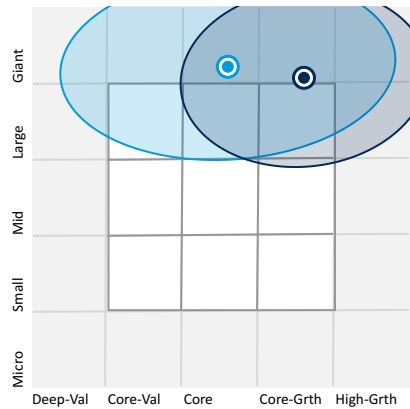
Asset Allocation

Portfolio Date: 12/31/2025



	%
Stock	99.3
Bond	0.0
Cash	0.5
Other	0.2
Total	100.0

Holdings-Based Style Map



● iShares MSCI EAFE Growth ETF 12/31/2025
 ● MSCI ACWI Ex USA NR USD 12/31/2025

Morningstar Style Box

Portfolio Date: 12/31/2025

	Value	Blend	Growth
Large	3.8	43.5	43.9
Mid	0.8	3.8	4.2
Small	0.0	0.1	0.1

Market Cap

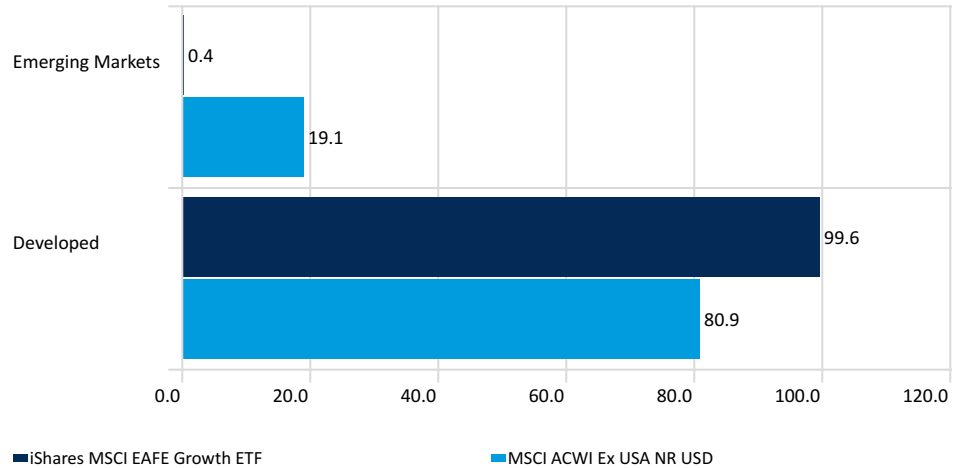
	%
Market Cap Giant %	56.5
Market Cap Large %	34.7
Market Cap Mid %	8.7
Market Cap Small %	0.2
Market Cap Micro %	0.0

Top Holdings

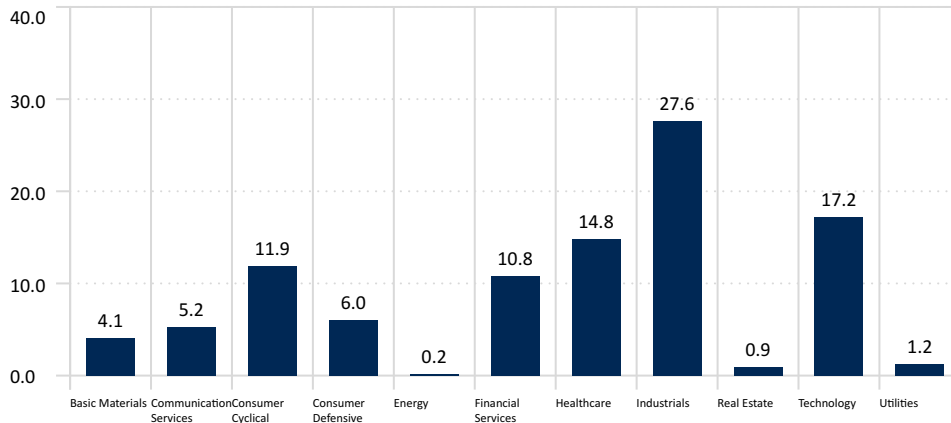
Portfolio Date: 1/5/2026

	Portfolio Weighting %	Benchmark Weighting %
ASML Holding NV	4.72	
AstraZeneca PLC	2.77	
Novartis AG Registered Shares	2.57	
SAP SE	2.49	
Lvmh Moet Hennessy Louis Vuitton SE	1.86	
Novo Nordisk AS Class B	1.73	
Schneider Electric SE	1.53	
UBS Group AG Registered Shares	1.51	
Hitachi Ltd	1.46	
Airbus SE	1.43	

Regional Exposure

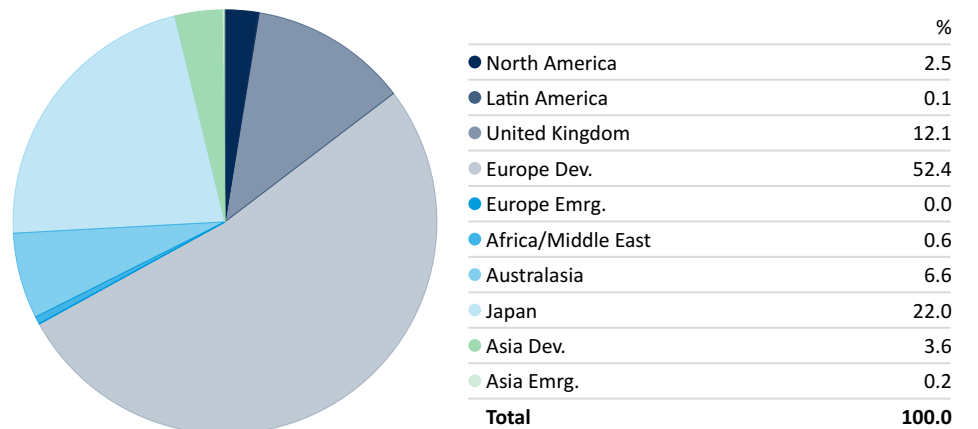


Sector Weight



Equity Regional Exposure

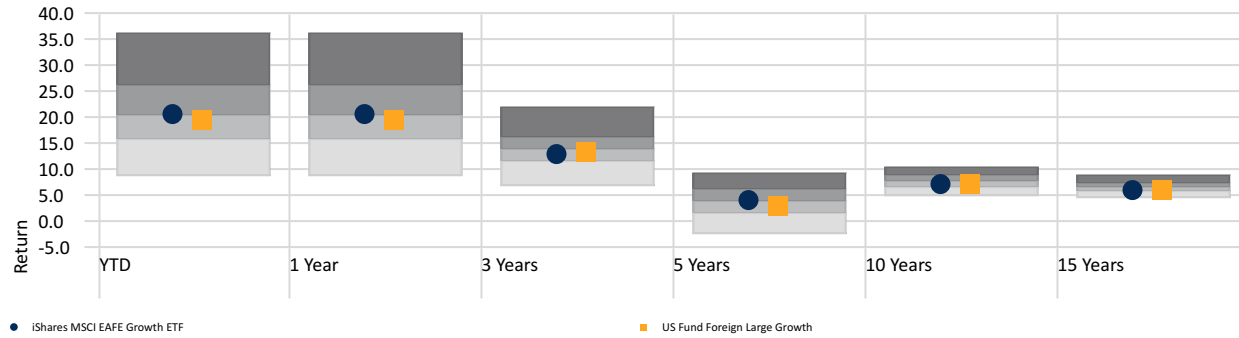
Portfolio Date: 12/31/2025



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Foreign Large Growth Calculation Benchmark: MSCI ACWI Ex USA NR USD

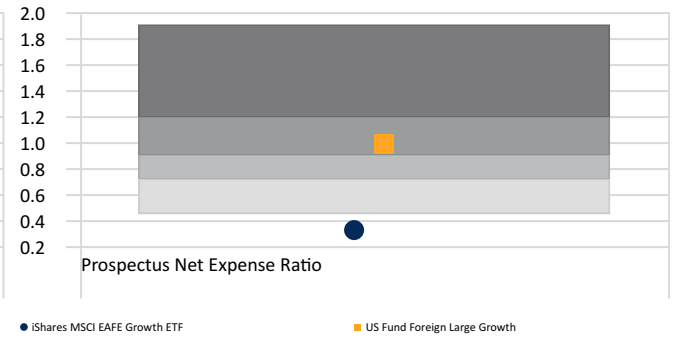
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Foreign Large Growth

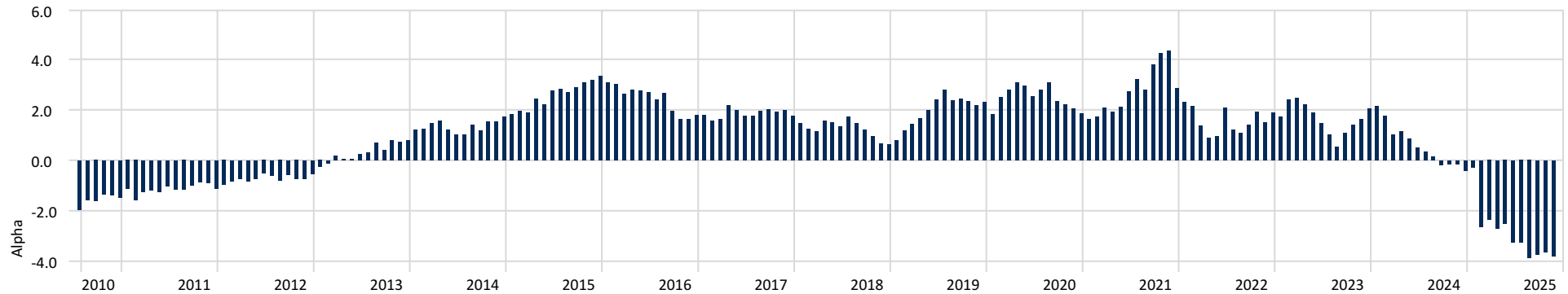
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

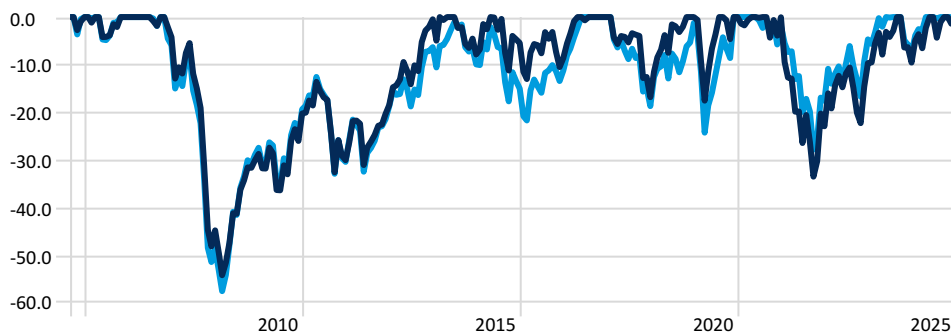
Time Period: Since Common Inception (9/1/2005) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



Drawdown

Time Period: Since Common Inception (9/1/2005) to 12/31/2025

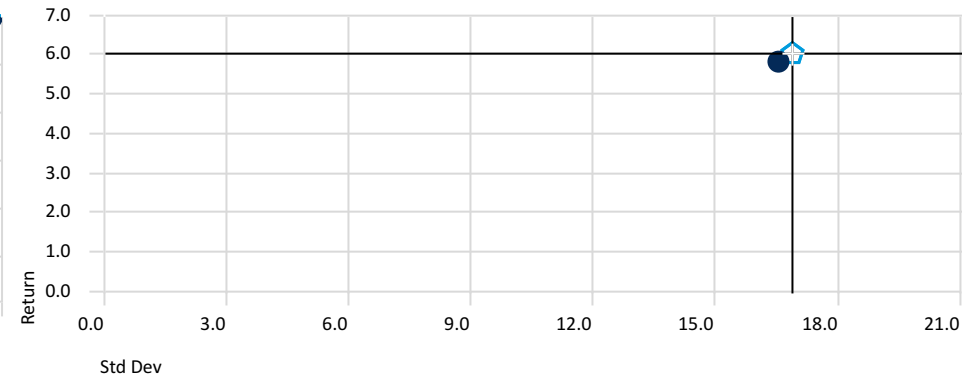


■ iShares MSCI EAFE Growth ETF

■ MSCI ACWI Ex USA NR USD

Risk-Reward

Time Period: Since Common Inception (9/1/2005) to 12/31/2025

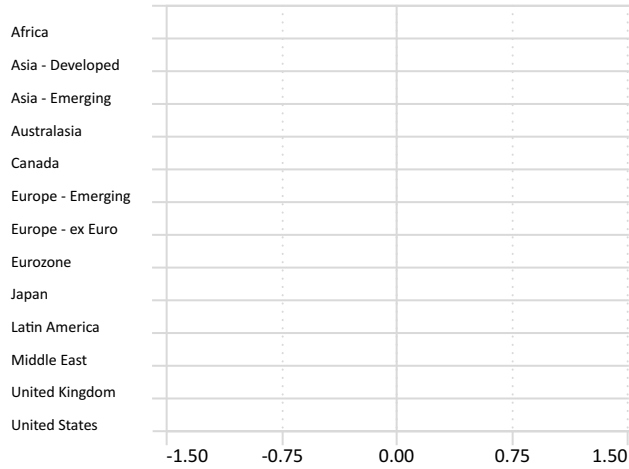


● iShares MSCI EAFE Growth ETF

◆ MSCI ACWI Ex USA NR USD

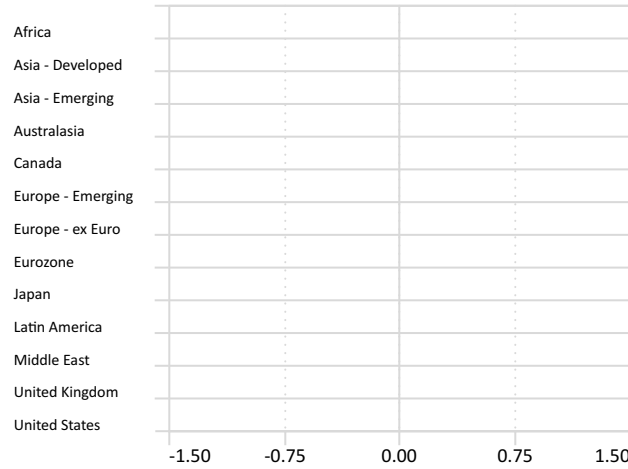
Allocation Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



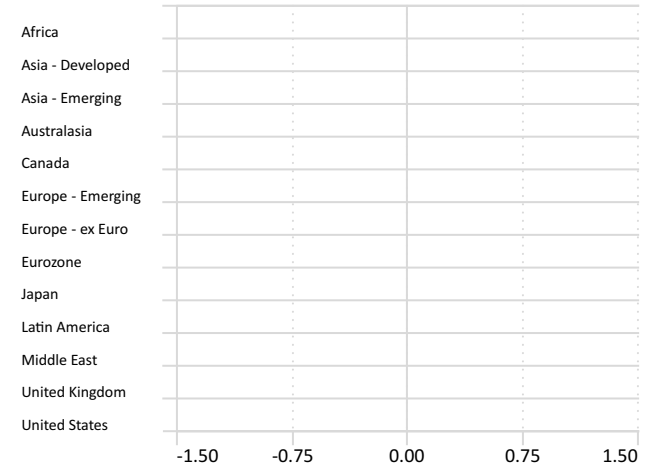
Selection Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Region (QTD)

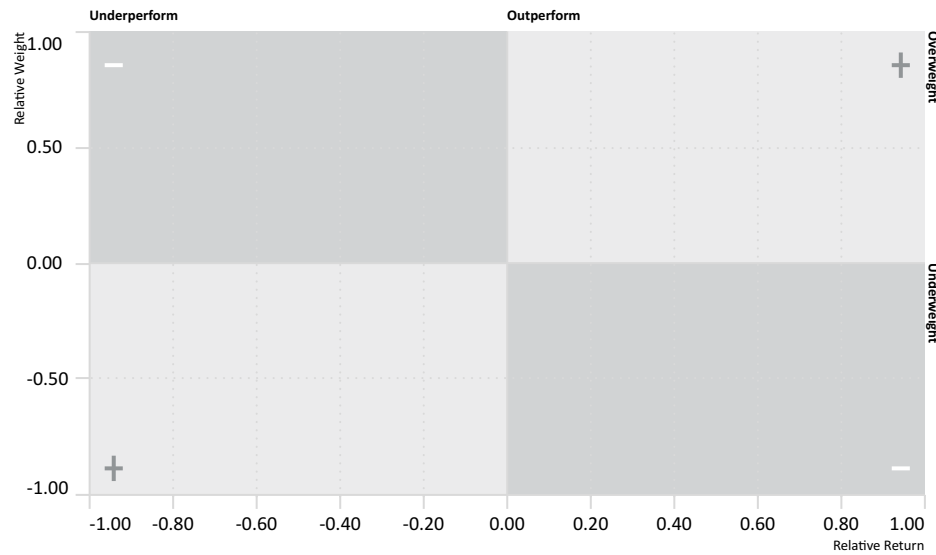
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

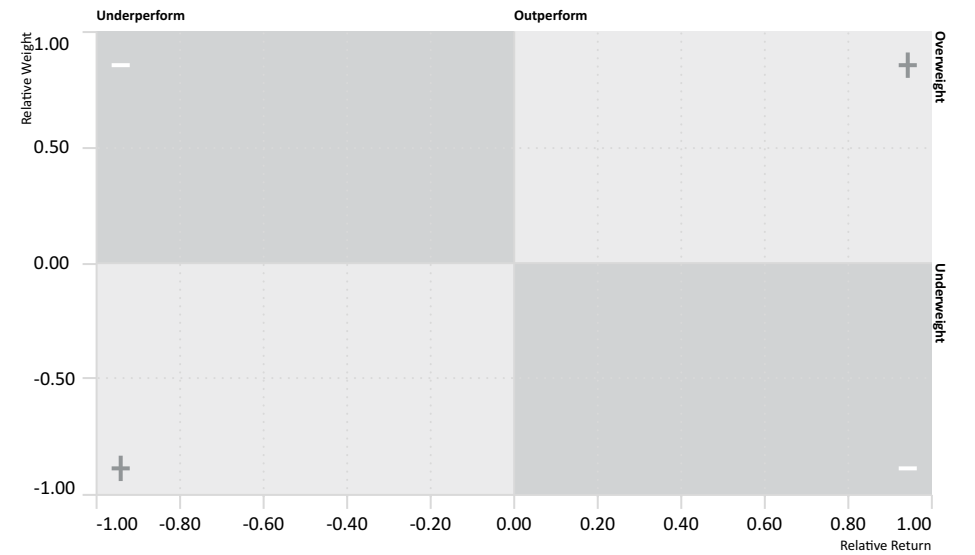
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

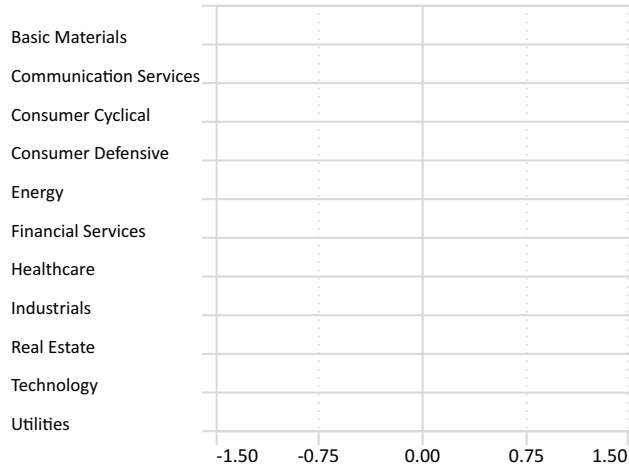
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

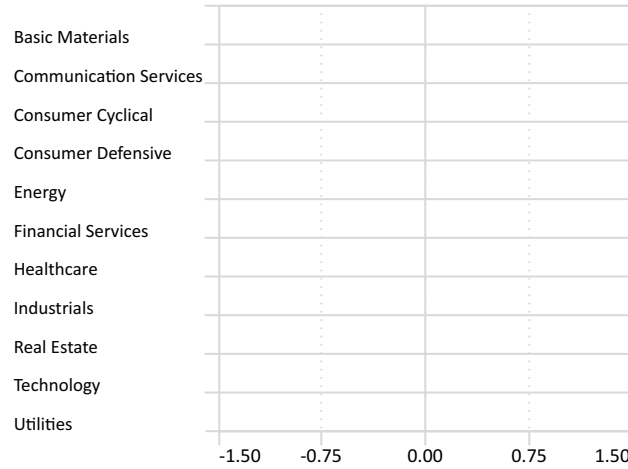
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



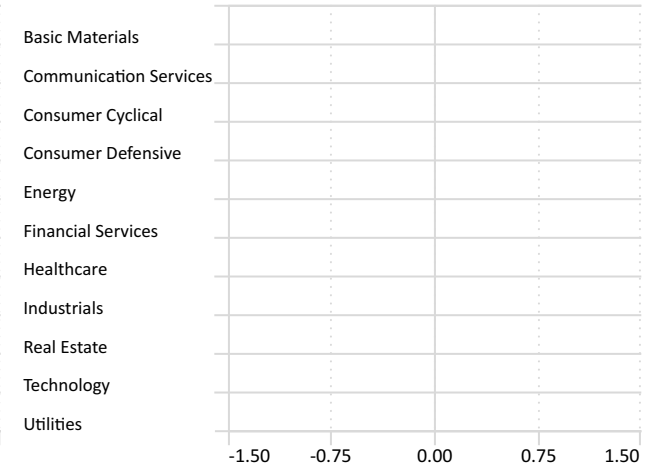
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

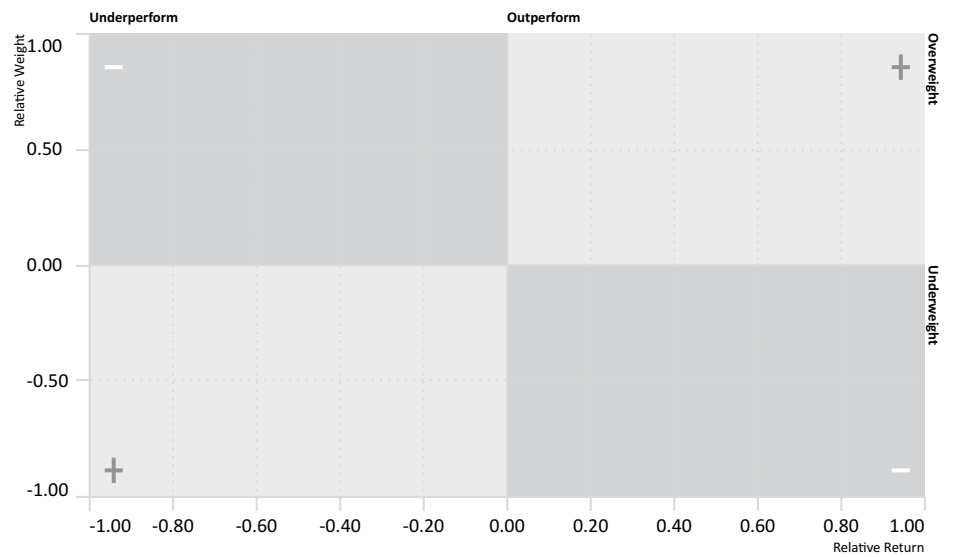
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

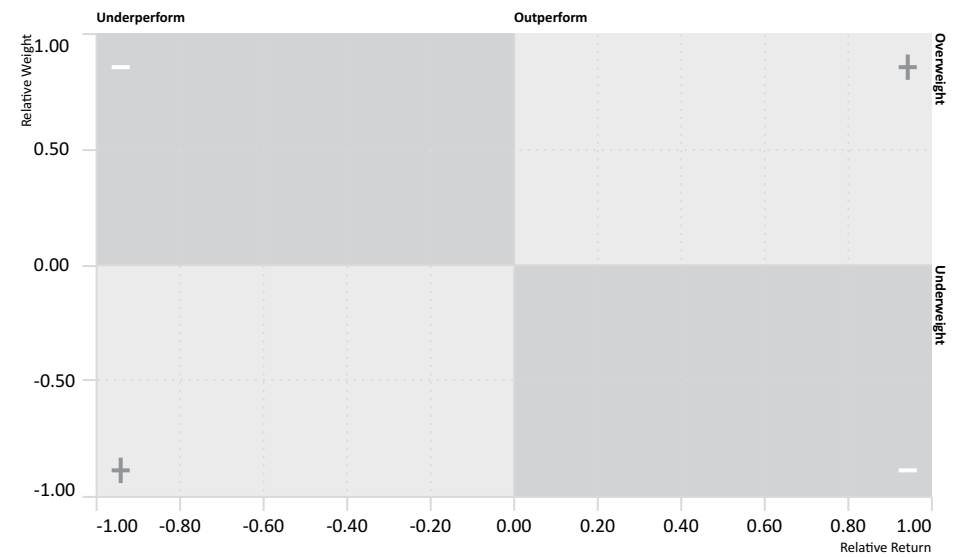
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

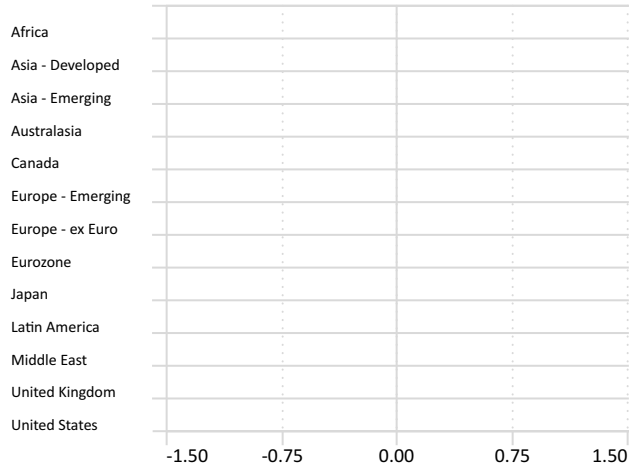
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

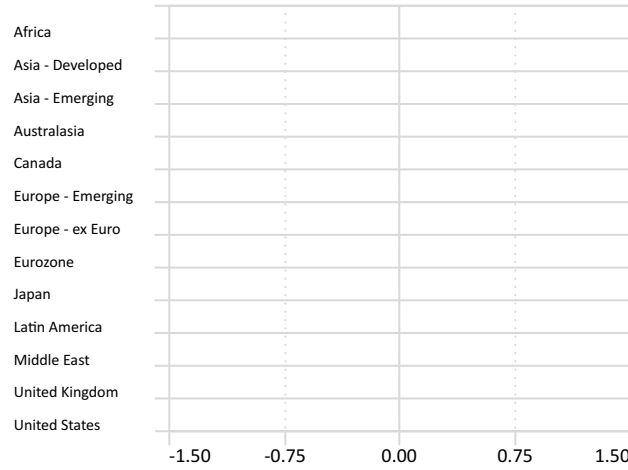
Allocation Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



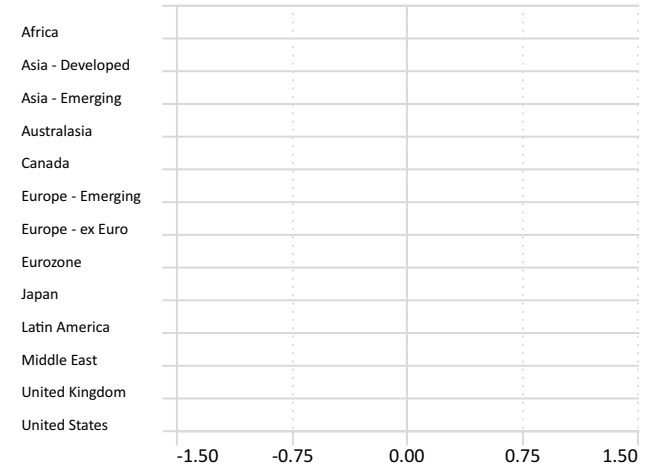
Selection Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Region (1 Year)

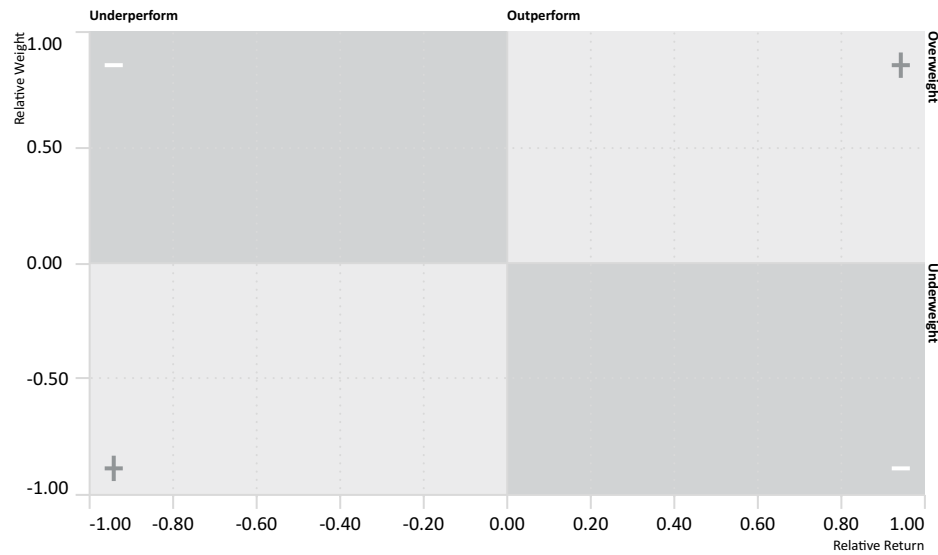
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

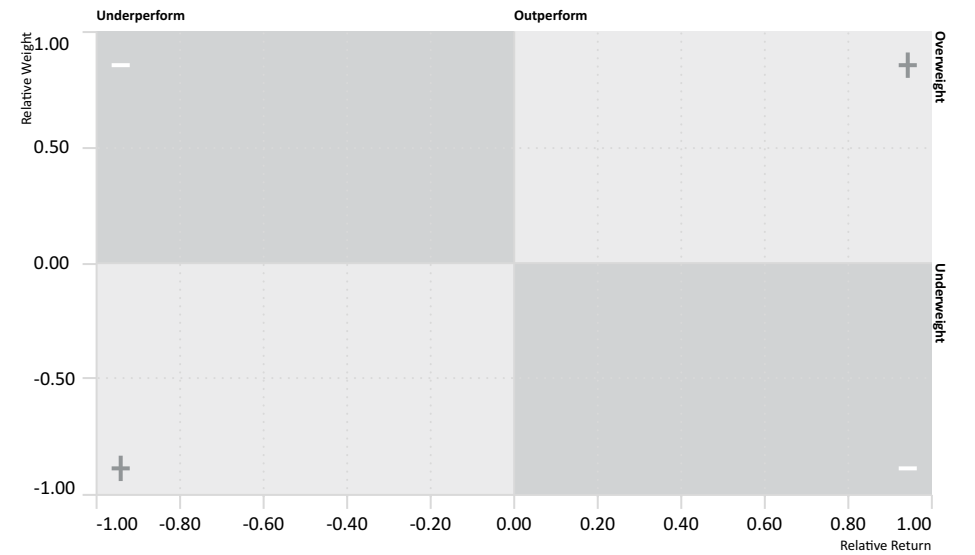
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

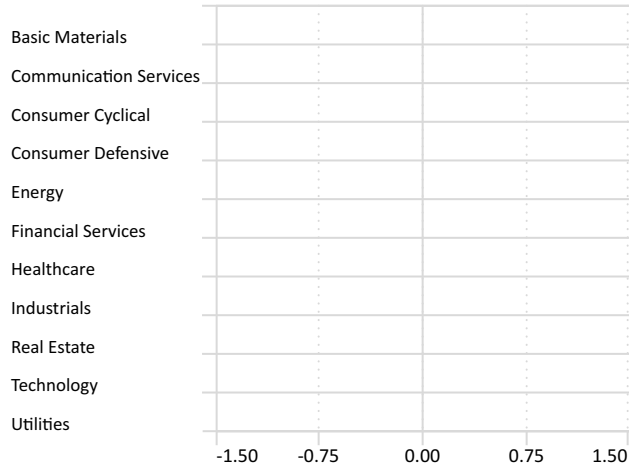
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

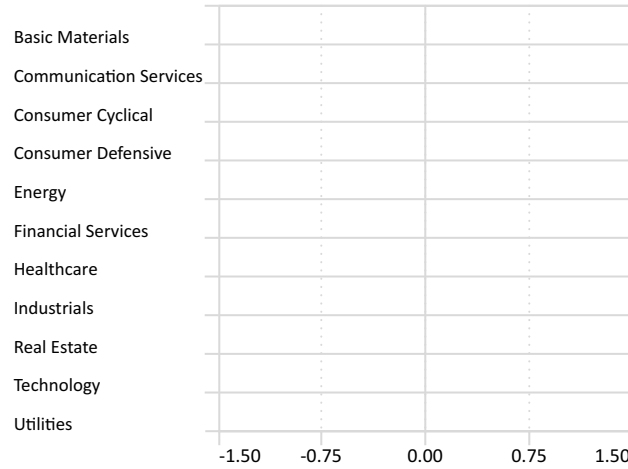
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



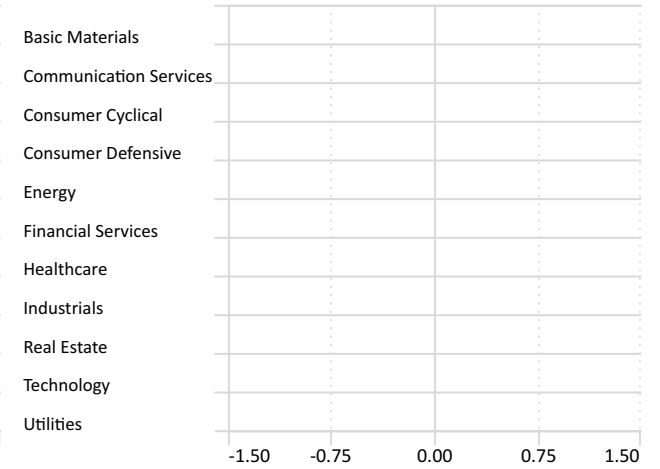
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

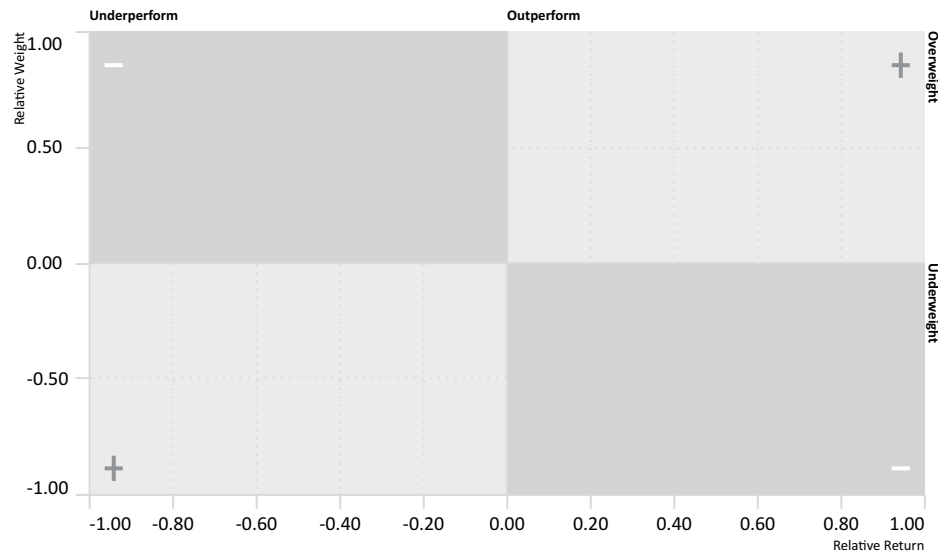
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

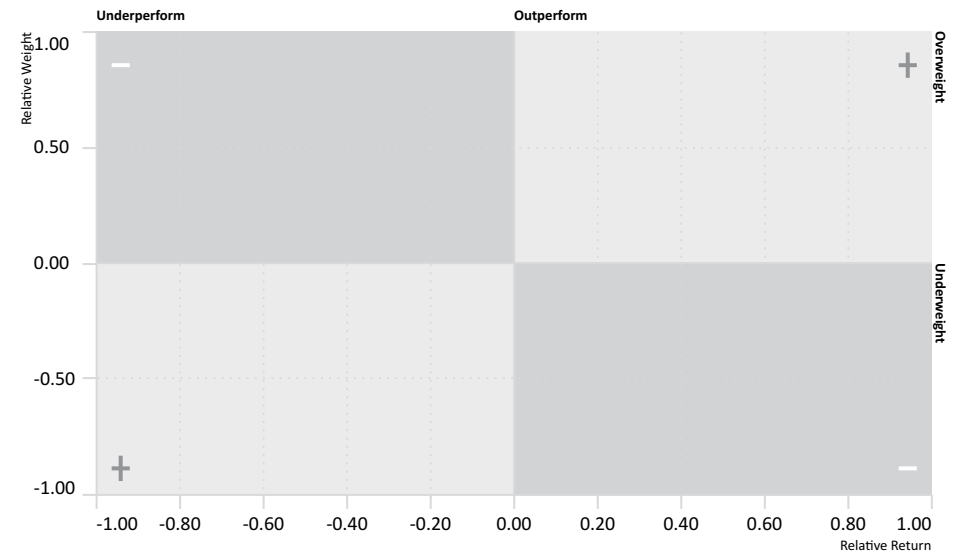
Calculation Benchmark: MSCI ACWI Ex USA NR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: MSCI ACWI Ex USA NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

Investment Strategy

The investment seeks to track the investment results of the Bloomberg U.S. Aggregate Bond Index. The index measures the performance of the total U.S. investment-grade bond market. The fund will invest at least 80% of its assets in the component securities of the underlying index and TBAs that have economic characteristics that are substantially identical to the economic characteristics of the component securities of the underlying index, and the fund will invest at least 90% of its assets in fixed income securities of the types included in the underlying index that the advisor believes will help the fund track the underlying index.

Process Approach

By Zachary Evens 3/27/2025

The strategy earns an Above Average Process Pillar rating for efficiently capturing the full taxable, US investment-grade bond market.

Process Portfolio

By Zachary Evens 3/27/2025

The managers aim to replicate the return, risk, and portfolio characteristics of the Bloomberg US Aggregate Bond Index. The benchmark sweeps in fixed-rate, taxable, investment-grade US bonds with at least one year remaining until maturity. Qualifying bonds must have at least USD 300 million in outstanding face value, with higher minimums for some securitized fare. The index is market-value-weighted and rebalances each month, a sensible approach that efficiently captures the contours of the taxable, US investment-grade bond market.

Issuing activity of the US Treasury determines a large part of the portfolio. As Treasury issuance has grown, they've become a bigger part of the portfolio. Treasuries have grown from less than 35% of the portfolio 10 years ago to more than 45% recently, more than 18 percentage points more than the average category peer's stake as of Feb. 28, 2025. The typical peer invests much of the difference in securitized fare and some high-yield bonds.

While the fund's quality leanings mute credit risk, it still courts interest-rate risk. For the past decade, average effective maturity and average effective duration, measures of interest-rate sensitivity, both tended to be longer than the category norm. Throughout the late 2010s and early 2020s, the fund's average effective duration was usually around six months longer than the category average. However, as the US government has refinanced into shorter-term debt, the fund's average effective duration h...

People

By Zachary Evens 3/27/2025

BlackRock's fixed-income portfolio managers receive an Above Average People Pillar rating, reflecting the size and experience of its management team and its robust support system. This well-structured team has portfolio managers who specialize in specific subasset classes, ensuring in-depth research and expertise in their respective sectors. A global team of traders executes all trades and complements managers' specialization. A separate index analytics team provides crucial support for navigating corporate actions and index changes.

Automation and BlackRock's own Aladdin portfolio management software, which streamlines many operational tasks and helps prevent errors, helps the managers. The managers skillfully match a portfolio's key risks to those of its target index, which is essential because most fixed-income indexes cannot be fully replicated. They also have the discretion to make strategic decisions within allowable bands when they identify opportunities to add value. Risk management is a top priority. An independent risk-management team provides rigorous oversight and sets tracking targets that it reviews regularly. This approach underscores the team's commitment to accurate index-tracking performance and proactive risk control.

Performance

By Zachary Evens 3/27/2025

iShares Core US Aggregate Bond ETFs' conservative bent and low fees limit its drawdowns and help returns. The ETF beat the intermediate core bond category average by 20 basis points annualized for the past 20 years through Feb. 28, 2025. Its Treasury-heavy portfolio also helped it capture just 92% of the category norm's downside. Volatility was almost identical.

The fund's high credit quality leanings make it a good portfolio ballast and insulate it from credit shocks. For example, the fund fared better than most during 2020's coronavirus-driven shock. From Feb. 20, 2020, through March 23, 2020, the ETF lost 1.4 percentage points less than the category norm.

The fund can underperform at times, though. Its conservative portfolio and historically longer-than-average duration can work against it. The ETF fell harder than peers in late 2016 when long-term yields unexpectedly rose, and it fell by more than 13% in 2022 due to inflation concerns. Peers did just as poorly in 2022, but that year shows that even a relatively conservative portfolio may endure some bumps. Performance fluctuations will occur from time to time, but the fund's conservative portfolio and low fee should drive its results over the long term.

Parent Company

By Jason Kephart 1/10/2025

BlackRock has raised the bar for what it means to be a truly diversified asset manager. After going on a private-asset shopping spree in 2024 to acquire infrastructure, credit, and alternative fund data capabilities, few other firms can match its breadth of offerings. It remains to be seen if these acquisitions will be as transformative and beneficial for investors as its 2009 purchase of Barclays Global Investors, which included its now iconic iShares brand of exchange-traded funds. BlackRock continues to earn an Above Average rating for Parent.

There are reasons for optimism. CEO Larry Fink’s track record of acquisitions stands out for its focus on expanding what BlackRock can offer, rather than looking to build scale. The firm has been able to deliver packaged versions of its products, like direct indexing, through its popular model portfolios for financial advisors at low costs that have made significant improvements to investor outcomes.

For hands-off investors, BlackRock’s multi-asset options like its target-date strategies and once flagship global allocation strategy are among their respective Morningstar Categories’ best options. ...

Manager Information and Ownership Levels

Manager Biography

James J. Mauro since 7/1/2011

St. Michael's College, B.S., Business Administration
Boston University, M.S., Business Administration

Head of San Francisco Fixed Income Core PM at BlackRock, Inc. since 2020; Managing Director of BlackRock, Inc. since 2015; Director of BlackRock, Inc. from 2010 to 2014; Vice President of State Street Global Advisors from 2001 to 2010.

James Mauro has been employed by BlackRock Fund Advisors and BlackRock Institutional Tru...

Manager Biography

Jonathan Graves since 8/1/2025

Jonathan Graves, CFA, Managing Director, is Head of Credit within BlackRock’s Index Fixed Income (“IFI”) Portfolio Management team in the Americas. Mr. Graves’ team is responsible for managing US based iShares and indexed corporate credit portfolios. Previously, Mr. Graves was a senior portfolio manager in the US Fixed Income Group responsible for implementing credit trading across investment grade, high yield and credit long/short strategies. Prior to joining Barclay’s Global Investors (“BGI”...

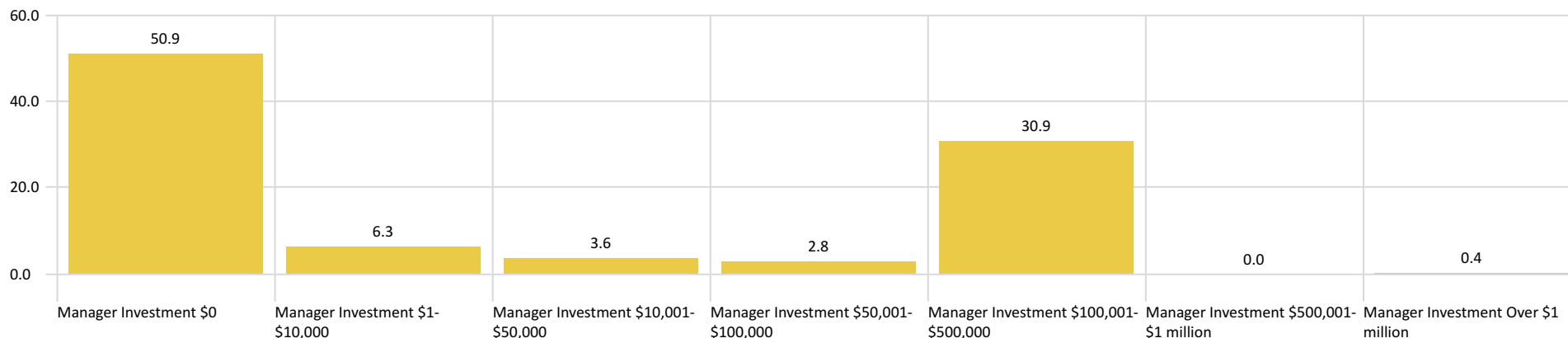
Manager Biography

Marcus Tom since 8/1/2025

Marcus Tom, Director, is head of BlackRock’s IFI Portfolio Management team in Atlanta. Mr. Tom’s service with the firm dates back to 2000, including his years with BGI. At BGI, he was an institutional index portfolio manager/trader. Currently, he leads the Securitized, US Rates, and Optimized Outcome Solutions teams across IFI’s suite of portfolios. His sector specialties include Agency MBS, US Treasuries, TIPS, Agencies, and Listed and OTC Derivatives. Mr. Tom earned a BA degree in Managerial Economics from t...

Manager Biography

Manager Ownership Level

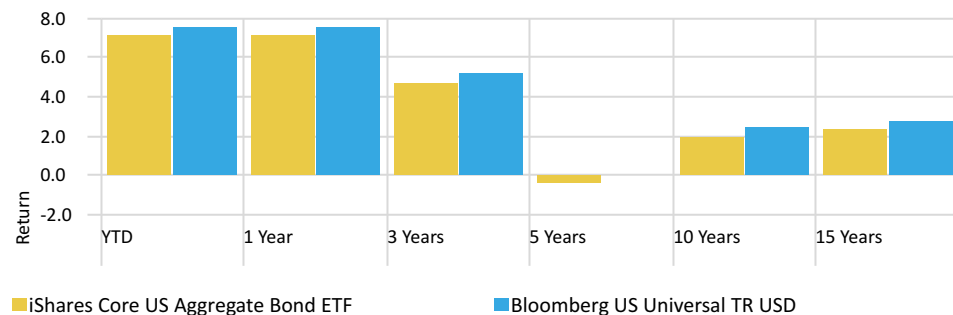


iShares Core US Aggregate Bond ETF

Ticker	AGG	Prospectus Net Expense Ratio	0.03	Morningstar Category	US Fund Intermediate Core Bond
Manager Name	Multiple	Turnover Ratio %	81.00	Fund Size	136,754,602,453.00
Inception Date	9/22/2003	Potential Capital Gains Exposure	-7.80	Alpha (3 Year)	-0.53
Manager Tenure (Longest)	14.50	# of Holdings	13,018	Beta (3 Year)	1.04

Trailing Returns

As of Date: 12/31/2025



Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
iShares Core US Aggregate Bond ETF	7.19	7.19	4.69	-0.38	1.97	3.18
Bloomberg US Universal TR USD	7.58	7.58	5.24	0.06	2.44	3.62

Excess Return vs. Benchmark

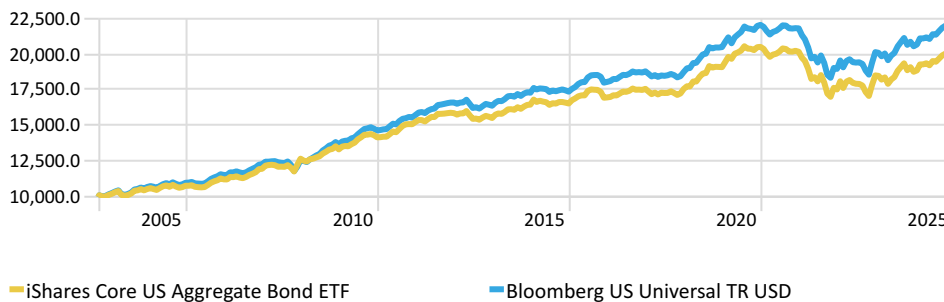
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-0.39	-0.39	-0.55	-0.44	-0.47	-0.44

Investment Strategy

The investment seeks to track the investment results of the Bloomberg U.S. Aggregate Bond Index. The index measures the performance of the total U.S. investment-grade bond market. The fund will invest at least 80% of its assets in the component securities of the underlying index and TBAs that have economic characteristics that are substantially identical to the economic characteristics of the component securities of the underlying index, and the fund will invest at least 90% of its assets in fixed income securities of the types included in the underlying index that the advisor believes will help the fund track the underlying index.

Investment Growth

Time Period: Since Common Inception (9/23/2003) to 12/31/2025



Calendar Year Returns

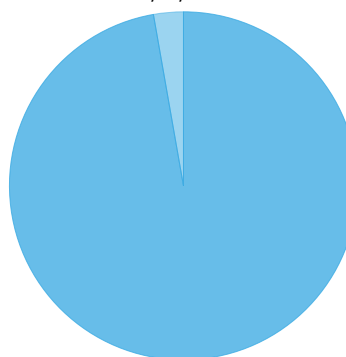
	2021	2022	2023	2024	2025
iShares Core US Aggregate Bond ETF	-1.67	-13.06	5.59	1.37	7.19
Bloomberg US Universal TR USD	-1.10	-12.99	6.17	2.04	7.58

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	-0.56	-0.06	-0.59	-0.67	-0.39

Asset Allocation

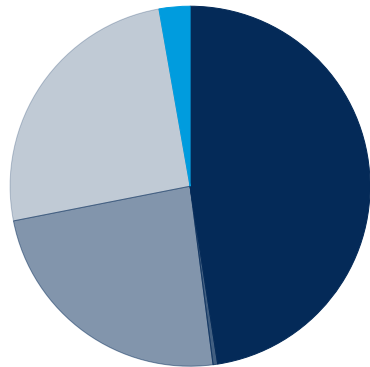
Portfolio Date: 12/31/2025



Asset Class	%
Stock	0.0
Bond	97.2
Cash	2.8
Other	0.0
Total	100.0

Fixed-Income Super Sectors

Portfolio Date: 12/31/2025

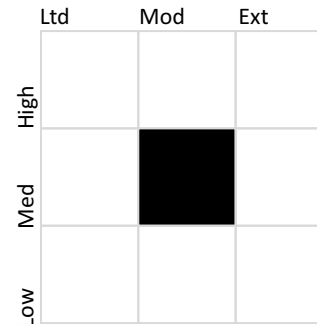


	%
Government	47.5
Municipal	0.4
Corporate	23.9
Securitized	25.3
Cash & Equivalents	2.8
Derivative	0.0
Total	100.0

Morningstar Style Box

Portfolio Date: 12/31/2025

Morningstar Fixed Income Style Box™



Fixed-Income Stats

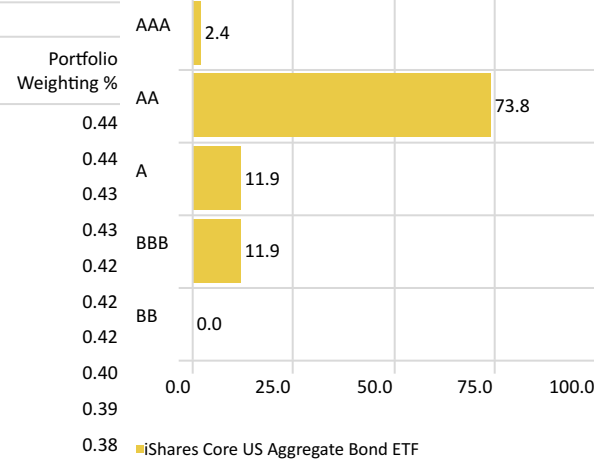
Average Eff Duration Survey	5.9
Average Eff Maturity Survey	8.1
Average Coupon	3.8
Average Price	95.2

Top Holdings

Portfolio Date: 12/31/2025

United States Treasury Notes 4.625%	0.44
United States Treasury Notes 4.375%	0.44
United States Treasury Notes 4%	0.43
United States Treasury Notes 4.25%	0.43
United States Treasury Notes 4%	0.42
United States Treasury Notes 3.875%	0.42
United States Treasury Notes 4.5%	0.42
United States Treasury Notes 4.25%	0.40
United States Treasury Notes 1.375%	0.39
United States Treasury Notes 4.25%	0.38

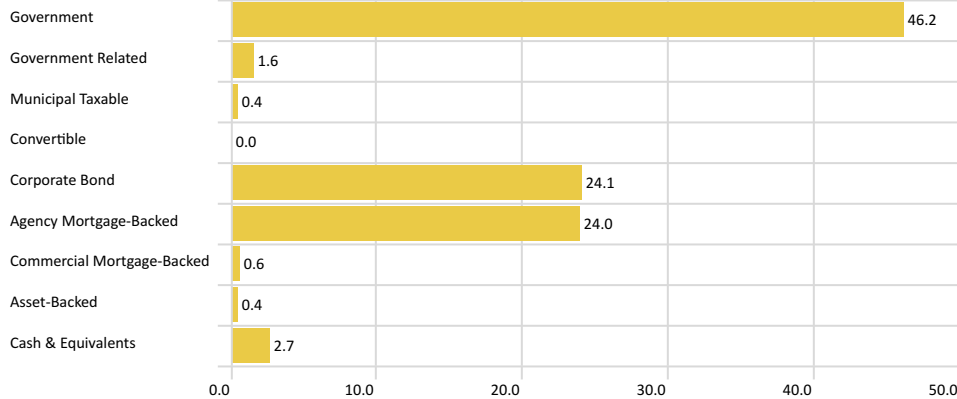
Credit Quality



Maturity

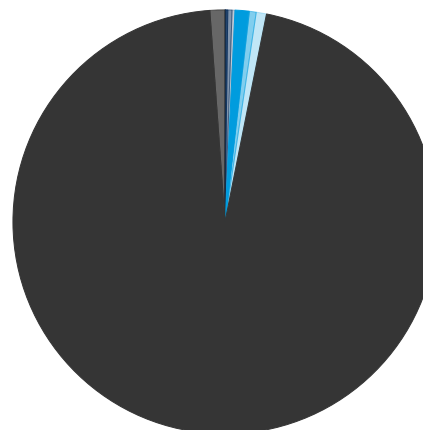
1-7 Day	0.76
8-30 Day	0.48
31-90 Day	0.03
91-182 Day	0.00
183-364 Day	0.36
1-3 Year	20.83
3-5 Year	16.76
5-7 Year	9.67
7-10 Year	9.60
10-15 Year	4.28
15-20 Year	5.94
20-30 Year	30.23
30+ Year	1.07

Fixed-Income Sectors



Fixed-Income Regional Exposure

Portfolio Date: 12/31/2025

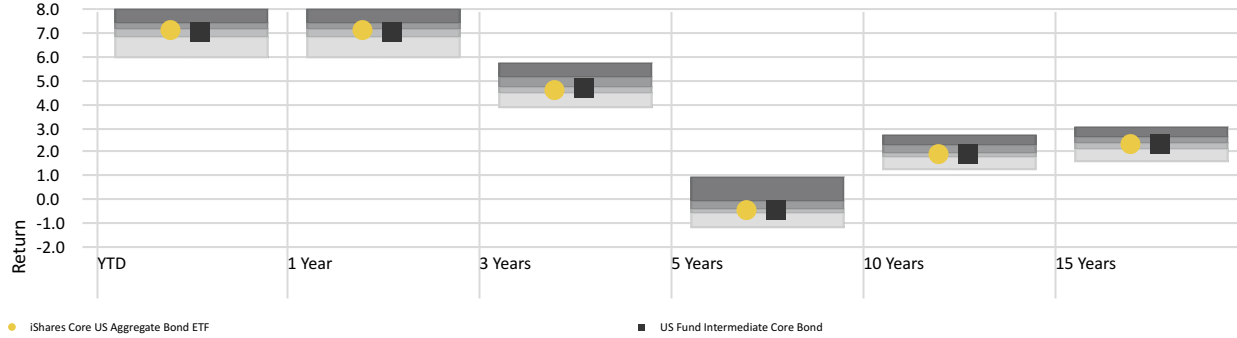


Region	%
Africa/Middle East	0.1
Asia Dev	0.1
Asia Emrg	0.3
Australasia	0.2
Europe Dev	1.0
Europe Emrg	0.1
Japan	0.5
Latin America	0.8
North America	95.7
United Kingdom	1.1
Total	100.0

Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Intermediate Core Bond Calculation Benchmark: Bloomberg US Universal TR USD

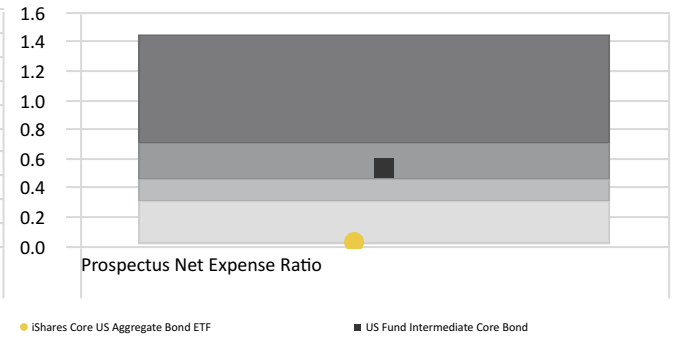
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Intermediate Core Bond

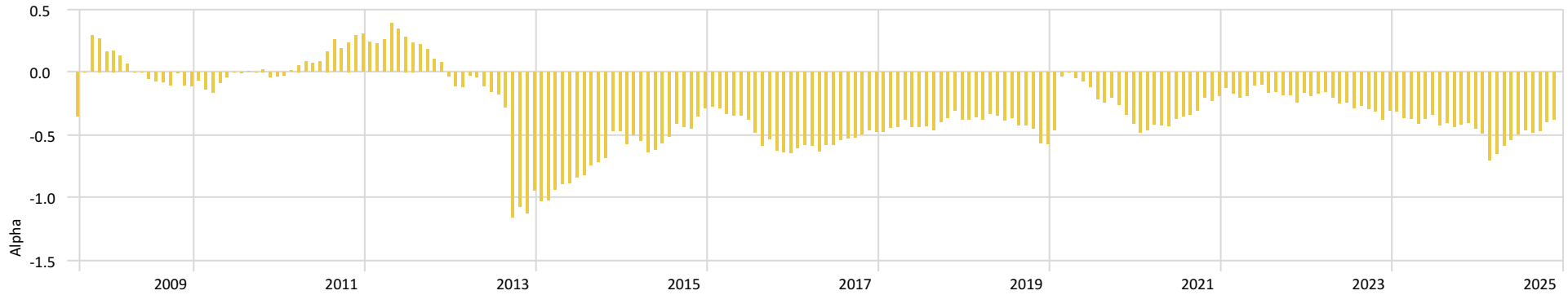
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

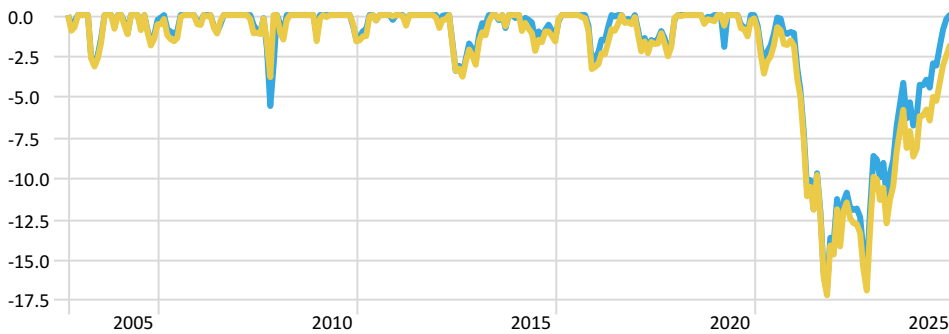
Time Period: Since Common Inception (10/1/2003) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



Drawdown

Time Period: Since Common Inception (10/1/2003) to 12/31/2025

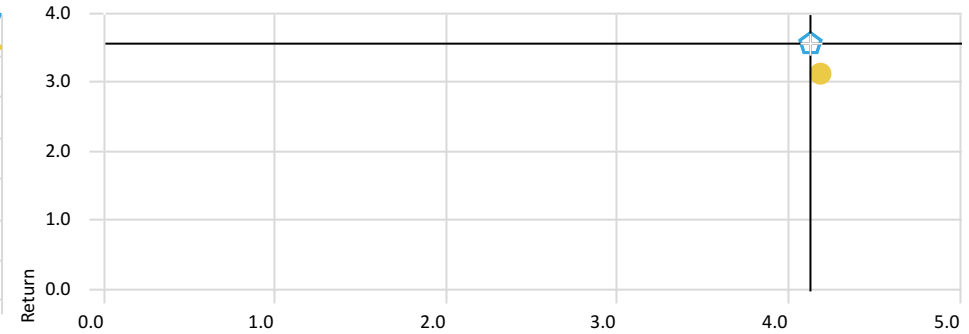


■ iShares Core US Aggregate Bond ETF

■ Bloomberg US Universal TR USD

Risk-Reward

Time Period: Since Common Inception (10/1/2003) to 12/31/2025



■ iShares Core US Aggregate Bond ETF

■ Bloomberg US Universal TR USD

Investment Strategy

The investment seeks to track the investment results of the ICE AMT-FreeUS National Municipal Index. The underlying index includes municipal bonds, the interest of which is exempt from Federal income taxes and not subject to alternative minimum tax. The fund will invest at least 80% of its assets in the component securities of the underlying index and it will invest at least 90% of its assets in fixed income securities of the types included in the underlying index that BFA believes will help the fund track the underlying index.

Process Approach

By Lan Anh Tran 12/23/2024

This fund's broad portfolio of tax-exempt, investment-grade municipal bonds offers a comprehensive snapshot of this market. Tilting toward the most liquid and high-quality bonds in this fragmented market helps limit the fund's transaction costs and credit risk. It earns an Above Average Process rating.

The fund employs representative sampling to replicate the index. Sampling is standard practice in bond indexing, especially in the fragmented municipal-bond market, where less liquid bonds are more prominent.

Process Portfolio

By Lan Anh Tran 12/23/2024

The fund tracks the ICE AMT-Free US National Municipal Index, which captures tax-exempt, investment-grade municipal bonds. Eligible bonds must have at least USD 15 million in outstanding face value and come from an original offering of at least USD 100 million. The index excludes bonds from certain sectors such as health, housing, tobacco, as well as conduit bonds and bonds issued by US territories. It weights selected holdings by their market value, capping issuer weights to promote diversification. No issuer can account for more than 10% of the index, and the combined exposure to issuers accounting for more than 4.85% of the portfolio is limited to 25%.

The fund tends to invest around 30% of its asset in GO bonds, which are backed by the creditworthiness of the state, including its general tax revenue. That's a sizable overweighting compared with the average category peer, who prefers riskier sectors such as health or housing.

The resulting high-quality tilt helps shield this fund from the worst of credit shocks. AA rated bonds constitute most of the portfolio, accounting for 55%-60% of its assets, while AAA rated bonds claim around 20% of the portfolio. In contrast, active category peers often allocate a small stake into junk bonds carrying higher credit ratings to add incremental yields. These riskier bonds with higher coupon often have shorter duration, so the fund's duration is slightly longer than its category average. As of November 2024, i...

People

By Lan Anh Tran 12/23/2024

BlackRock's fixed-income portfolio managers receive an Above Average People Pillar rating, reflecting the size and experience of its management team and its robust support system. This well-structured team has portfolio managers that specialize in specific subasset classes, ensuring in-depth research and expertise in their respective sectors. A global team of traders executes all trades and complements managers' specialization. A separate index analytics team provides crucial support for navigating corporate actions and index changes.

The management process benefits significantly from automation and the use of BlackRock's Aladdin platform, which streamlines many operational tasks and helps prevent errors. The managers skillfully match a portfolio's key risks to those of its target index—a necessary action because most fixed-income indexes cannot be fully replicated. They also have the discretion to make strategic decisions within allowable tolerances when they identify opportunities to add value. Risk management is a top priority. An independent risk team provides rigorous oversight and sets tracking targets that it reviews regularly. This approach underscores the team's commitment to accurate index-tracking performance and proactive risk control.

Performance

By Lan Anh Tran 12/23/2024

The fund outperformed the category average by 37 basis points annualized from its 2007 inception through November 2024 with slightly higher volatility. The year 2024 eroded some of its edge. The fund's high-quality tilt and longer duration took a double hit as bond yields rose in the first half of 2024 and credit spreads remained compressed throughout. It lagged the category average by 68 basis points during the year-to-date period ended November 2024.

The fund's wide scope and low expense ratio were the main contributors to its since-inception outperformance, though its muted credit-risk profile also provided some relief from credit shocks. The fund avoided the worst of the covid-19 drawdown, for instance. It outpaced the category average by 1.15 percentage points between Feb. 20 and March 23, 2020. The same quality tilt dragged on its returns when credit spreads tightened, however. The fund lost most of its prior excess return in the recovery period between April and December 2020, trailing the category average by 1 percentage point.

The strategy's longer duration can make it slightly more sensitive to interest-rate movements. It lost 7.5 percentage points during the market meltdown over rate volatility in 2022. Nonetheless, it still outperformed the category average by 78 basis points over the year thanks to widening credit spreads and its broad, high-quality portfolio.

Parent Company

By Jason Kephart 1/10/2025

BlackRock has raised the bar for what it means to be a truly diversified asset manager. After going on a private-asset shopping spree in 2024 to acquire infrastructure, credit, and alternative fund data capabilities, few other firms can match its breadth of offerings. It remains to be seen if these acquisitions will be as transformative and beneficial for investors as its 2009 purchase of Barclays Global Investors, which included its now iconic iShares brand of exchange-traded funds. BlackRock continues to earn an Above Average rating for Parent.

There are reasons for optimism. CEO Larry Fink’s track record of acquisitions stands out for its focus on expanding what BlackRock can offer, rather than looking to build scale. The firm has been able to deliver packaged versions of its products, like direct indexing, through its popular model portfolios for financial advisors at low costs that have made significant improvements to investor outcomes.

For hands-off investors, BlackRock’s multi-asset options like its target-date strategies and once flagship global allocation strategy are among their respective Morningstar Categories’ best options. ...

Manager Information and Ownership Levels

Manager Biography

James J. Mauro since 7/1/2011

St. Michael's College, B.S., Business Administration
Boston University, M.S., Business Administration

Head of San Francisco Fixed Income Core PM at BlackRock, Inc. since 2020; Managing Director of BlackRock, Inc. since 2015; Director of BlackRock, Inc. from 2010 to 2014; Vice President of State Street Global Advisors from 2001 to 2010.

James Mauro has been employed by BlackRock Fund Advisors and BlackRock Institutional Tru...

Manager Biography

Jonathan Graves since 8/1/2025

Jonathan Graves, CFA, Managing Director, is Head of Credit within BlackRock’s Index Fixed Income (“IFI”) Portfolio Management team in the Americas. Mr. Graves’ team is responsible for managing US based iShares and indexed corporate credit portfolios. Previously, Mr. Graves was a senior portfolio manager in the US Fixed Income Group responsible for implementing credit trading across investment grade, high yield and credit long/short strategies. Prior to joining Barclay’s Global Investors (“BGI”...

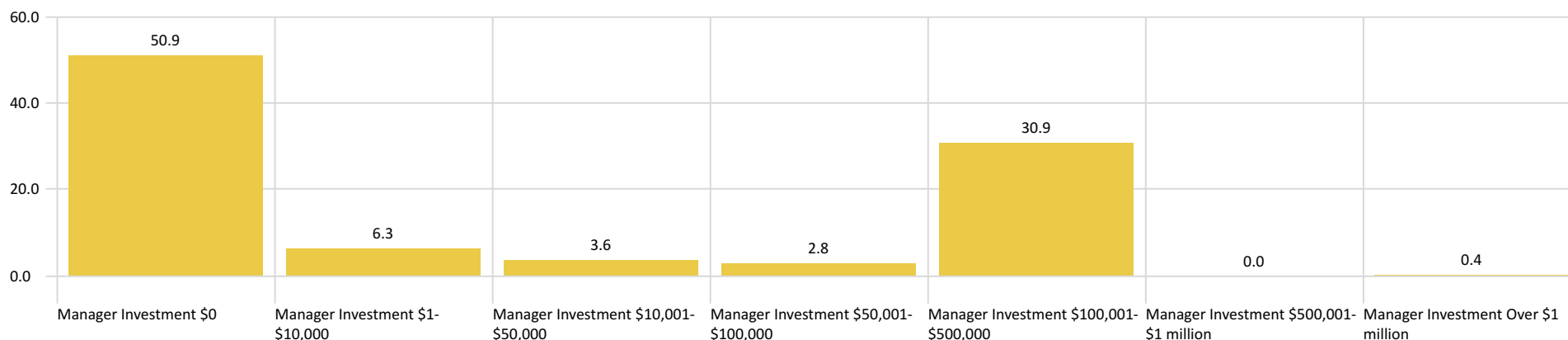
Manager Biography

Marcus Tom since 8/1/2025

Marcus Tom, Director, is head of BlackRock’s IFI Portfolio Management team in Atlanta. Mr. Tom’s service with the firm dates back to 2000, including his years with BGI. At BGI, he was an institutional index portfolio manager/trader. Currently, he leads the Securitized, US Rates, and Optimized Outcome Solutions teams across IFI’s suite of portfolios. His sector specialties include Agency MBS, US Treasuries, TIPS, Agencies, and Listed and OTC Derivatives. Mr. Tom earned a BA degree in Managerial Economics from t...

Manager Biography

Manager Ownership Level

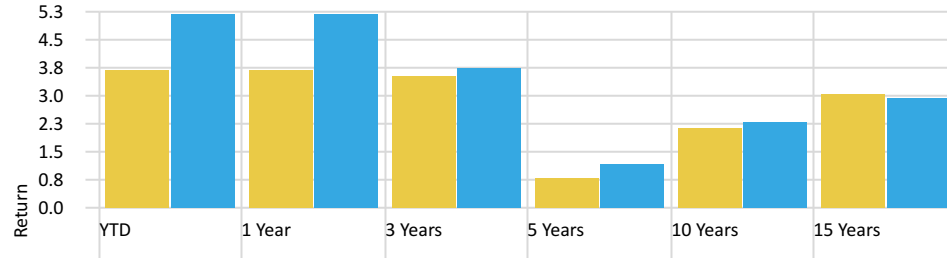


iShares National Muni Bond ETF

Ticker	MUB	Prospectus Net Expense Ratio	0.05	Morningstar Category	US Fund Muni National Interm
Manager Name	Multiple	Turnover Ratio %	17.00	Fund Size	42,048,786,850.00
Inception Date	9/7/2007	Potential Capital Gains Exposure	-1.88	Alpha (3 Year)	-0.01
Manager Tenure (Longest)	14.50	# of Holdings	6,080	Beta (3 Year)	1.15

Trailing Returns

As of Date: 12/31/2025



Legend: iShares National Muni Bond ETF (Yellow), Bloomberg Municipal 1-15 Yr TR USD (Blue)

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
iShares National Muni Bond ETF	3.69	3.69	3.54	0.78	2.13	3.18
Bloomberg Municipal 1-15 Yr TR USD	5.18	5.18	3.75	1.16	2.27	3.28

Excess Return vs. Benchmark

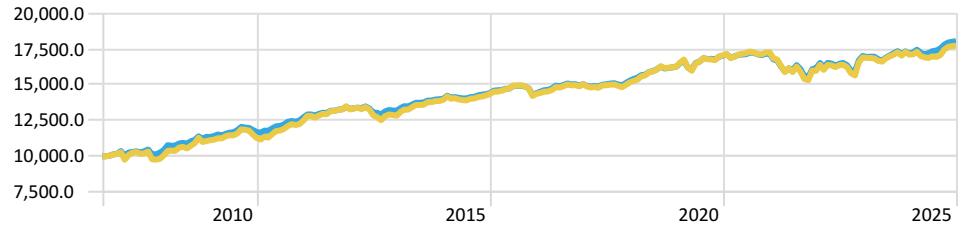
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-1.49	-1.49	-0.22	-0.39	-0.14	-0.10

Investment Strategy

The investment seeks to track the investment results of the ICE AMT-FreeUS National Municipal Index. The underlying index includes municipal bonds, the interest of which is exempt from Federal income taxes and not subject to alternative minimum tax. The fund will invest at least 80% of its assets in the component securities of the underlying index and it will invest at least 90% of its assets in fixed income securities of the types included in the underlying index that BFA believes will help the fund track the underlying index.

Investment Growth

Time Period: Since Common Inception (9/8/2007) to 12/31/2025



Legend: iShares National Muni Bond ETF (Yellow), Bloomberg Municipal 1-15 Yr TR USD (Blue)

Calendar Year Returns

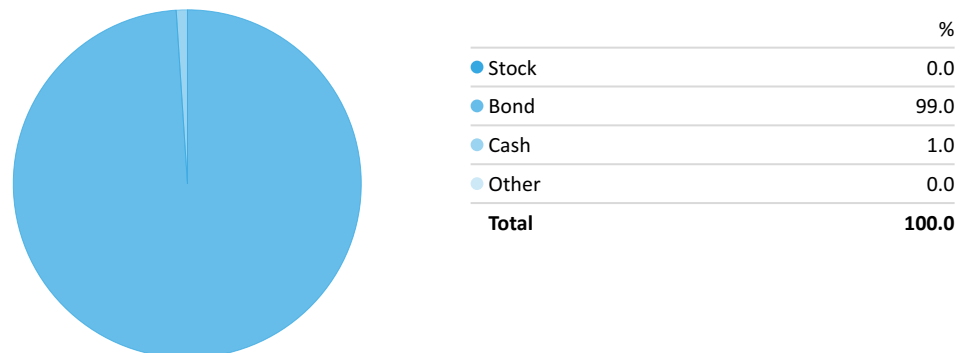
	2021	2022	2023	2024	2025
iShares National Muni Bond ETF	1.25	-7.50	5.86	1.11	3.69
Bloomberg Municipal 1-15 Yr TR USD	0.86	-5.95	5.26	0.88	5.18

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	0.38	-1.56	0.61	0.23	-1.49

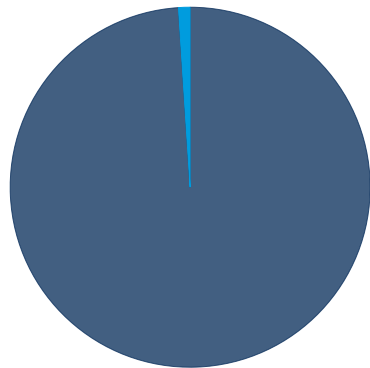
Asset Allocation

Portfolio Date: 12/31/2025



Fixed-Income Super Sectors

Portfolio Date: 12/31/2025

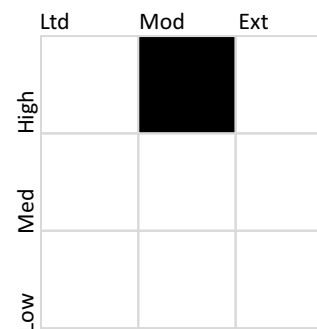


Sector	%
Government	0.0
Municipal	99.0
Corporate	0.0
Securitized	0.0
Cash & Equivalents	1.0
Derivative	0.0
Total	100.0

Morningstar Style Box

Portfolio Date: 12/31/2025

Morningstar Fixed Income Style Box™



Fixed-Income Stats

Average Eff Duration Survey	6.4
Average Eff Maturity Survey	12.8
Average Coupon	4.7
Average Price	104.6

Top Holdings

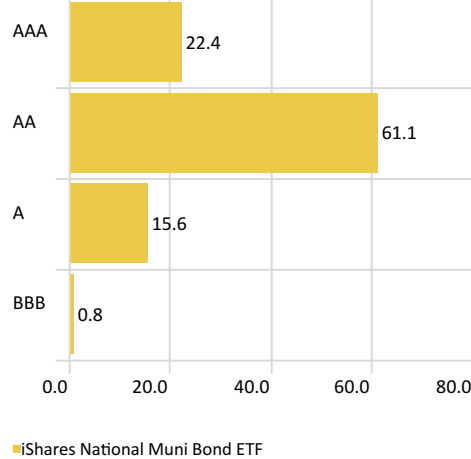
Portfolio Date: 12/31/2025

UNIVERSITY TEX UNIV REVS 5%	0.22
ATLANTA GA WTR & WASTEWTR REV 5%	0.20
NORTHWEST TEX INDPT SCH DIST 5.25%	0.17
NEW YORK ST TWY AUTH ST PERS INCOME TAX REV 5%	0.17
HOUSTON TEX HIGHER ED FIN CORP HIGHER ED REV 5%	0.15
NEW YORK ST DORM AUTH ST PERS INCOME TAX REV 4%	0.14
CALIFORNIA ST 5%	0.14
NEW JERSEY ST 5%	0.14
WASHINGTON ST 4%	0.14
CHICAGO ILL TRAN AUTH SALES TAX RCPTS REV 5%	0.13

Portfolio Weighting %

UNIVERSITY TEX UNIV REVS 5%	0.22
ATLANTA GA WTR & WASTEWTR REV 5%	0.20
NORTHWEST TEX INDPT SCH DIST 5.25%	0.17
NEW YORK ST TWY AUTH ST PERS INCOME TAX REV 5%	0.17
HOUSTON TEX HIGHER ED FIN CORP HIGHER ED REV 5%	0.15
NEW YORK ST DORM AUTH ST PERS INCOME TAX REV 4%	0.14
CALIFORNIA ST 5%	0.14
NEW JERSEY ST 5%	0.14
WASHINGTON ST 4%	0.14
CHICAGO ILL TRAN AUTH SALES TAX RCPTS REV 5%	0.13

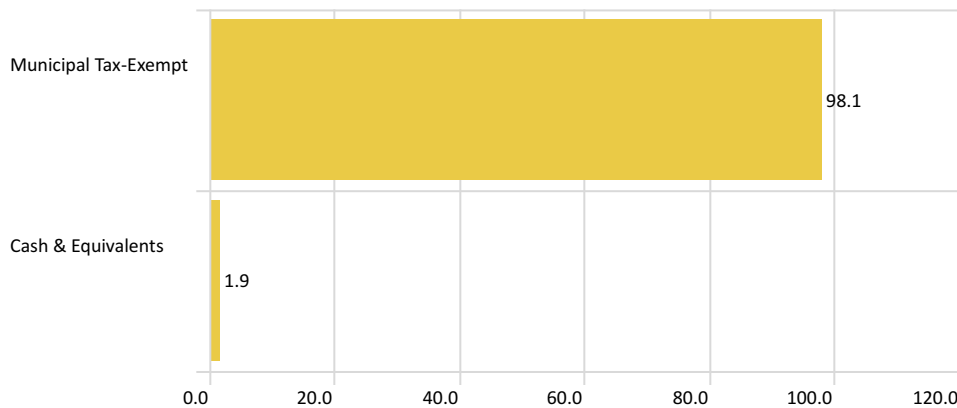
Credit Quality



Maturity

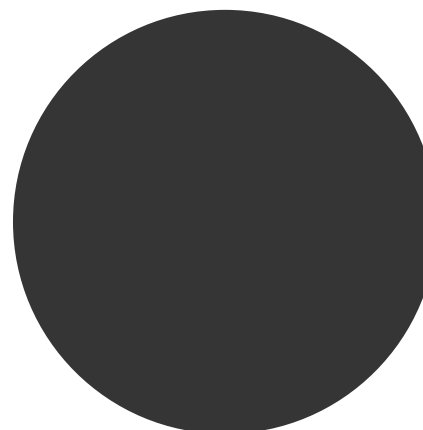
1-7 Day	0.00
8-30 Day	0.00
31-90 Day	0.00
91-182 Day	0.98
183-364 Day	1.82
1-3 Year	7.20
3-5 Year	7.89
5-7 Year	8.94
7-10 Year	12.89
10-15 Year	17.77
15-20 Year	15.14
20-30 Year	26.09
30+ Year	1.28

Fixed-Income Sectors



Fixed-Income Regional Exposure

Portfolio Date: 12/31/2025



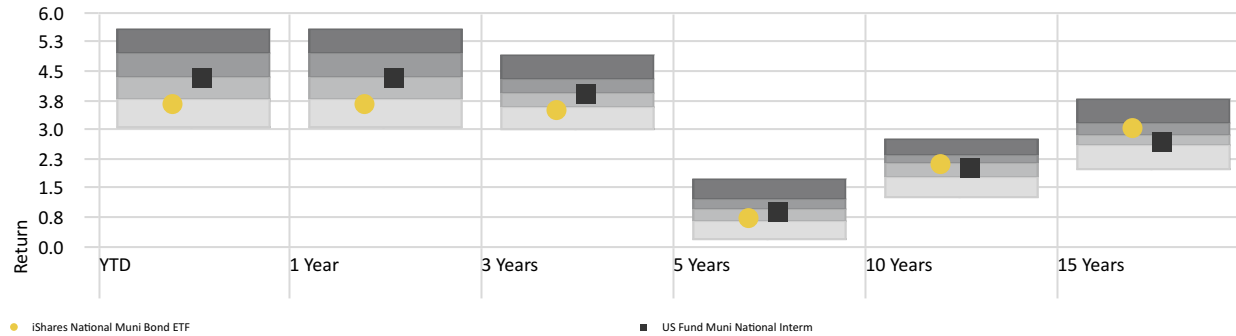
Region	%
North America	100.0
Total	100.0

Legend: ■ iShares National Muni Bond ETF

Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Muni National Interm Calculation Benchmark: Bloomberg Municipal 1-15 Yr TR USD

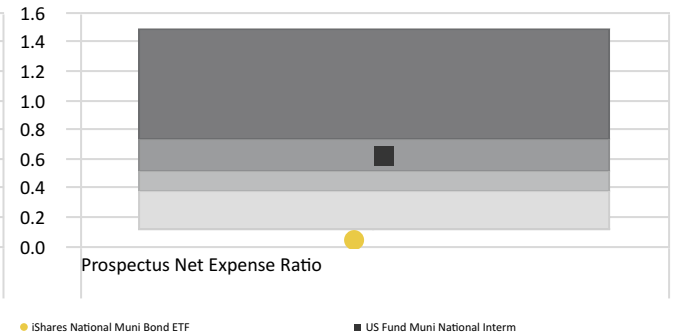
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Muni National Interm

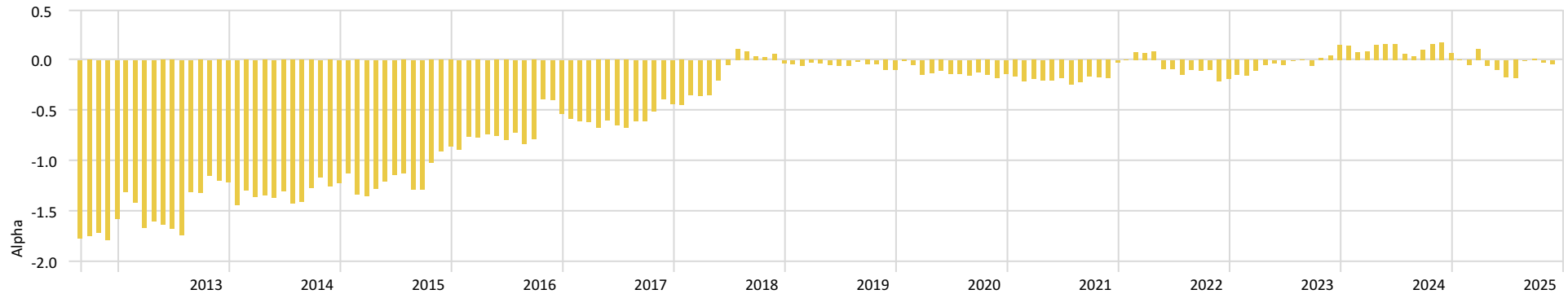
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

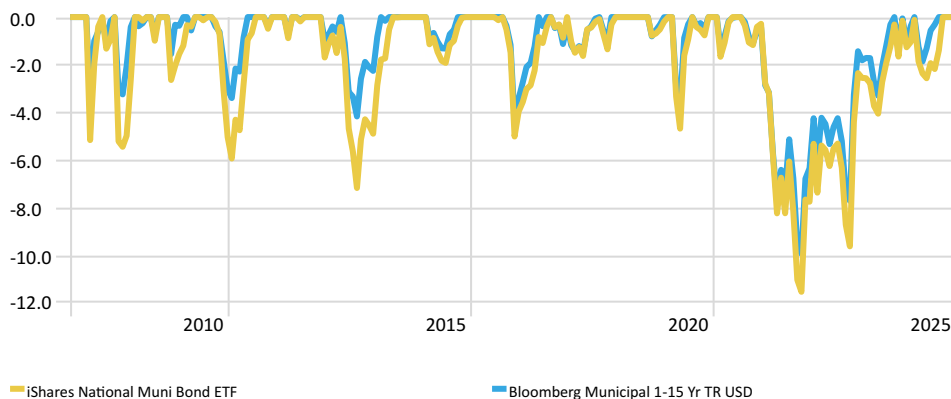
Time Period: Since Common Inception (10/1/2007) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



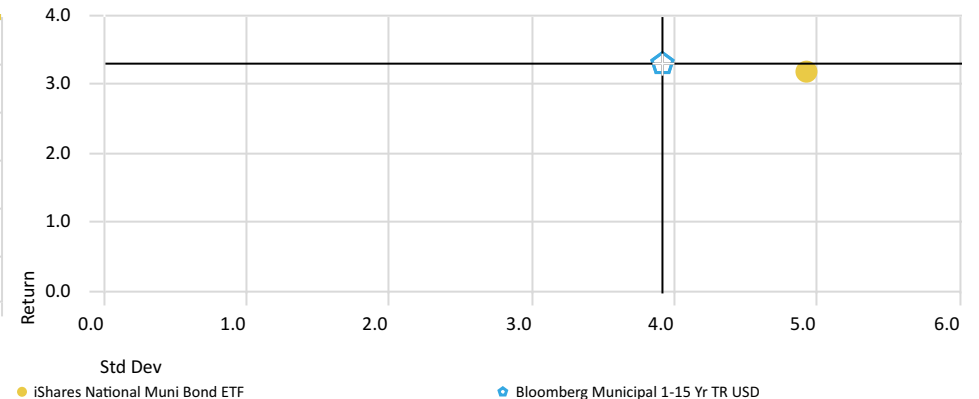
Drawdown

Time Period: Since Common Inception (10/1/2007) to 12/31/2025



Risk-Reward

Time Period: Since Common Inception (10/1/2007) to 12/31/2025



Investment Strategy

The investment seeks to track the Standard & Poor's National AMT-Free Municipal Bond Index, which measures the performance of the investment-grade segment of the U.S. municipal bond market. This index includes municipal bonds from issuers that are primarily state or local governments or agencies whose interest is exempt from U.S. federal income taxes and the federal alternative minimum tax (AMT). All of the fund's investments will be selected through the sampling process, and at least 80% of the fund's assets will be invested in securities held in the index.

Process Approach

By Lan Anh Tran 12/23/2024

This fund provides straightforward, broad exposure to investment-grade, tax-exempt municipal bonds. Tilting toward the most liquid and high-quality bonds in this thinly traded market helps limit the fund's transaction cost and credit risk. It earns an Above Average Process rating.

Process Portfolio

By Lan Anh Tran 12/23/2024

The fund tracks the S&P National AMT-Free Municipal Bond Index, which captures investment-grade municipal bonds exempted from federal income tax and the Alternative Minimum Tax. Eligible issues must have at least USD 25 million outstanding in face value and come from an original offering of at least USD 100 million. The index excludes certain sectors such as housing and tobacco, as well as conduit bonds and bonds issued by US territories. It weights selected bonds by market value, capping issuer weights to promote diversification. No issuer can account for more than 25% of the index, and the combined exposure to issuers accounting for more than 5% of assets is limited to 50%.

The fund has historically invested nearly one third of its assets in general-obligation bonds, around 10 percentage points higher than what an average peer often allocates here. This is generally the safest sector as these bonds are backed by the general creditworthiness and taxing power of the state. In comparison, its actively managed category peers often reach for revenue bonds such as health or housing.

These sector tilts result in a muted credit risk profile. The fund overweights the highest rungs of the investment-grade rating ladder. AA rated bonds account for 55%-60% of its assets, while AAA rated bonds claim around 20%. The fund's conservative portfolio should provide better protection during credit shocks, but it can miss out when credit spreads tighten. In contrast, active...

People

By Lan Anh Tran 12/23/2024

Vanguard's experienced municipal-bond team oversees the fund, providing the necessary market knowledge for this asset class. The fund earns an Above Average People Pillar rating.

Portfolio management at Vanguard is a team effort, so key-person risk is not a concern. Managers are supported by traders who focus on execution and credit analysts who handle due diligence. These teams are in constant communication to ensure timely feedback on valuations and market conditions. This helps the managers balance tracking error and transaction costs, important considerations in the fragmented municipal-bond market. An independent risk team provides oversight and support for tracking performance, particularly around index rebalancing and corporate actions. A portion of the managers' compensation and performance evaluation is tied to the portfolio's tracking performance, aligning their incentives with investors'.

Justin Schwartz took over from Stephen McFee as the named manager on this portfolio in October 2023. A municipal veteran, Schwartz joined Vanguard in 2005 as a municipal-bond trader and has worked as a portfolio manager at the firm since. The change was part of a broader restructuring of Vanguard's municipal team to expand the firm's municipal-bond ETF capacity. Despite the manager change, the supporting cast for this strategy remains constant and continues to deliver high-fidelity tracking performance.

Performance

By Lan Anh Tran 12/23/2024

The exchange-traded fund share class outperformed the category average by 31 basis points annualized from its 2015 inception through November 2024, with slightly higher volatility. Over the same period, its risk-adjusted return (as measured by its Sharpe ratio) was comparable to the category average. Much of this outperformance can be traced to its razor-thin expense ratio and broad scope.

The fund's quality tilt also contributed to return and helped the fund better cushion credit shocks than the average category peer. It outpaced the category average by 61 basis points during the covid-19 drawdown from Feb. 20 through March 23, 2020. On the other hand, the fund will miss out when credit spreads tighten. It lagged the category average by 31 basis points during the recovery period from late March through December 2020.

The fund's slightly longer duration can cause modest deviations from the category norm when interest rates move. It lagged the category average by 66 basis points in the first four months of 2024 as sticky inflation pushed back rate-cut expectations and sent bond yields higher. Nonetheless, credit risk will still be the main driver for the fund's category-relative performance, since its duration difference is small. The fund held up better than the category average in the rising-rate meltdown in 2022, for instance, as recessionary fears caused credit spreads to widen.

Parent Company

By Daniel Sotiroff 7/28/2025

Vanguard maintains its High Parent Pillar rating as it continues to grow under new leadership.

CEO Salim Ramji has had a busy first year captaining Vanguard’s crew, and the ship remains pointed in the right direction. The firm made its largest round of fee cuts in early 2025, which came at an estimated cost of USD 350 million. It established a separate division dedicated to its advice and wealth management efforts, a sign that it wants to seriously compete within those lines of business. Asset growth has continued to be a huge success. Only BlackRock’s inflows rival the money Vanguard is taking in. Likewise, the number of clients it serves has more than doubled since 2015.

Despite that success, an ever-growing number of clients has presented a challenge: Vanguard can’t grow its services fast enough to keep up with demand. In some instances, it has had to curb certain services and capabilities or raise fees on others to cope, causing some loyal clients to criticize what they perceive as deteriorating services.

Vanguard has ambitions to bring its disruptive legacy to the bond market. It created roughly a dozen low-cost bond exchange-traded funds for US investors and sever...

Manager Information and Ownership Levels

Manager Biography

Justin A. Schwartz since 10/3/2023

University of Richmond, B.S.

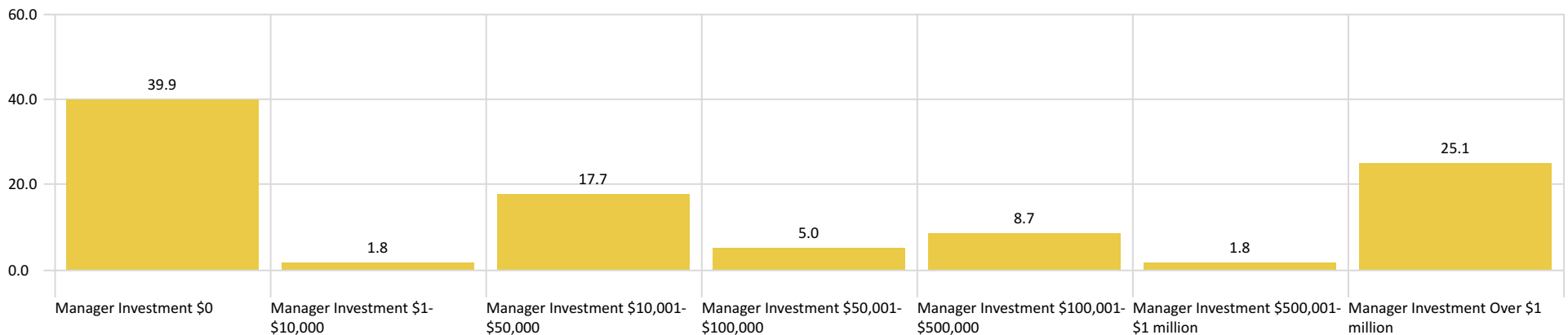
Justin A. Schwartz, CFA, Portfolio Manager at Vanguard. He has been with Vanguard since 2004, has worked in investment management since 2005, has managed investment portfolios since 2010. Education: B.S., University of Richmond.

Manager Biography

Manager Biography

Manager Biography

Manager Ownership Level

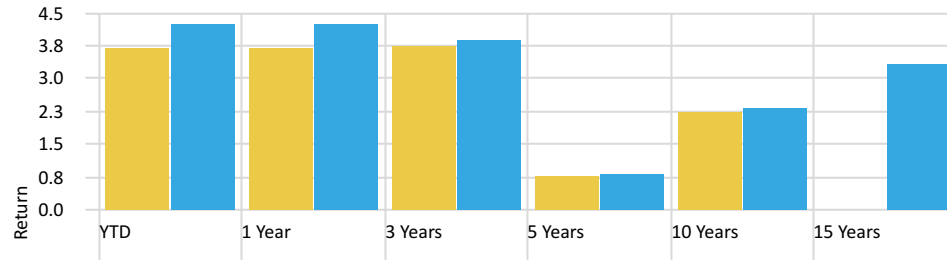


Vanguard Tax-Exempt Bond ETF

Ticker	VTEB	Prospectus Net Expense Ratio	0.03	Morningstar Category	US Fund Muni National Interm
Manager Name	Justin A. Schwartz	Turnover Ratio %	19.00	Fund Size	45,148,391,141.00
Inception Date	8/21/2015	Potential Capital Gains Exposure	-1.39	Alpha (3 Year)	-0.18
Manager Tenure (Longest)	2.25	# of Holdings	9,915	Beta (3 Year)	0.96

Trailing Returns

As of Date: 12/31/2025



■ Vanguard Tax-Exempt Bond ETF ■ Bloomberg Municipal TR USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Vanguard Tax-Exempt Bond ETF	3.72	3.72	3.74	0.79	2.24	2.38
Bloomberg Municipal TR USD	4.25	4.25	3.88	0.80	2.34	2.46

Excess Return vs. Benchmark

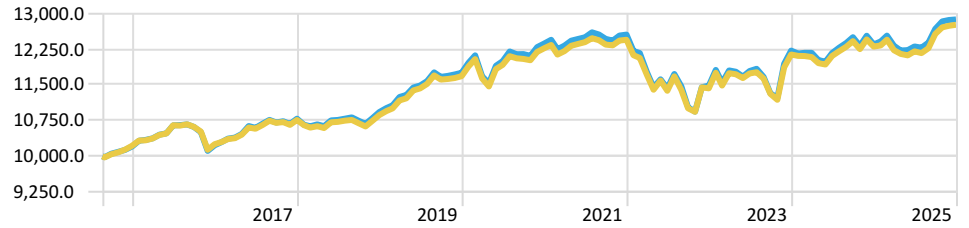
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-0.52	-0.52	-0.13	-0.01	-0.10	-0.09

Investment Strategy

The investment seeks to track the Standard & Poor's National AMT-Free Municipal Bond Index, which measures the performance of the investment-grade segment of the U.S. municipal bond market. This index includes municipal bonds from issuers that are primarily state or local governments or agencies whose interest is exempt from U.S. federal income taxes and the federal alternative minimum tax (AMT). All of the fund's investments will be selected through the sampling process, and at least 80% of the fund's assets will be invested in securities held in the index.

Investment Growth

Time Period: Since Common Inception (8/22/2015) to 12/31/2025



■ Vanguard Tax-Exempt Bond ETF ■ Bloomberg Municipal TR USD

Calendar Year Returns

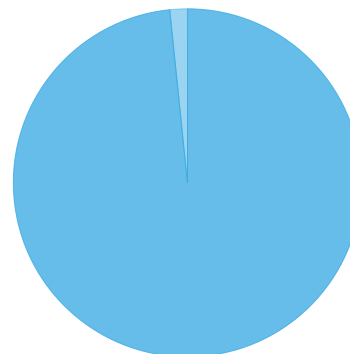
	2021	2022	2023	2024	2025
Vanguard Tax-Exempt Bond ETF	1.45	-8.18	6.20	1.37	3.72
Bloomberg Municipal TR USD	1.52	-8.53	6.40	1.05	4.25

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	-0.06	0.35	-0.20	0.31	-0.52

Asset Allocation

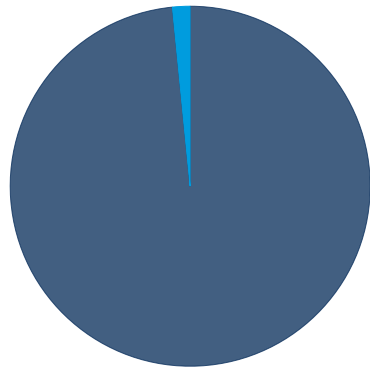
Portfolio Date: 11/30/2025



	%
Stock	0.0
Bond	98.4
Cash	1.6
Other	0.0
Total	100.0

Fixed-Income Super Sectors

Portfolio Date: 11/30/2025

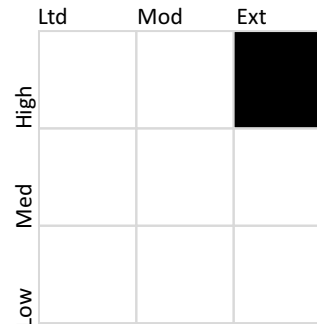


	%
Government	0.0
Municipal	98.4
Corporate	0.0
Securitized	0.0
Cash & Equivalents	1.6
Derivative	0.0
Total	100.0

Morningstar Style Box

Portfolio Date: 11/30/2025

Morningstar Fixed Income Style Box™



Fixed-Income Stats

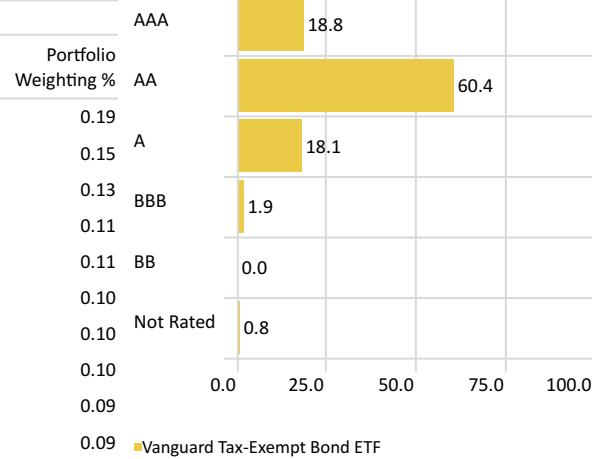
Average Eff Duration Survey	7.1
Average Eff Maturity Survey	14.0
Average Coupon	-
Average Price	103.6

Top Holdings

Portfolio Date: 11/30/2025

Top Holdings	Portfolio Weighting %
RIB FLOATER TR VARIOUS STS	0.19
TARRANT CNTY TEX CULTURAL ED FACS FIN CORP HOSP REV	0.15
MARYLAND ST	0.13
CALIFORNIA ST	0.11
SOUTH CAROLINA ASSN GOVERNMENTAL ORGANIZAITIONS CTFS PARTN	0.11
NEW YORK N Y CITY TRANSITIONAL FIN AUTH REV	0.10
UNIVERSITY CALIF REVS	0.10
BAY AREA TOLL AUTH CALIF TOLL BRDG REV	0.10
TEXAS ST	0.09
NEW YORK ST DORM AUTH REVS NON ST SUPPORTED DEBT	0.09

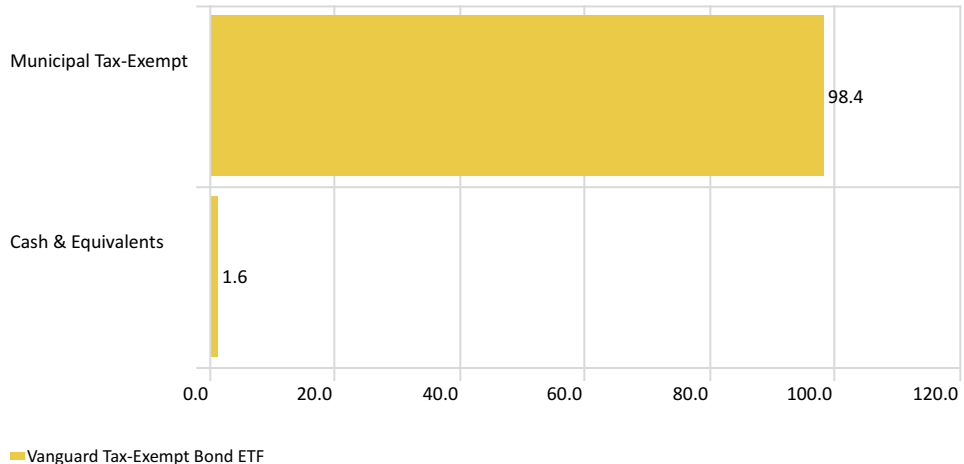
Credit Quality



Maturity

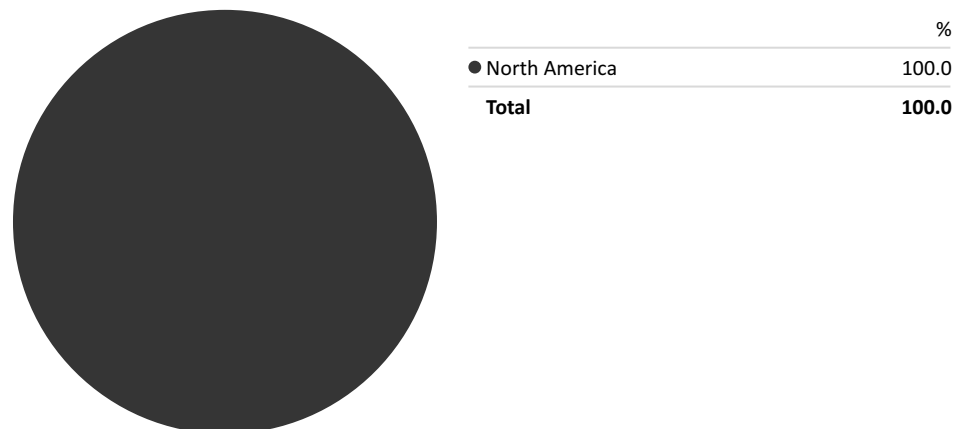
1-7 Day	0.00
8-30 Day	0.00
31-90 Day	0.00
91-182 Day	0.43
183-364 Day	2.06
1-3 Year	7.55
3-5 Year	7.61
5-7 Year	7.53
7-10 Year	11.43
10-15 Year	15.64
15-20 Year	15.38
20-30 Year	29.30
30+ Year	3.07

Fixed-Income Sectors



Fixed-Income Regional Exposure

Portfolio Date: 11/30/2025

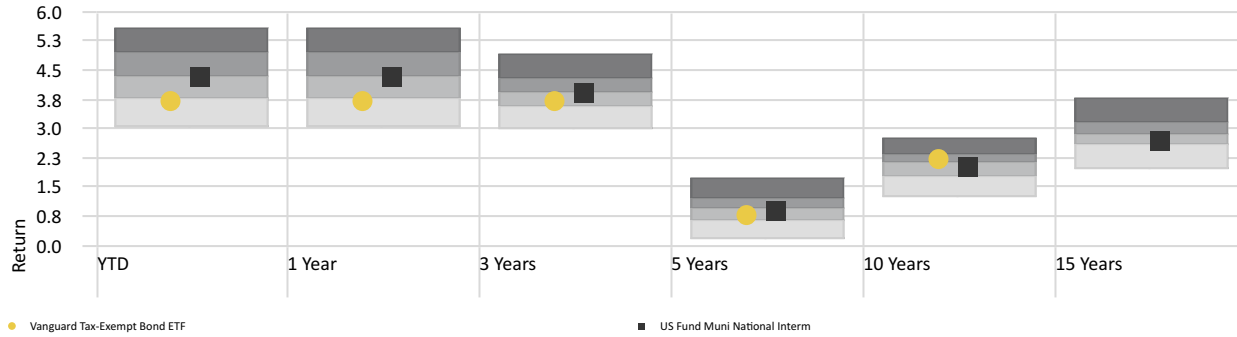


█ Vanguard Tax-Exempt Bond ETF

Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Muni National Interm Calculation Benchmark: Bloomberg Municipal TR USD

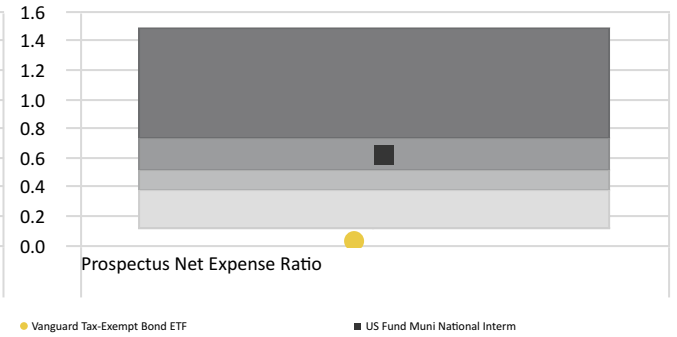
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Muni National Interm

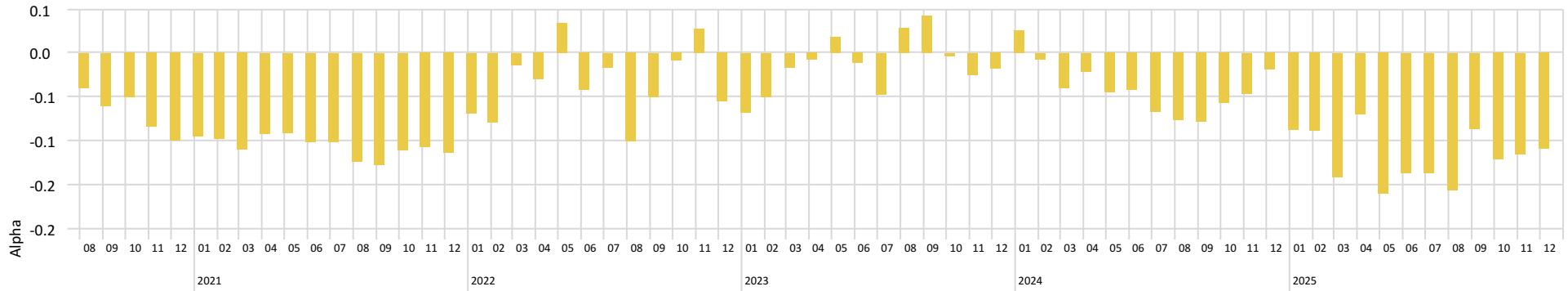
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

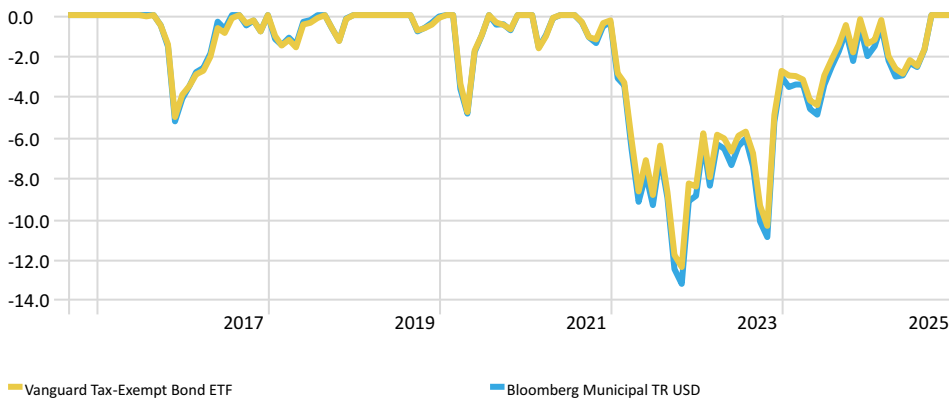
Time Period: Since Common Inception (9/1/2015) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



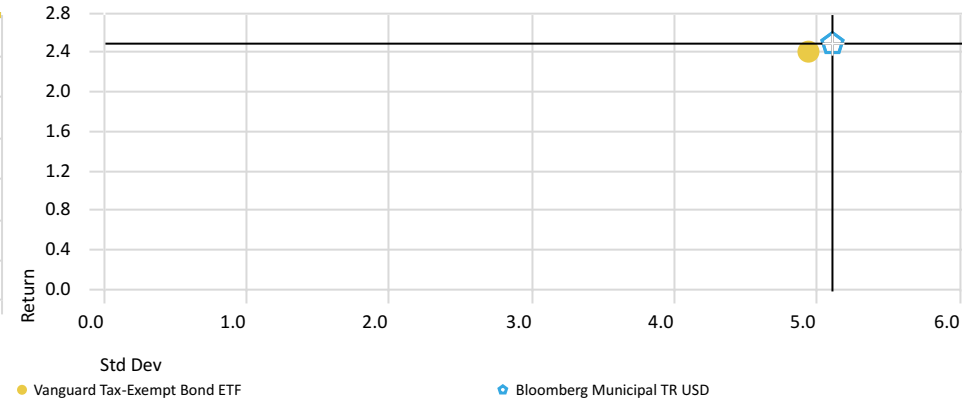
Drawdown

Time Period: Since Common Inception (9/1/2015) to 12/31/2025



Risk-Reward

Time Period: Since Common Inception (9/1/2015) to 12/31/2025



Investment Strategy

The investment seeks to provide investment results that correspond generally to the price and yield performance of the ICE U.S. Select High Yield Crossover Municipal Index. The fund invests substantially all, but at least 80%, of its total assets in the securities comprising the index and in securities that the Sub-Adviser determines have economic characteristics that are substantially identical to the economic characteristics of the securities that comprise the index. The index is market capitalization-weighted and designed to measure the performance of lower-rated (A3/A+ or lower) and unrated U.S. dollar-denominated tax-exempt debt.

Process Approach

By Morningstar Manager Research 12/29/2025

Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF earns an Above Average Process Pillar rating. Morningstar's evaluation of this security's process aims to determine the likelihood that it will outperform its Morningstar Category index on a risk-adjusted basis over the long term.

The main contributor to the rating is its parent firm's superior long-term risk-adjusted performance, as shown by the firm's average 10-year Morningstar Rating of 3.3 stars. The parent firm's five-year risk-adjusted success ratio of 60% also strengthens the process. The measure indicates the percentage of a firm's funds that have outperformed their respective category's median return for the period. Their impressive success ratio suggests that the firm does well for investors and that this fund may benefit from that. However, the process is limited by the parent firm's five-year retention rate of 76%, which raises concerns about long-term strategic consistency.

The investment strategy as stated in the fund's prospectus is:

The investment seeks to provide investment results that correspond generally to the price and yield performance of the ICE U.S. Select High Yield Crossover Municipal Index. The fund invests substantially all, but at least 80%, of its total assets in the securities comprising the index and in securities that the Sub-Adviser determines have economic characteristics that are substantial...

Process Portfolio

By Morningstar Manager Research 12/29/2025

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People

By Morningstar Manager Research 12/29/2025

State Street's fixed income team is strong compared with others in the industry, resulting in an Above Average People Pillar rating. There are two managers listed on the fund: Joel Levy, Timothy Ryan. The team is well equipped, with an average of 17 years of portfolio management experience. Together, they manage a total of six strategies, with a Silver asset-weighted average Morningstar Medalist Rating, demonstrating their potential to deliver positive alpha relative to the category median in aggregate.

Note: This People Pillar rating is indirectly assigned by an analyst. Morningstar analysts evaluate the People Pillar for passive products at the brand level and may also differentiate by asset class. There is at least one other passive strategy at the firm that is covered by a Morningstar analyst, so the People Pillar rating of the fund is inherited from the rating that the Morningstar analyst assigned to investment vehicles under the same brand name.

Performance

By Morningstar Manager Research 12/29/2025

This share class' long-term performance is mixed depending on the yardstick used. It has provided similar returns compared with peers, but poor returns compared with the category benchmark. Over the trailing eight-year period, this share class outperformed the category's average return by an annualized 21 basis points. But when expanded to a 10-year period, it performed similarly to the average's 2.7%. Despite the mixed performance compared to peers, it trailed the category benchmark, Bloomberg Barclays 65% High Grade / 35% High Yield Bond Index, by an annualized 42 basis points over the same 10-year period.

When adjusting for risk, the fund is not favorable. The share class failed to beat the index with a lower Sharpe ratio, a measure of risk-adjusted returns, over the trailing 10-year period. But notably, these subpar risk-adjusted results have not come with more volatility than the benchmark, as measured by standard deviation. However, the share class proved itself effective by generating positive alpha, over the same 10-year period, against the category group index: a benchmark that encapsulates the performance of the broader asset class.

Parent Company

By Brendan McCann 7/16/2025

State Street Investment Management is stepping into unproven territory with recent launches, but most of its low-cost offerings remain competitive, supporting an Above Average Parent Pillar rating.

In June 2025, State Street rebranded State Street Global Advisors to State Street Investment Management, complete with a new logo. The update maintains consistency with other State Street product lines and provides greater clarity to investors. According to State Street, the rebrand does not change the firm’s investment philosophy, product strategy, or leadership.

Since taking over as the CEO in 2022, Yie-Hsin Hung has pushed the firm to move more quickly in product development. Hung hired Anna Paglia as the chief business officer in 2024 and Mark Alberici as the firm’s first head of product innovation in 2025. In late 2024 and early 2025, State Street launched unique and thematic exchange-traded funds through partnerships with firms like Apollo and Galaxy Asset Management. State Street’s private credit ETF is its first to include private assets in the ETF structure, and it remains to be seen how it will navigate liquidity constraints. The ETFs launched with Galaxy focus on the blockchain and digital assets....

Manager Information and Ownership Levels

Manager Biography

Timothy T. Ryan since 4/13/2011

University of Wisconsin, B.S.
Northwestern University, M.M., Management

Timothy T. Ryan, CFA, is a Managing Director and Portfolio Manager at Nuveen Asset Management. Mr. Ryan joined an affiliate of Nuveen Asset Management in 2010. Prior to joining Nuveen Asset Management, Mr. Ryan was a principal of SSGA FM and a Vice President of SSGA and responsible for managing the series of the Trust that invest primarily in municip...

Manager Biography

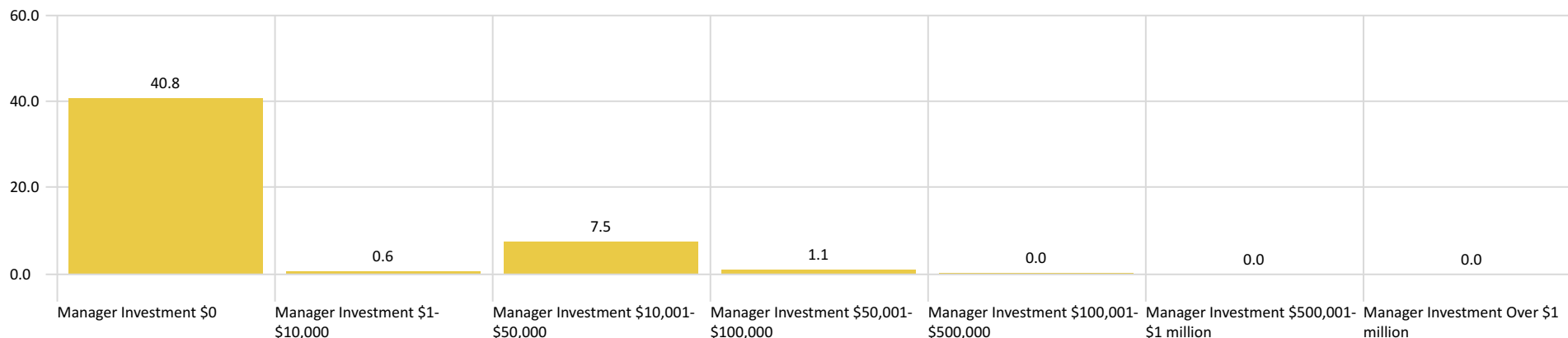
Joel Levy since 10/31/2021

Teachers Advisors, Inc., TCIM and other advisory affiliates of TIAA—2011 to Present (municipal bond research), Bank of America—2010 to 2011 (credit research)

Manager Biography

Manager Biography

Manager Ownership Level

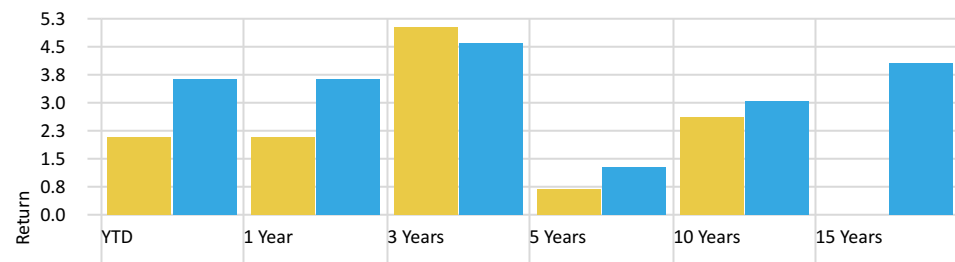


Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF

Ticker	HYMB	Prospectus Net Expense Ratio	0.35	Morningstar Category	US Fund High Yield Muni
Manager Name	Multiple	Turnover Ratio %	10.00	Fund Size	2,915,042,740.00
Inception Date	4/13/2011	Potential Capital Gains Exposure	-2.76	Alpha (3 Year)	0.43
Manager Tenure (Longest)	14.75	# of Holdings	1,831	Beta (3 Year)	1.08

Trailing Returns

As of Date: 12/31/2025



■ Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF ■ Bloomberg 65% High Grade/35% HY TR USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF	2.09	2.09	4.99	0.67	2.61	4.32
Bloomberg 65% High Grade/35% HY TR USD	3.62	3.62	4.61	1.29	3.06	4.08

Excess Return vs. Benchmark

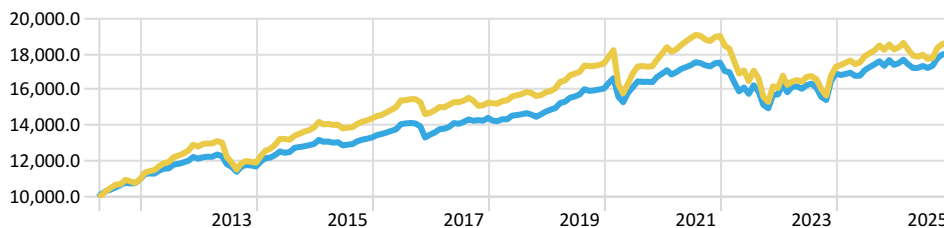
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-1.53	-1.53	0.39	-0.62	-0.45	0.24

Investment Strategy

The investment seeks to provide investment results that correspond generally to the price and yield performance of the ICE U.S. Select High Yield Crossover Municipal Index. The fund invests substantially all, but at least 80%, of its total assets in the securities comprising the index and in securities that the Sub-Adviser determines have economic characteristics that are substantially identical to the economic characteristics of the securities that comprise the index. The index is market capitalization-weighted and designed to measure the performance of lower-rated (A3/A+ or lower) and unrated U.S. dollar-denominated tax-exempt debt.

Investment Growth

Time Period: Since Common Inception (4/14/2011) to 12/31/2025



■ Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF ■ Bloomberg 65% High Grade/35% HY TR USD

Calendar Year Returns

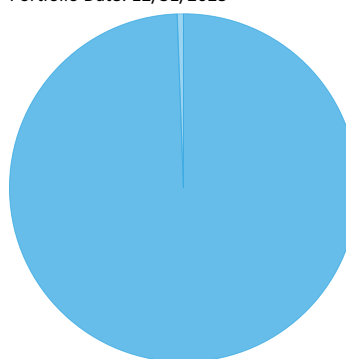
	2021	2022	2023	2024	2025
Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF	5.45	-15.28	7.37	5.58	2.09
Bloomberg 65% High Grade/35% HY TR USD	3.67	-10.14	7.39	2.87	3.62

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	1.78	-5.14	-0.02	2.71	-1.53

Asset Allocation

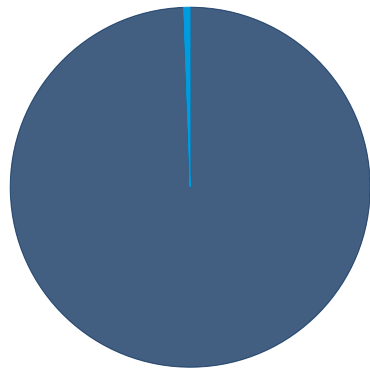
Portfolio Date: 12/31/2025



	%
Stock	0.0
Bond	99.4
Cash	0.6
Other	0.0
Total	100.0

Fixed-Income Super Sectors

Portfolio Date: 12/31/2025

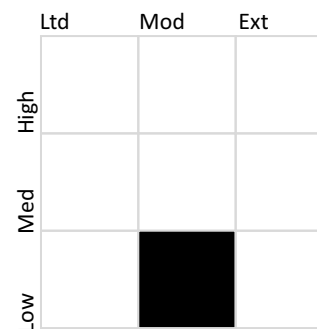


	%
● Government	0.0
● Municipal	99.4
● Corporate	0.0
● Securitized	0.0
● Cash & Equivalents	0.6
● Derivative	0.0
Total	100.0

Morningstar Style Box

Portfolio Date: 1/31/2022

Morningstar Fixed Income Style Box™



Fixed-Income Stats

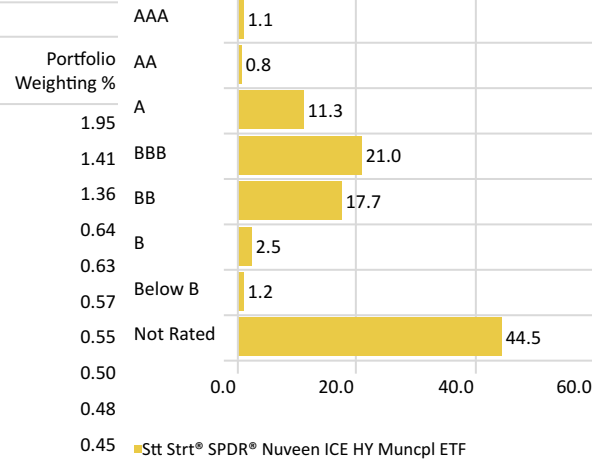
Average Eff Duration Survey	6.8
Average Eff Maturity Survey	15.4
Average Coupon	4.7
Average Price	106.7

Top Holdings

Portfolio Date: 12/31/2025

	Portfolio Weighting %
PUERTO RICO SALES TAX FING CORP SALES TAX REV 5%	1.95
PUERTO RICO SALES TAX FING CORP SALES TAX REV 4.784%	1.41
BUCKEYE OHIO TOB SETTLEMENT FING AUTH 5%	1.36
PUERTO RICO COMWLTH 4%	0.64
PUERTO RICO SALES TAX FING CORP SALES TAX REV 4.75%	0.63
MATCHING FD SPL PURP SECURITIZATION CORP VIRGIN IS 5%	0.57
PUERTO RICO COMWLTH 4%	0.55
NEW YORK LIBERTY DEV CORP LIBERTY REV 5%	0.50
MAIN STR NAT GAS INC GA GAS SUPPLY REV 4%	0.48
METROPOLITAN PIER & EXPOSITION AUTH ILL REV 4%	0.45

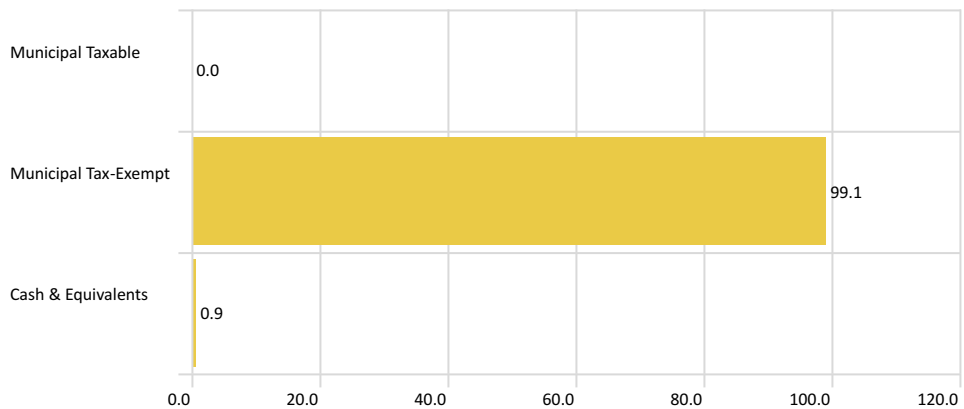
Credit Quality



Maturity

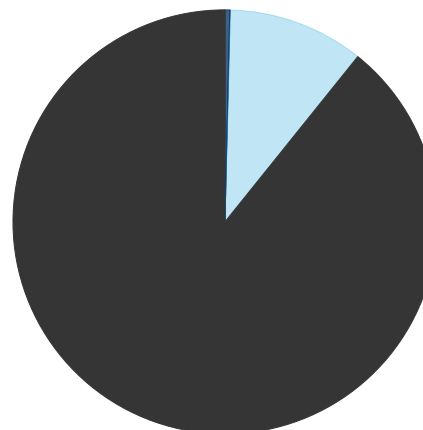
1-7 Day	0.00
8-30 Day	0.00
31-90 Day	0.00
91-182 Day	0.09
183-364 Day	0.20
1-3 Year	0.97
3-5 Year	2.92
5-7 Year	3.73
7-10 Year	7.43
10-15 Year	13.21
15-20 Year	19.04
20-30 Year	39.13
30+ Year	13.29

Fixed-Income Sectors



Fixed-Income Regional Exposure

Portfolio Date: 12/31/2025

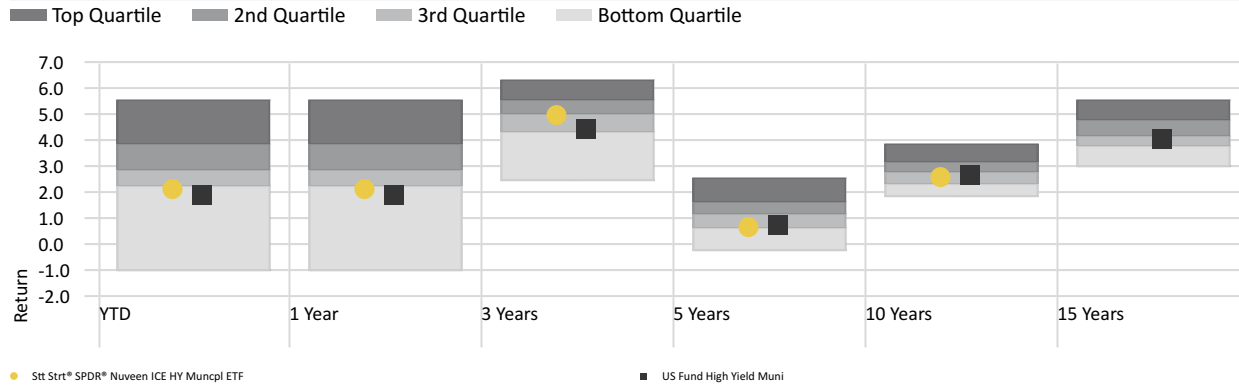


	%
● Asia Dev	0.4
● Asia Emrg	0.0
● Latin America	10.4
● North America	89.2
Total	100.0

■ Stt Strt® SPDR® Nuveen ICE HY Muncpl ETF

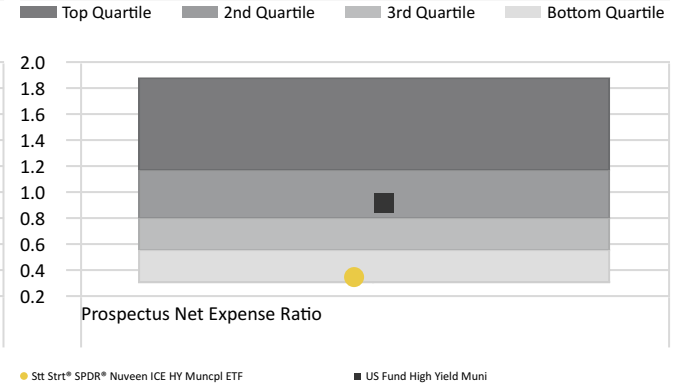
Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - High Yield Muni Calculation Benchmark: Bloomberg 65% High Grade/35% HY TR USD



Expense Ratio Relative to Peer Group

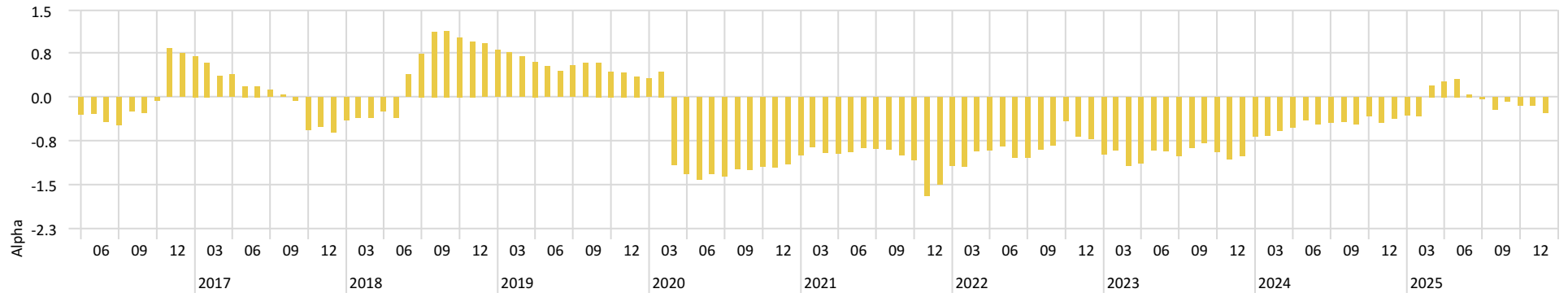
Peer Group (5-95%): Funds - U.S. - High Yield Muni



Rolling Alpha

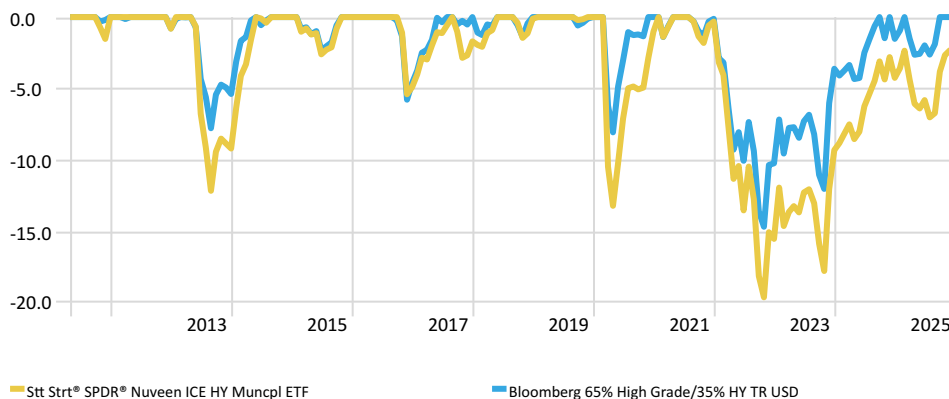
Time Period: Since Common Inception (5/1/2011) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



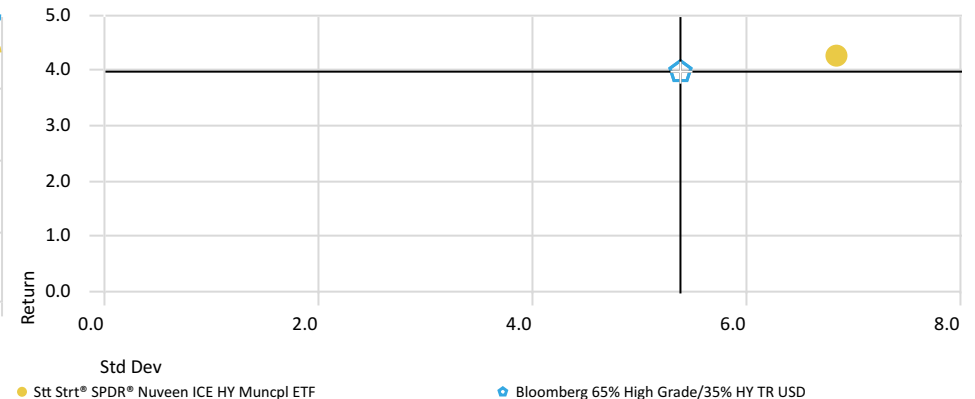
Drawdown

Time Period: Since Common Inception (5/1/2011) to 12/31/2025



Risk-Reward

Time Period: Since Common Inception (5/1/2011) to 12/31/2025



Investment Strategy

The investment seeks to provide investment results that correspond generally to the price and yield performance of the Bloomberg High Yield Very Liquid Index. The fund generally invests substantially all, but at least 80%, of its total assets in the securities comprising the index and in securities that the Adviser determines have economic characteristics that are substantially identical to the economic characteristics of the securities that comprise the index. The index is designed to measure the performance of publicly issued U.S. dollar denominated high yield corporate bonds with above-average liquidity. -null-.

Process Approach

By Lan Anh Tran 5/21/2025

Difficulty trading high-yield bonds makes indexing a tricky endeavor in this category. This strategy's rigidity can be a disadvantage because it omits portions of the opportunity set where its active peers can scour for opportunities. The fund earns a Below Average Process Pillar rating.

Process Portfolio

By Lan Anh Tran 5/21/2025

The fund tracks the Bloomberg High Yield Very Liquid Index, which holds fixed-rate, US-dollar-denominated corporate bonds with below-investment-grade ratings. The index excludes riskier types of bonds such as those with equity or convertible features, Eurodollar bonds, and bonds from emerging-markets issuers. Eligible bonds must have at least USD 500 million in outstanding face value, which ensures selected bonds are easy to trade. The index excludes bonds with more than 15 years to maturity at issuance, eliminating the less liquid tail end of the maturity spectrum. It weights selected bonds by their market value. Individual issuer weights cannot exceed 2%, which limits the fund's reliance on any single firm.

Despite around half of its bonds carrying a BB rating—over 10 percentage points more than the category average—the fund's performance might still suffer when credit spreads widen. Its broad indexing approach lacks the flexibility and fundamental research that category peers can leverage. Many actively managed funds in the category keep a small stake in bonds rated BBB to cushion the impact from credit shocks. They can use more discretion to weed out debt with less favorable risk-return trade-offs, especially among the lowest-rated bonds. High-yield bonds have a higher level of tail risk than their investment-grade counterparts, so holding underperforming bonds can disproportionately hurt performance....

People

By Lan Anh Tran 5/21/2025

This team earns an Above Average People Pillar rating because of its breadth and depth of talent. The portfolio managers are specialists in their asset classes and have access to strong supporting personnel and technology.

State Street Global Advisors divides the fixed-income index team into subteams specializing in different asset classes, and the portfolio managers are specialists in their own sector. They are supported by the firm's US trading desk, with traders focused solely on indexing high-yield corporate bonds. This ensures thorough market knowledge of both the asset class and region. A team of experienced credit specialists manages this fund, limiting key-person risk when turnover does occur. The managers employ a stratified sampling approach to replicate the index. This gives them some flexibility to substitute one bond for a similar alternative to mitigate transaction costs.

The risk-management group at State Street independently oversees portfolio managers. Manager compensation is tied to index-tracking performance, which aligns their interests with investors'.

Performance

By Lan Anh Tran 5/21/2025

The fund has a middling track record with fleeting bursts of outperformance, despite its fee advantage. It lagged the category average by 24 basis points annualized from its 2007 inception through April 2025. The fund invests across the credit rating spectrum in the high-yield market, and its broad scope allows it to effectively capture credit rallies. Most recently, it beat the category average by 46 basis points between April 8 and May 14, 2025. The fund benefited from rapidly compressing credit spreads as positive news calmed a tariff-driven spike earlier in the month.

However, the wider return distribution among the lowest-rated bonds can dent its performance more than category peers with more flexibility. It lagged the category average by 1.84 percentage points at the trough of the covid-19 shock in early 2020 and 2.07 percentage points during the 2022 market meltdown.

The fund's returns can swing more wildly than the average peer, particularly in stress markets. It trailed the category average by 47 basis points between September and October 2023 but immediately recouped its loss in the next two months as credit spreads fluctuated from inflation uncertainties. The fund's standard deviation of returns clocked in at 10.5% from its 2007 inception through April 2025, compared with the category average's 8.5%. The fund's risk-adjusted return, as measured by its Sharpe ratio, was lower than that of the category average over this period.

Parent Company

By Brendan McCann 7/16/2025

State Street Investment Management is stepping into unproven territory with recent launches, but most of its low-cost offerings remain competitive, supporting an Above Average Parent Pillar rating.

In June 2025, State Street rebranded State Street Global Advisors to State Street Investment Management, complete with a new logo. The update maintains consistency with other State Street product lines and provides greater clarity to investors. According to State Street, the rebrand does not change the firm’s investment philosophy, product strategy, or leadership.

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Manager Information and Ownership Levels

Manager Biography

Kyle Kelly since 6/4/2013

Boston College, B.A., Communication and Economics

Kyle Kelly, CFA, FRM, is a Vice President of SSGA and a Portfolio Manager in the Fixed Income Beta Solutions Group where he manages high yield and investment grade credit ETFs and separate accounts since 2012. Prior to joining the portfolio management team, he worked as an investment risk management analyst focused on SSGA's fixed income and multi-asset-cla...

Manager Biography

Bradley J. Sullivan since 2/3/2016

Yulane University, B.S., Accounting and Finance Colgate Darden Graduate school at the University of Virginia, M.B.A., Business Administration

Bradley Sullivan, CFA, is a Vice President of SSGA and the Adviser and a Senior Portfolio Manager in the Fixed Income Beta Solutions Group within the Global Fixed Income, Cash and Currency Team where he manages corporate credit beta portfolios for ETFs, commingled funds a...

Manager Biography

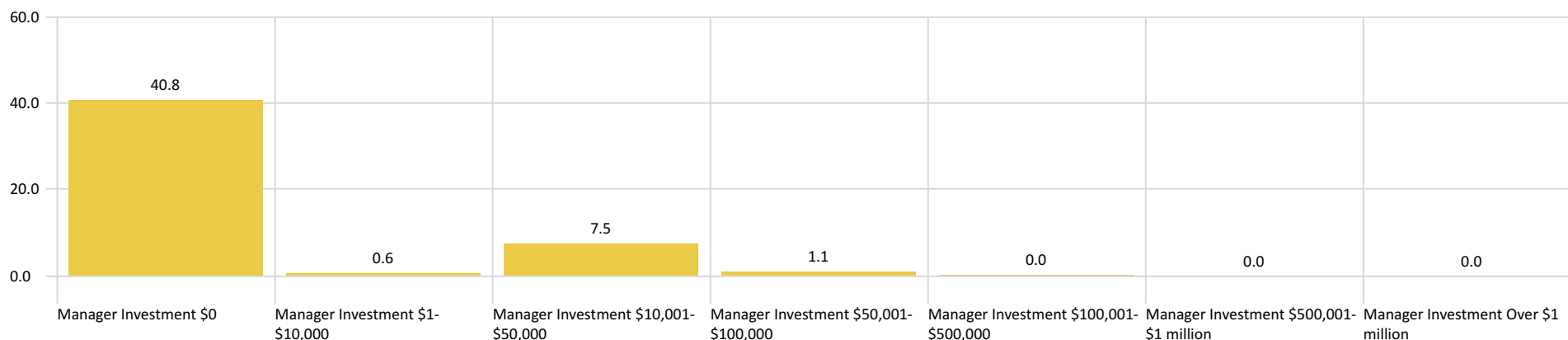
Ryan Mensching since 10/31/2024

Fairfield University, B.Sc, Finance

Ryan Mensching, CFA, is a Vice President of SSGA and the Adviser and a Portfolio Manager in the Fixed Income Beta Solutions Group. In this role, he manages high yield and leveraged loan ETFs and separate accounts. Prior to joining SSGA in 2024, Mr. Mensching was the U.S. Portfolio Manager of the broadly syndicated loan group for State Street Bank. Before joining the U.S. Leveraged Loan portfolio team in 2016, M...

Manager Biography

Manager Ownership Level

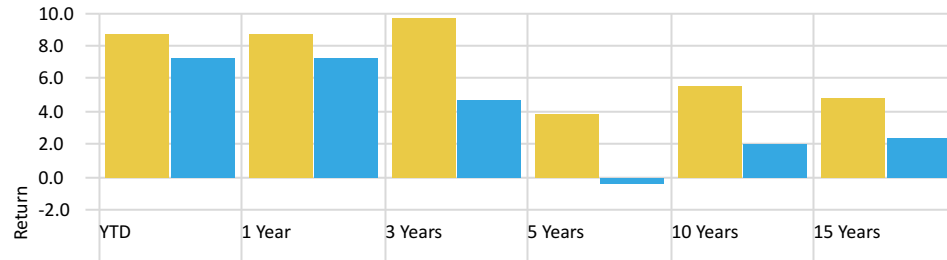


State Street® SPDR® Blmbg Hi Yld Bd ETF

Ticker	JNK	Prospectus Net Expense Ratio	0.40	Morningstar Category	US Fund High Yield Bond
Manager Name	Multiple	Turnover Ratio %	49.00	Fund Size	7,739,698,495.00
Inception Date	11/28/2007	Potential Capital Gains Exposure	-27.43	Alpha (3 Year)	4.65
Manager Tenure (Longest)	12.58	# of Holdings	1,192	Beta (3 Year)	0.71

Trailing Returns

As of Date: 12/31/2025



■ State Street® SPDR® Blmbg Hi Yld Bd ETF ■ Bloomberg US Agg Bond TR USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
State Street® SPDR® Blmbg Hi Yld Bd ETF	8.67	8.67	9.71	3.82	5.55	5.09
Bloomberg US Agg Bond TR USD	7.30	7.30	4.66	-0.36	2.01	3.01

Excess Return vs. Benchmark

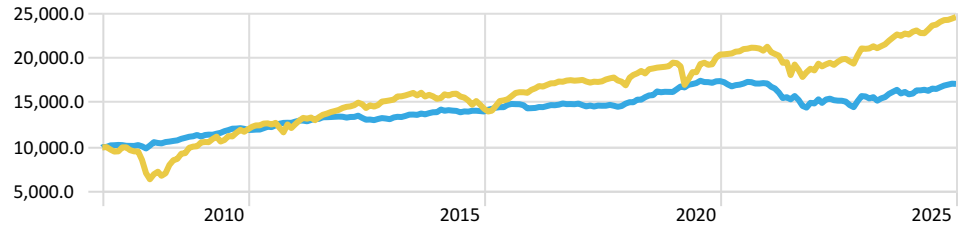
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	1.37	1.37	5.05	4.18	3.54	2.09

Investment Strategy

The investment seeks to provide investment results that correspond generally to the price and yield performance of the Bloomberg High Yield Very Liquid Index. The fund generally invests substantially all, but at least 80%, of its total assets in the securities comprising the index and in securities that the Adviser determines have economic characteristics that are substantially identical to the economic characteristics of the securities that comprise the index. The index is designed to measure the performance of publicly issued U.S. dollar denominated high yield corporate bonds with above-average liquidity. -null-

Investment Growth

Time Period: Since Common Inception (11/29/2007) to 12/31/2025



■ State Street® SPDR® Blmbg Hi Yld Bd ETF ■ Bloomberg US Agg Bond TR USD

Calendar Year Returns

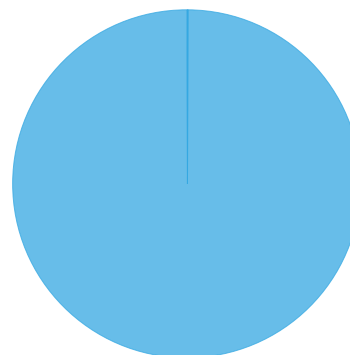
	2021	2022	2023	2024	2025
State Street® SPDR® Blmbg Hi Yld Bd ETF	4.28	-12.44	13.17	7.38	8.67
Bloomberg US Agg Bond TR USD	-1.54	-13.01	5.53	1.25	7.30

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	5.82	0.57	7.64	6.13	1.37

Asset Allocation

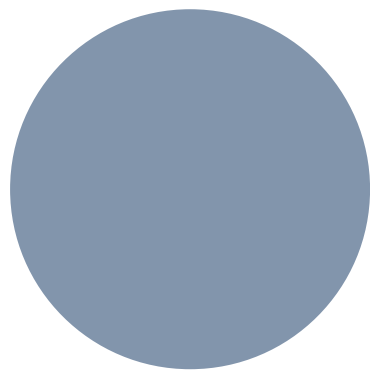
Portfolio Date: 12/31/2025



	%
Stock	0.0
Bond	99.9
Cash	0.0
Other	0.1
Total	100.0

Fixed-Income Super Sectors

Portfolio Date: 12/31/2025

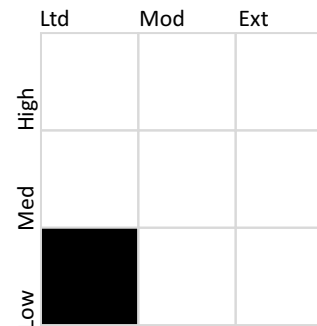


	%
Government	0.0
Municipal	0.0
Corporate	100.0
Securitized	0.0
Cash & Equivalents	0.0
Derivative	0.0
Total	100.0

Morningstar Style Box

Portfolio Date: 12/31/2025

Morningstar Fixed Income Style Box™



Fixed-Income Stats

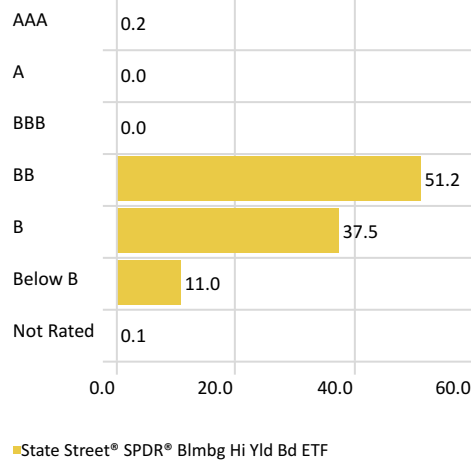
Average Eff Duration Survey	2.9
Average Eff Maturity Survey	5.0
Average Coupon	7.0
Average Price	100.5

Top Holdings

Portfolio Date: 12/31/2025

Company	Weighting %	Portfolio Weighting %
1261229 Bc Ltd.	10%	0.67
EchoStar Corp.	10.75%	0.54
Tibco Software Inc	6.5%	0.46
Medline Borrower LP	3.875%	0.43
Quikrete Holdings Inc	6.375%	0.40
DISH Network Corporation	11.75%	0.40
Cloud Software Group Inc.	9%	0.34
Truist Insurance Holdings LLC & Panther Co-Issuer Inc.	7.125%	0.33
Carnival Corporation	5.75%	0.32
WULF Compute LLC	7.75%	0.32

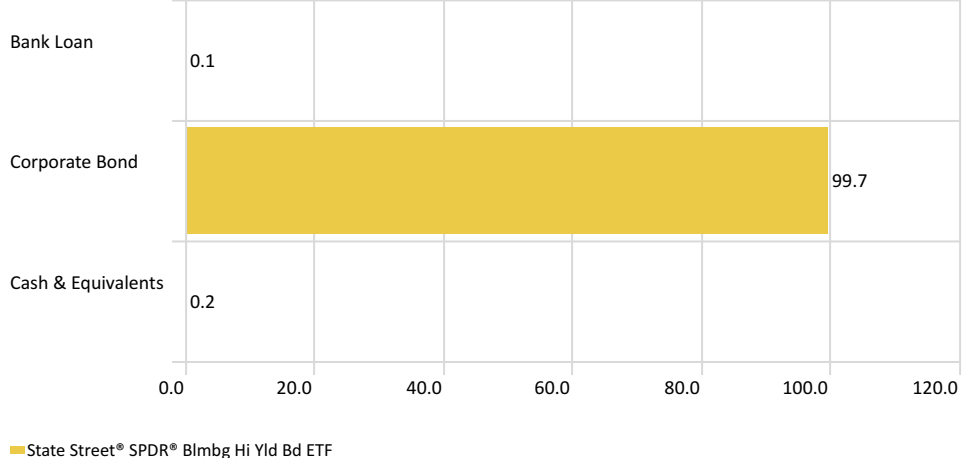
Credit Quality



Maturity

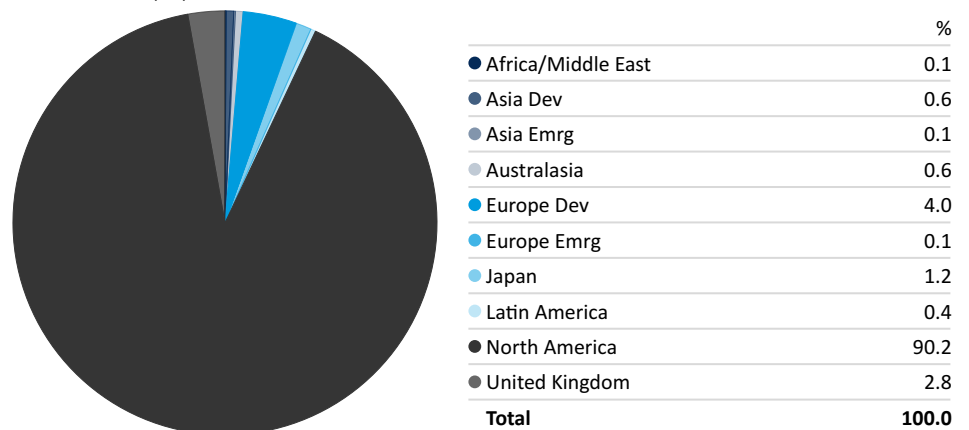
1-7 Day	0.00
8-30 Day	0.00
31-90 Day	0.00
91-182 Day	0.00
183-364 Day	0.04
1-3 Year	8.97
3-5 Year	40.23
5-7 Year	32.07
7-10 Year	14.78
10-15 Year	1.04
15-20 Year	0.00
20-30 Year	1.94
30+ Year	0.92

Fixed-Income Sectors



Fixed-Income Regional Exposure

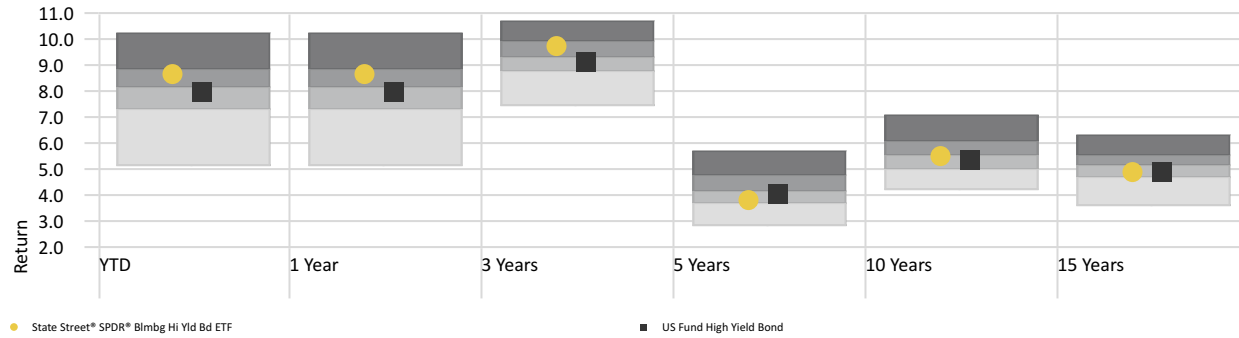
Portfolio Date: 12/31/2025



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - High Yield Bond Calculation Benchmark: Bloomberg US Agg Bond TR USD

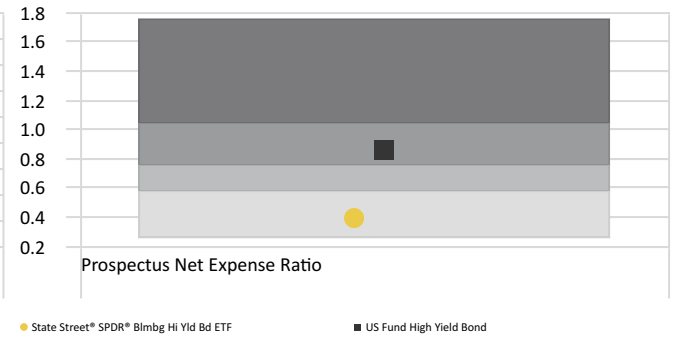
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - High Yield Bond

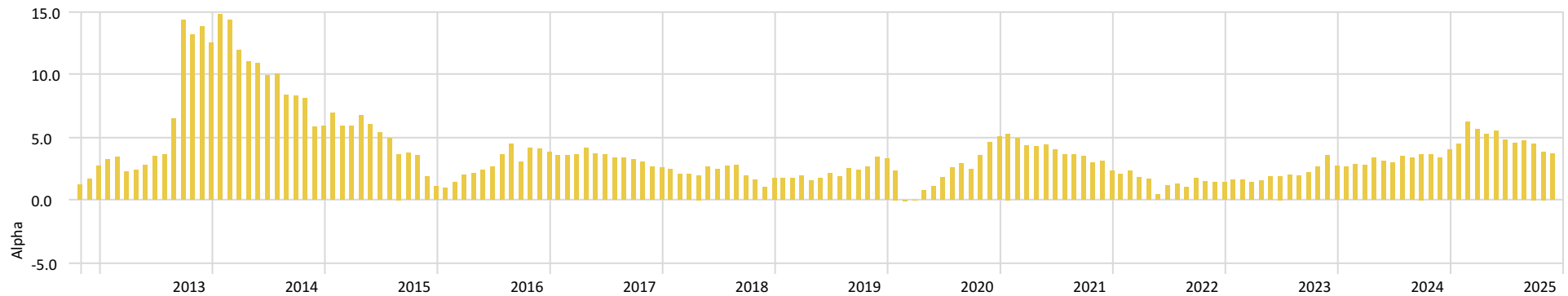
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

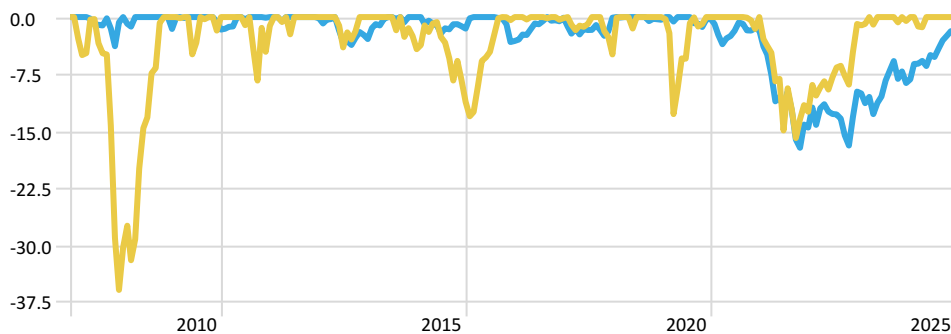
Time Period: Since Common Inception (12/1/2007) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



Drawdown

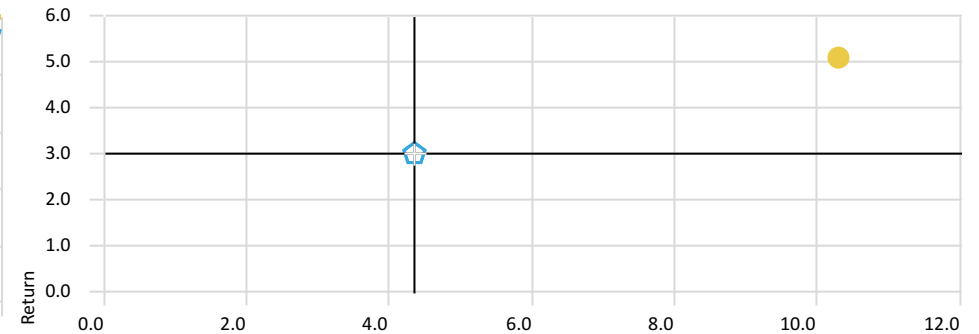
Time Period: Since Common Inception (12/1/2007) to 12/31/2025



■ State Street® SPDR® Bimbg Hi Yld Bd ETF ■ Bloomberg US Agg Bond TR USD

Risk-Reward

Time Period: Since Common Inception (12/1/2007) to 12/31/2025



■ State Street® SPDR® Bimbg Hi Yld Bd ETF ■ Bloomberg US Agg Bond TR USD

Investment Strategy

The investment seeks to track the investment results of the S&P 500 composed of large-capitalization U.S. equities. The index measures the performance of the large-capitalization sector of the U.S. equity market, as determined by SPDJ. The fund generally will invest at least 80% of its assets in the component securities of its index and in investments that have economic characteristics that are substantially identical to the component securities of its index and may invest up to 20% of its assets in certain futures, options and swap contracts, cash and cash equivalents.

Process Approach

By Brendan McCann 1/29/2025

This strategy accurately captures the large-cap opportunity set and keeps a lid on turnover by leveraging the market's collective wisdom to size its positions. It earns a High Process Pillar rating.

Process Portfolio

By Brendan McCann 1/29/2025

The strategy tracks the S&P 500, which selects 500 of the largest US companies that pass its liquidity and profitability screens. The profitability screen requires that the sum of a company's GAAP earnings over the past four quarters be positive as well as the most recent quarter. The screen imparts a slight quality tilt to the portfolio but doesn't distinguish it from similar benchmarks since large-cap stocks tend to be profitable. There have been instances where the profitability screen prevented otherwise qualified companies from index inclusion. Most notably, Tesla was added to the index only in December 2020, despite passing the liquidity and market-cap thresholds in January 2013. Once the index committee selects stocks, it weights them by market cap.

Market-cap weighting harnesses the market's collective wisdom on a stock's relative value and helps reduce turnover and associated trading costs. The index committee further curbs turnover by implementing changes as it sees fit rather than adhering to a strict reconstitution schedule.

The strategy approximates the contours of the large-cap market. Its sector composition is in line with its average peer in the US large-blend Morningstar Category, and no sector deviated by more than 4 percentage points as of year-end 2024. The fund's value-growth and market-cap orientation both mirror the category average, too.

Market-cap weighting consistently guides the index into the large...

People

By Brendan McCann 1/29/2025

The iShares equity index team earns an Above Average People Pillar rating, a testament to the quality of its index-tracking capabilities. The team leverages BlackRock's industry-leading technology and a robust global infrastructure to consistently deliver tight index-tracking performance in all the global markets that it touches. Automated workflows and the team's extensive supporting staff effectively minimize potential disruptions caused by personnel changes.

BlackRock's Aladdin platform performs most of the portfolio management tasks and helps ensure the team achieves precise index tracking. Experienced managers guide the team, stepping in for tasks such as dealing with index changes, rebalances, certain corporate actions, and trade approvals. Collaboration is key within BlackRock. All managers have access to a worldwide network of traders and peers that enhance the fund's day-to-day operations. BlackRock's global trading desk forms an integral part of this network. It taps into local markets to execute cost-effective transactions. An independent risk committee diligently oversees the fund's tracking performance, ensuring it remains within prescribed boundaries and further instilling confidence in the team's approach to tracking an index.

Performance

By Brendan McCann 1/29/2025

This strategy accurately represents the US large-cap opportunity set, allowing the funds to leverage their cost advantage and drive sound relative performance. The fund's low fee should help it beat its pricier US large-cap peers over the long run.

The strategy's performance closely follows the ups and downs of the US stock market, since it is always fully invested. All else equal, this strategy should outperform peers that hold cash during market rallies. Likewise, the strategy should lag similar peers when the market falls because it lacks a cash buffer.

Because of the strategy's bias toward the largest and the most established companies, it misses out when small-cap stocks outperform large-cap stocks, as they did in the fourth quarter of 2020. Likewise, when the S&P 500 becomes concentrated in a few large companies, the strategy can become top-heavy. This can hurt the fund more than most during bubble bursts, like when the S&P 500 fell over 40% after internet stocks spiraled in the early 2000s.

Parent Company

By Jason Kephart 1/10/2025

BlackRock has raised the bar for what it means to be a truly diversified asset manager. After going on a private-asset shopping spree in 2024 to acquire infrastructure, credit, and alternative fund data capabilities, few other firms can match its breadth of offerings. It remains to be seen if these acquisitions will be as transformative and beneficial for investors as its 2009 purchase of Barclays Global Investors, which included its now iconic iShares brand of exchange-traded funds. BlackRock continues to earn an Above Average rating for Parent.

There are reasons for optimism. CEO Larry Fink’s track record of acquisitions stands out for its focus on expanding what BlackRock can offer, rather than looking to build scale. The firm has been able to deliver packaged versions of its products, like direct indexing, through its popular model portfolios for financial advisors at low costs that have made significant improvements to investor outcomes.

For hands-off investors, BlackRock’s multi-asset options like its target-date strategies and once flagship global allocation strategy are among their respective Morningstar Categories’ best options. ...

Manager Information and Ownership Levels

Manager Biography

Jennifer Hsui since 8/1/2012

University of California

Jennifer Hsui, Managing Director & Portfolio Manager at BlackRock Investment Management LLC has been employed by BlackRock Fund Advisors as a senior portfolio manager since 2007. Prior to that, Ms. Hsui was a portfolio manager from 2006 to 2007 for BGFA. She was a research analyst for RBC Capital Markets from 2003 to 2006.

Manager Biography

Peter Sietsema since 4/1/2025

Peter Sietsema has been with BFA since 2007, including his years with BGI, which merged with BFA in 2009. Mr. Sietsema has been employed by BFA or its affiliates as a Director since 2011 and a Vice President from 2009 to 2010. Mr. Sietsema has been a Portfolio Manager of each fund since 2023.

Manager Biography

Matt Waldron since 4/1/2025

University of Delaware, B.A., Finance

Matt Waldron, CFA, Managing Director, is US Head of International Portfolio Management within BlackRock Global Markets & Index Investments (“BGM”). He is responsible for the overall management of ETFs, CTFs, and Institutional SMAs that are predominantly invested in developed and emerging markets. Mr. Waldron’s service with the firm dates back to 2003. Prior to his current role, Mr. Waldron

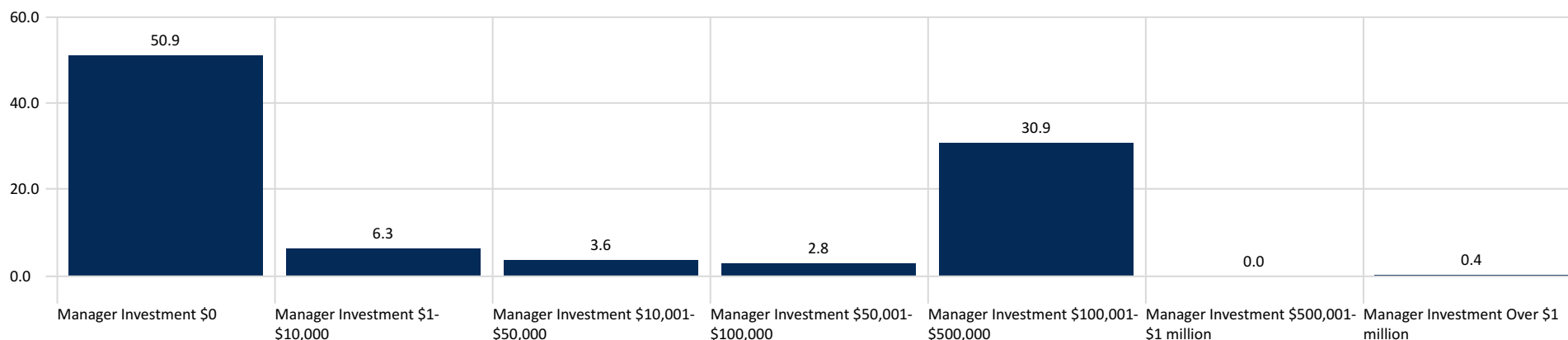
WAS

Manager Biography

Steven White since 4/1/2025

Steven White, Director, is Co-CIO for Index Equity Investments within BlackRock Global Markets & Index Investments (“BGM”) Steven co-leads the CIO function, which is responsible for leading efforts to drive scale, quality and risk-managed investment outcomes for clients. Within the function he has direct responsibilities for investment risk and performance oversight across the global book as well as Index Equities Index Advocacy function which looks to enhance benchmark methodologies managed to by t...

Manager Ownership Level

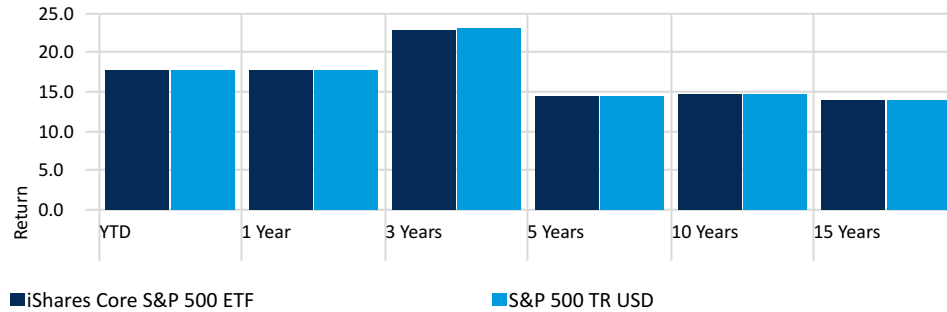


iShares Core S&P 500 ETF

Ticker	IVV	Prospectus Net Expense Ratio	0.03	Morningstar Category	US Fund Large Blend
Manager Name	Multiple	Turnover Ratio %	3.00	Fund Size	772,643,793,139.00
Inception Date	5/15/2000	Potential Capital Gains Exposure	2.37	Alpha (3-Year)	-0.03
Manager Tenure (Longest)	13.42	# of Holdings	507	Beta (3-Year)	1.00

Trailing Returns

As of Date: 12/31/2025



Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
iShares Core S&P 500 ETF	17.85	17.85	22.97	14.39	14.78	8.28
S&P 500 TR USD	17.88	17.88	23.01	14.42	14.82	8.33

Excess Return vs. Benchmark

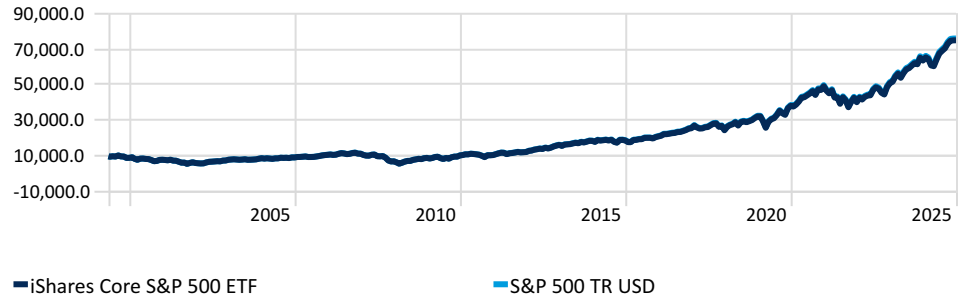
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-0.03	-0.03	-0.03	-0.03	-0.04	-0.06

Investment Strategy

The investment seeks to track the investment results of the S&P 500 composed of large-capitalization U.S. equities. The index measures the performance of the large-capitalization sector of the U.S. equity market, as determined by SPDJI. The fund generally will invest at least 80% of its assets in the component securities of its index and in investments that have economic characteristics that are substantially identical to the component securities of its index and may invest up to 20% of its assets in certain futures, options and swap contracts, cash and cash equivalents.

Investment Growth

Time Period: Since Common Inception (5/16/2000) to 12/31/2025



Calendar Year Returns

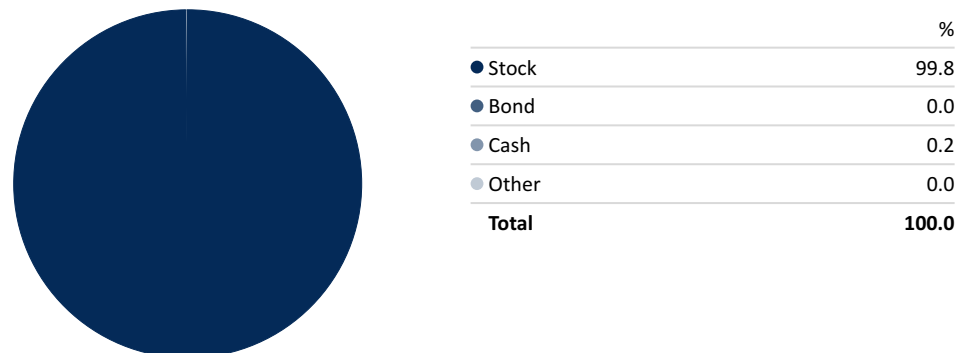
	2021	2022	2023	2024	2025
iShares Core S&P 500 ETF	28.66	-18.13	26.26	24.98	17.85
S&P 500 TR USD	28.71	-18.11	26.29	25.02	17.88

Excess Return vs. Benchmark

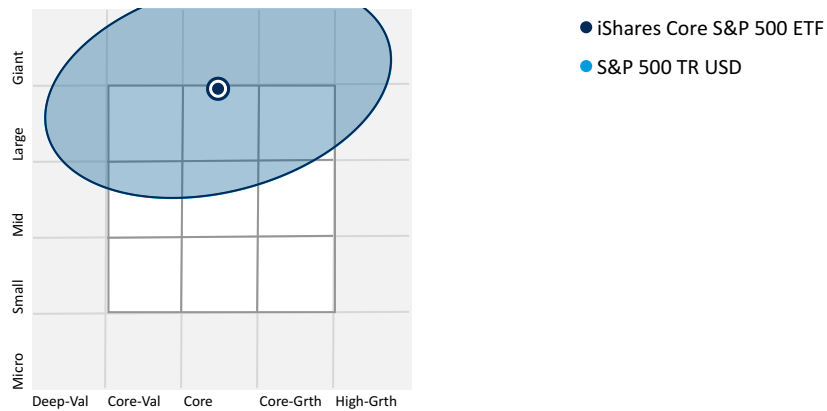
	2021	2022	2023	2024	2025
Excess Return	-0.04	-0.02	-0.03	-0.04	-0.03

Asset Allocation

Portfolio Date: 12/31/2025



Holdings-Based Style Map



Morningstar Style Box

Portfolio Date: 12/31/2025

	Value	Blend	Growth
Large	22.0	39.4	19.7
Mid	5.8	8.5	3.7
Small	0.4	0.5	0.1

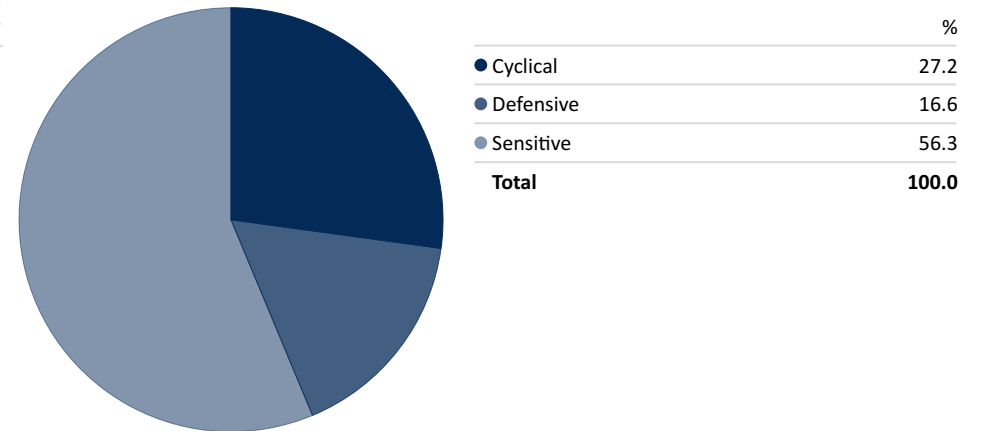
Market Cap	%
Market Cap Giant %	45.7
Market Cap Large %	35.4
Market Cap Mid %	18.0
Market Cap Small %	0.9
Market Cap Micro %	0.0

Top Holdings

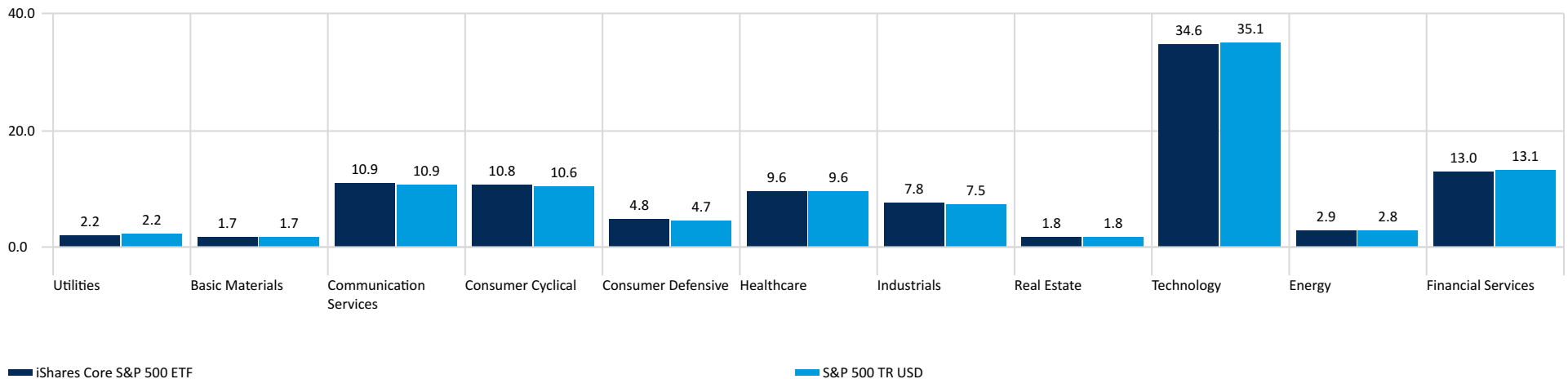
	Portfolio Weighting %	Benchmark Weighting %
NVIDIA Corp	7.53	
Apple Inc	6.44	
Microsoft Corp	5.94	
Amazon.com Inc	4.02	
Alphabet Inc Class A	3.23	
Broadcom Inc	2.79	
Alphabet Inc Class C	2.59	
Meta Platforms Inc Class A	2.34	
Tesla Inc	2.11	
Berkshire Hathaway Inc Class B	1.53	

Equity Super Sectors (Morningstar) - iShares Core S&P 500 ETF

Portfolio Date: 12/31/2025



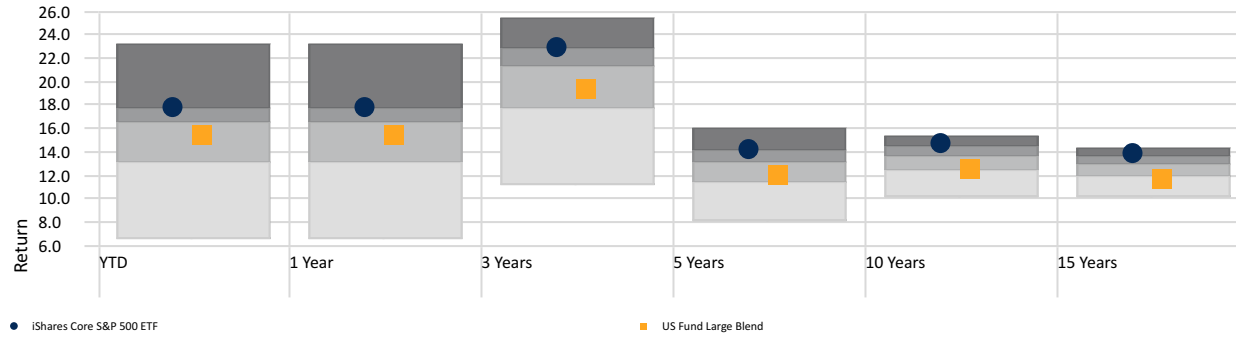
Sector Weight



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Large Blend Calculation Benchmark: S&P 500 TR USD

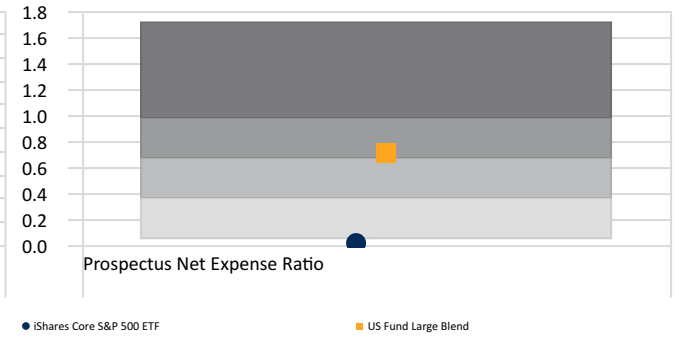
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Large Blend

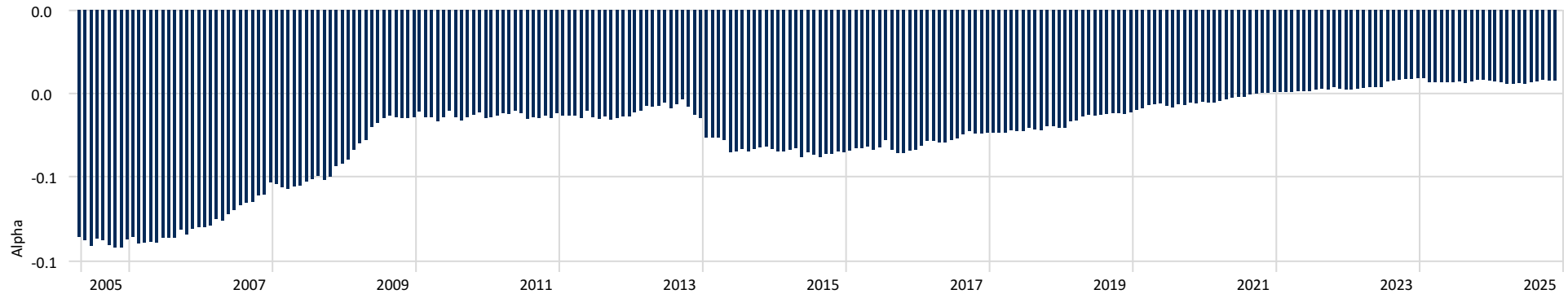
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

Time Period: Since Common Inception (6/1/2000) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



Drawdown

Time Period: Since Common Inception (6/1/2000) to 12/31/2025

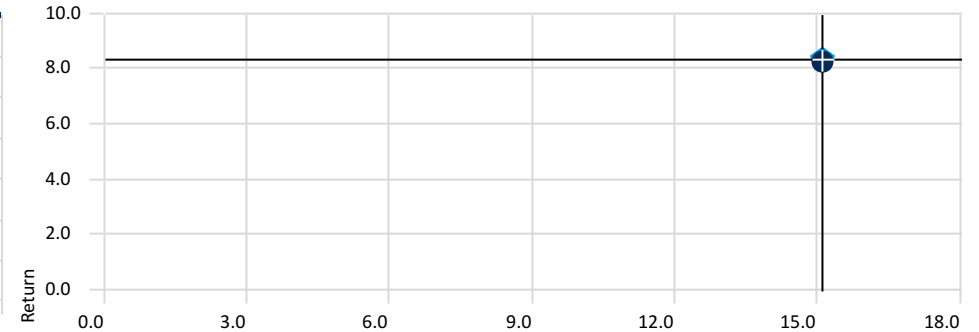


■ iShares Core S&P 500 ETF

■ S&P 500 TR USD

Risk-Reward

Time Period: Since Common Inception (6/1/2000) to 12/31/2025

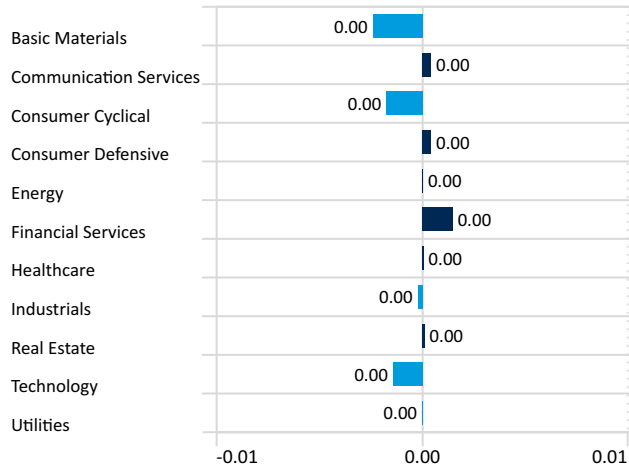


● iShares Core S&P 500 ETF

● S&P 500 TR USD

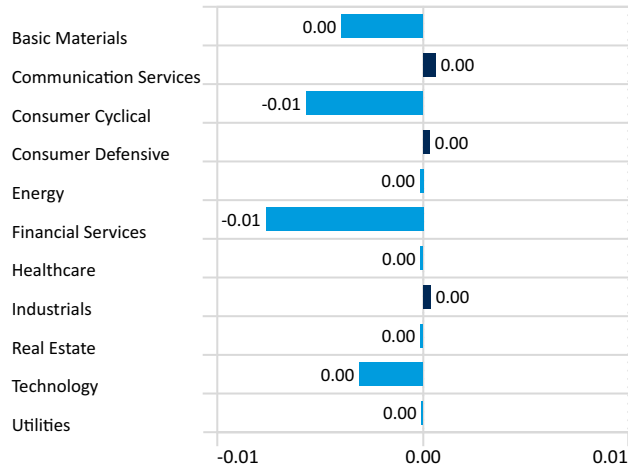
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



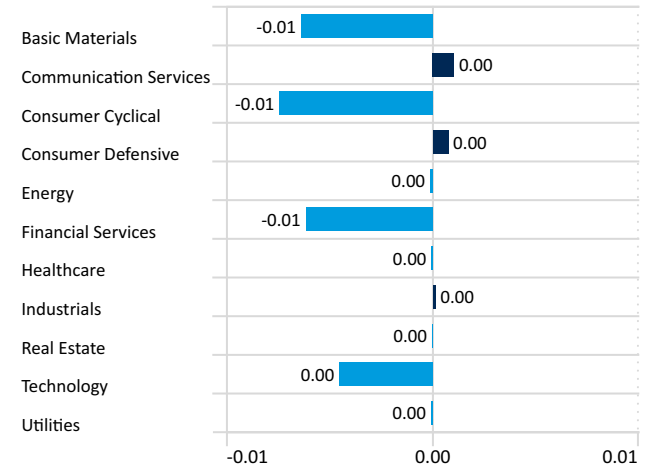
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

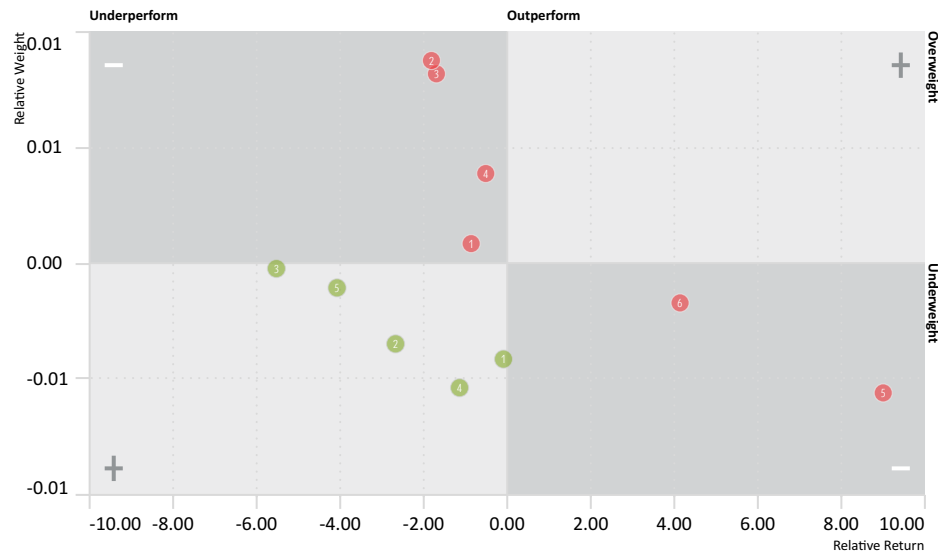
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

Calculation Benchmark: S&P 500 TR USD

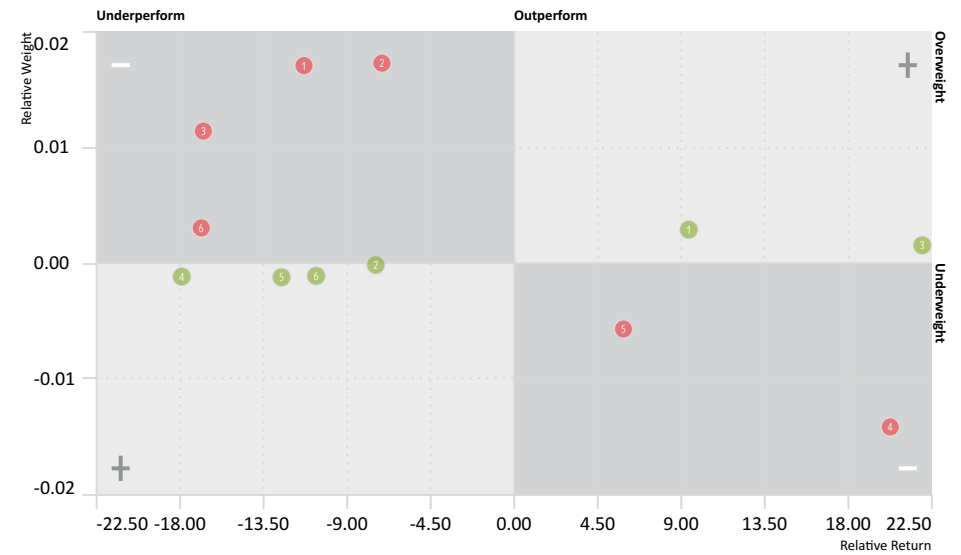


Best Weighting	Weight +/-	Return +/-	Effect	Worst Weighting	Weight +/-	Return +/-	Effect
Financial Services	0.00	-0.09	0.00	Basic Materials	0.00	-0.86	0.00
Consumer Defensive	0.00	-2.67	0.00	Consumer Cyclical	0.01	-1.82	0.00
Real Estate	0.00	-5.53	0.00	Technology	0.01	-1.70	0.00
Energy	-0.01	-1.14	0.00	Industrials	0.00	-0.52	0.00
Utilities	0.00	-4.08	0.00	Healthcare	-0.01	9.00	0.00
				Communication Services	0.00	4.14	0.00

Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

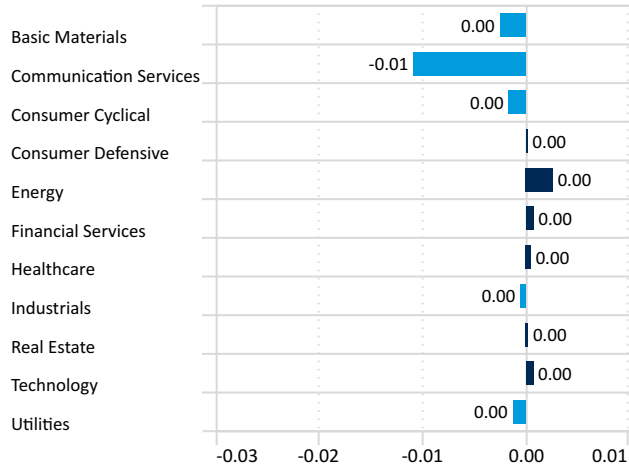
Calculation Benchmark: S&P 500 TR USD



Best Selections	Morningstar...	Weight +/-	Return +/-	Effect	Worst Selections	Morningstar...	Weight +/-	Return +/-	Effect
SanDisk Cor...	Technology	0.00	9.41	0.00	Ares Manag...	Financial Se...	0.01	-11.32	-0.01
CarMax Inc	Consumer C...	0.00	-7.46	0.00	Carvana Co ...	Consumer C...	0.01	-7.13	-0.01
Alphabet In...	Communica...	0.00	22.02	0.00	Qnity Electr...	Technology	0.01	-16.74	0.00
AT&T Inc	Communica...	0.00	-17.91	0.00	DuPont de ...	Basic Mater...	-0.01	20.26	0.00
Verizon Co...	Communica...	0.00	-12.54	0.00	Apple Inc	Technology	0.00	5.89	0.00
Comcast Co...	Communica...	0.00	-10.67	0.00	Meta Platfo...	Communica...	0.00	-16.86	0.00

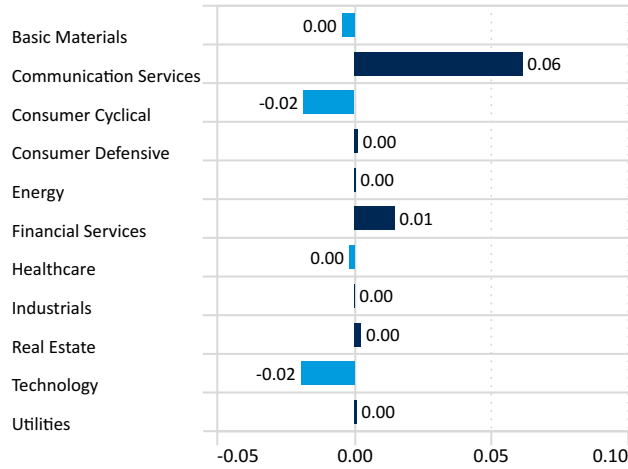
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



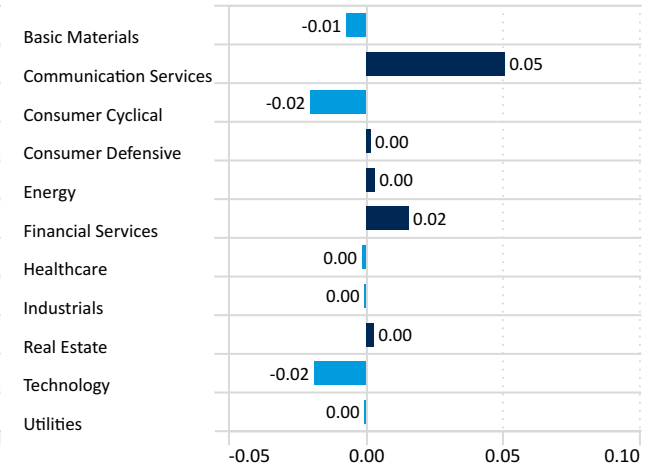
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

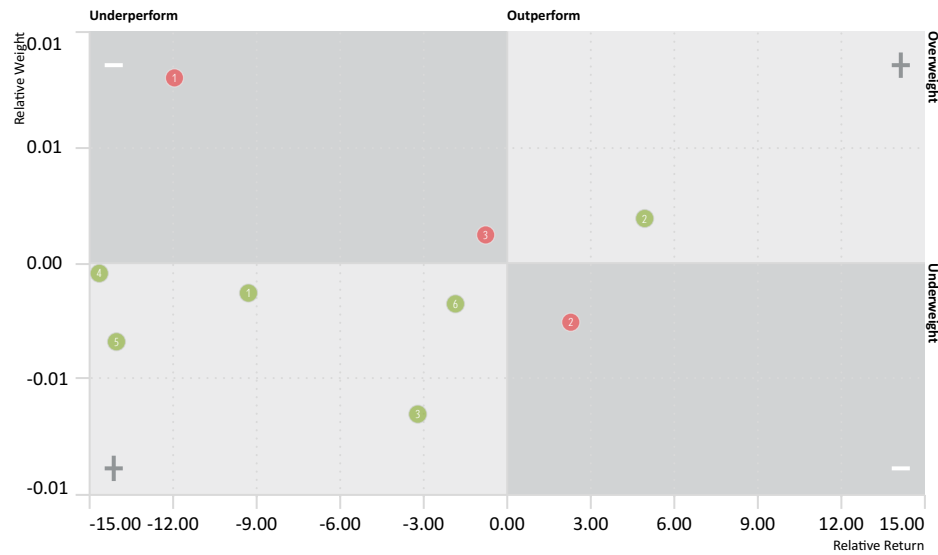
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: S&P 500 TR USD

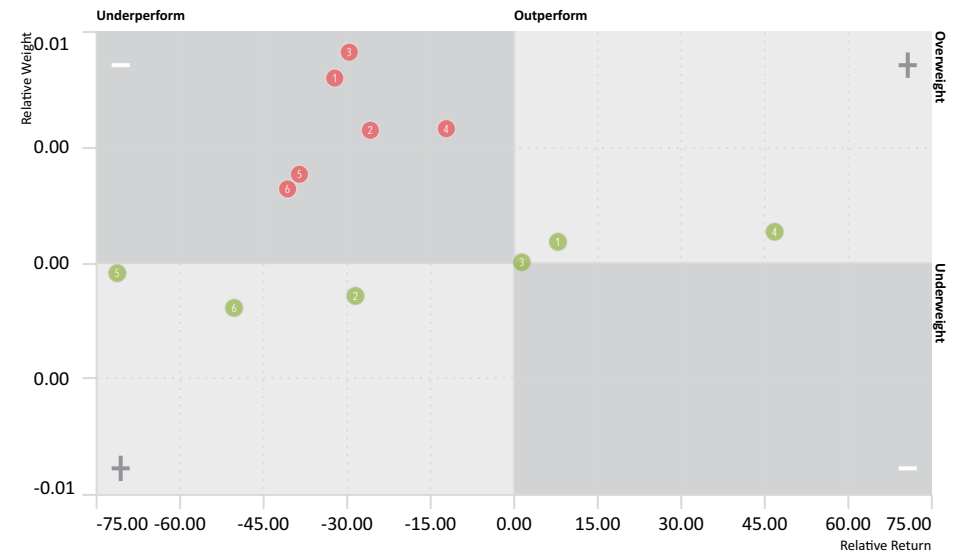


Best Weighting	Weight +/-	Return +/-	Effect	Worst Weighting	Weight +/-	Return +/-	Effect
Energy	0.00	-9.30	0.00	Consumer Cyclical	0.01	-11.95	0.00
Technology	0.00	4.94	0.00	Industrials	0.00	2.28	0.00
Healthcare	-0.01	-3.21	0.00	Financial Services	0.00	-0.77	0.00
Real Estate	0.00	-14.77	0.00				
Consumer Defensive	0.00	-14.04	0.00				
Utilities	0.00	-1.86	0.00				

Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: S&P 500 TR USD



Best Selections	Morningstar...	Weight +/-	Return +/-	Effect	Worst Selections	Morningstar...	Weight +/-	Return +/-	Effect
TKO Group ...	Communica...	0.00	7.86	0.00	Coinbase Gl...	Financial Se...	0.00	-32.23	-0.01
Ralliant Corp	Technology	0.00	-28.52	0.00	Ares Manag...	Financial Se...	0.00	-25.83	-0.01
Millrose Pro...	Real Estate	0.00	1.37	0.00	Datadog Inc...	Technology	0.01	-29.62	-0.01
Welltower Inc	Real Estate	0.00	46.77	0.00	Carvana Co ...	Consumer C...	0.00	-12.18	-0.01
Enphase En...	Technology	0.00	-71.28	0.00	Qnity Electr...	Technology	0.00	-38.57	0.00
Comcast Co...	Communica...	0.00	-50.31	0.00	Block Inc Cl...	Technology	0.00	-40.69	0.00

Investment Strategy

The investment seeks to track the performance of the Standard & Poor's 500 Index that measures the investment return of large-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the Standard & Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. The advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index. The fund is non-diversified.

Process Approach

By Brendan McCann 1/27/2025

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Process Portfolio

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The strategy tracks the S&P 500, which selects 500 of the largest US companies that pass its liquidity and profitability screens. The profitability screen requires that the sum of a company's GAAP earnings over the past four quarters be positive as well as the most recent quarter. The screen imparts a slight quality tilt to the portfolio but doesn't distinguish it from similar benchmarks since large-cap stocks tend to be profitable. There have been instances where the profitability screen prevented otherwise qualified companies from index inclusion. Most notably, Tesla was added to the index only in December 2020, despite passing the liquidity and market-cap thresholds in January 2013. Once the index committee selects stocks, it weights them by market cap.

Market-cap weighting harnesses the market's collective wisdom on a stock's relative value and helps reduce turnover and associated trading costs. The index committee further curbs turnover by implementing changes as it sees fit rather than adhering to a strict reconstitution schedule.

The strategy approximates the contours of the large-cap market. Its sector composition is in line with its average peer in the US large-blend Morningstar Category, and no sector deviates by more than 4 percentage points as of year-end 2024. The fund's value-growth and market-cap orientation both mirror the US category average, too....

People

By Brendan McCann 1/27/2025

Vanguard's equity index group earns an Above Average People Pillar rating for its well-supported and stable management team adept at leveraging Vanguard's comprehensive resources. Its portfolio managers benefit from the firm's global infrastructure and advanced portfolio management technology, which facilitates cost-efficient trading around the globe. The infrequent turnover of managers, coupled with Vanguard's practice of rotating them across various funds, enhances their expertise and understanding of different market segments.

The fund's managers directly handle trading, providing them with deeper insights into the portfolio's operations than a stand-alone trader might have. They are backed by a global team of dedicated personnel and employ sophisticated, scalable technology to minimize their workload and enhance tracking accuracy. Vanguard's independent risk-management team plays a crucial role in ensuring its funds adhere to predetermined tracking tolerances. It collaborates closely with the managers to oversee trades and address potential issues proactively. Vanguard compensates managers based on tracking error and excess return metrics to foster a culture of accountability and ensure that the management team's interests are closely tied to investors'.

Performance

By Brendan McCann 1/27/2025

This strategy accurately represents the US large-cap opportunity set, allowing the funds to leverage their cost advantage and drive sound relative performance. The fund's low fee should help it beat its pricier US large-cap peers over the long run.

The strategy's performance closely follows the ups and downs of the US stock market, since it is always fully invested. All else equal, this strategy should outperform its peers that hold cash during market rallies. Likewise, the strategy should lag similar peers when the market falls because it lacks a cash buffer.

Because of the strategy's bias toward the largest and the most established companies, it misses out when small-cap stocks outperform large-cap stocks as they did in the fourth quarter of 2020. Likewise, when the S&P 500 becomes concentrated in a few large companies, the strategy can become top-heavy. This exposes the funds to US market risks should another dot-com-type bubble burst, during which the S&P 500 fell over 40% in the early 2000s.

Parent Company

By Daniel Sotiroff 7/28/2025

Vanguard maintains its High Parent Pillar rating as it continues to grow under new leadership.

CEO Salim Ramji has had a busy first year captaining Vanguard’s crew, and the ship remains pointed in the right direction. The firm made its largest round of fee cuts in early 2025, which came at an estimated cost of USD 350 million. It established a separate division dedicated to its advice and wealth management efforts, a sign that it wants to seriously compete within those lines of business. Asset growth has continued to be a huge success. Only BlackRock’s inflows rival the money Vanguard is taking in. Likewise, the number of clients it serves has more than doubled since 2015.

Despite that success, an ever-growing number of clients has presented a challenge: Vanguard can’t grow its services fast enough to keep up with demand. In some instances, it has had to curb certain services and capabilities or raise fees on others to cope, causing some loyal clients to criticize what they perceive as deteriorating services.

Vanguard has ambitions to bring its disruptive legacy to the bond market. It created roughly a dozen low-cost bond exchange-traded funds for US investors and sever...

Manager Information and Ownership Levels

Manager Biography

Michelle Louie since 11/30/2017

Georgia Institute of Technology, M.B.A. American University, B.S.

Michelle Louie, CFA, Portfolio Manager at Vanguard. She has been with Vanguard since 2010, has worked in investment management since 2011. Education: B.S., The American University; M.B.A., Georgia Institute of Technology.

Manager Biography

Nick Birkett since 8/4/2023

Nicholas Birkett, CFA, Portfolio Manager at Vanguard. He worked in investment banking from 2005 to 2016, has been with Vanguard since 2017, and has co-managed the Fund since August 2023. Education: B.S., University of Bath.

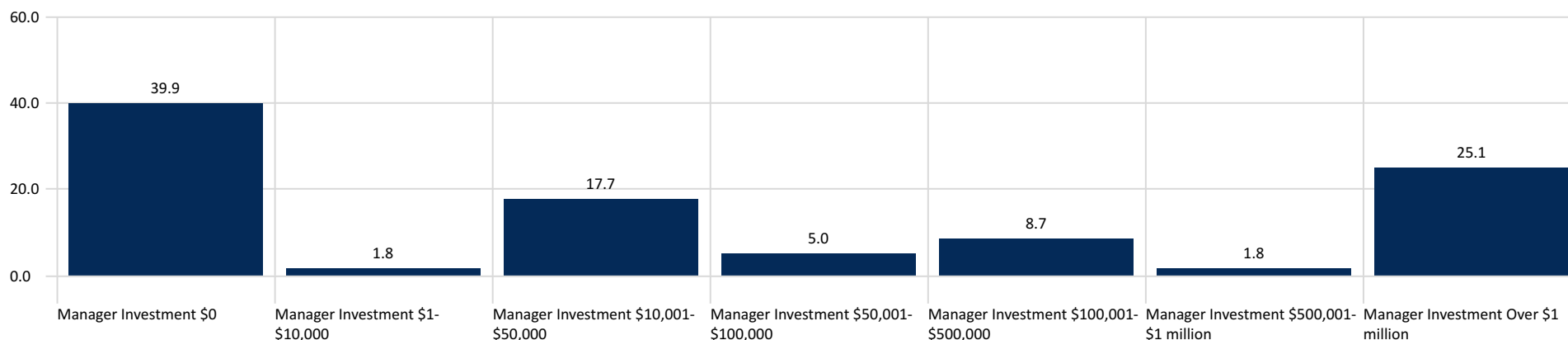
Manager Biography

Aurélie Denis since 2/18/2025

Aurélie Denis, CFA, Portfolio Manager at Vanguard. She has been with Vanguard since 2016, has worked in investment management since 2017, has managed investment portfolios since 2023, and has co-managed the Fund since February 2023. Education: B.S., Pennsylvania State University.

Manager Biography

Manager Ownership Level

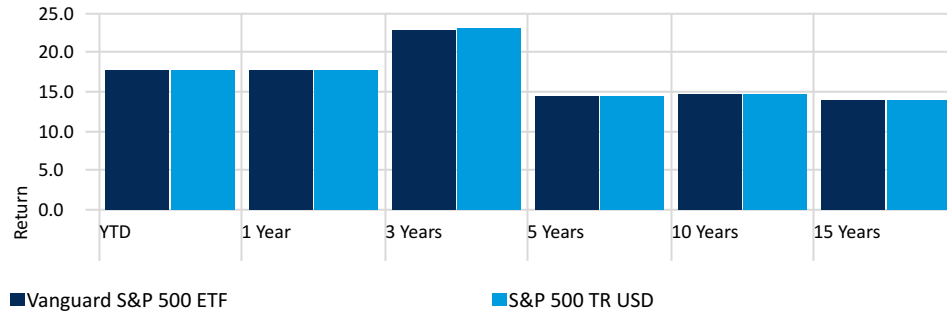


Vanguard S&P 500 ETF

Ticker	VOO	Prospectus Net Expense Ratio	0.03	Morningstar Category	US Fund Large Blend
Manager Name	Multiple	Turnover Ratio %	2.00	Fund Size	1,474,517,677,111.00
Inception Date	9/7/2010	Potential Capital Gains Exposure	39.14	Alpha (3-Year)	-0.03
Manager Tenure (Longest)	8.17	# of Holdings	518	Beta (3-Year)	1.00

Trailing Returns

As of Date: 12/31/2025



Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Vanguard S&P 500 ETF	17.84	17.84	22.97	14.38	14.78	14.54
S&P 500 TR USD	17.88	17.88	23.01	14.42	14.82	14.58

Excess Return vs. Benchmark

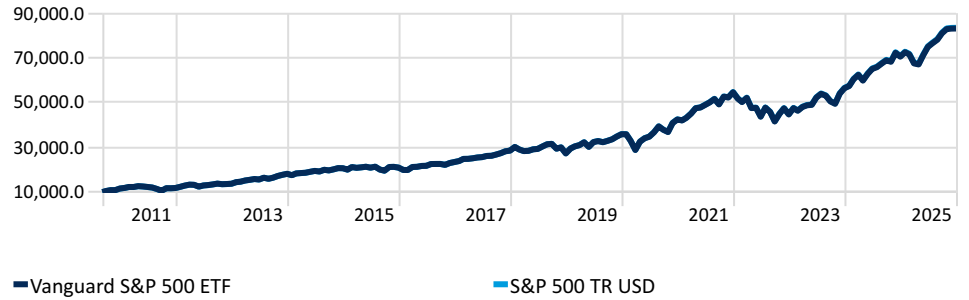
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-0.04	-0.04	-0.04	-0.04	-0.04	-0.04

Investment Strategy

The investment seeks to track the performance of the Standard & Poor's 500 Index that measures the investment return of large-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the Standard & Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. The advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index. The fund is non-diversified.

Investment Growth

Time Period: Since Common Inception (9/8/2010) to 12/31/2025



Calendar Year Returns

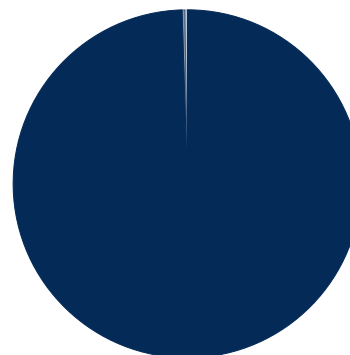
	2021	2022	2023	2024	2025
Vanguard S&P 500 ETF	28.66	-18.15	26.25	24.98	17.84
S&P 500 TR USD	28.71	-18.11	26.29	25.02	17.88

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	-0.05	-0.04	-0.04	-0.04	-0.04

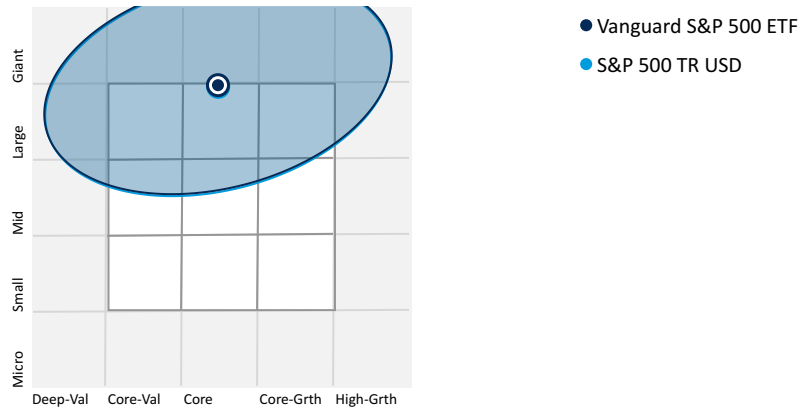
Asset Allocation

Portfolio Date: 11/30/2025



	%
Stock	99.5
Bond	0.0
Cash	0.3
Other	0.2
Total	100.0

Holdings-Based Style Map



Morningstar Style Box

Portfolio Date: 11/30/2025

	Value	Blend	Growth
Large	22.2	39.6	19.3
Mid	5.9	8.3	3.6
Small	0.4	0.6	0.0

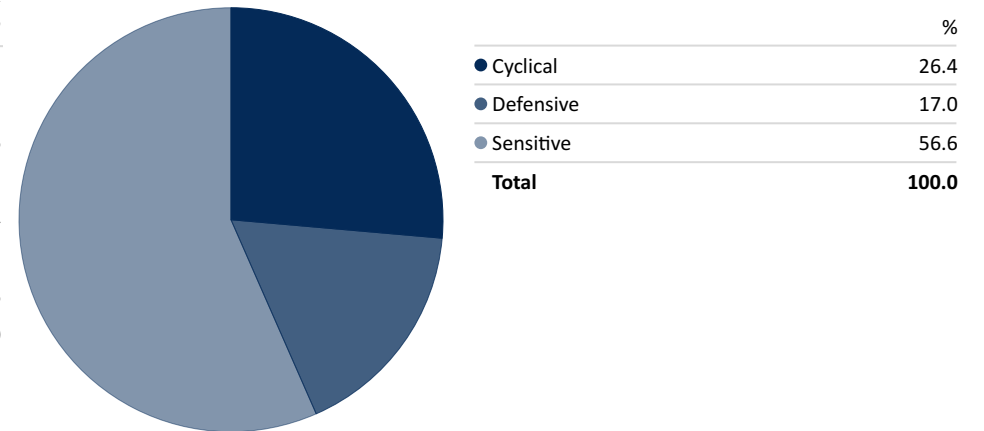
Market Cap	%
Market Cap Giant %	46.2
Market Cap Large %	35.0
Market Cap Mid %	17.8
Market Cap Small %	1.1
Market Cap Micro %	0.0

Top Holdings

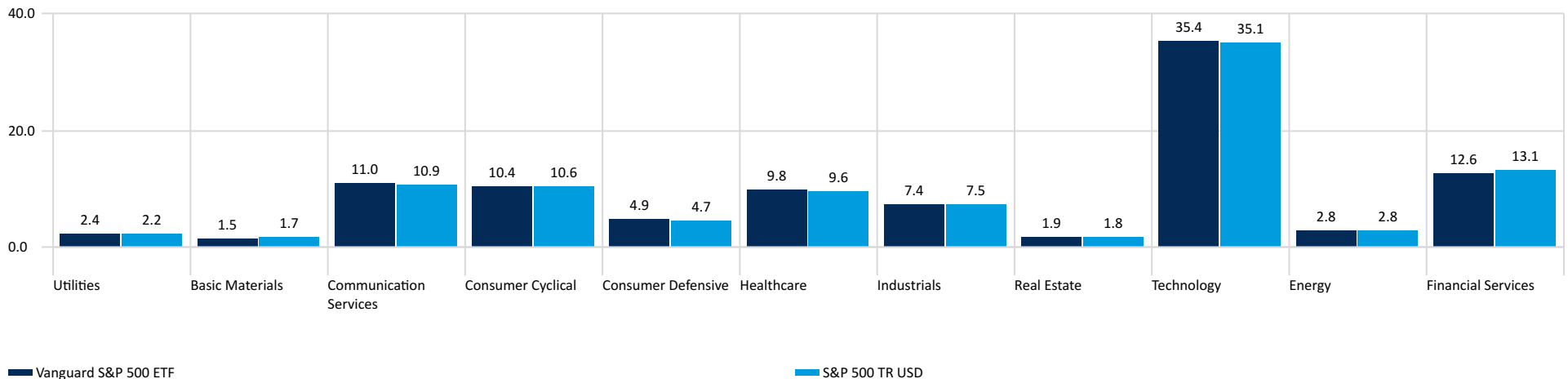
	Portfolio Weighting %	Benchmark Weighting %
NVIDIA Corp	7.37	7.39
Apple Inc	7.07	7.08
Microsoft Corp	6.24	6.26
Amazon.com Inc	3.86	3.87
Broadcom Inc	3.24	3.24
Alphabet Inc Class A	3.18	3.19
Alphabet Inc Class C	2.55	2.56
Meta Platforms Inc Class A	2.40	2.40
Tesla Inc	2.06	2.07
Berkshire Hathaway Inc Class B	1.61	1.61

Equity Super Sectors (Morningstar) - Vanguard S&P 500 ETF

Portfolio Date: 11/30/2025



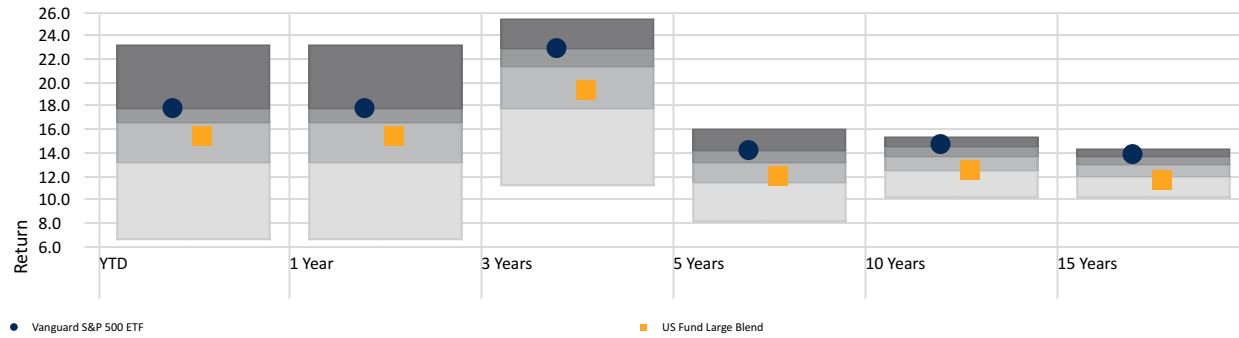
Sector Weight



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Large Blend Calculation Benchmark: S&P 500 TR USD

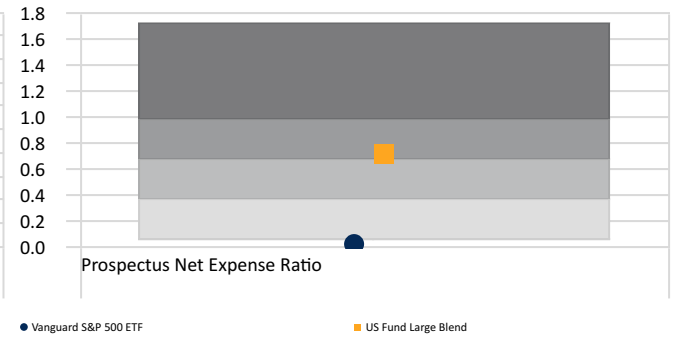
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Large Blend

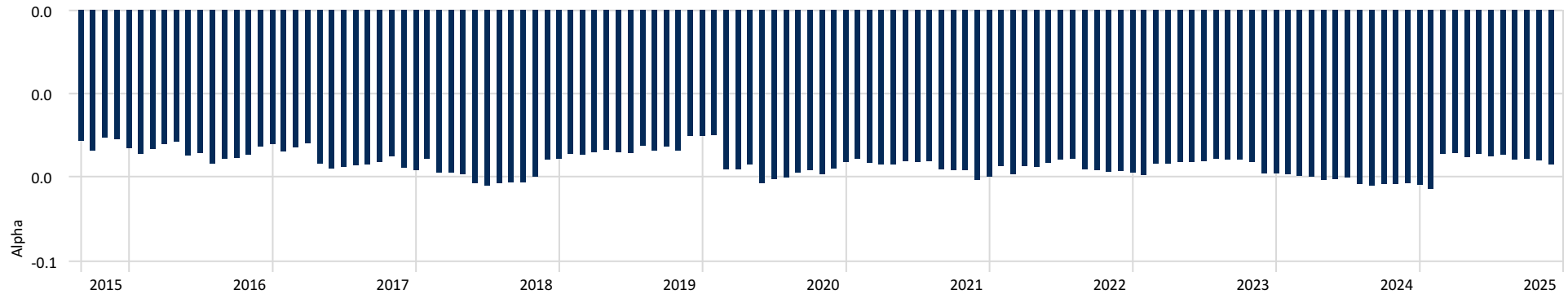
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

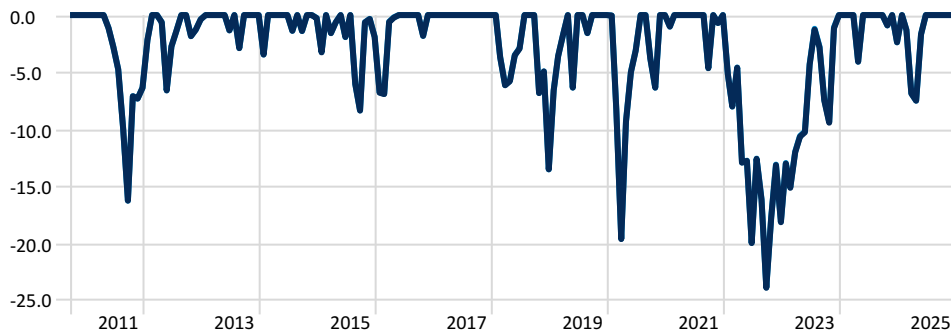
Time Period: Since Common Inception (10/1/2010) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



Drawdown

Time Period: Since Common Inception (10/1/2010) to 12/31/2025

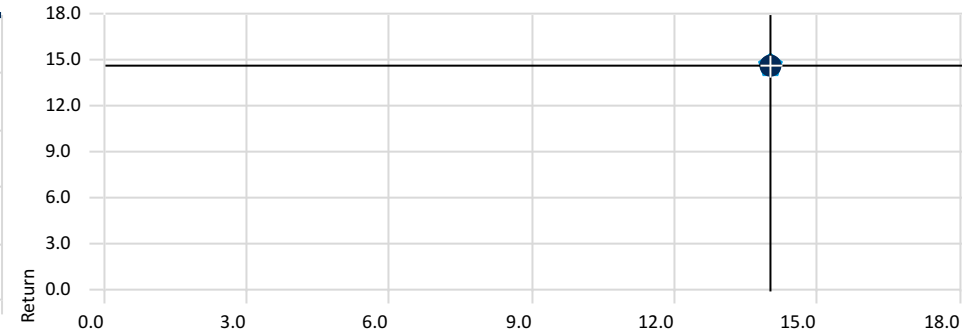


■ Vanguard S&P 500 ETF

■ S&P 500 TR USD

Risk-Reward

Time Period: Since Common Inception (10/1/2010) to 12/31/2025

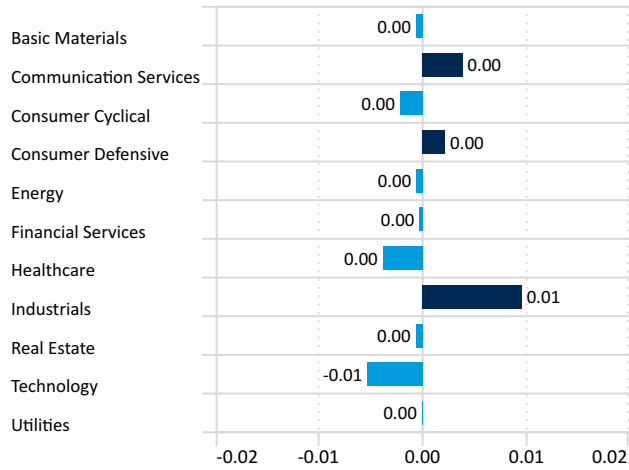


● Vanguard S&P 500 ETF

◆ S&P 500 TR USD

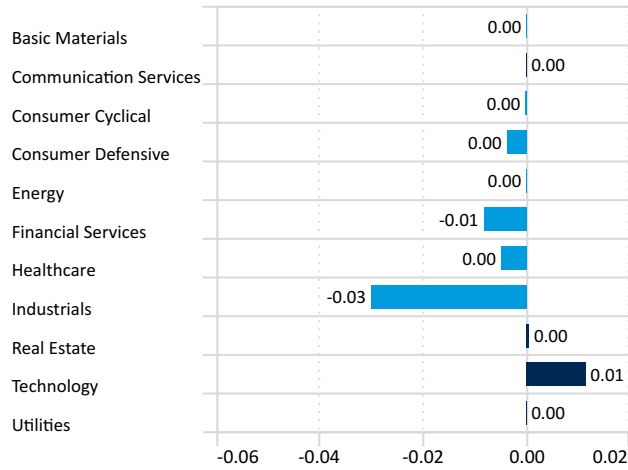
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



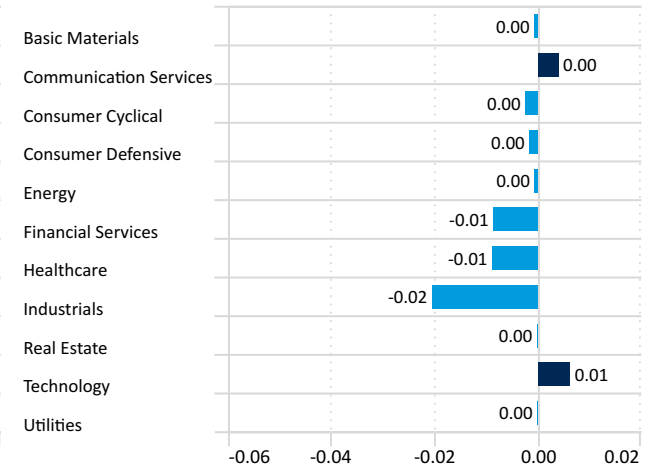
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

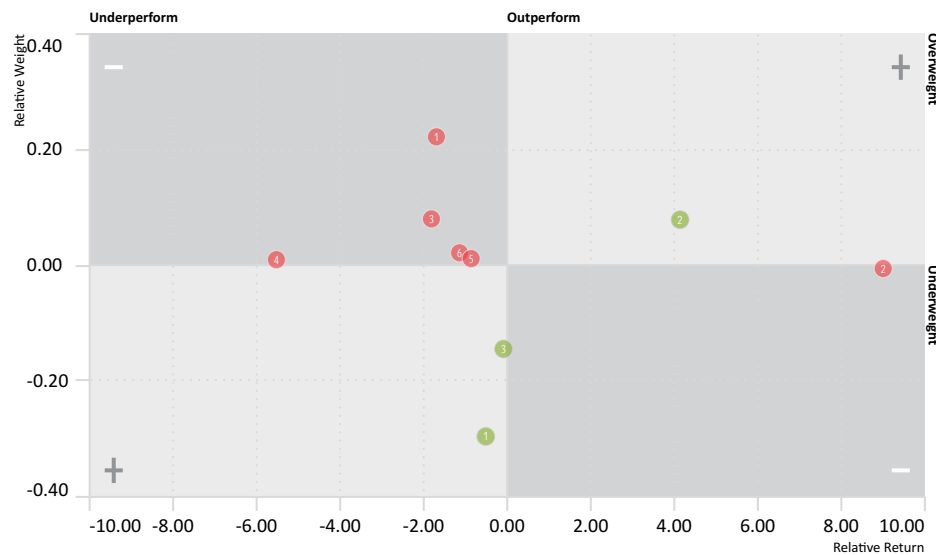
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

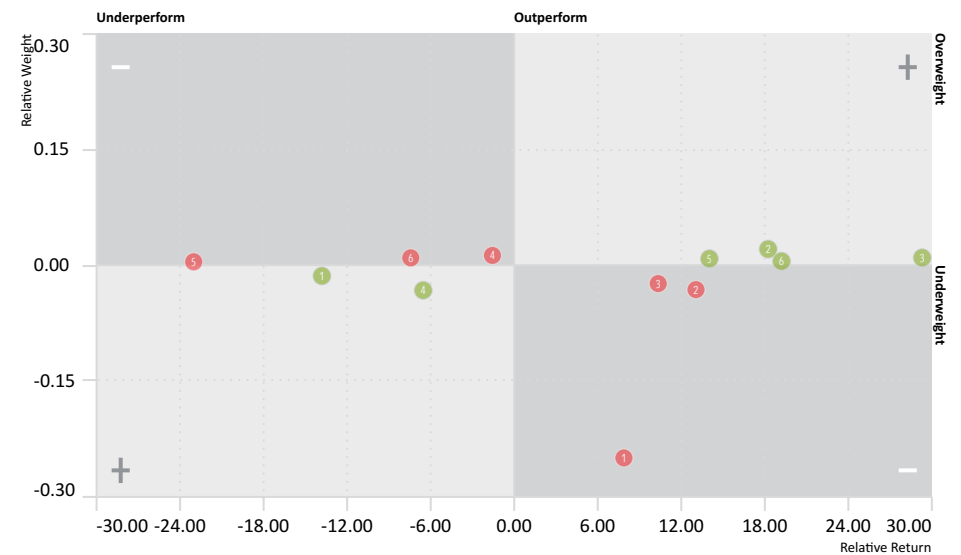
Calculation Benchmark: S&P 500 TR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

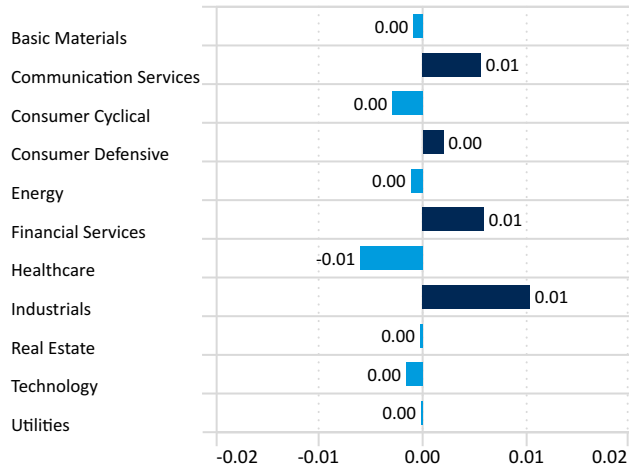
Calculation Benchmark: S&P 500 TR USD



Best Weighting	Weight +/-	Return +/-	Effect	Worst Weighting	Weight +/-	Return +/-	Effect	Best Selections	Morningstar...	Weight +/-	Return +/-	Effect	Worst Selections	Morningstar...	Weight +/-	Return +/-	Effect
Industrials	-0.30	-0.51	0.01	Technology	0.22	-1.70	-0.01	VeriSign Inc	Technology	-0.01	-13.81	0.01	RTX Corp	Industrials	-0.25	7.88	-0.02
Communication Services	0.08	4.14	0.00	Healthcare	-0.01	9.00	0.00	Caterpillar Inc	Industrials	0.02	18.24	0.01	Citigroup Inc	Financial Se...	-0.03	13.06	0.00
Financial Services	-0.14	-0.09	0.00	Consumer Cyclical	0.08	-1.82	0.00	Eli Lilly and ...	Healthcare	0.01	29.38	0.00	Target Corp	Consumer ...	-0.02	10.34	0.00
				Real Estate	0.01	-5.53	0.00	Fortinet Inc	Technology	-0.03	-6.54	0.00	Boeing Co	Industrials	0.01	-1.56	0.00
				Basic Materials	0.01	-0.86	0.00	Parker Han...	Industrials	0.01	14.02	0.00	Axon Enter...	Industrials	0.00	-23.02	0.00
				Energy	0.02	-1.14	0.00	Cummins Inc	Industrials	0.01	19.20	0.00	Microsoft C...	Technology	0.01	-7.43	0.00

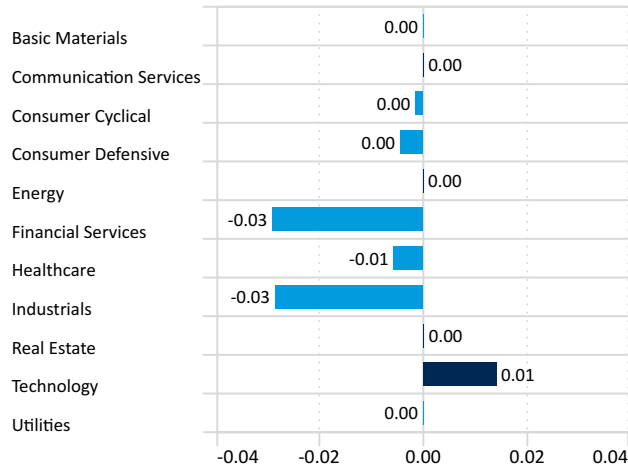
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



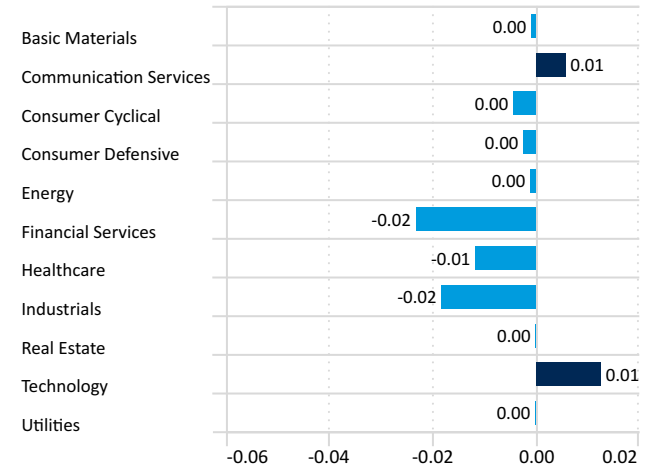
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

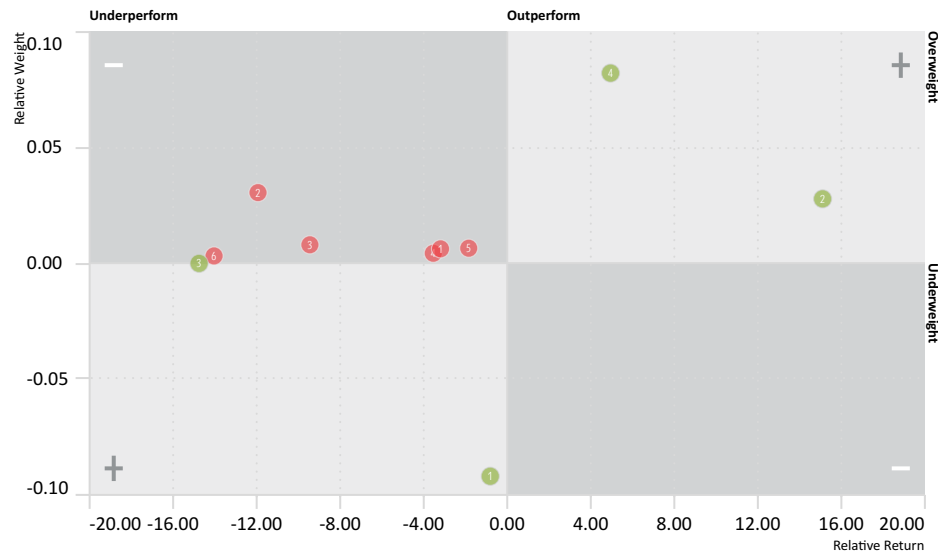
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

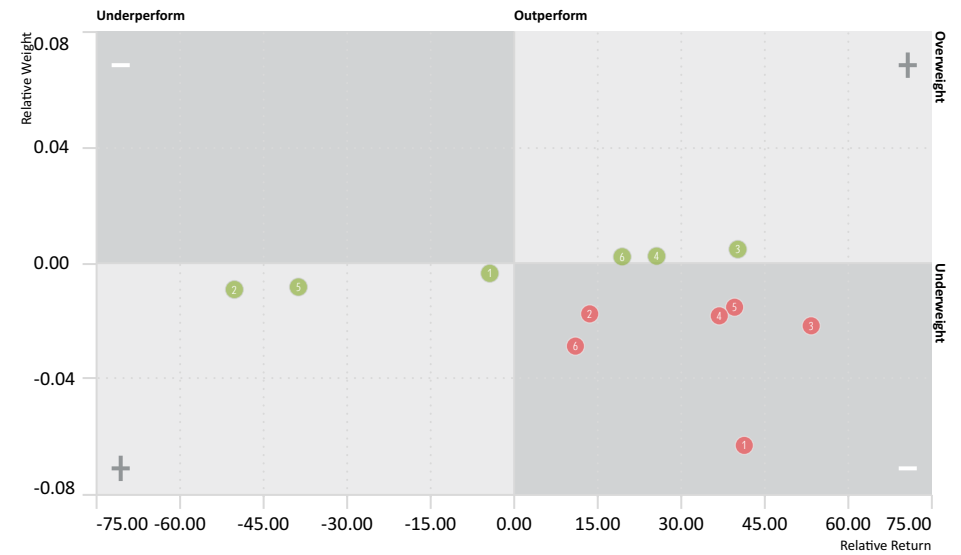
Calculation Benchmark: S&P 500 TR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: S&P 500 TR USD



Best Weighting	Weight +/-	Return +/-	Effect	Worst Weighting	Weight +/-	Return +/-	Effect	Best Selections	Morningstar...	Weight +/-	Return +/-	Effect	Worst Selections	Morningstar...	Weight +/-	Return +/-	Effect
Financial Services	-0.09	-0.81	0.01	Healthcare	0.01	-3.20	-0.01	VeriSign Inc	Technology	0.00	-4.39	0.01	RTX Corp	Industrials	-0.06	41.32	-0.02
Communication Services	0.03	15.10	0.01	Consumer Cyclical	0.03	-11.94	0.00	Global Pay...	Industrials	-0.01	-50.25	0.01	Quanta Serv...	Industrials	-0.02	13.55	-0.01
Real Estate	0.00	-14.76	0.00	Energy	0.01	-9.45	0.00	Caterpillar Inc	Industrials	0.00	40.15	0.01	Citigroup Inc	Financial Se...	-0.02	53.33	-0.01
Technology	0.08	4.95	0.00	Basic Materials	0.00	-3.54	0.00	Eli Lilly and ...	Healthcare	0.00	25.58	0.00	Cencora Inc	Healthcare	-0.02	36.83	-0.01
				Utilities	0.01	-1.85	0.00	Fortinet Inc	Technology	-0.01	-38.75	0.00	The Goldma...	Financial Se...	-0.02	39.57	-0.01
				Consumer Defensive	0.00	-14.04	0.00	Parker Han...	Industrials	0.00	19.39	0.00	Bank of Am...	Financial Se...	-0.03	10.99	0.00

Investment Strategy

The investment seeks to track the performance of the CRSP US Small Cap Index that measures the investment return of small-capitalization stocks. The fund advisor employs an indexing investment approach designed to track the performance of the CRSP US Small Cap Index, a broadly diversified index of stocks of small U.S. companies. The advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Process Approach

By Zachary Evens 5/15/2025

The fund accurately represents the US small-cap market. Trading frictions can make indexing small-cap stocks difficult, but index rules that promote investability and low turnover mitigate those challenges. The fund earns an Above Average Process Pillar rating.

Process Portfolio

By Zachary Evens 5/15/2025

The fund tracks the CRSP US Small Cap Index, which sweeps in the bottom 85%-98% of the US stock market by market capitalization. CRSP filters out stocks with a market cap below USD 15 million and float ratios lower than 12.5%. Current index constituents are subject to lower liquidity thresholds and can temporarily stray outside the index's targeted market-cap range. The index keeps close tabs on turnover to avoid unnecessary transaction costs. CRSP moves holdings in and out of the index through a "packeting" process, whereby only half of a position is moved at any rebalance. It also spreads out rebalancing trades over five days to minimize market impact and reduce trading costs. Some small-cap stocks can be difficult and expensive to trade, so these measures are especially important for indexes following this market segment.

The index weights its holdings by their float-adjusted market cap, which promotes diversification and minimizes turnover.

Small companies tend to be more volatile than their larger counterparts but may offer greater upside potential. While their businesses may not yet be mature and stable, the growth potential of promising small-cap stocks can lift the entire segment. Diversifying across a broad selection of small caps is sensible as it spreads risk yet still allows the portfolio to benefit from the winners.

By most measures, the portfolio closely resembles the average ...

People

By Zachary Evens 5/15/2025

Vanguard's equity index group earns an Above Average People Pillar rating for its well-supported and stable management team adept at leveraging Vanguard's comprehensive resources. Its portfolio managers benefit from the firm's global infrastructure and advanced portfolio management technology, which facilitates cost-efficient trading around the globe. The infrequent turnover of managers, coupled with Vanguard's practice of rotating them across various funds, enhances their expertise and understanding of different market segments.

The fund's managers directly handle trading, providing them with deeper insights into the portfolio's operations than a stand-alone trader might have. They are backed by a global team of dedicated personnel and employ sophisticated, scalable technology to minimize their workload and enhance tracking accuracy. Vanguard's independent risk-management team plays a crucial role in ensuring its funds adhere to predetermined tracking tolerances. It collaborates closely with the managers to oversee trades and address potential issues proactively. Vanguard compensates managers based on tracking error and excess return metrics to foster a culture of accountability and ensure that the management team's interests are closely tied to those of investors.

Performance

By Zachary Evens 5/15/2025

The ETF share class outperformed the category average by 1.8 percentage points annualized from its 2004 inception through April 2025. Its larger-than-average market cap limited drawdowns, helping the fund earn a sturdy risk-adjusted return advantage.

Turnover-friendly index rules helped the fund achieve its sizable advantage. For example, market-cap weighting and leniency around the upper market-cap bound allow for fast-growing companies to remain in the portfolio long after they've crossed into mid-cap territory. The fund usually holds several stocks too large to be considered for most small-cap index funds. Their inclusion allows the fund to receive the full benefit of a small stock's rise into mid-cap territory, and it helped the fund realize 103% of the category norm's upside since its inception.

The fund's larger size also offered some reprieve during down markets. It has protected investors from downturns more effectively than the average of its peers. A larger allocation to mid-cap companies than some peers should marginally help contain volatility and drawdowns during periods of market stress. It has captured 97% of the category's average downside since 2004.

Parent Company

By Daniel Sotiroff 7/28/2025

Vanguard maintains its High Parent Pillar rating as it continues to grow under new leadership.

CEO Salim Ramji has had a busy first year captaining Vanguard’s crew, and the ship remains pointed in the right direction. The firm made its largest round of fee cuts in early 2025, which came at an estimated cost of USD 350 million. It established a separate division dedicated to its advice and wealth management efforts, a sign that it wants to seriously compete within those lines of business. Asset growth has continued to be a huge success. Only BlackRock’s inflows rival the money Vanguard is taking in. Likewise, the number of clients it serves has more than doubled since 2015.

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Vanguard has ambitions to bring its disruptive legacy to the bond market. It created roughly a dozen low-cost bond exchange-traded funds for US investors and sever...

Manager Information and Ownership Levels

Manager Biography

Gerard C. O’Reilly since 4/27/2016

Villanova University, B.S.

Gerard C. O’Reilly, Principal of Vanguard Group, Inc. Gerard has been with Vanguard since 1992, has managed investment portfolios since 1994, O’Reilly has managed stock index portfolios since 1994. Education: B.S., Villanova University.

Manager Biography

Kenny Narzikul since 2/28/2023

Kenny Narzikul, CFA, Portfolio Manager at Vanguard. He has been with Vanguard since 2012, has worked in investment management since 2016, has managed investment portfolios since 2023, and has co-managed the Fund since August 2023. Education: B.B.A., James Madison University.

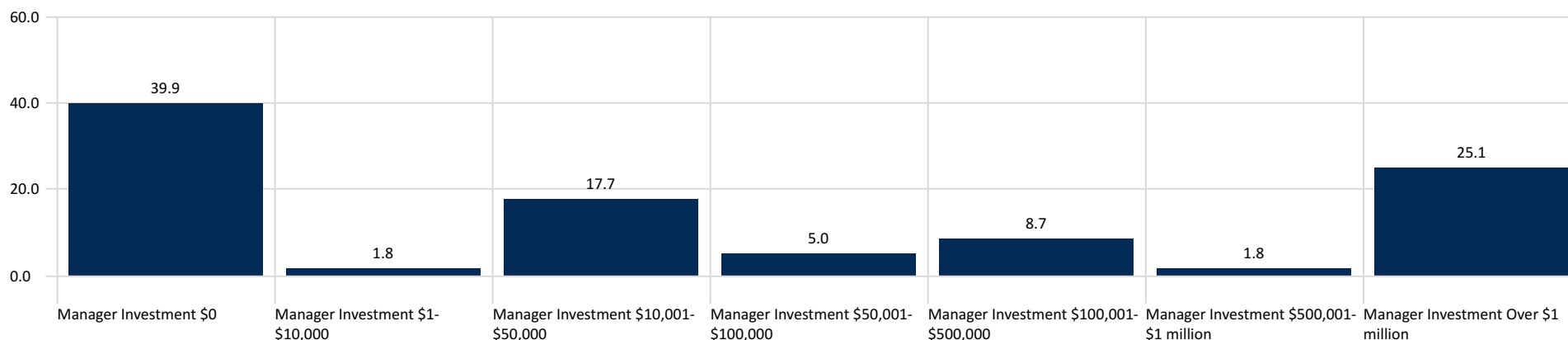
Manager Biography

Aaron Choi since 2/18/2025

Aaron Choi, CFA, Portfolio Manager at Vanguard. He has been with Vanguard since 2011, has worked in investment management since 2015, and has co-managed the Fund since August 2023. Education: B.S., Pennsylvania State University.

Manager Biography

Manager Ownership Level

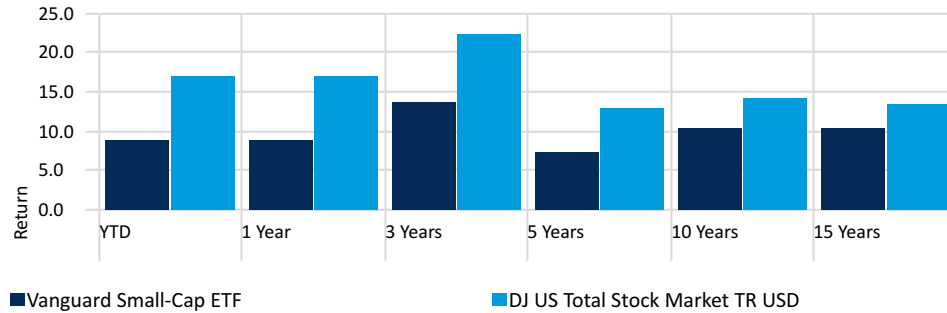


Vanguard Small-Cap ETF

Ticker	VB	Prospectus Net Expense Ratio	0.05	Morningstar Category	US Fund Small Blend
Manager Name	Multiple	Turnover Ratio %	13.00	Fund Size	162,311,409,774.00
Inception Date	1/26/2004	Potential Capital Gains Exposure	17.47	Alpha (3-Year)	-10.95
Manager Tenure (Longest)	9.75	# of Holdings	1,335	Beta (3-Year)	1.27

Trailing Returns

As of Date: 12/31/2025



Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Vanguard Small-Cap ETF	8.83	8.83	13.69	7.35	10.43	9.42
DJ US Total Stock Market TR USD	17.05	17.05	22.27	13.07	14.21	10.59

Excess Return vs. Benchmark

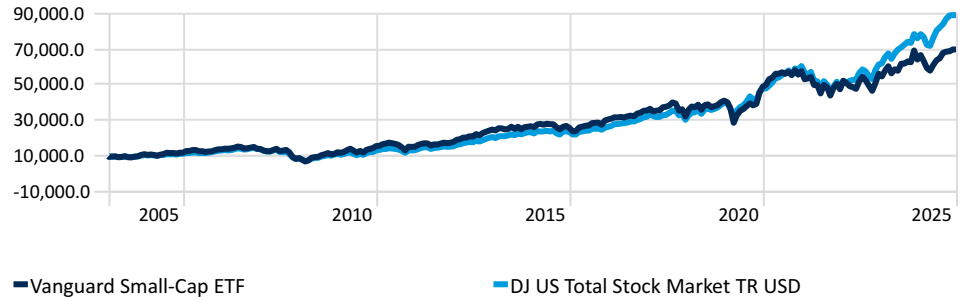
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-8.22	-8.22	-8.58	-5.72	-3.78	-1.18

Investment Strategy

The investment seeks to track the performance of the CRSP US Small Cap Index that measures the investment return of small-capitalization stocks. The fund advisor employs an indexing investment approach designed to track the performance of the CRSP US Small Cap Index, a broadly diversified index of stocks of small U.S. companies. The advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Investment Growth

Time Period: Since Common Inception (1/27/2004) to 12/31/2025



Calendar Year Returns

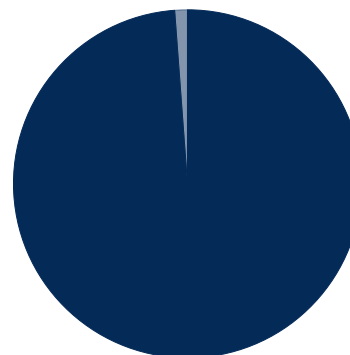
	2021	2022	2023	2024	2025
Vanguard Small-Cap ETF	17.72	-17.60	18.21	14.23	8.83
DJ US Total Stock Market TR USD	25.66	-19.53	26.06	23.88	17.05

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	-7.94	1.93	-7.85	-9.64	-8.22

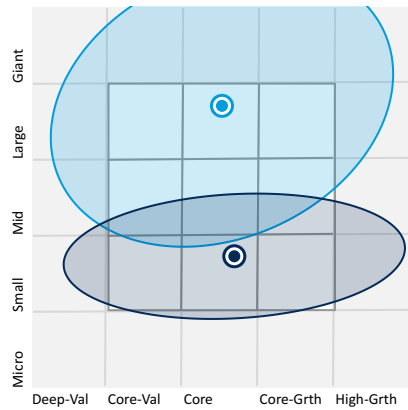
Asset Allocation

Portfolio Date: 11/30/2025



	%
● Stock	98.8
● Bond	0.0
● Cash	1.2
● Other	0.0
Total	100.0

Holdings-Based Style Map



- Vanguard Small-Cap ETF
- DJ US Total Stock Market TR USD

Morningstar Style Box

Portfolio Date: 11/30/2025



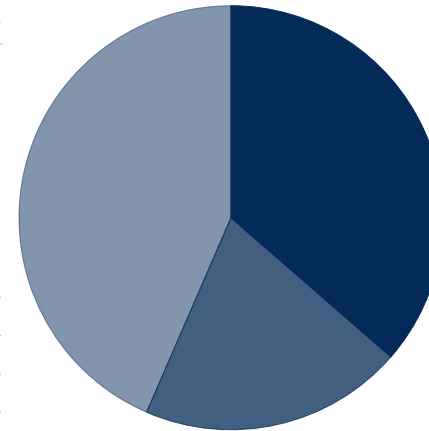
Market Cap	%
Market Cap Giant %	0.4
Market Cap Large %	0.7
Market Cap Mid %	30.4
Market Cap Small %	56.9
Market Cap Micro %	11.6

Top Holdings

	Portfolio Weighting %	Benchmark Weighting %
Insmed Inc	0.63	0.07
Comfort Systems USA Inc	0.49	0.05
SoFi Technologies Inc Ordinary Shares	0.48	0.05
NRG Energy Inc	0.47	0.05
Natera Inc	0.44	0.05
SanDisk Corp Ordinary Shares	0.44	0.05
Ciena Corp	0.41	0.04
Atmos Energy Corp	0.40	0.04
Pure Storage Inc Class A	0.39	0.04
Expand Energy Corp Ordinary Shares - New	0.39	0.04

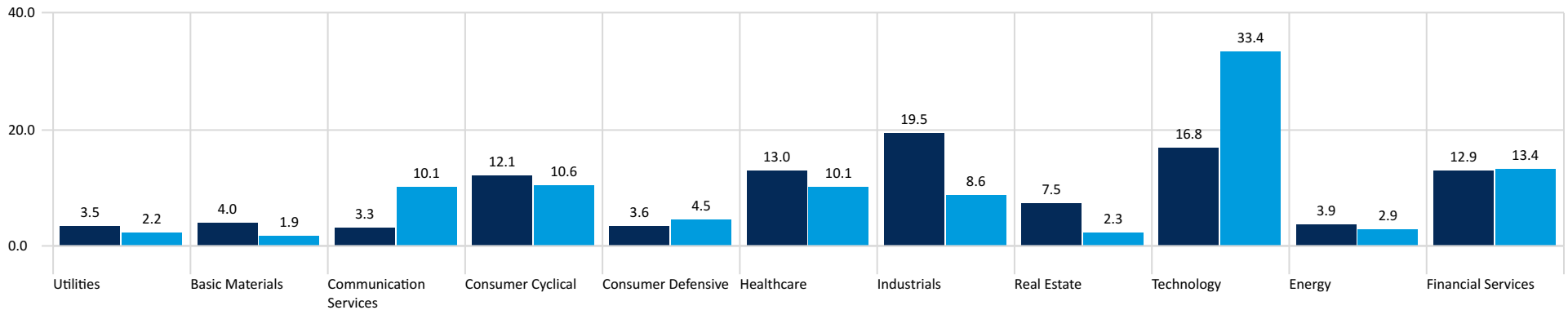
Equity Super Sectors (Morningstar) - Vanguard Small-Cap ETF

Portfolio Date: 11/30/2025



	%
● Cyclical	36.4
● Defensive	20.1
● Sensitive	43.5
Total	100.0

Sector Weight



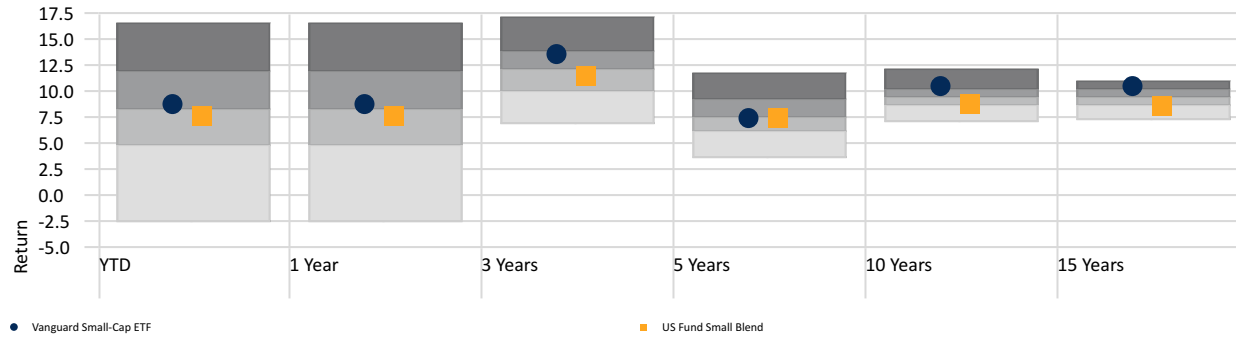
■ Vanguard Small-Cap ETF

■ DJ US Total Stock Market TR USD

Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Small Blend Calculation Benchmark: DJ US Total Stock Market TR USD

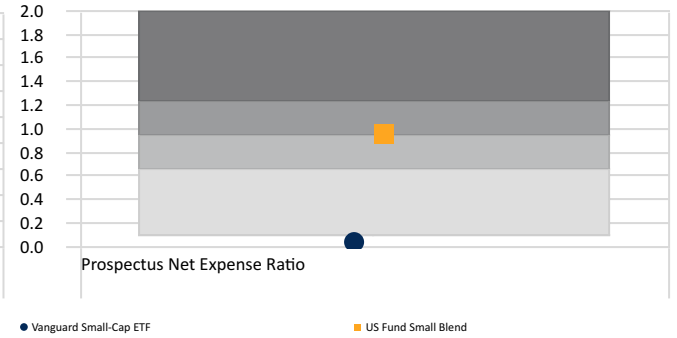
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Small Blend

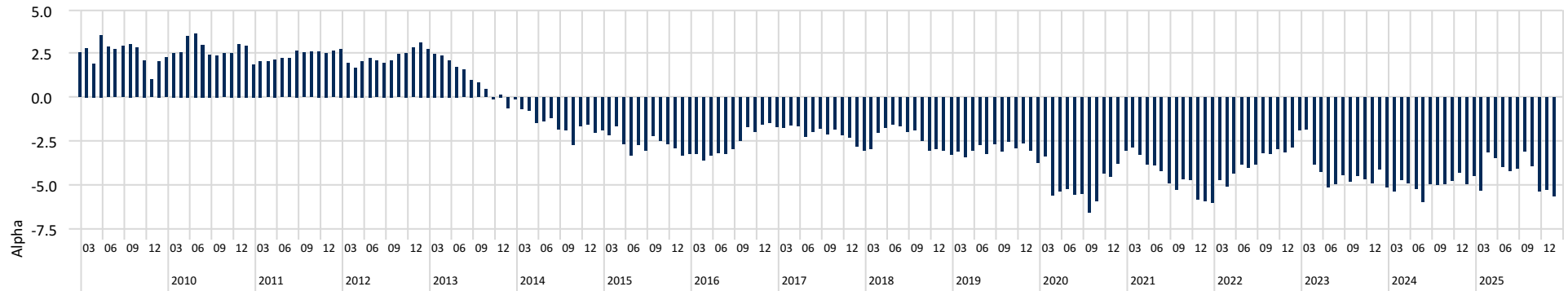
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

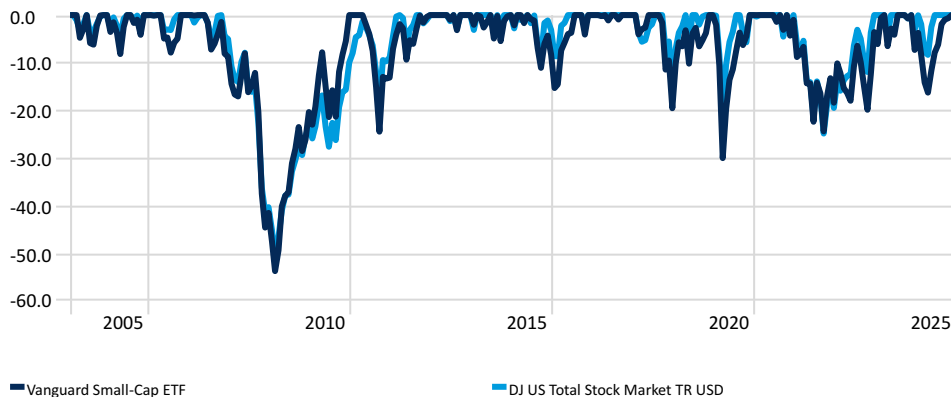
Time Period: Since Common Inception (2/1/2004) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



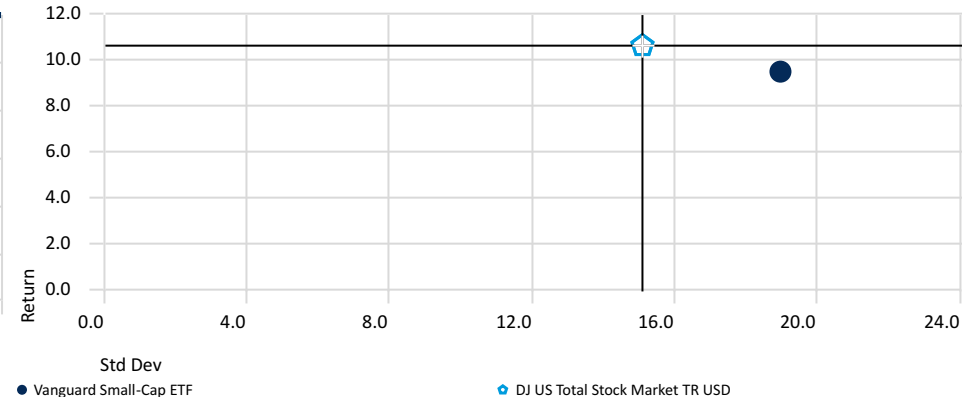
Drawdown

Time Period: Since Common Inception (2/1/2004) to 12/31/2025



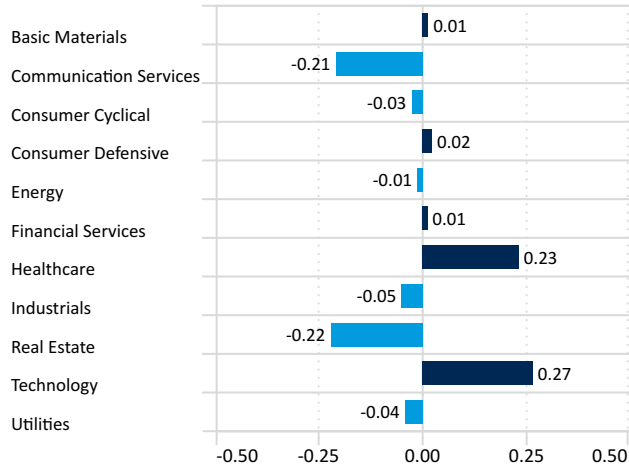
Risk-Reward

Time Period: Since Common Inception (2/1/2004) to 12/31/2025



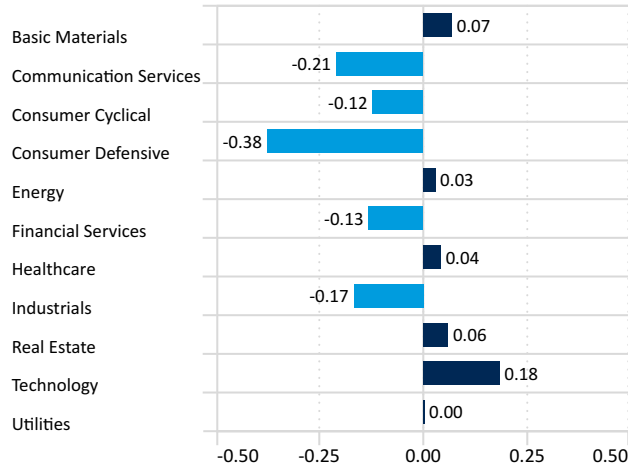
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



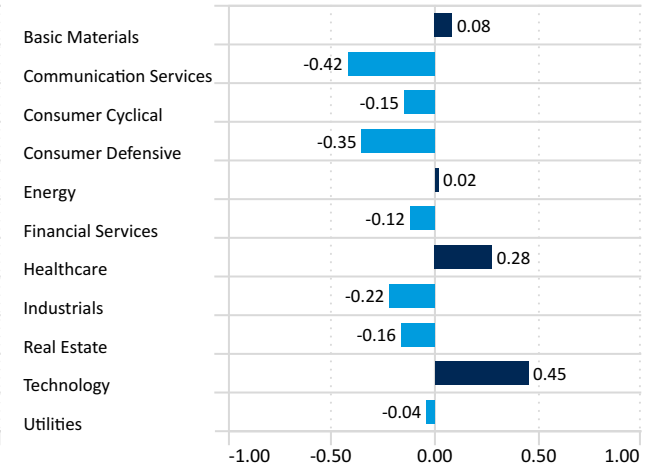
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

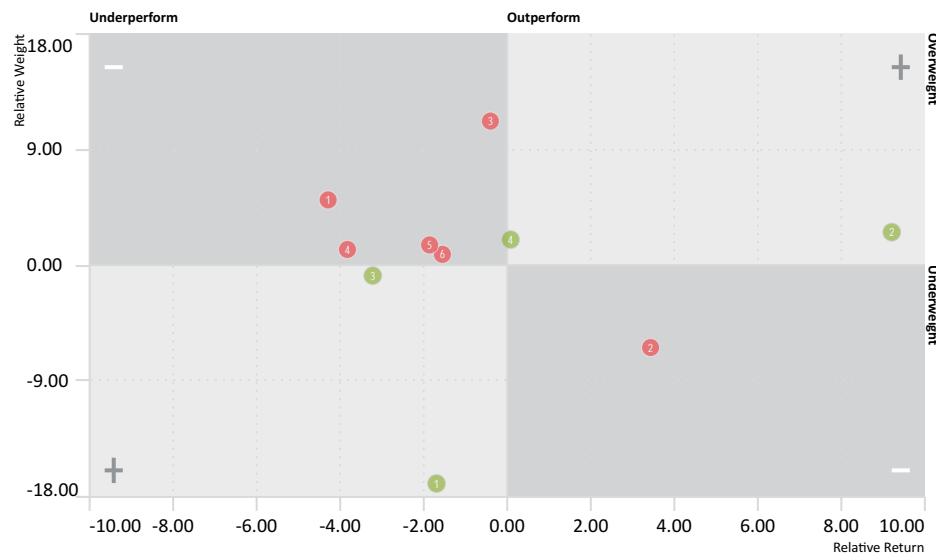
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

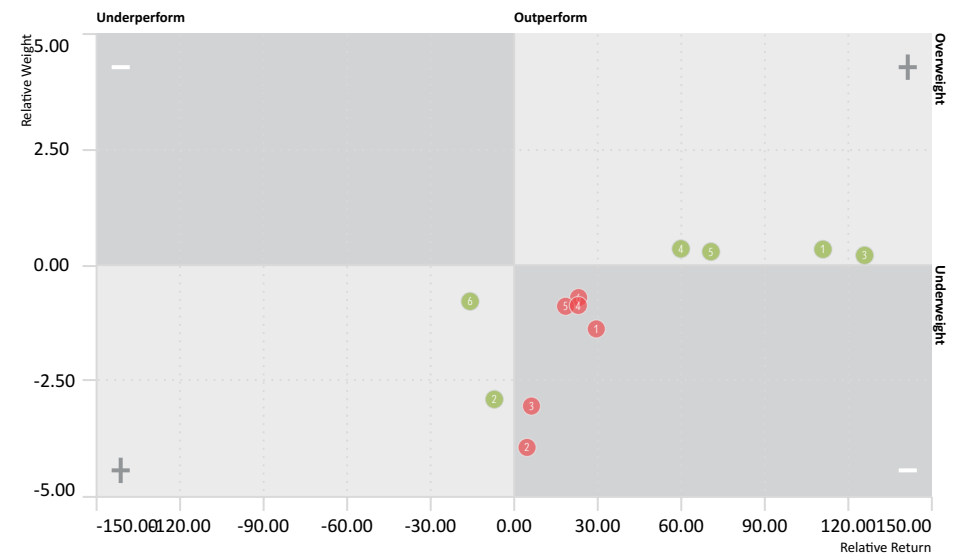
Calculation Benchmark: DJ US Total Stock Market TR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

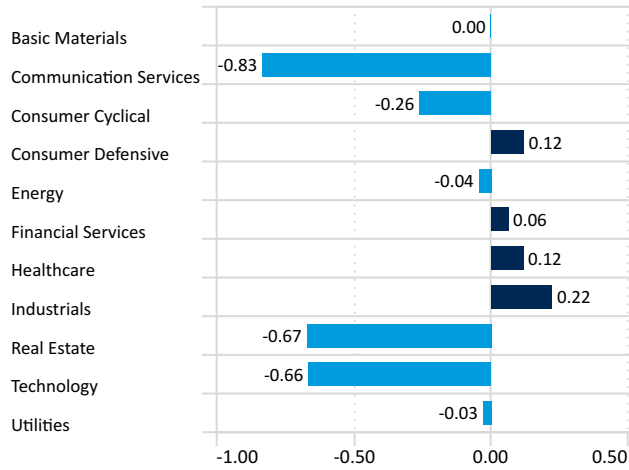
Calculation Benchmark: DJ US Total Stock Market TR USD



Best Weighting	Weight +/-	Return +/-	Effect	Worst Weighting	Weight +/-	Return +/-	Effect	Best Selections	Morningstar...	Weight +/-	Return +/-	Effect	Worst Selections	Morningstar...	Weight +/-	Return +/-	Effect
Technology	-16.96	-1.69	0.27	Real Estate	5.06	-4.29	-0.22	SanDisk Cor...	Technology	0.34	110.89	0.25	Eli Lilly and ...	Healthcare	-1.38	29.48	-0.35
Healthcare	2.56	9.21	0.23	Communication Services	-6.40	3.43	-0.21	Microsoft C...	Technology	-2.90	-7.13	0.22	Amazon.co...	Consumer C...	-3.93	4.61	-0.19
Consumer Defensive	-0.82	-3.22	0.02	Industrials	11.18	-0.40	-0.05	Lumentum ...	Technology	0.21	125.85	0.19	Apple Inc	Technology	-3.04	6.19	-0.18
Basic Materials	1.98	0.08	0.01	Utilities	1.21	-3.83	-0.04	Ciena Corp	Technology	0.35	59.87	0.18	Alphabet In...	Communica...	-0.87	23.04	-0.18
				Consumer Cyclical	1.57	-1.86	-0.03	Coherent C...	Technology	0.29	70.66	0.17	Caterpillar Inc	Industrials	-0.89	18.43	-0.15
				Energy	0.83	-1.55	-0.01	Meta Platfo...	Communica...	-0.78	-15.85	0.14	Alphabet In...	Communica...	-0.70	23.13	-0.15

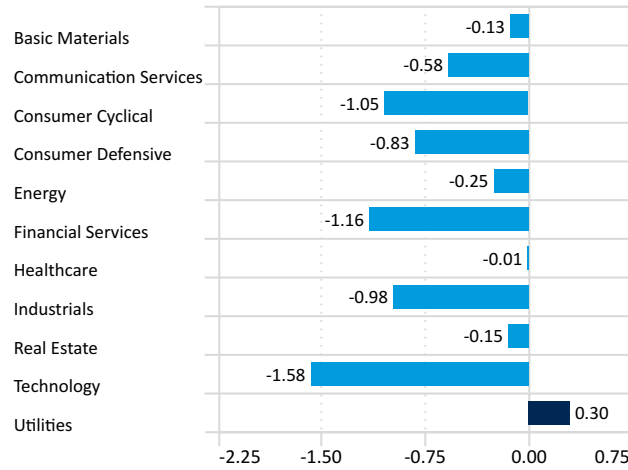
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



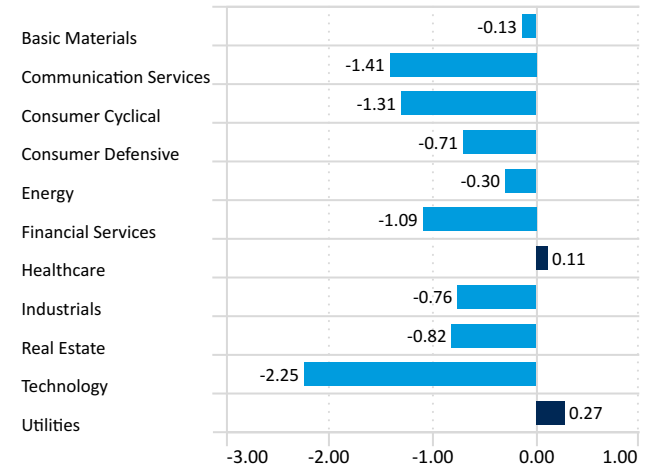
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

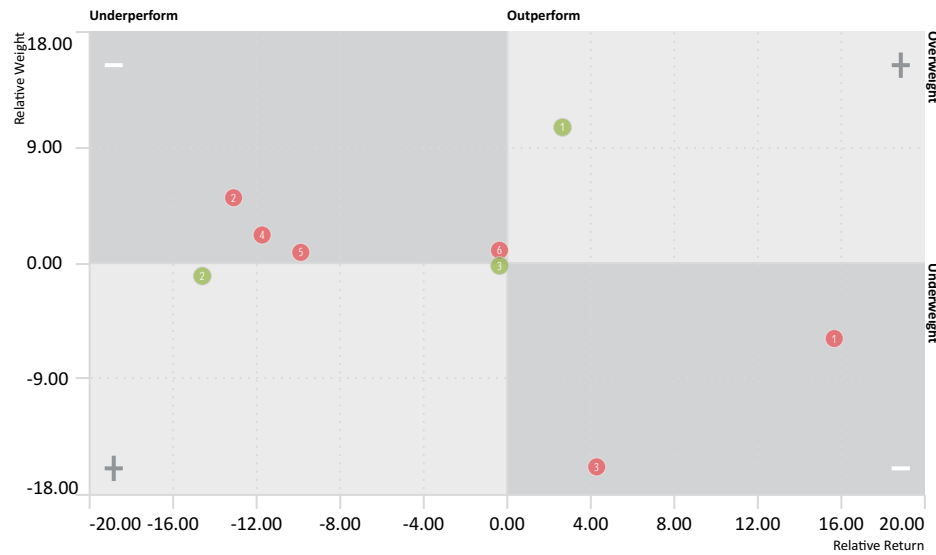
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

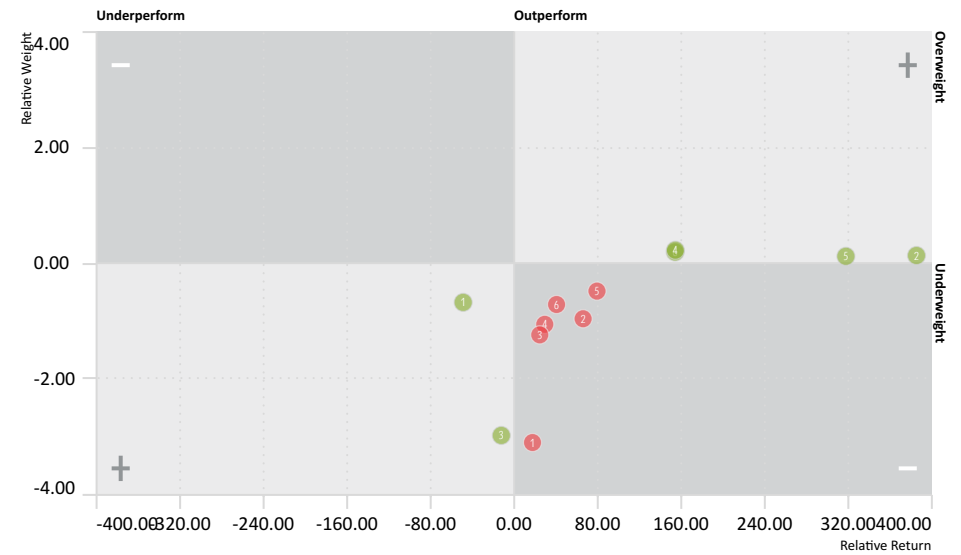
Calculation Benchmark: DJ US Total Stock Market TR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: DJ US Total Stock Market TR USD



Best Weighting	Weight +/-	Return +/-	Effect	Worst Weighting	Weight +/-	Return +/-	Effect	Best Selections	Morningstar...	Weight +/-	Return +/-	Effect	Worst Selections	Morningstar...	Weight +/-	Return +/-	Effect
Industrials	10.55	2.65	0.22	Communication Services	-5.86	15.66	-0.83	UnitedHealth...	Healthcare	-0.68	-48.89	0.43	NVIDIA Corp	Technology	-3.10	17.52	-0.54
Consumer Defensive	-1.00	-14.60	0.12	Real Estate	5.08	-13.10	-0.67	SanDisk Cor...	Technology	0.13	385.29	0.39	GE Aerospace	Industrials	-0.96	65.98	-0.44
Financial Services	-0.20	-0.37	0.06	Technology	-15.82	4.28	-0.66	Apple Inc	Technology	-2.97	-12.35	0.38	Eli Lilly and ...	Healthcare	-1.24	24.46	-0.35
				Consumer Cyclical	2.18	-11.74	-0.26	Ciena Corp	Technology	0.22	154.36	0.30	Broadcom Inc	Technology	-1.06	29.25	-0.28
				Energy	0.83	-9.89	-0.04	Lumentum ...	Technology	0.12	317.67	0.28	GE Vernova ...	Industrials	-0.48	79.27	-0.27
				Utilities	1.00	-0.37	-0.03	Rocket Lab ...	Industrials	0.19	154.14	0.24	Caterpillar Inc	Industrials	-0.71	40.55	-0.27

Investment Strategy

The investment seeks to track the investment results of the S&P SmallCap 600 Index composed of small-capitalization U.S. equities. The index measures the performance of the small-capitalization sector of the U.S. equity market, as determined by SPDJI. The fund generally will invest at least 80% of its assets in the component securities of its index and in investments that have economic characteristics that are substantially identical to the component securities of its index and may invest up to 20% of its assets in certain futures, options and swap contracts, cash and cash equivalents.

Process Approach

By Zachary Evens 5/5/2025

A preference for profitable firms and sound diversification should minimize the risks of the strategy's smaller orientation. It earns an Above Average Process Pillar rating.

Process Portfolio

By Zachary Evens 5/5/2025

The strategy tracks the S&P SmallCap 600 Index, which captures the small-cap segment of the total investable US equity market. An index committee determines the 600 constituents from a universe of US-domiciled stocks that pass its investability criteria. These criteria include a market cap between USD 1.1 billion and USD 7.4 billion, minimum liquidity requirement, and positive generally accepted accounting principles earnings for the last 12 months and in the most recent quarter. The profitability requirement helps shield the index from less stable companies, especially among its smallest constituents. IPOs are eligible for inclusion only after 12 months of trading. This helps to ensure that these firms are financially viable and allows time for the market to incorporate a broader swath of market participants' views into their share prices.

The index does not reconstitute on a regular cadence like competitor indexes and instead makes changes as the committee sees fit. Existing constituents are only removed should they continually and substantially violate the index's inclusion criteria, as the index committee allows temporary deviations. This approach allows for more flexibility around reconstitution, thus reducing unnecessary turnover. Historical turnover for the index hovers around 17%, better than most active funds and consistent with many index fund peers.

The committee will step in when a stock far exceeds the upper market-cap limit, preventing the portfolio from drifting too f...

People

By Zachary Evens 5/5/2025

The iShares equity index team earns an Above Average People Pillar rating, a testament to the quality of its index-tracking capabilities. The team leverages BlackRock's industry-leading technology and a robust global infrastructure to consistently deliver tight index-tracking performance in all the global markets that it touches. Automated workflows and the team's extensive supporting staff effectively minimize potential disruptions caused by personnel changes.

BlackRock's Aladdin platform performs most of the portfolio management tasks and helps ensure the team achieves precise index-tracking. Experienced managers guide the team, stepping in for tasks such as dealing with index changes, rebalances, certain corporate actions, and trade approvals. Collaboration is key within BlackRock. All managers have access to a worldwide network of traders and peers that enhance the fund's day-to-day operations. BlackRock's global trading desk forms an integral part of this network. It taps into local markets to execute cost-effective transactions. An independent risk committee diligently oversees the fund's tracking performance, ensuring it remains within prescribed boundaries and further instilling confidence in the team's approach to tracking an index.

Performance

By Zachary Evens 5/5/2025

During market rallies, smaller stocks can rise quickly, boosting the fortunes of funds targeting the smallest end of the market. The strategy has been a beneficiary, capturing more than 100% of the average US small-blend fund's upside. Small but high-flying stocks proved especially helpful to the strategy in recent years. However, since this fund sells holdings that graduate from small-cap territory, it may not receive the stock's full benefit.

Small-cap funds tend to be quite volatile, and this strategy is no exception. Its focus on the smallest names in the small-cap market can make for an especially bumpy ride. But its profitability screen brings volatility back to reasonable levels, supporting strong risk-adjusted returns. The index was only 6% more volatile than its average US category peer over the 10 years through March 2025, helping it post better risk-adjusted returns.

Each fund's low fee presents a low hurdle for outperformance, and sound diversification spreads risk. Its profitability bias should also control risk in what can be an especially volatile arena. These compelling features position the strategy for long-term outperformance.

Parent Company

By Jason Kephart 1/10/2025

BlackRock has raised the bar for what it means to be a truly diversified asset manager. After going on a private-asset shopping spree in 2024 to acquire infrastructure, credit, and alternative fund data capabilities, few other firms can match its breadth of offerings. It remains to be seen if these acquisitions will be as transformative and beneficial for investors as its 2009 purchase of Barclays Global Investors, which included its now iconic iShares brand of exchange-traded funds. BlackRock continues to earn an Above Average rating for Parent.

There are reasons for optimism. CEO Larry Fink’s track record of acquisitions stands out for its focus on expanding what BlackRock can offer, rather than looking to build scale. The firm has been able to deliver packaged versions of its products, like direct indexing, through its popular model portfolios for financial advisors at low costs that have made significant improvements to investor outcomes.

For hands-off investors, BlackRock’s multi-asset options like its target-date strategies and once flagship global allocation strategy are among their respective Morningstar Categories’ best options. ...

Manager Information and Ownership Levels

Manager Biography

Jennifer Hsui since 8/1/2012

University of California

Jennifer Hsui, Managing Director & Portfolio Manager at BlackRock Investment Management LLC has been employed by BlackRock Fund Advisors as a senior portfolio manager since 2007. Prior to that, Ms. Hsui was a portfolio manager from 2006 to 2007 for BGFA. She was a research analyst for RBC Capital Markets from 2003 to 2006.

Manager Biography

Peter Sietsema since 4/1/2025

Peter Sietsema has been with BFA since 2007, including his years with BGI, which merged with BFA in 2009. Mr. Sietsema has been employed by BFA or its affiliates as a Director since 2011 and a Vice President from 2009 to 2010. Mr. Sietsema has been a Portfolio Manager of each fund since 2023.

Manager Biography

Matt Waldron since 4/1/2025

University of Delaware, B.A., Finance

Matt Waldron, CFA, Managing Director, is US Head of International Portfolio Management within BlackRock Global Markets & Index Investments (“BGM”). He is responsible for the overall management of ETFs, CTFs, and Institutional SMAs that are predominantly invested in developed and emerging markets. Mr. Waldron’s service with the firm dates back to 2003. Prior to his current role, Mr. Waldron

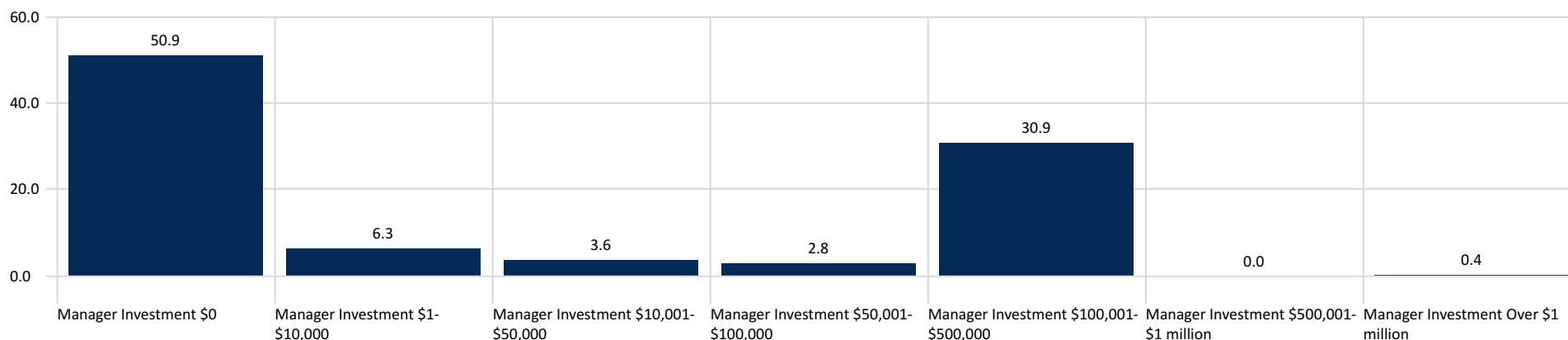
WAS

Manager Biography

Steven White since 4/1/2025

Steven White, Director, is Co-CIO for Index Equity Investments within BlackRock Global Markets & Index Investments (“BGM”) Steven co-leads the CIO function, which is responsible for leading efforts to drive scale, quality and risk-managed investment outcomes for clients. Within the function he has direct responsibilities for investment risk and performance oversight across the global book as well as Index Equities Index Advocacy function which looks to enhance benchmark methodologies managed to by t...

Manager Ownership Level

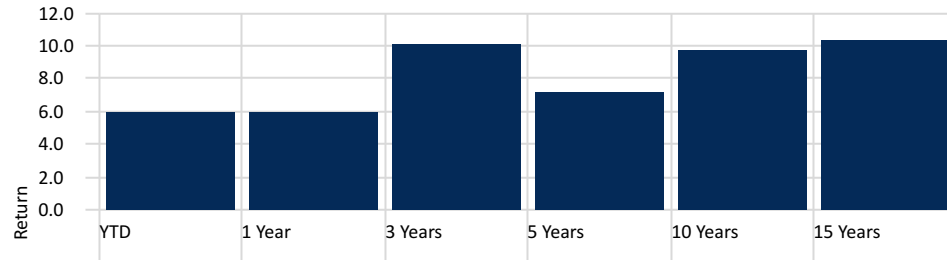


iShares Core S&P Small-Cap ETF

Ticker	IJR	Prospectus Net Expense Ratio	0.06	Morningstar Category	US Fund Small Blend
Manager Name	Multiple	Turnover Ratio %	25.00	Fund Size	92,560,262,335.00
Inception Date	5/22/2000	Potential Capital Gains Exposure	0.35	Alpha (3-Year)	
Manager Tenure (Longest)	13.42	# of Holdings	611	Beta (3-Year)	

Trailing Returns

As of Date: 12/31/2025



■ iShares Core S&P Small-Cap ETF ❌ S&P Total Market TR USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
iShares Core S&P Small-Cap ETF	5.95	5.95	10.12	7.23	9.76	9.40
S&P Total Market TR USD						

Excess Return vs. Benchmark

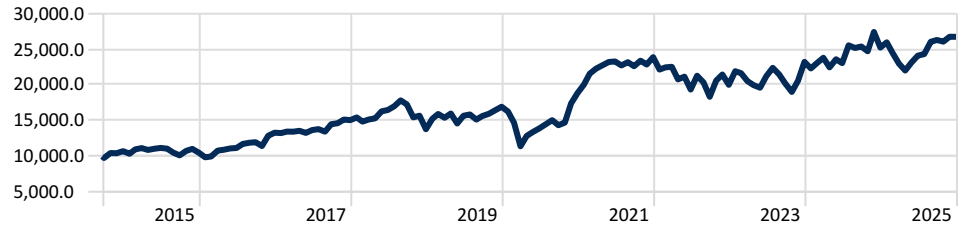
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return						

Investment Strategy

The investment seeks to track the investment results of the S&P SmallCap 600 Index composed of small-capitalization U.S. equities. The index measures the performance of the small-capitalization sector of the U.S. equity market, as determined by SPDJI. The fund generally will invest at least 80% of its assets in the component securities of its index and in investments that have economic characteristics that are substantially identical to the component securities of its index and may invest up to 20% of its assets in certain futures, options and swap contracts, cash and cash equivalents.

Investment Growth

Time Period: Since Common Inception (9/23/2014) to 12/31/2025



■ iShares Core S&P Small-Cap ETF ❌ S&P Total Market TR USD

Calendar Year Returns

	2021	2022	2023	2024	2025
iShares Core S&P Small-Cap ETF	26.69	-16.20	16.03	8.61	5.95
S&P Total Market TR USD					

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return					

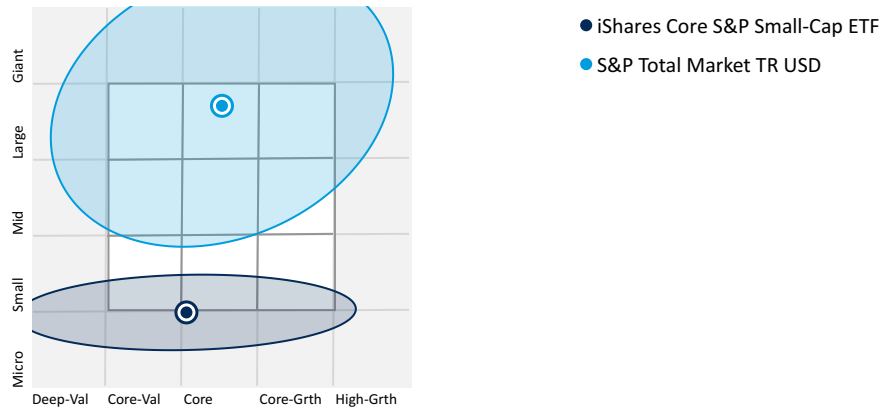
Asset Allocation

Portfolio Date: 12/31/2025



	%
● Stock	98.7
● Bond	0.0
● Cash	1.3
● Other	0.0
Total	100.0

Holdings-Based Style Map



Morningstar Style Box

Portfolio Date: 12/31/2025

	Value	Blend	Growth
Large	0.0	0.0	0.0
Mid	0.0	0.5	0.0
Small	40.1	36.4	23.0

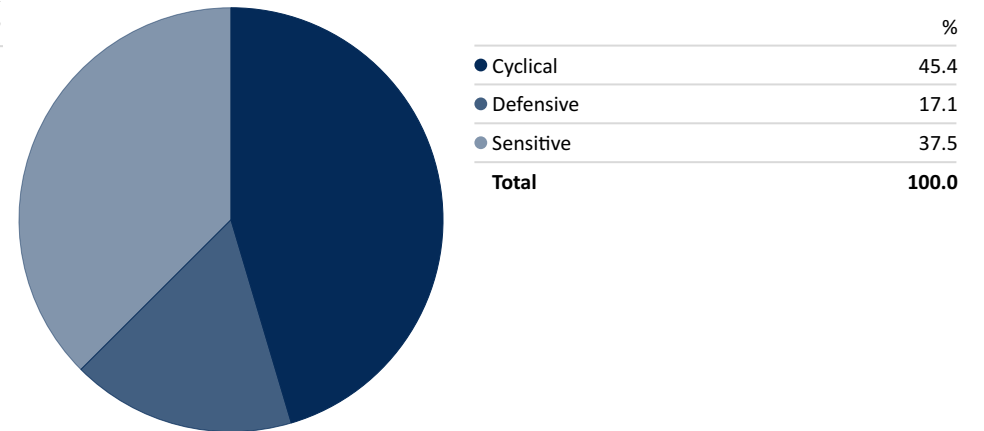
Market Cap	%
Market Cap Giant %	0.0
Market Cap Large %	0.0
Market Cap Mid %	0.5
Market Cap Small %	51.4
Market Cap Micro %	48.1

Top Holdings

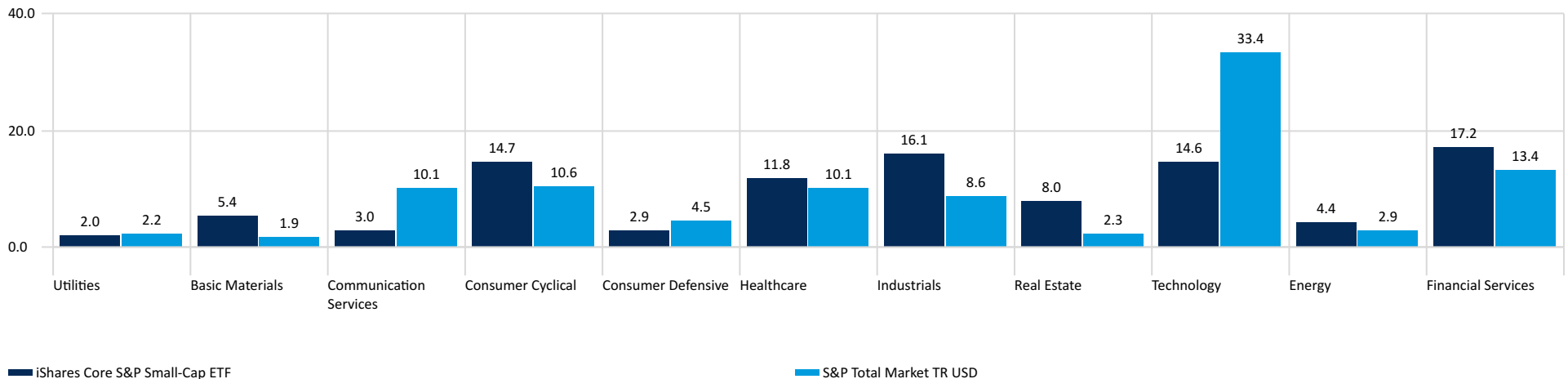
	Portfolio Weighting %	Benchmark Weighting %
Arrowhead Pharmaceuticals Inc	0.59	
Sanmina Corp	0.56	
Advanced Energy Industries Inc	0.55	
Armstrong World Industries Inc	0.55	
LKQ Corp	0.55	
CareTrust REIT Inc	0.54	
Solstice Advanced Materials Inc	0.53	
JBT Marel Corp	0.52	
TTM Technologies Inc	0.52	
InterDigital Inc	0.52	

Equity Super Sectors (Morningstar) - iShares Core S&P Small-Cap ETF

Portfolio Date: 12/31/2025



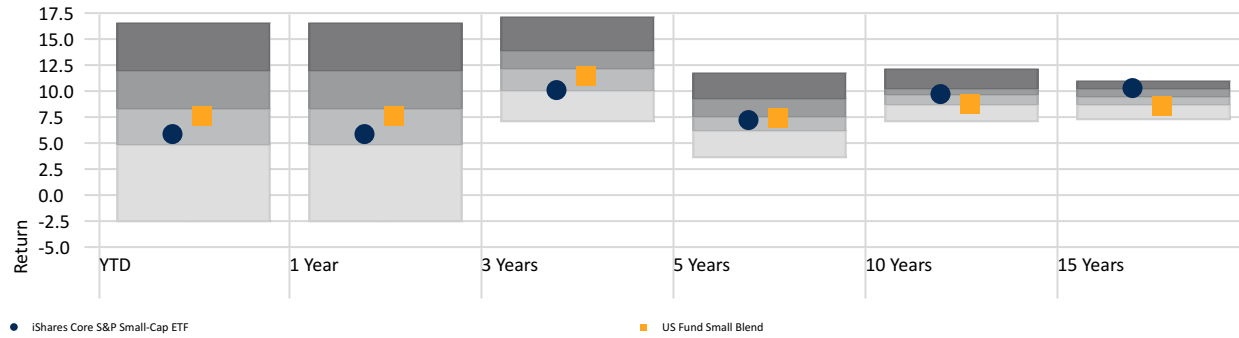
Sector Weight



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Small Blend Calculation Benchmark: S&P Total Market TR USD

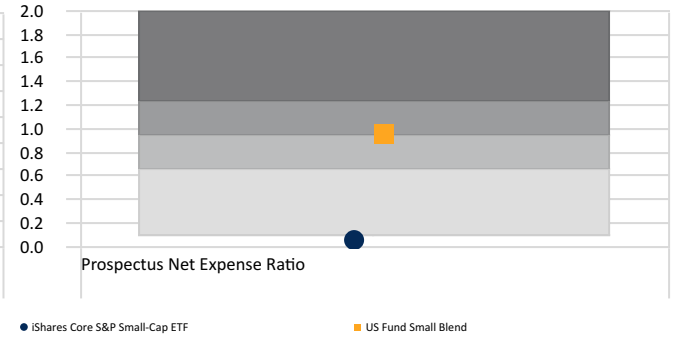
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Small Blend

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

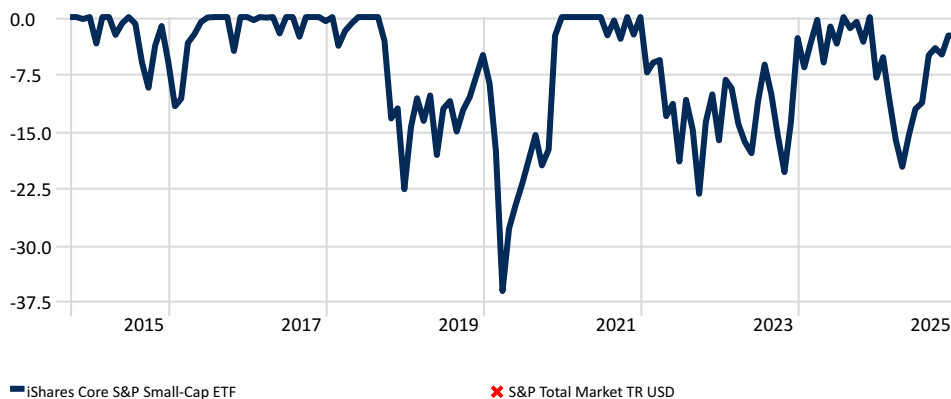
Time Period: Since Common Inception (10/1/2014) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



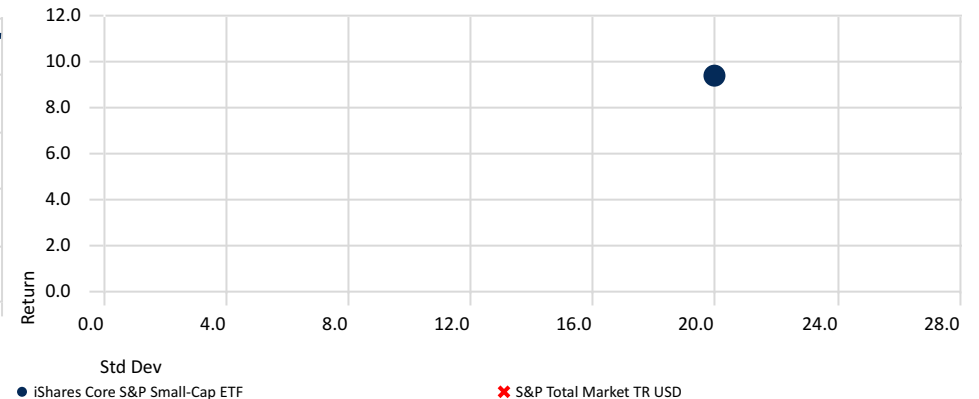
Drawdown

Time Period: Since Common Inception (10/1/2014) to 12/31/2025



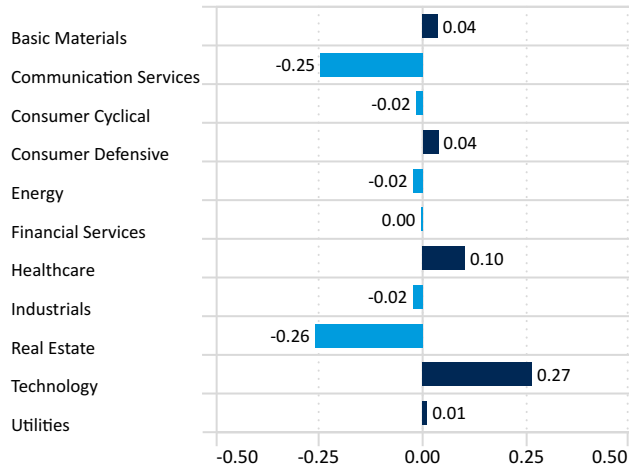
Risk-Reward

Time Period: Since Common Inception (10/1/2014) to 12/31/2025



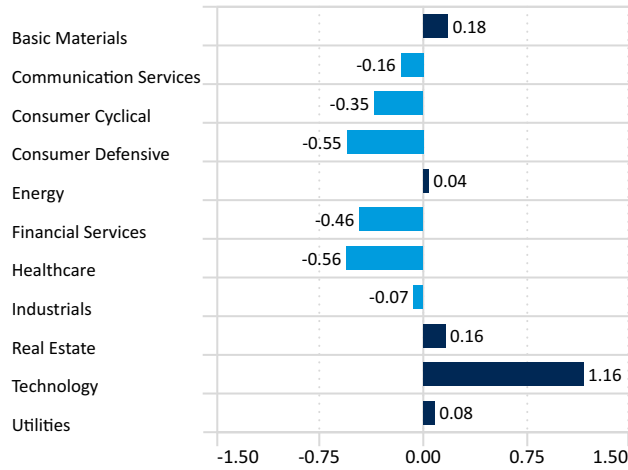
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



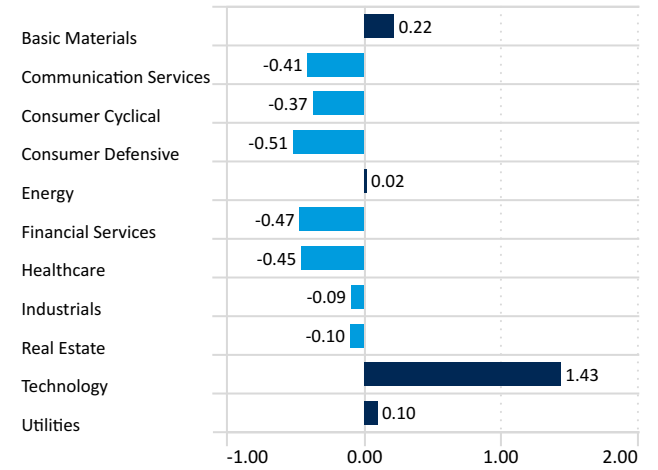
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

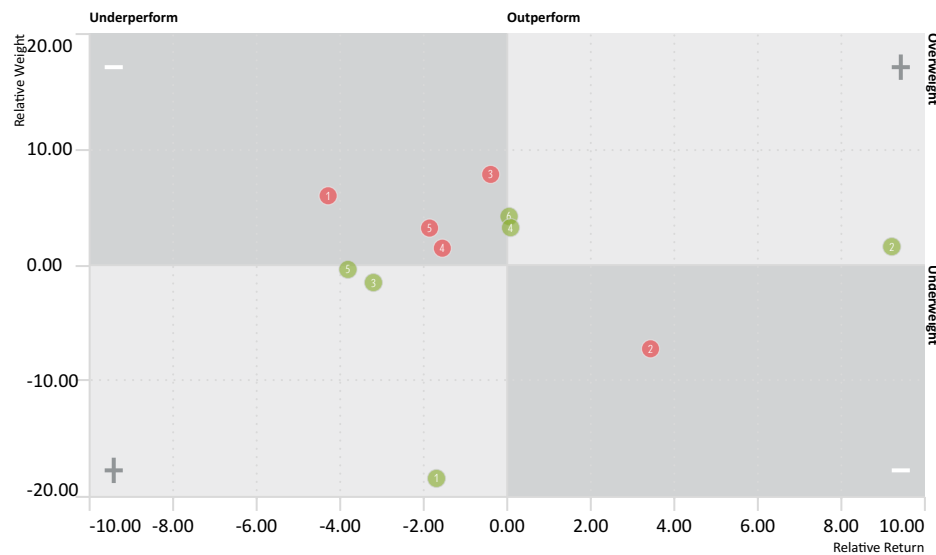
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

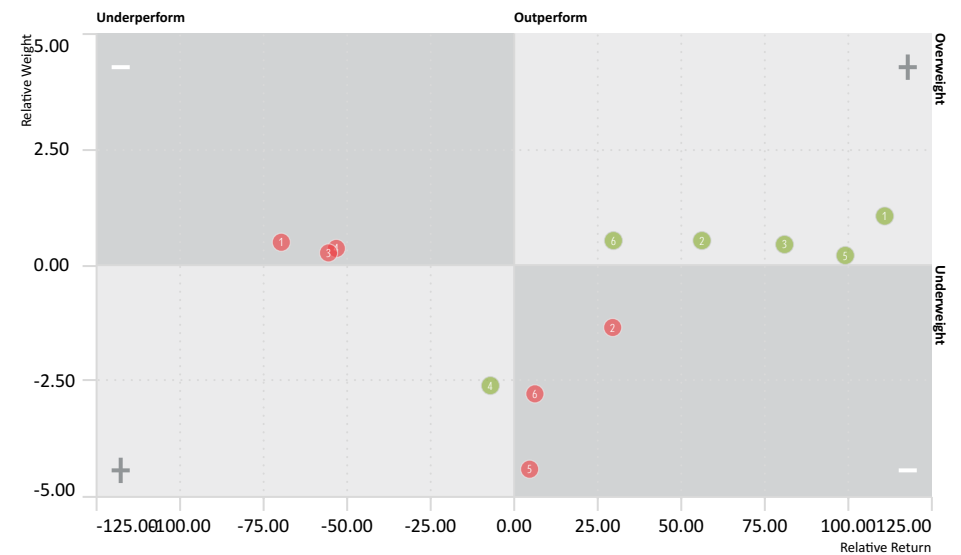
Calculation Benchmark: S&P Total Market TR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

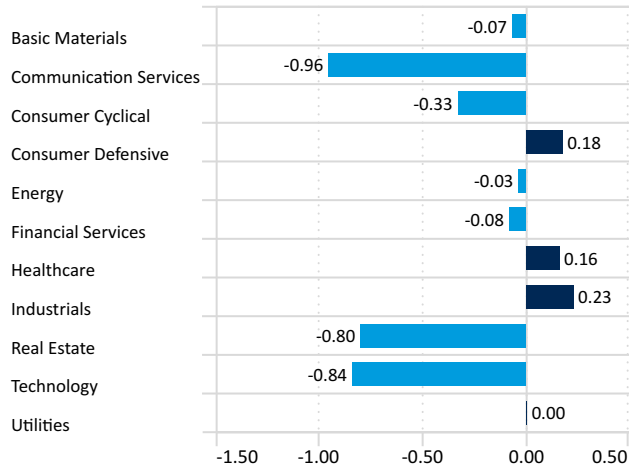
Calculation Benchmark: S&P Total Market TR USD



Best Weighting	Weight +/-	Return +/-	Effect	Worst Weighting	Weight +/-	Return +/-	Effect	Best Selections	Morningstar...	Weight +/-	Return +/-	Effect	Worst Selections	Morningstar...	Weight +/-	Return +/-	Effect
Technology	-18.41	-1.69	0.27	Real Estate	5.98	-4.29	-0.26	SanDisk Cor... Technology	1.06	110.89	1.00	1.00	Corcept The... Healthcare	0.49	-69.71	-0.36	
Healthcare	1.60	9.21	0.10	Communication Services	-7.22	3.43	-0.25	Hecla Minin... Basic Mater...	0.53	56.19	0.30	0.30	Eli Lilly and ... Healthcare	-1.35	29.48	-0.30	
Consumer Defensive	-1.50	-3.20	0.04	Industrials	7.83	-0.40	-0.02	Arrowhead ... Healthcare	0.45	80.91	0.26	0.26	Stride Inc Consumer ...	0.26	-55.57	-0.24	
Basic Materials	3.23	0.08	0.04	Energy	1.46	-1.55	-0.02	Microsoft C... Technology	-2.60	-7.13	0.20	0.20	MARA Holdi... Financial Se...	0.36	-53.24	-0.23	
Utilities	-0.37	-3.81	0.01	Consumer Cyclical	3.20	-1.86	-0.02	Victoria's Se... Consumer C...	0.21	99.08	0.14	0.14	Amazon.co... Consumer C...	-4.40	4.61	-0.21	
Financial Services	4.20	0.04	0.00					Sanmina Corp Technology	0.53	29.69	0.13	0.13	Apple Inc Technology	-2.78	6.19	-0.19	

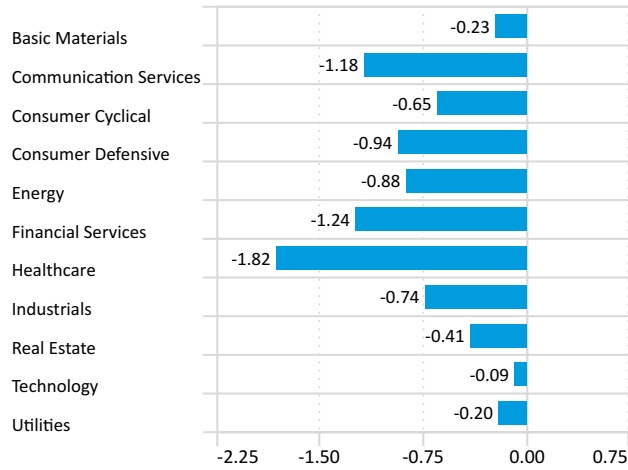
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



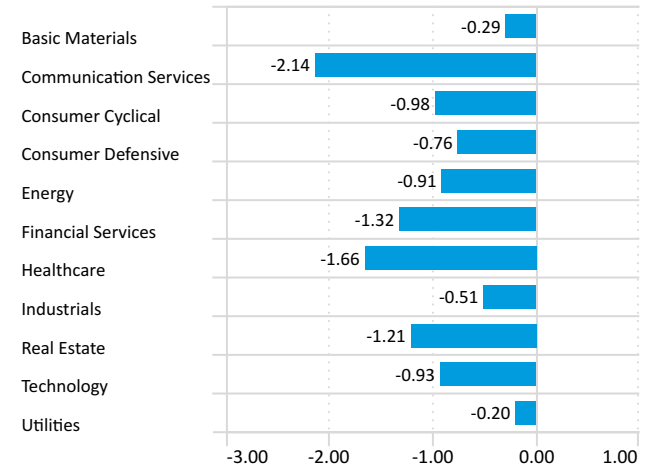
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

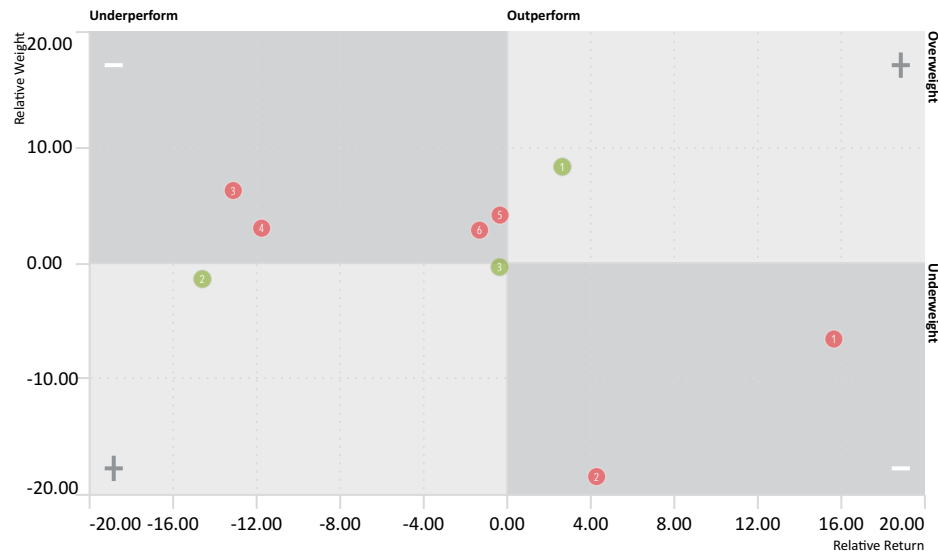
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

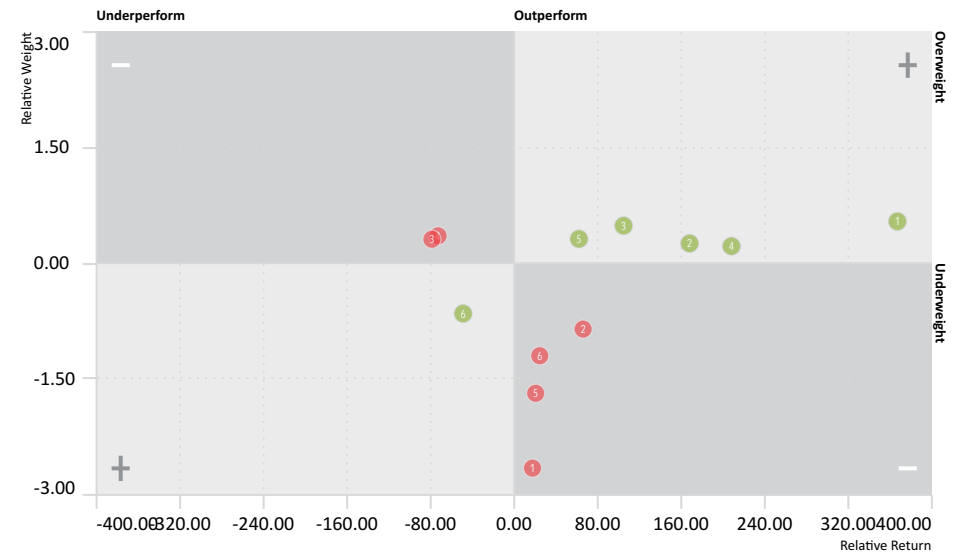
Calculation Benchmark: S&P Total Market TR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: S&P Total Market TR USD



Best Weighting	Weight +/-	Return +/-	Effect	Worst Weighting	Weight +/-	Return +/-	Effect	Best Selections	Morningstar...	Weight +/-	Return +/-	Effect	Worst Selections	Morningstar...	Weight +/-	Return +/-	Effect
Industrials	8.31	2.64	0.23	Communication Services	-6.55	15.64	-0.96	SanDisk Cor...	Technology	0.54	367.03	1.65	NVIDIA Corp	Technology	-2.65	17.51	-0.46
Consumer Defensive	-1.37	-14.60	0.18	Technology	-18.42	4.28	-0.84	Kratos Defe...	Industrials	0.25	167.99	0.54	GE Aerospace	Industrials	-0.85	65.97	-0.40
Utilities	-0.34	-0.37	0.00	Real Estate	6.27	-13.12	-0.80	Mr. Cooper ...	Financial Se...	0.48	104.79	0.51	Robert Half ...	Industrials	0.31	-78.85	-0.39
				Consumer Cyclical	3.01	-11.76	-0.33	MP Materia...	Basic Mater...	0.22	208.04	0.51	SPS Comme...	Technology	0.35	-72.96	-0.38
				Financial Services	4.15	-0.34	-0.08	Sterling Infr...	Industrials	0.31	62.03	0.45	JPMorgan C...	Financial Se...	-1.68	20.54	-0.31
				Basic Materials	2.84	-1.33	-0.07	UnitedHealt...	Healthcare	-0.65	-48.90	0.41	Eli Lilly and ...	Healthcare	-1.20	24.45	-0.31

Investment Strategy

The investment seeks to track the performance of the FTSE Developed All Cap ex U.S. Index. The fund employs an indexing investment approach designed to track the performance of the FTSE Developed All Cap ex U.S. Index, a market-capitalization-weighted index that is made up of approximately 3,957 common stocks of large-, mid-, and small-cap companies located in Canada and the major markets of Europe and the Pacific region. The Advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Process Approach

By Zachary Evens 10/16/2025

The fund captures nearly all the overseas developed markets while effectively keeping a lid on turnover. It earns an Above Average Process Pillar rating.

Process Portfolio

By Zachary Evens 10/16/2025

The fund tracks the FTSE Developed ex US All Cap Index. Constituents must pass several screens to be included in the portfolio. This benchmark first sorts all companies from 24 overseas developed markets by their free-float-adjusted market capitalization. Then it targets firms that land in the top 98% of this group, with a buffer around that threshold to mitigate unnecessary turnover. Annual turnover for the fund consistently measures around 5%, a fraction of the typical peer's average annual turnover. High turnover can raise transaction costs that take a bite out of returns.

Additional liquidity screens ensure the investability of the index's holdings, making it easier to track. The index weights the final list of nearly 4,000 stocks by market cap, an efficient method that fosters low turnover. The portfolio reconstitutes semiannually in March and September.

Omitting stocks from emerging markets results in country- and regional-allocation discrepancies relative to the category average. The fund fills the void with larger allocations to Asian and North American markets relative to the category average, namely, Japan, South Korea, and Canada.

South Korea and Canada together represent more than 15% of the portfolio, more than double the allocation of most peers. It's notable because both countries are largely absent fr...

People

By Zachary Evens 10/16/2025

Vanguard's equity index group earns an Above Average People Pillar for its well-supported and stable management team adept at leveraging Vanguard's comprehensive resources. Its portfolio managers benefit from the firm's global infrastructure and advanced portfolio management technology, which facilitates cost-efficient trading around the globe. The infrequent turnover of managers, coupled with Vanguard's practice of rotating them across various funds, enhances their expertise and understanding of different market segments.

The fund's managers directly handle trading, providing them with deeper insights into the portfolio's operations than a stand-alone trader might have. They are backed by a global team of dedicated personnel and employ sophisticated, scalable technology to minimize their workload and enhance tracking accuracy. Vanguard's independent risk-management team plays a crucial role in ensuring its funds adhere to predetermined tracking tolerances. It collaborates closely with the managers to oversee trades and address potential issues proactively. Vanguard compensates managers based on tracking error and excess return metrics to foster a culture of accountability and ensure that the management team's interests are closely tied to investors'.

Performance

By Zachary Evens 10/16/2025

The ETF share class gained 8.6% annualized over the 10 years through September 2025, a return similar to other prominent foreign-stock indexes and better than the category norm. Its exclusion of emerging-market stocks limits its scope relative to broader benchmarks and contributes to short-term return discrepancies, but those differences equated to little over the past decade. Volatility tends to run slightly hotter than some benchmarks, but differences are minor.

The index's focus on developed market stocks drives most risk and return differences compared with more expansive peers. That's not guaranteed to continue because those differences have mostly washed out in the long term. Emerging-market stocks underperformed their larger and developed-market peers by a considerable margin from 2021 through 2023. This was likely attributable in part to rising and then high global interest rates, as emerging markets tend to be more sensitive to interest rate changes. Forces affecting different sections of the global market will continue to drive relative performance, but the fund is fully invested and charges one of the lowest fees in the category. Investors should expect it to capture more of the market's long-term upside than many of its competitors.

This fund does not hedge currency risk. This has mostly hampered performance since the US dollar has been stronger than the foreign currencies represented in this portfolio. However, the advantages a...

Parent Company

By Daniel Sotiroff 7/28/2025

Vanguard maintains its High Parent Pillar rating as it continues to grow under new leadership.

CEO Salim Ramji has had a busy first year captaining Vanguard’s crew, and the ship remains pointed in the right direction. The firm made its largest round of fee cuts in early 2025, which came at an estimated cost of USD 350 million. It established a separate division dedicated to its advice and wealth management efforts, a sign that it wants to seriously compete within those lines of business. Asset growth has continued to be a huge success. Only BlackRock’s inflows rival the money Vanguard is taking in. Likewise, the number of clients it serves has more than doubled since 2015.

Despite that success, an ever-growing number of clients has presented a challenge: Vanguard can’t grow its services fast enough to keep up with demand. In some instances, it has had to curb certain services and capabilities or raise fees on others to cope, causing some loyal clients to criticize what they perceive as deteriorating services.

Vanguard has ambitions to bring its disruptive legacy to the bond market. It created roughly a dozen low-cost bond exchange-traded funds for US investors and sever...

Manager Information and Ownership Levels

Manager Biography

Christine D. Franquin since 2/22/2013

University of Liege, Belgium, J.D.
Universitaire Faculteiten Sint Ignatius Antwerpen Belgium, B.A.

Clark University, Massachusetts, M.S., Finance

Christine has been with Vanguard since 2000. She received her B.A. from Universitaire Faculteiten Sint Ignatius Antwerpen Belgium and also her Master Degree in Finance from Clark University in Massachusetts. She currently manages Vanguard European Stock Index a...

Manager Biography

Michael Perre since 11/30/2017

Villanova University, M.B.A.
Saint Joseph's University, B.A.

Michael Perre, Principal of Vanguard. He has been with Vanguard since 1990; has managed investment portfolios since 1999; and has co-managed the Fund since 2009. Education: B.A., Saint Joseph's University; M.B.A., Villanova University. Michael Perre, Principal of Vanguard. He has co-managed the Fund since 2017.

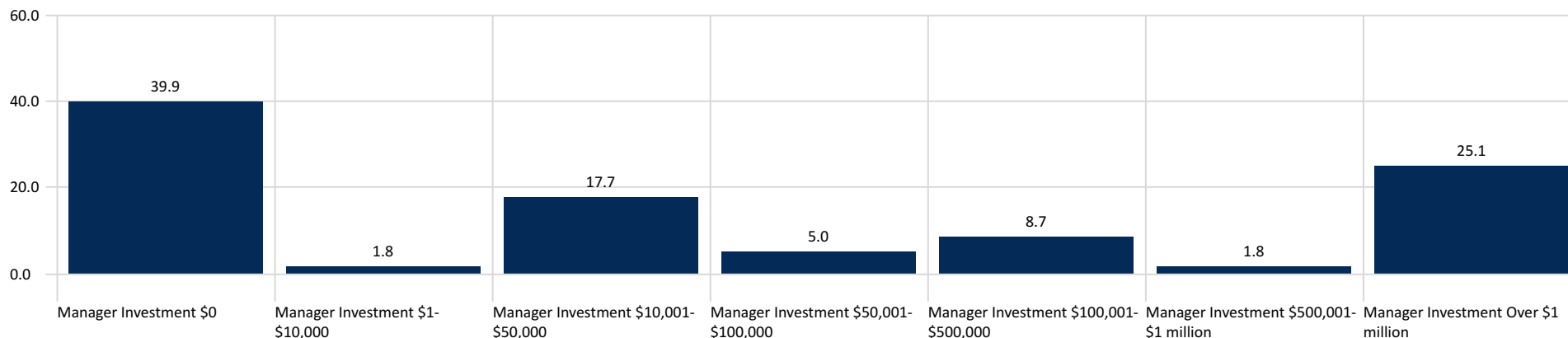
Manager Biography

Nicole Brubaker since 2/18/2025

Nicole Brubaker, Portfolio Manager at Vanguard. She has been with Vanguard since 2014, has worked in investment management since 2018, and has co-managed the Fund since February 2025. Education: B.S., Millersville University

Manager Biography

Manager Ownership Level

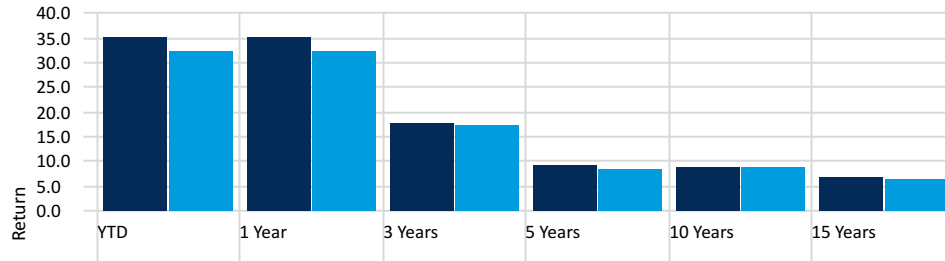


Vanguard FTSE Developed Markets ETF

Ticker	VEA	Prospectus Net Expense Ratio	0.03	Morningstar Category	US Fund Foreign Large Blend
Manager Name	Multiple	Turnover Ratio %	3.00	Fund Size	268,965,748,757.00
Inception Date	7/20/2007	Potential Capital Gains Exposure	11.42	Alpha (3 Year)	-0.38
Manager Tenure (Longest)	12.92	# of Holdings	3,887	Beta (3 Year)	1.06

Trailing Returns

As of Date: 12/31/2025



■ Vanguard FTSE Developed Markets ETF ■ FTSE Global All Cap ex US TR USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Vanguard FTSE Developed Markets ETF	35.15	35.15	17.93	9.14	8.74	4.38
FTSE Global All Cap ex US TR USD	32.37	32.37	17.63	8.38	8.88	4.53

Excess Return vs. Benchmark

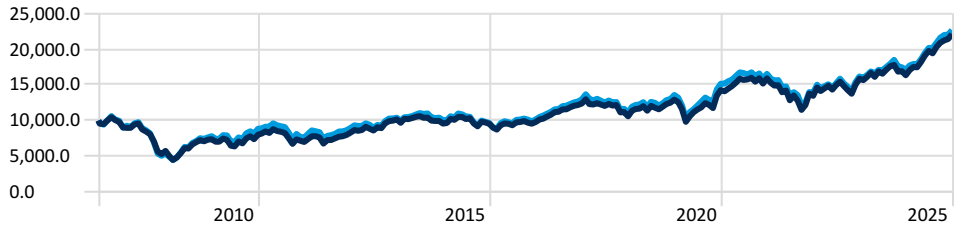
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	2.77	2.77	0.30	0.76	-0.15	-0.14

Investment Strategy

The investment seeks to track the performance of the FTSE Developed All Cap ex U.S. Index. The fund employs an indexing investment approach designed to track the performance of the FTSE Developed All Cap ex U.S. Index, a market-capitalization-weighted index that is made up of approximately 3,957 common stocks of large-, mid-, and small-cap companies located in Canada and the major markets of Europe and the Pacific region. The Advisor attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Investment Growth

Time Period: 7/21/2007 to 12/31/2025



■ Vanguard FTSE Developed Markets ETF ■ FTSE Global All Cap ex US TR USD

Calendar Year Returns

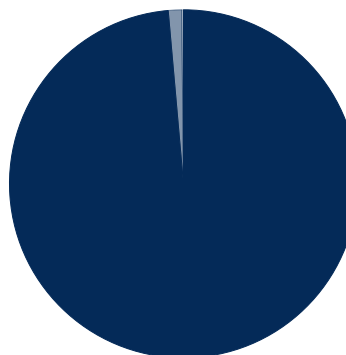
	2021	2022	2023	2024	2025
Vanguard FTSE Developed Markets ETF	11.49	-15.35	17.77	3.07	35.15
FTSE Global All Cap ex US TR USD	9.13	-15.83	16.17	5.86	32.37

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	2.36	0.48	1.60	-2.79	2.77

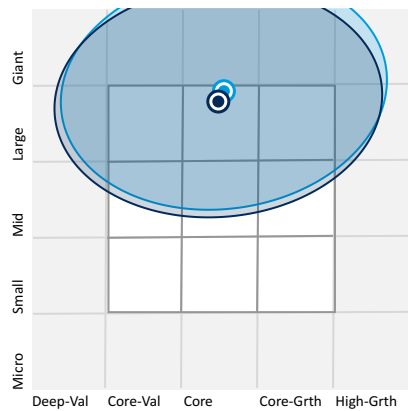
Asset Allocation

Portfolio Date: 11/30/2025



	%
Stock	98.6
Bond	0.0
Cash	1.2
Other	0.2
Total	100.0

Holdings-Based Style Map



● Vanguard FTSE Developed Markets ETF 11/30/2025
 ● FTSE Global All Cap ex US TR USD 12/31/2025

Morningstar Style Box

Portfolio Date: 11/30/2025

	Value	Blend	Growth
Large	27.3	31.3	19.9
Mid	5.2	7.4	4.9
Small	1.5	1.8	0.8

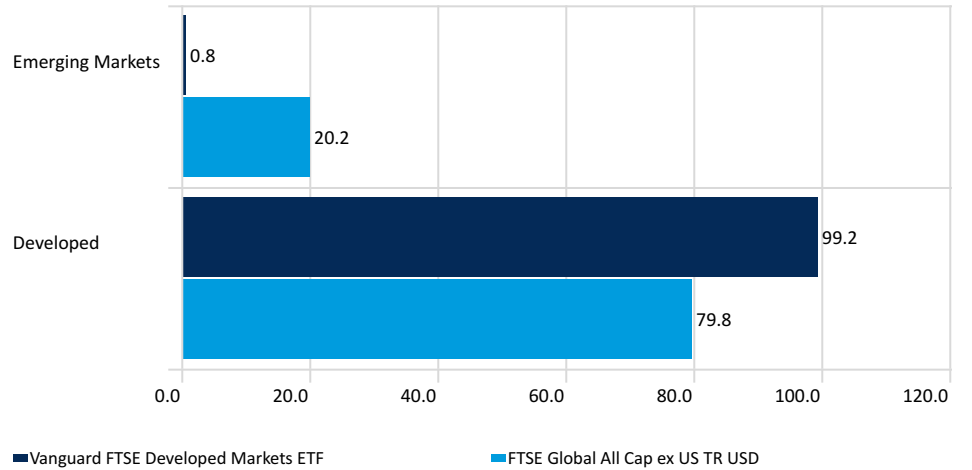
Market Cap	%
Market Cap Giant %	46.5
Market Cap Large %	32.0
Market Cap Mid %	17.4
Market Cap Small %	3.8
Market Cap Micro %	0.3

Top Holdings

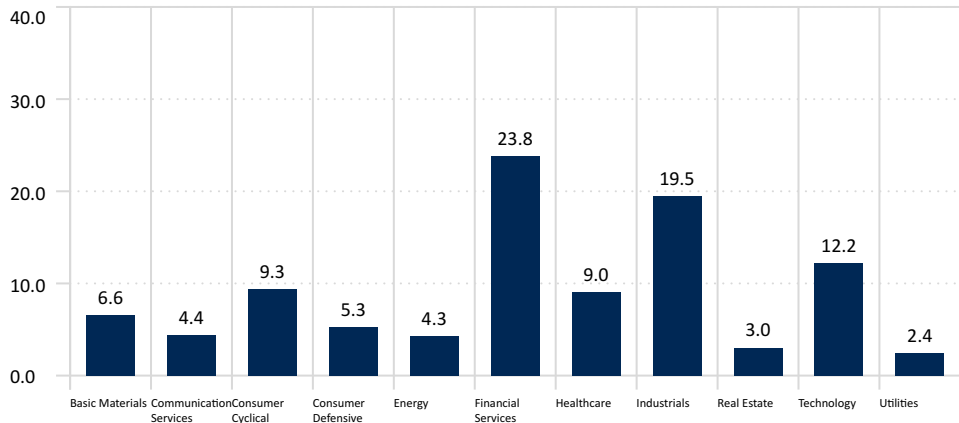
Portfolio Date: 11/30/2025

	Portfolio Weighting %	Benchmark Weighting %
ASML Holding NV	1.50	
Samsung Electronics Co Ltd	1.16	
AstraZeneca PLC	1.00	
Roche Holding AG	0.97	
Nestle SA	0.90	
SAP SE	0.89	
HSBC Holdings PLC	0.89	
Novartis AG Registered Shares	0.88	
Royal Bank of Canada	0.79	
Shell PLC	0.78	

Regional Exposure

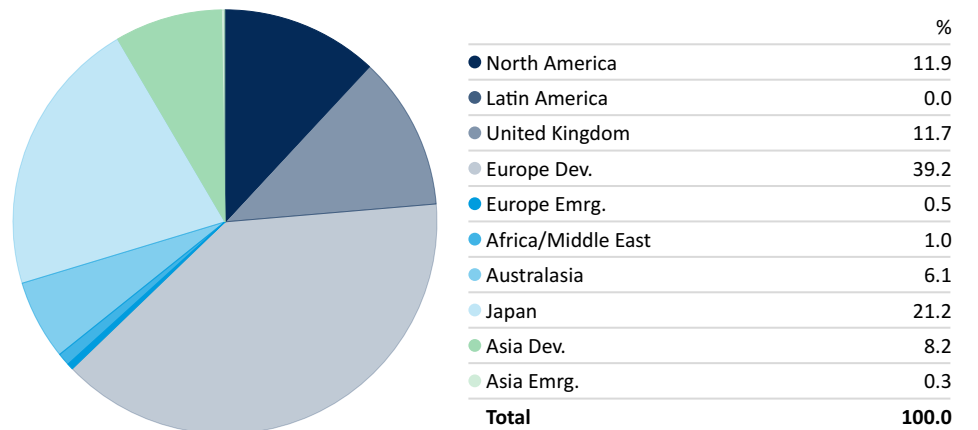


Sector Weight



Equity Regional Exposure

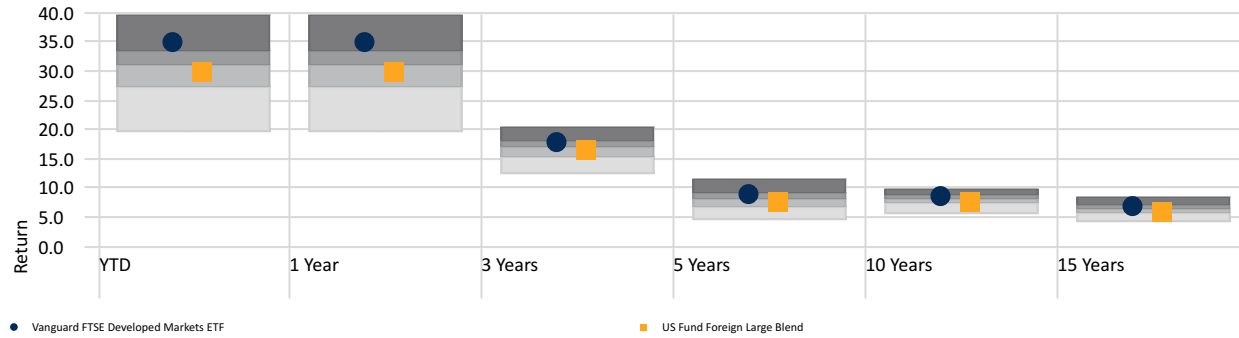
Portfolio Date: 11/30/2025



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Foreign Large Blend Calculation Benchmark: FTSE Global All Cap ex US TR USD

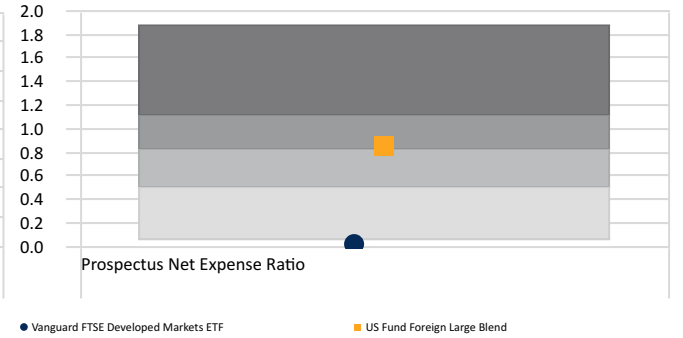
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Foreign Large Blend

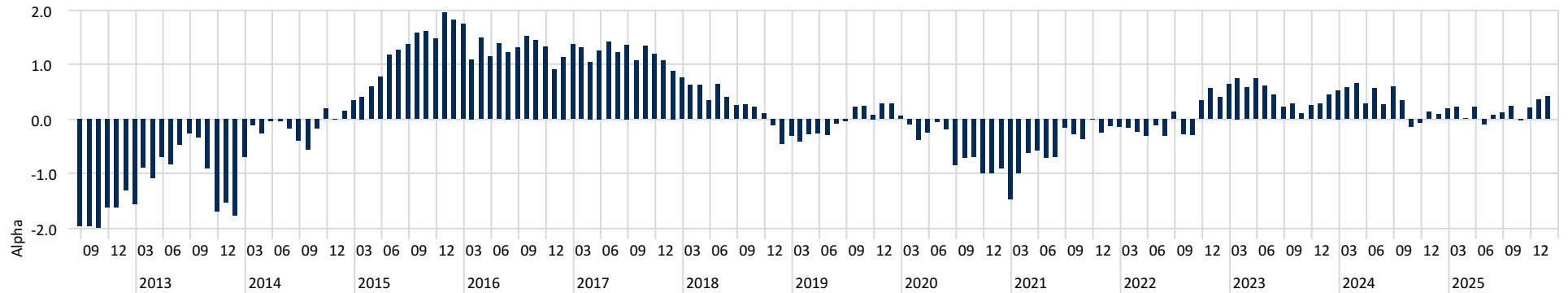
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

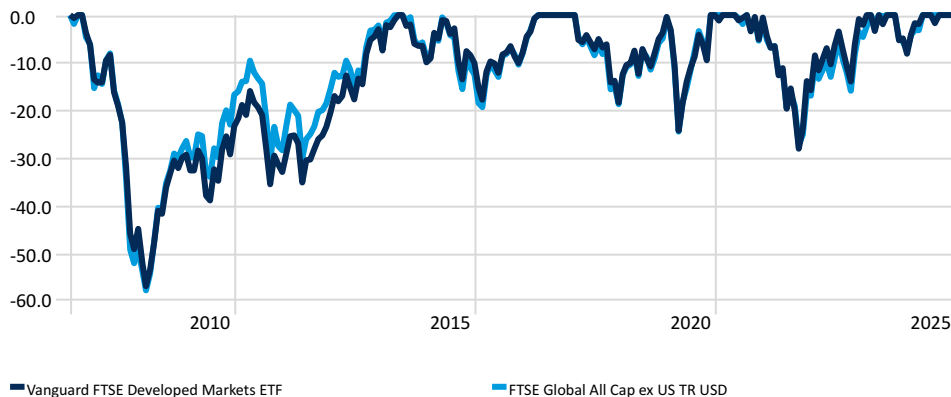
Time Period: Since Common Inception (8/1/2007) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



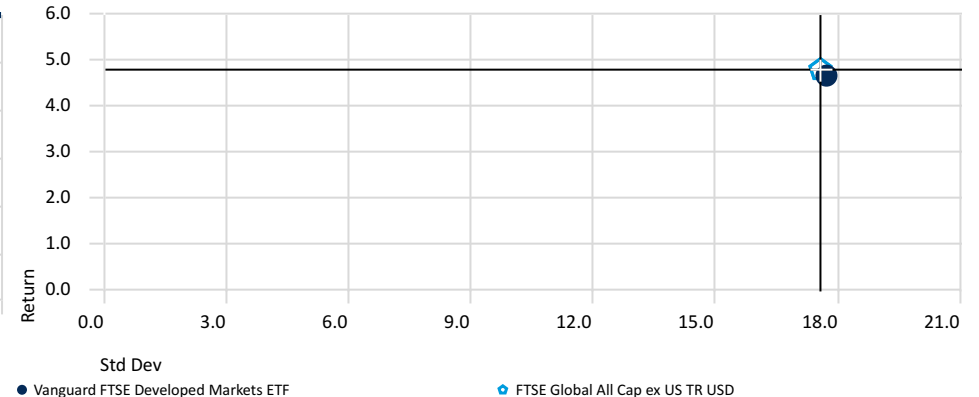
Drawdown

Time Period: Since Common Inception (8/1/2007) to 12/31/2025



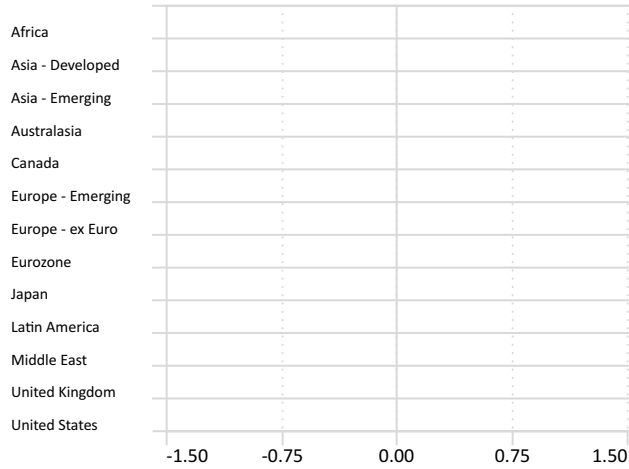
Risk-Reward

Time Period: Since Common Inception (8/1/2007) to 12/31/2025



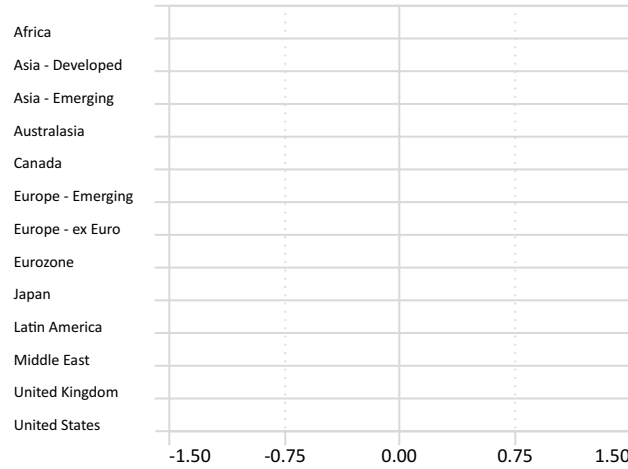
Allocation Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



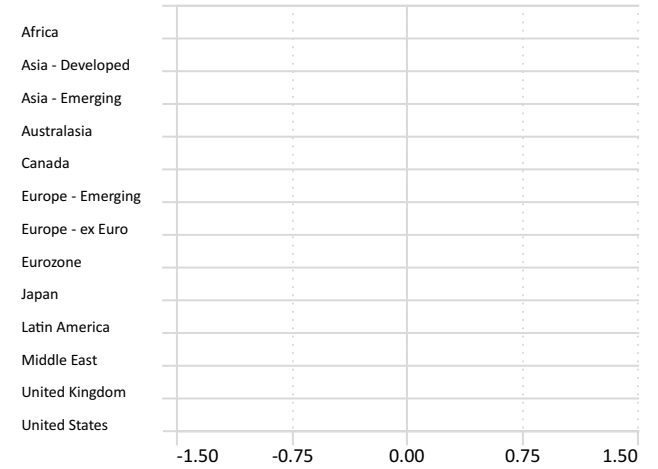
Selection Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Region (QTD)

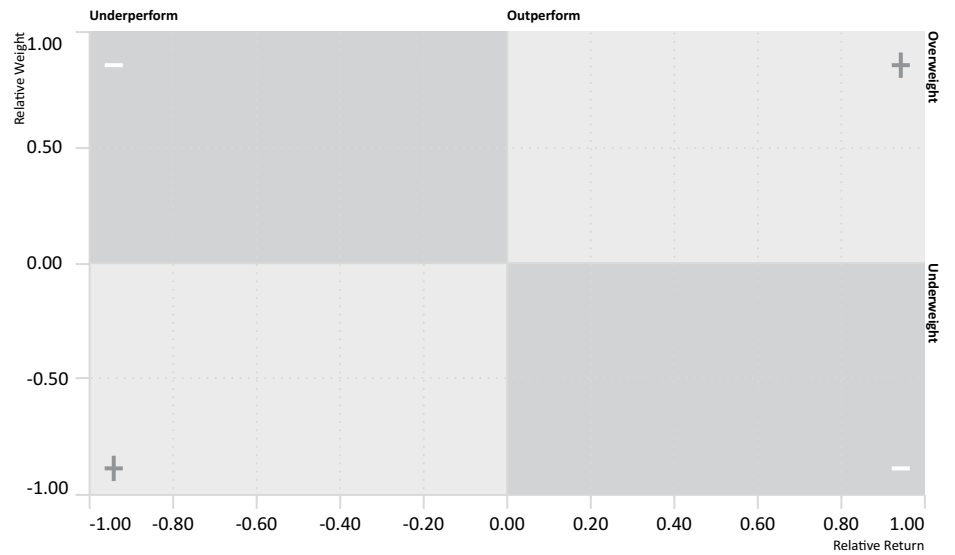
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

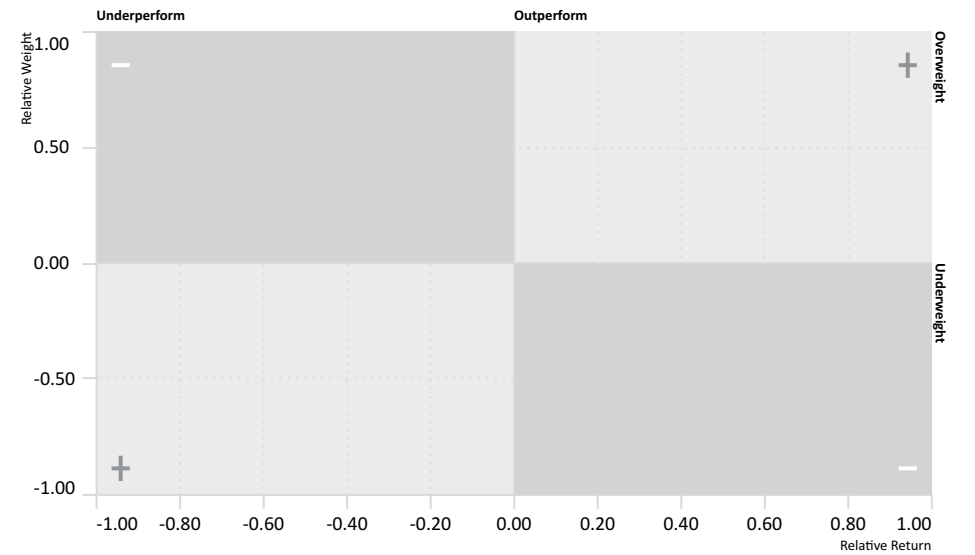
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Selection Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

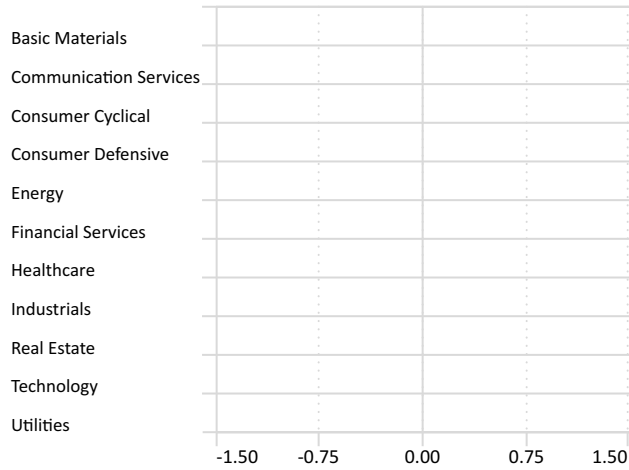
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

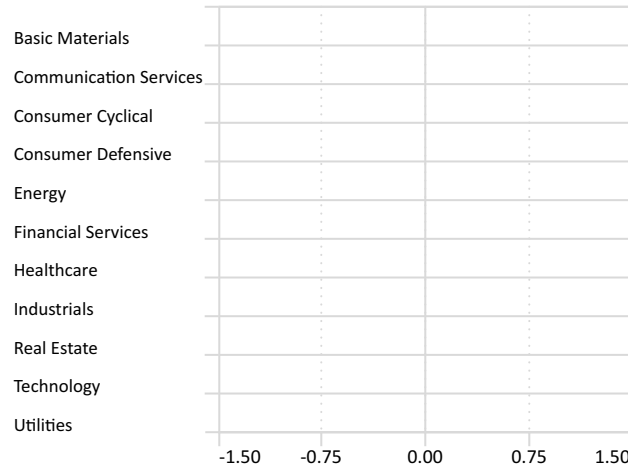
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



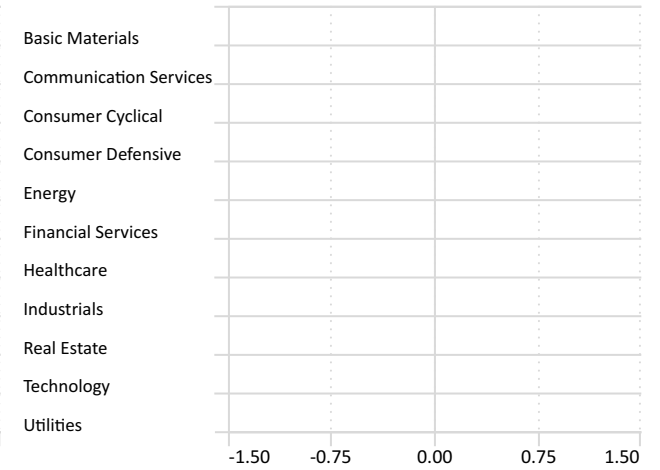
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

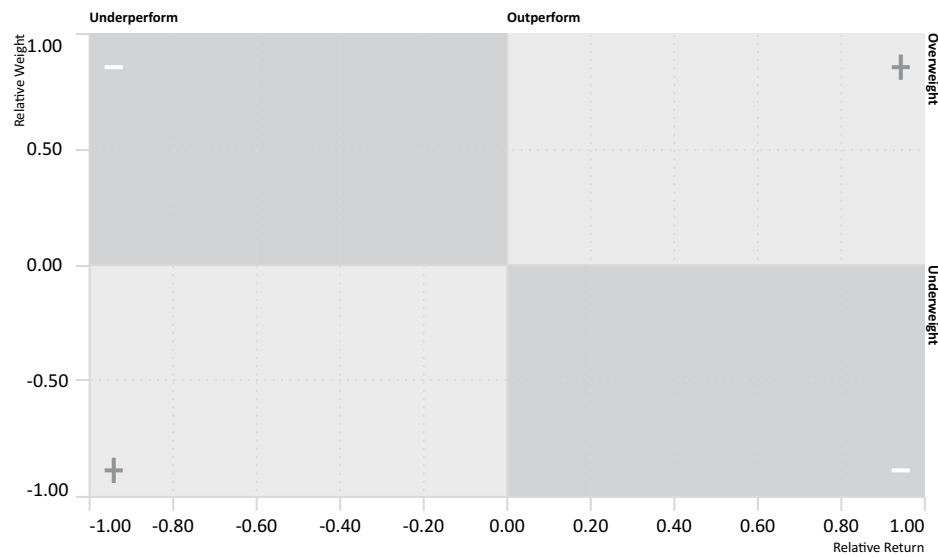
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

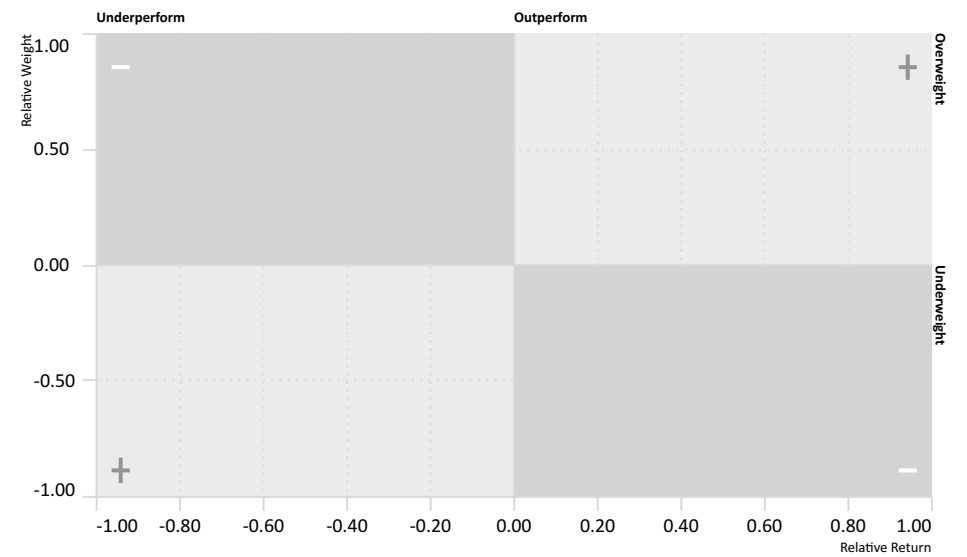
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

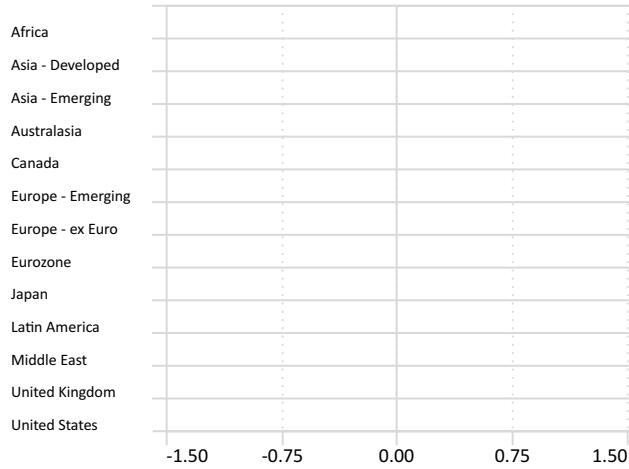
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

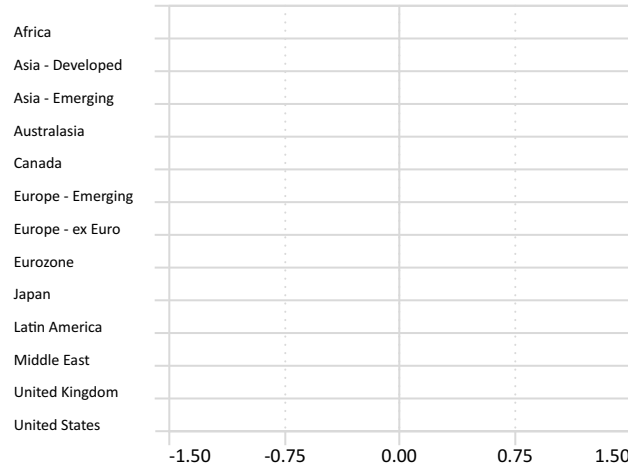
Allocation Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



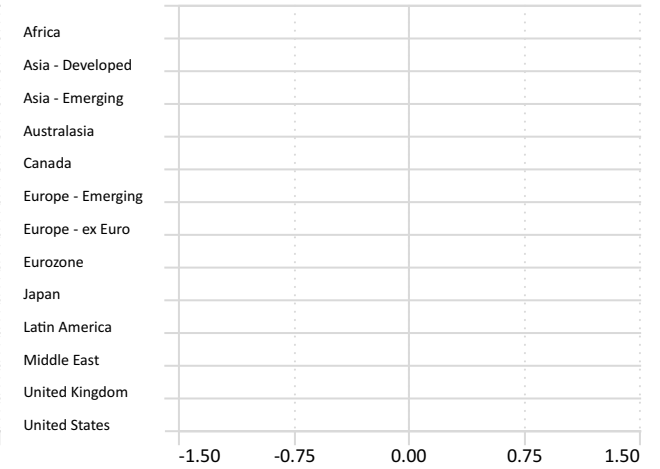
Selection Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Region (1 Year)

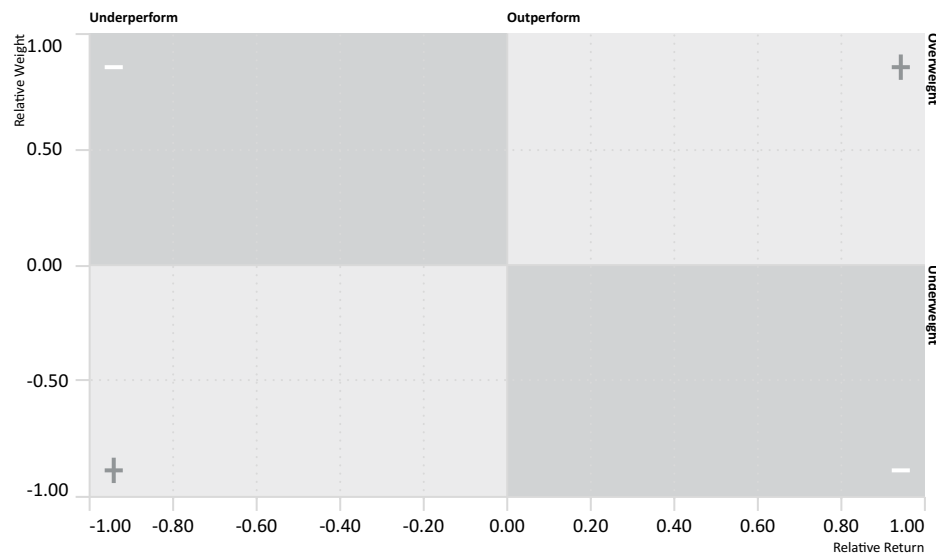
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

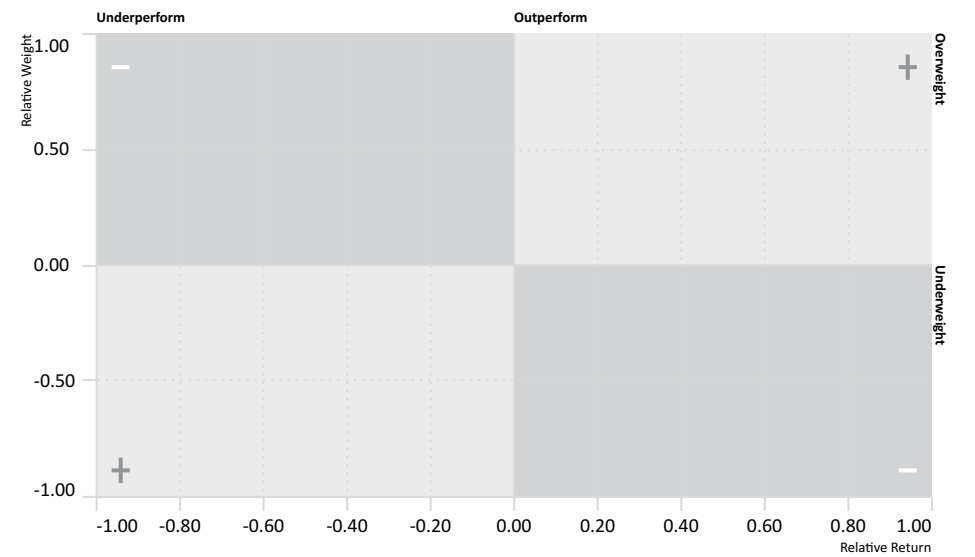
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Selection Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

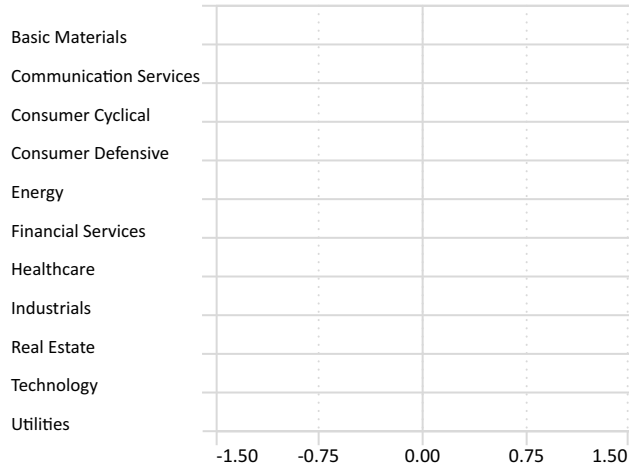
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

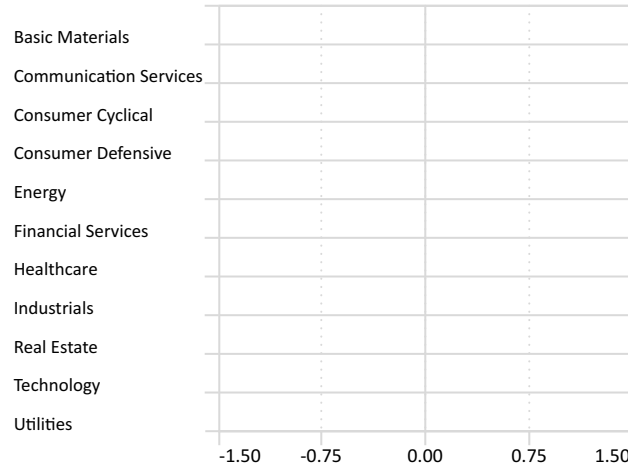
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



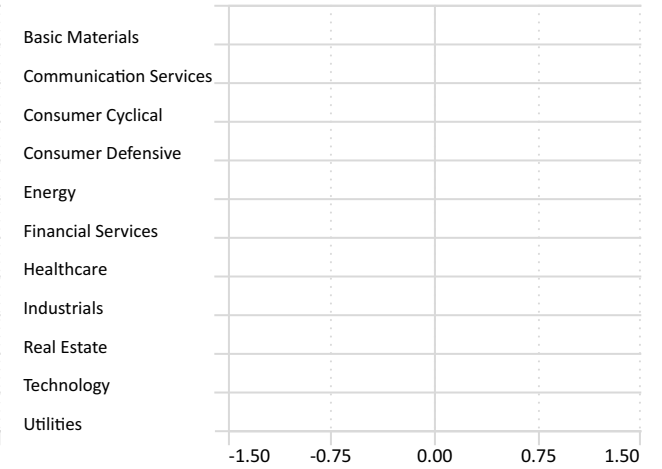
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

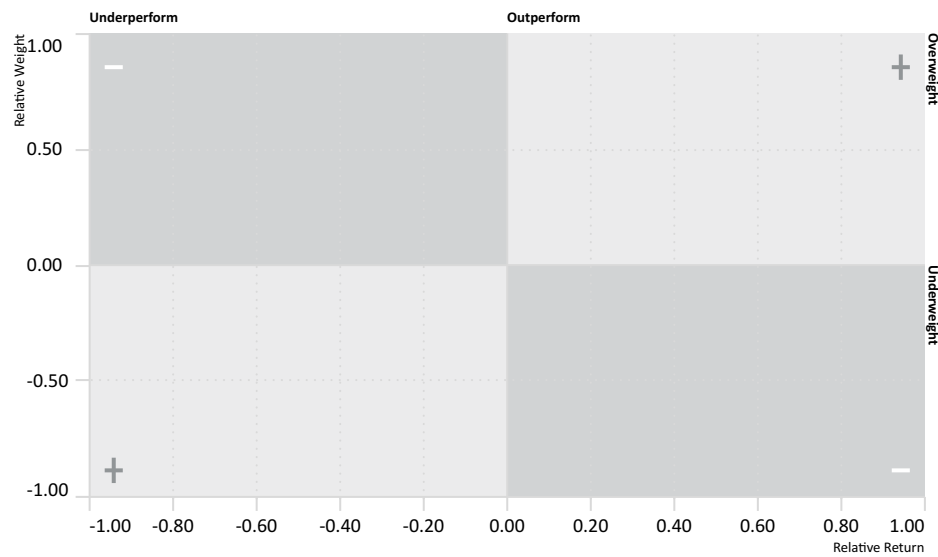
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

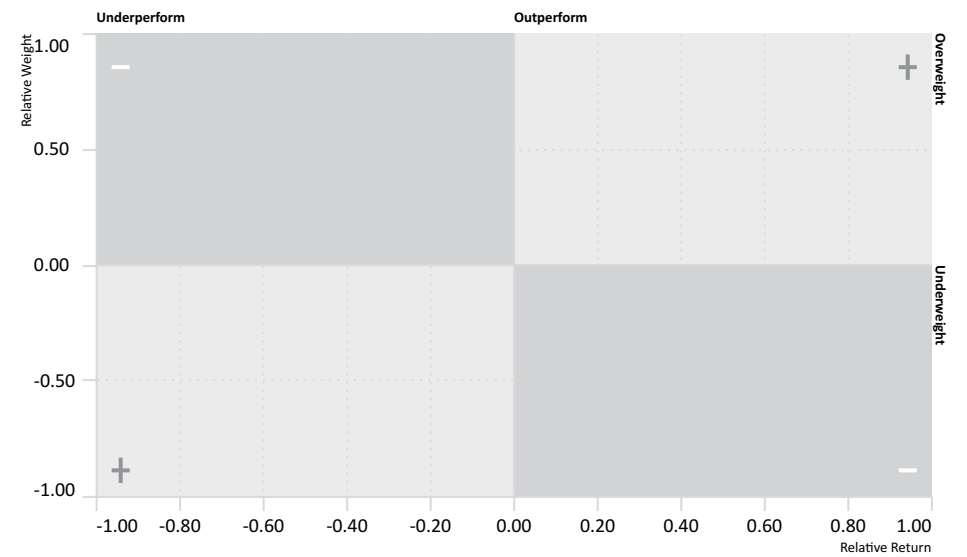
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: FTSE Global All Cap ex US TR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

Investment Strategy

The investment seeks to track the investment results of the MSCI Emerging Markets Investable Market Index. The fund generally will invest at least 80% of its assets in the component securities of the underlying index and in investments that have economic characteristics that are substantially identical to the component securities of the underlying index. The index is designed to measure large-, mid- and small-cap equity market performance in the global emerging markets.

Process Approach

By Madeleine Black 5/1/2025

The fund tracks the MSCI Emerging Markets IMI.

The US-domiciled share classes use representative sampling to track the index; this approach entails investing in a selection of securities that together aim to mirror the overall characteristics and performance of the target index.

The Ireland-domiciled UCITS fund changed its replication method in August 2024; the fund transitioned from its optimization replication method to a full replication approach. The Canada-domiciled fund also employs a fully replicating strategy. In turn, both the Canada- and Ireland-domiciled share classes aim to hold each security in the MSCI Emerging Markets IMI benchmark while maintaining similar proportions to the constituents' weightings in the index.

The fund may use derivatives for efficient portfolio management purposes.

Additionally, to gain exposure to certain emerging-markets securities included in the index, the fund may invest in American Depositary Receipts and Global Depositary Receipts. ADRs and GDRs are investments issued by financial institutions that give exposure to underlying equity securities.

The fund may engage in securities lending to enhance the fund...

Process Portfolio

By Madeleine Black 5/1/2025

The MSCI Emerging Markets IMI captures large-, mid-, and small-cap representation across 24 emerging-markets countries. With over 3,000 constituents as of April 15, 2025, the index covers approximately 99% of the free float-adjusted market cap in each country.

At the country level, China remains the largest allocation at about 29%, followed by India at 20%, Taiwan at 17%, and South Korea at 9%. These four countries account for about 75% of the index, highlighting the concentration in key emerging economies. The remaining 25% is allocated across the other 20 emerging-markets countries.

From a sector perspective, Financials leads with a 23% weighting, followed by IT at 21%, consumer discretionary at 14%, communication services at 9%, and industrials at 8%. These five sectors collectively represent about 75% of the index.

The top 10 constituents account for approximately 23% of the index, with Taiwan Semiconductor Manufacturing Company the largest holding at about 8%. Other significant constituents include Tencent Holdings, Alibaba, and Samsung Electronics.

The index's characteristics as of March 31, 2025, show a total market cap of over USD 9 trillion, with the largest constituent at USD 675 billion and the smallest at USD 0. The average market c...

People

By Madeleine Black 5/1/2025

BlackRock's industry-leading technology, global footprint, and extensive supporting cast earn an Above Average People Pillar rating.

The team employs BlackRock's Aladdin platform to fulfil much of its portfolio management tasks, and global trading desks allow traders to conduct foreign transactions in a cost-effective way.

The Ireland-domiciled fund is managed by the EMEA team. Dharma Laloobhai and Suzanne Henige are co-heads of international index equity investments within BlackRock Global Markets & Index Investments.

Paul Whitehead is the deputy head of index equity investments and oversees portfolio managers in the Americas.

The broader index equity group is headed by Jennifer Hsui, the global head of index equity Investments, who oversees iShares equity ETFs.

All managers interact with a wider team of traders and managers around the globe to execute the funds' day-to-day operations. The larger number of managers also limits the impact of personnel turnover when it does occur.

Performance

By Madeleine Black 5/1/2025

This ETF provides broad exposure to emerging market equities at a low cost.

The strategy is driven by market-cap exposure to a range of highly differentiated markets, whose fortunes are not always closely aligned. The MSCI Emerging Markets IMI's top country weightings are China, India, and Taiwan.

China has the largest country weighting in the MSCI Emerging Markets IMI at about 29%, and therefore it is the primary driver of performance.

After years of strong growth, Chinese equities went into a several-year tailspin when the pandemic crisis took hold in 2020. Prolonged lockdowns, structural domestic economic issues, and trade tensions with the EU and US have all weighed on Chinese equity valuations and dragged on fund returns. ...

Parent Company

By Jason Kephart 1/10/2025

BlackRock has raised the bar for what it means to be a truly diversified asset manager. After going on a private-asset shopping spree in 2024 to acquire infrastructure, credit, and alternative fund data capabilities, few other firms can match its breadth of offerings. It remains to be seen if these acquisitions will be as transformative and beneficial for investors as its 2009 purchase of Barclays Global Investors, which included its now iconic iShares brand of exchange-traded funds. BlackRock continues to earn an Above Average rating for Parent.

There are reasons for optimism. CEO Larry Fink’s track record of acquisitions stands out for its focus on expanding what BlackRock can offer, rather than looking to build scale. The firm has been able to deliver packaged versions of its products, like direct indexing, through its popular model portfolios for financial advisors at low costs that have made significant improvements to investor outcomes.

For hands-off investors, BlackRock’s multi-asset options like its target-date strategies and once flagship global allocation strategy are among their respective Morningstar Categories’ best options. ...

Manager Information and Ownership Levels

Manager Biography

Jennifer Hsui since 10/18/2012

University of California

Jennifer Hsui, Managing Director & Portfolio Manager at BlackRock Investment Management LLC has been employed by BlackRock Fund Advisors as a senior portfolio manager since 2007. Prior to that, Ms. Hsui was a portfolio manager from 2006 to 2007 for BGFA. She was a research analyst for RBC Capital Markets from 2003 to 2006.

Manager Biography

Peter Sietsema since 4/1/2025

Peter Sietsema has been with BFA since 2007, including his years with BGI, which merged with BFA in 2009. Mr. Sietsema has been employed by BFA or its affiliates as a Director since 2011 and a Vice President from 2009 to 2010. Mr. Sietsema has been a Portfolio Manager of each fund since 2023.

Manager Biography

Matt Waldron since 4/1/2025

University of Delaware, B.A., Finance

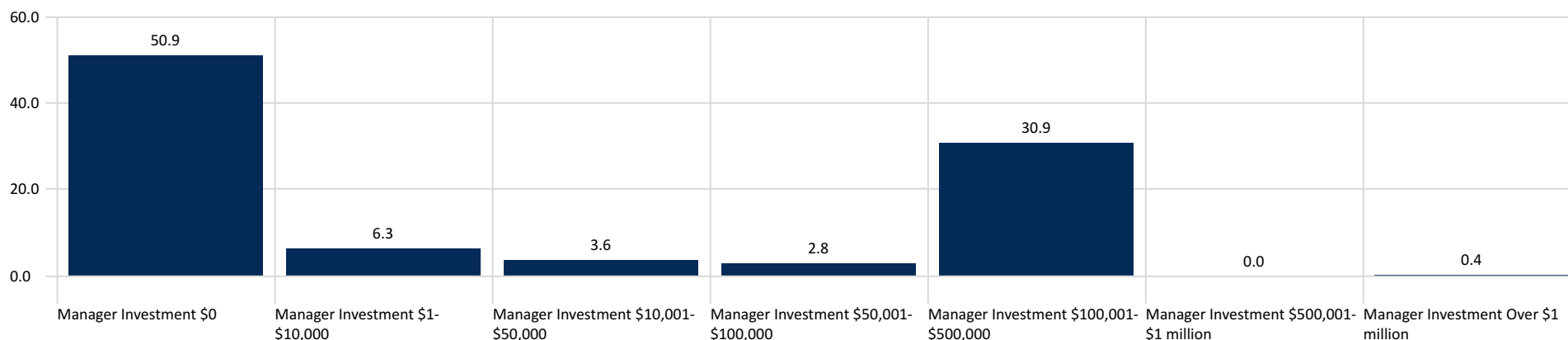
Matt Waldron, CFA, Managing Director, is US Head of International Portfolio Management within BlackRock Global Markets & Index Investments (“BGM”). He is responsible for the overall management of ETFs, CTFs, and Institutional SMAs that are predominantly invested in developed and emerging markets. Mr. Waldron’s service with the firm dates back to 2003. Prior to his current role, Mr. Waldron

Manager Biography

Steven White since 4/1/2025

Steven White, Director, is Co-CIO for Index Equity Investments within BlackRock Global Markets & Index Investments (“BGM”) Steven co-leads the CIO function, which is responsible for leading efforts to drive scale, quality and risk-managed investment outcomes for clients. Within the function he has direct responsibilities for investment risk and performance oversight across the global book as well as Index Equities Index Advocacy function which looks to enhance benchmark methodologies managed to by t...

Manager Ownership Level

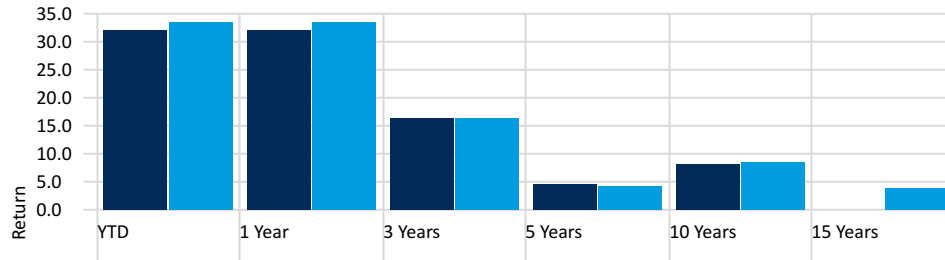


iShares Core MSCI Emerging Markets ETF

Ticker	IEMG	Prospectus Net Expense Ratio	0.09	Morningstar Category	US Fund Diversified Emerging Mkts
Manager Name	Multiple	Turnover Ratio %	6.00	Fund Size	128,658,304,601.00
Inception Date	10/18/2012	Potential Capital Gains Exposure	11.82	Alpha (3 Year)	0.48
Manager Tenure (Longest)	13.25	# of Holdings	3,101	Beta (3 Year)	0.94

Trailing Returns

As of Date: 12/31/2025



■ iShares Core MSCI Emerging Markets ETF ■ MSCI EM NR USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
iShares Core MSCI Emerging Markets ETF	32.12	32.12	16.28	4.60	8.35	5.09
MSCI EM NR USD	33.57	33.57	16.39	4.20	8.42	4.97

Excess Return vs. Benchmark

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-1.45	-1.45	-0.11	0.40	-0.06	0.12

Investment Strategy

The investment seeks to track the investment results of the MSCI Emerging Markets Investable Market Index. The fund generally will invest at least 80% of its assets in the component securities of the underlying index and in investments that have economic characteristics that are substantially identical to the component securities of the underlying index. The index is designed to measure large-, mid- and small-cap equity market performance in the global emerging markets.

Investment Growth

Time Period: 10/19/2012 to 12/31/2025



■ iShares Core MSCI Emerging Markets ETF ■ MSCI EM NR USD

Calendar Year Returns

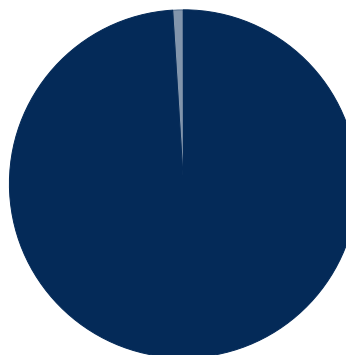
	2021	2022	2023	2024	2025
iShares Core MSCI Emerging Markets ETF	-0.64	-19.87	11.30	6.92	32.12
MSCI EM NR USD	-2.54	-20.09	9.83	7.50	33.57

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	1.90	0.22	1.48	-0.58	-1.45

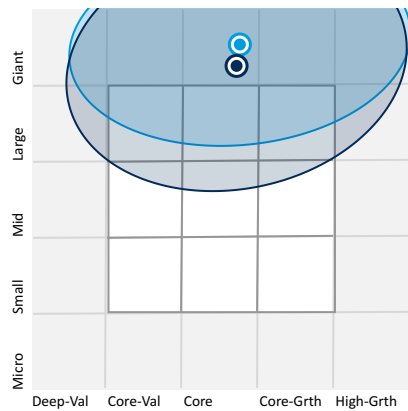
Asset Allocation

Portfolio Date: 12/31/2025



	%
Stock	99.0
Bond	0.0
Cash	1.0
Other	0.0
Total	100.0

Holdings-Based Style Map



● iShares Core MSCI Emerging Markets ETF 12/31/2025
 ● MSCI EM NR USD 12/31/2025

Morningstar Style Box

Portfolio Date: 12/31/2025

	Value	Blend	Growth
Large	17.3	34.3	30.1
Mid	5.6	4.8	4.3
Small	1.4	1.2	0.9

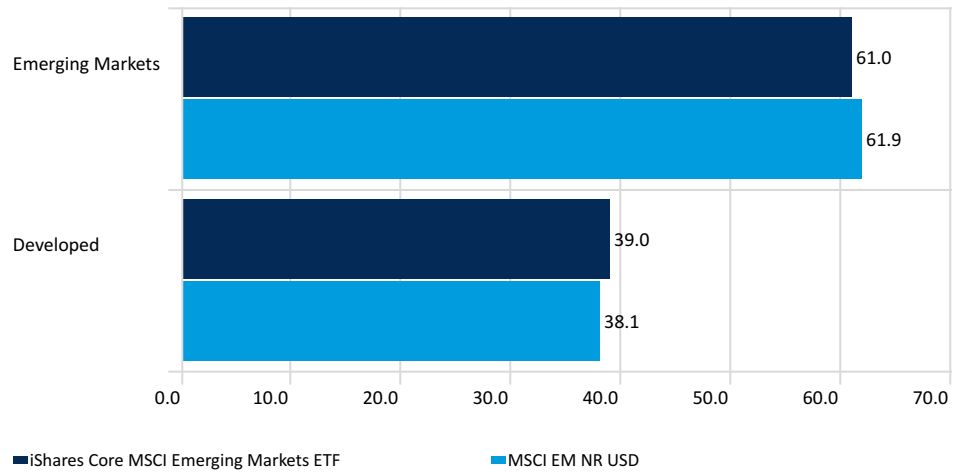
Market Cap	%
Market Cap Giant %	51.4
Market Cap Large %	30.2
Market Cap Mid %	14.8
Market Cap Small %	3.4
Market Cap Micro %	0.1

Top Holdings

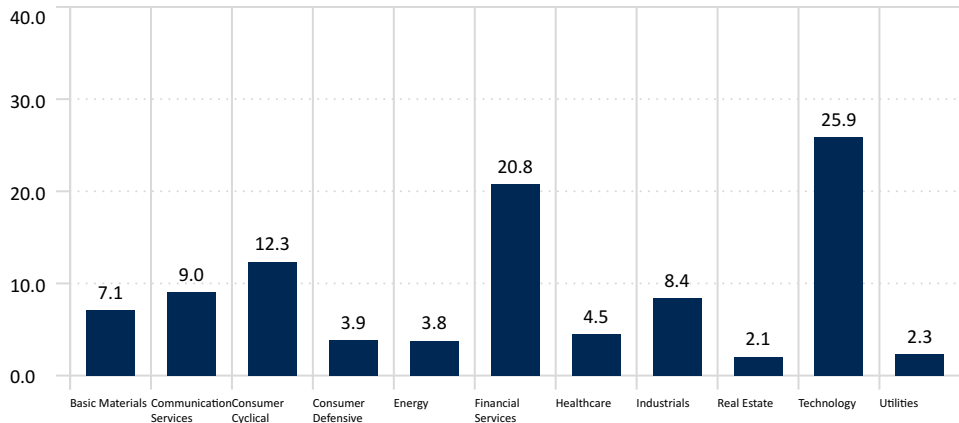
Portfolio Date: 1/12/2026

	Portfolio Weighting %	Benchmark Weighting %
Taiwan Semiconductor Manufacturing Co Ltd	10.71	
Tencent Holdings Ltd	4.17	
Samsung Electronics Co Ltd	3.64	
Alibaba Group Holding Ltd Ordinary Shares	2.77	
SK Hynix Inc	2.26	
HDFC Bank Ltd	0.95	
Reliance Industries Ltd	0.81	
China Construction Bank Corp Class H	0.77	
Hon Hai Precision Industry Co Ltd	0.74	
Xiaomi Corp Class B	0.70	

Regional Exposure

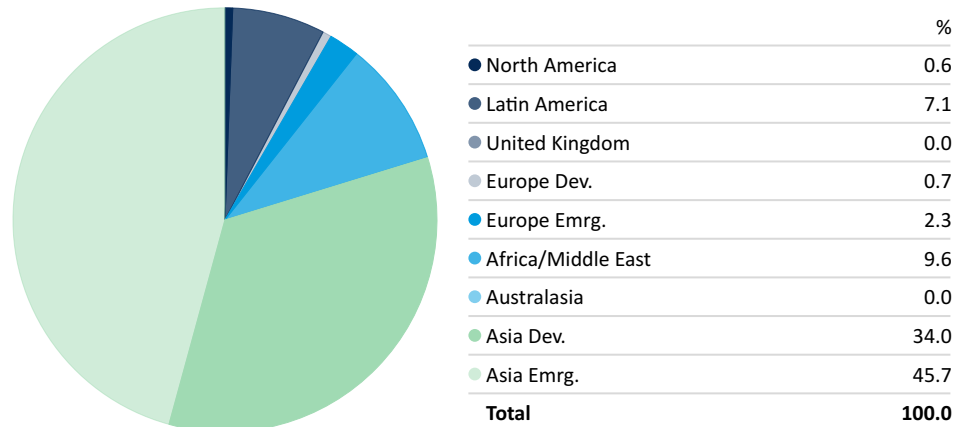


Sector Weight



Equity Regional Exposure

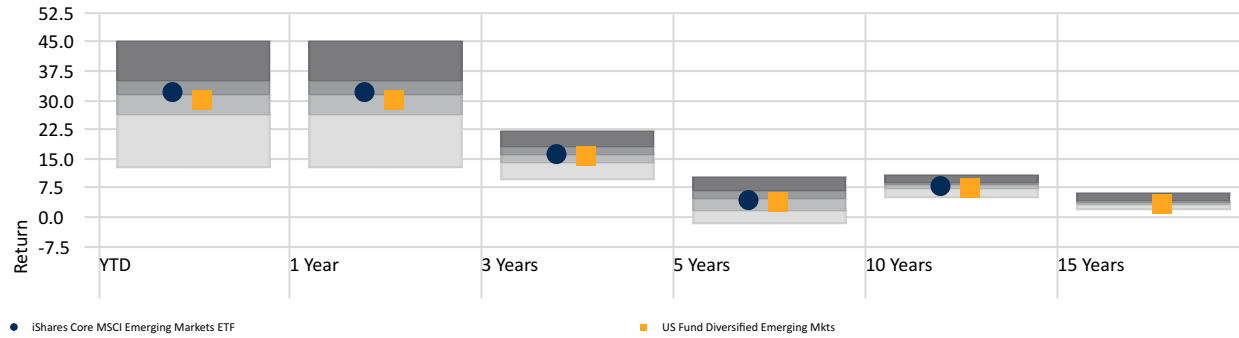
Portfolio Date: 12/31/2025



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Diversified Emerging Mkts Calculation Benchmark: MSCI EM NR USD

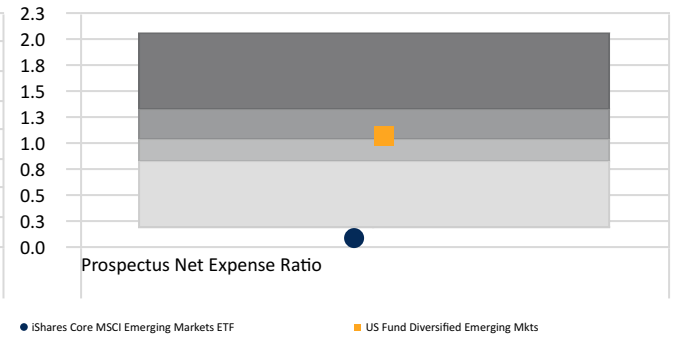
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Diversified Emerging Mkts

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

Time Period: Since Common Inception (11/1/2012) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



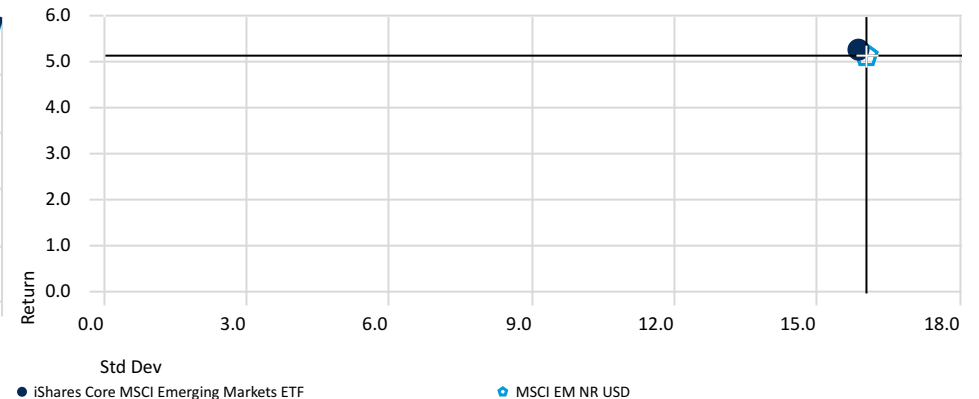
Drawdown

Time Period: Since Common Inception (11/1/2012) to 12/31/2025



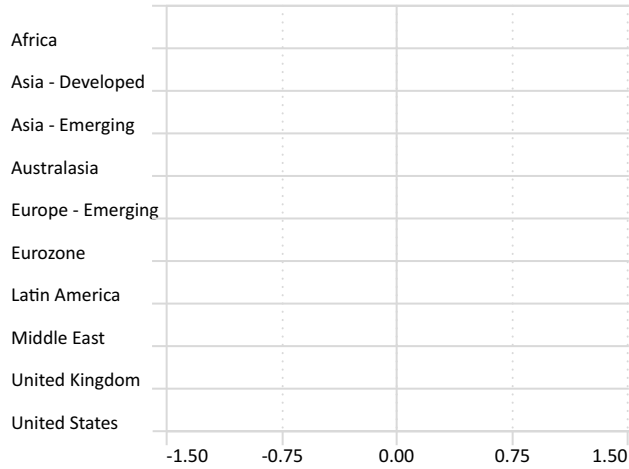
Risk-Reward

Time Period: Since Common Inception (11/1/2012) to 12/31/2025



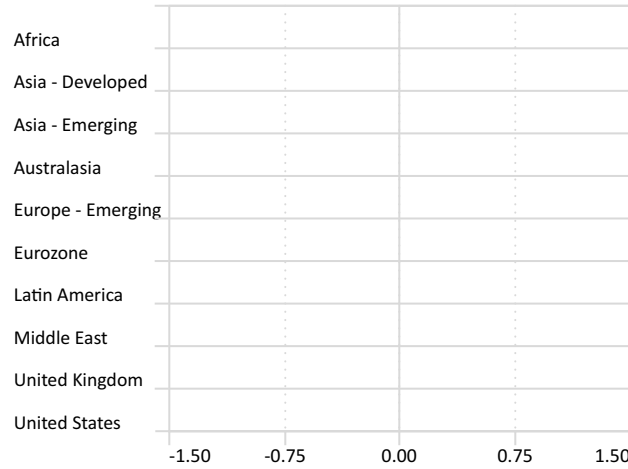
Allocation Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



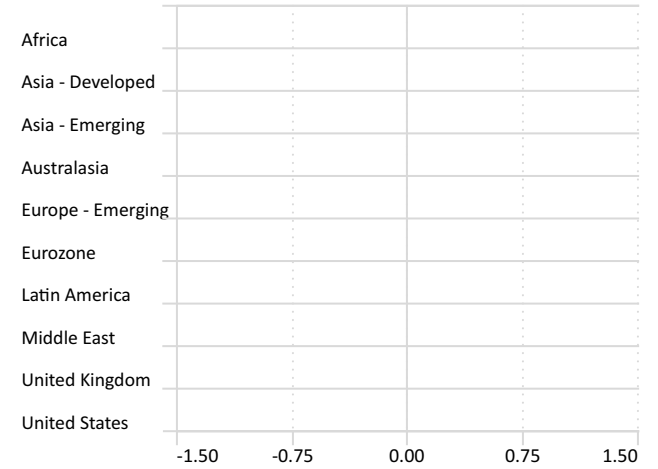
Selection Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Region (QTD)

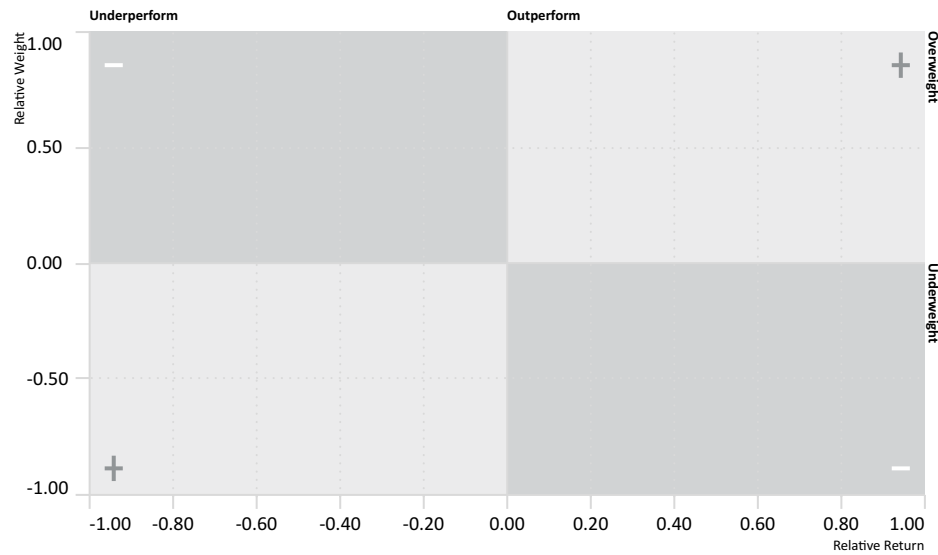
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

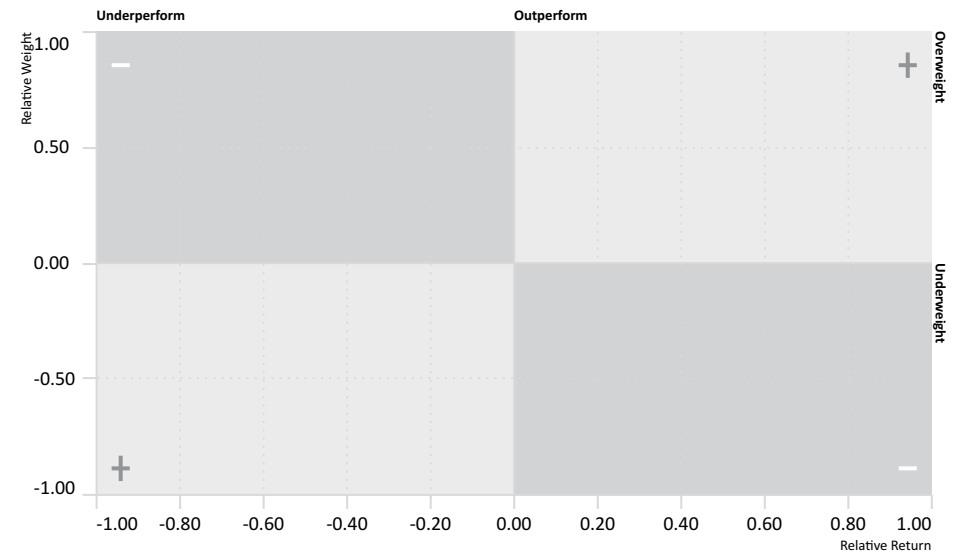
Calculation Benchmark: MSCI EM NR USD



Selection Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

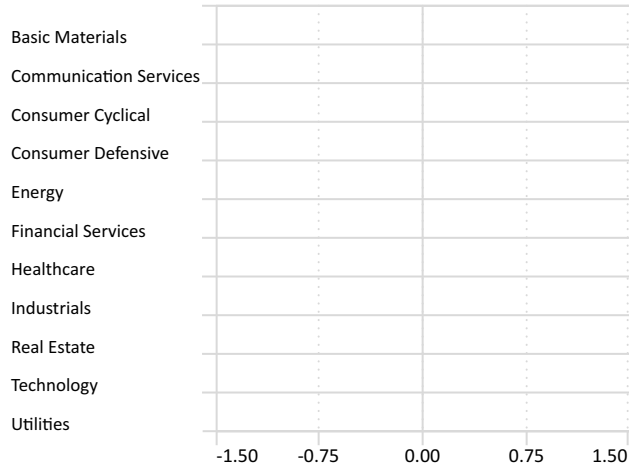
Calculation Benchmark: MSCI EM NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

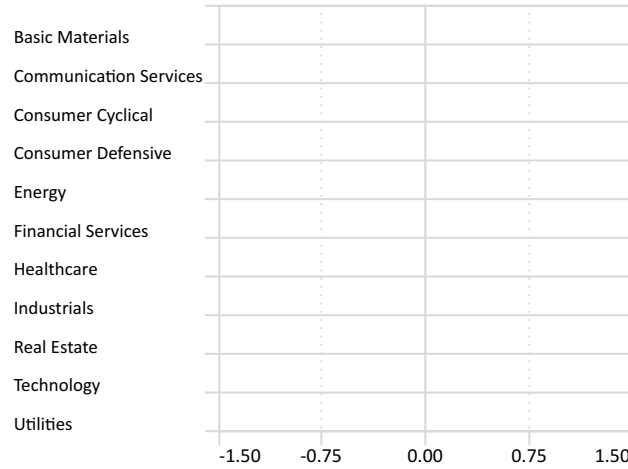
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



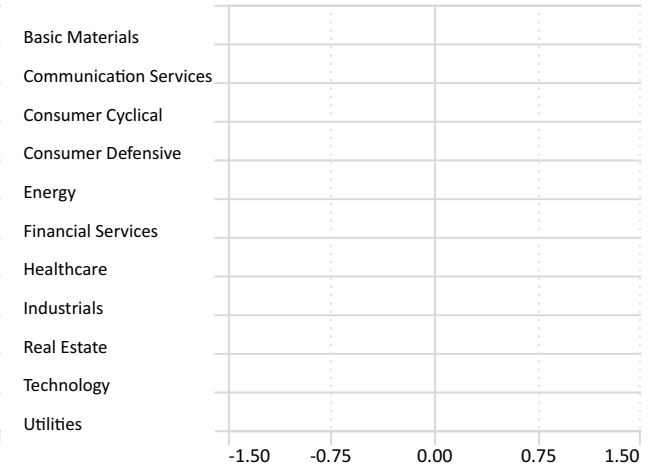
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

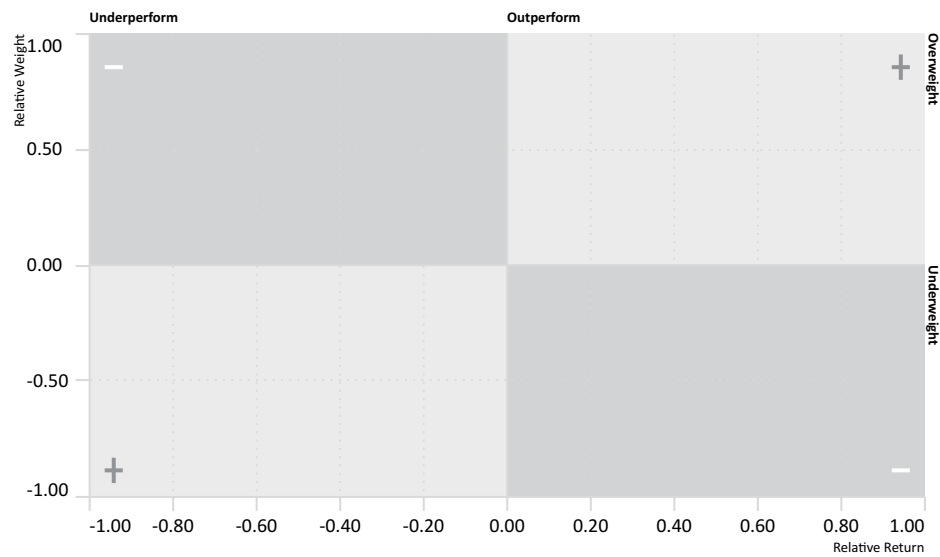
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

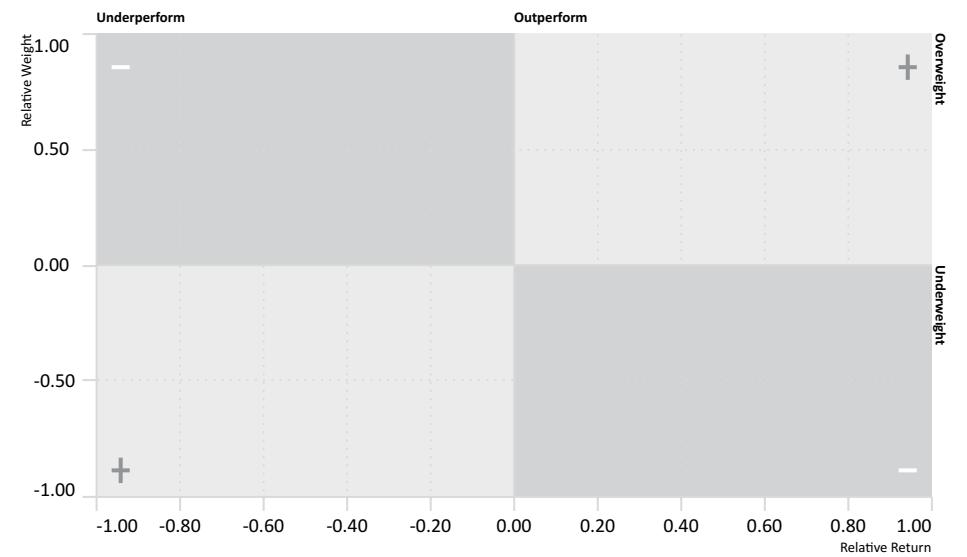
Calculation Benchmark: MSCI EM NR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

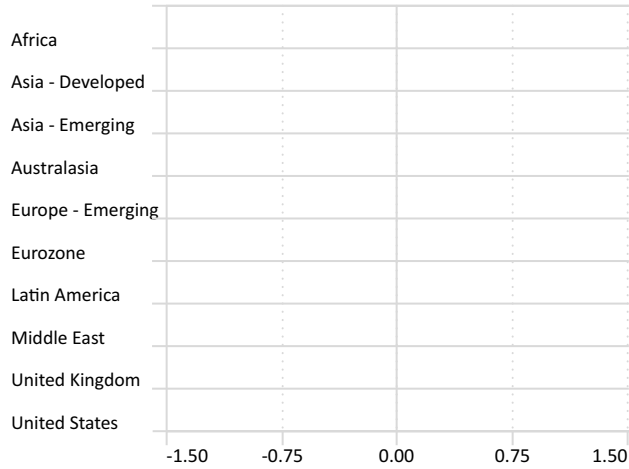
Calculation Benchmark: MSCI EM NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

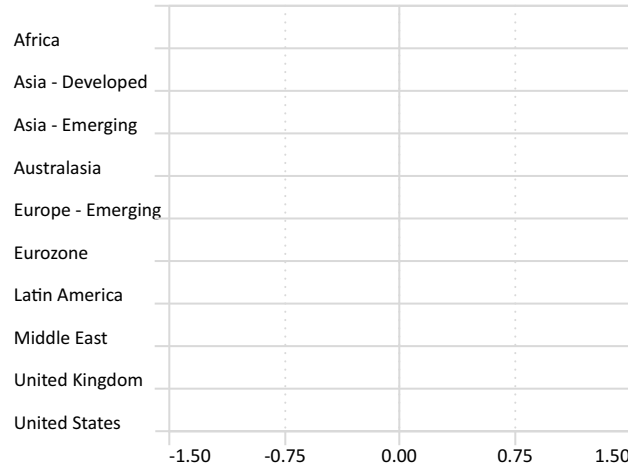
Allocation Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



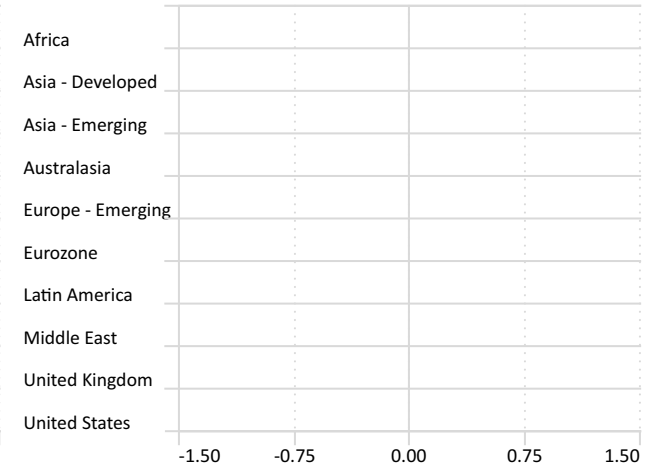
Selection Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Region (1 Year)

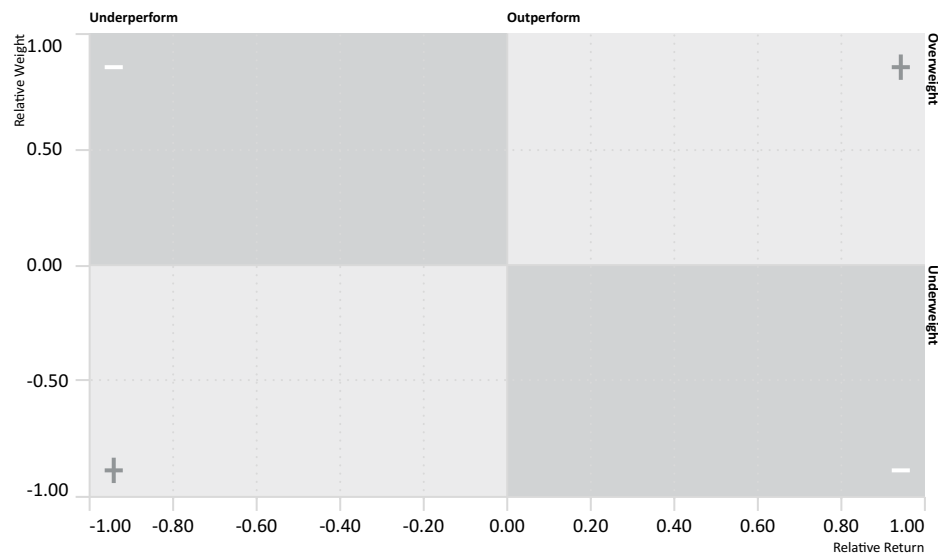
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

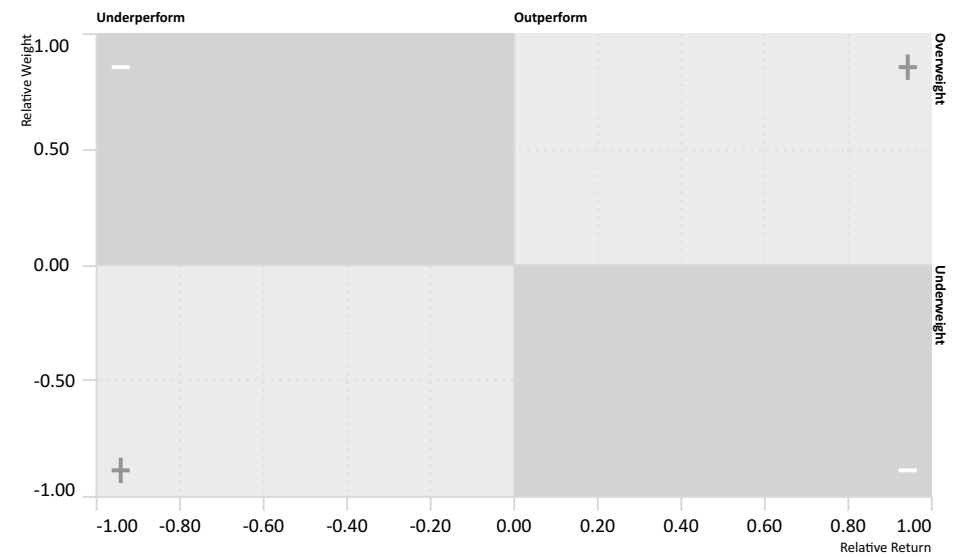
Calculation Benchmark: MSCI EM NR USD



Selection Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

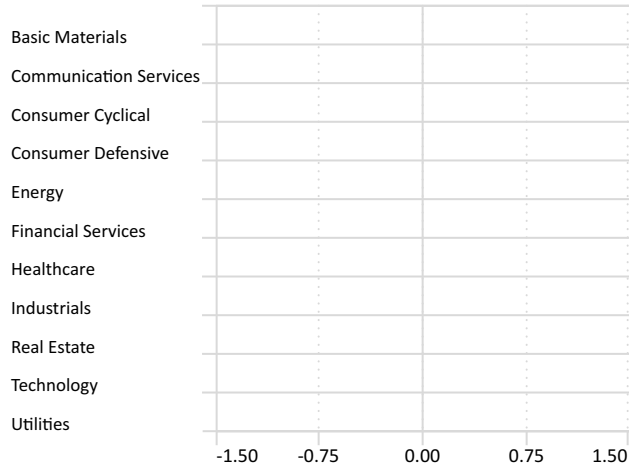
Calculation Benchmark: MSCI EM NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

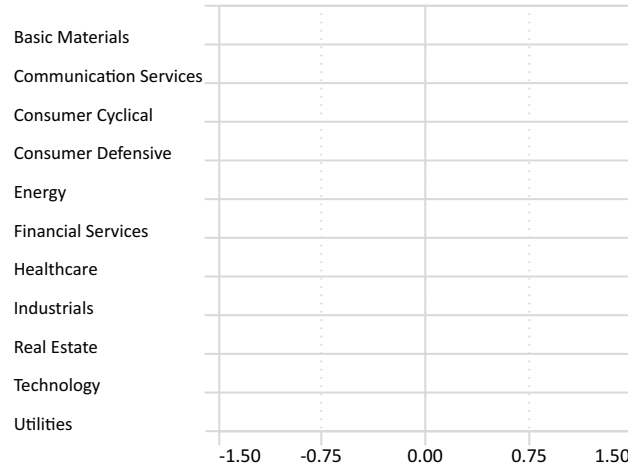
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



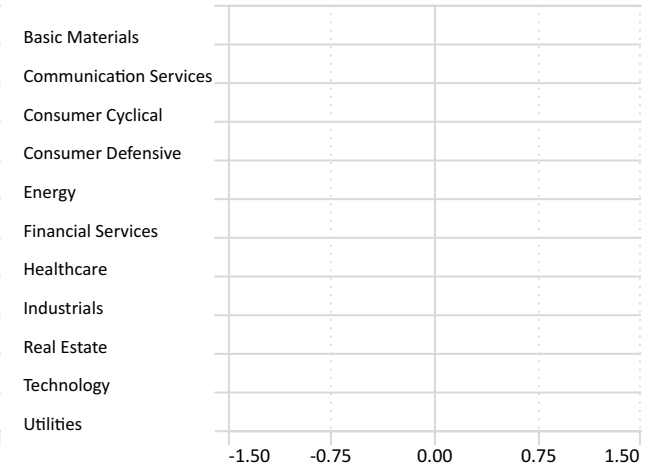
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

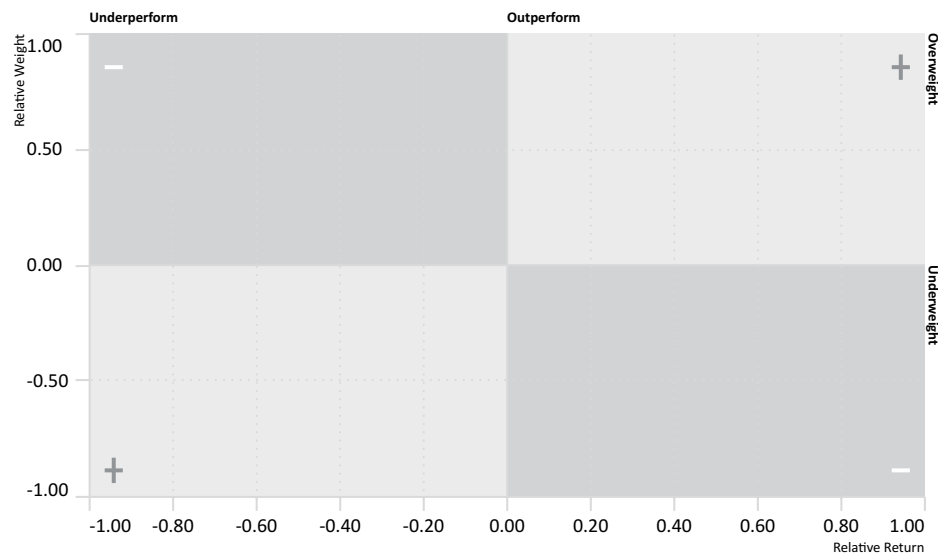
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

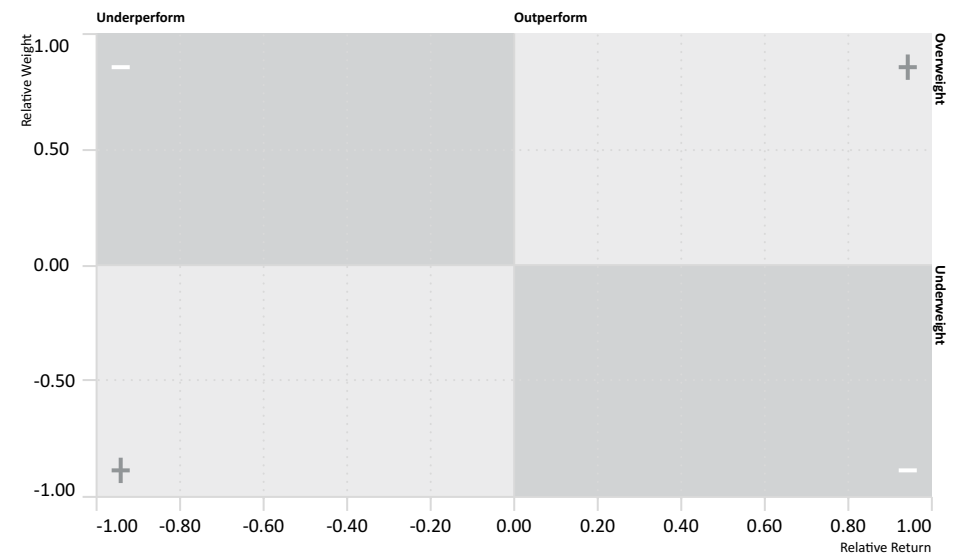
Calculation Benchmark: MSCI EM NR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: MSCI EM NR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

Investment Strategy

The investment seeks to track the performance the FTSE Emerging Markets All Cap China A Inclusion Index. The index measures the investment return of stocks issued by companies located in emerging market countries. The fund employs an indexing investment approach designed to track the performance of the FTSE Emerging Markets All Cap China A Inclusion Index. It invests by sampling the index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the index in terms of key characteristics.

Process Approach

By Lan Anh Tran 1/9/2026

This portfolio captures the composition of the emerging-markets universe. However, it concentrates in the largest emerging markets, and indexing may not be the best approach to managing political risks inherent to these economies. It earns an Average Process Pillar rating.

Process Portfolio

By Lan Anh Tran 1/9/2026

The fund tracks the FTSE Emerging Markets All-Cap China-A Inclusion Index. The benchmark's construction starts with all stocks listed in over 20 emerging markets, excluding South Korea. It sorts this broad cohort by their free-float-adjusted market capitalization and holds those that rank in the top 98% by market cap. The strategy uses buffer rules around the cutoff point to help mitigate excessive turnover. It also employs liquidity screens that make the final index easier to track.

The portfolio weights its holdings by market cap, which emphasizes the largest stocks while keeping turnover and the related trading costs in check. Its sector composition lands near the category average, with the financials and information technology sectors among its largest.

Applying market-cap weighting heavily tilts the fund toward Chinese stocks. This delivers exposure to an important pillar of emerging economies, but it limits geographic diversification. Strong performance of the Chinese market and the addition of Chinese A-shares helped China's weighting grow to be as high as 40% in late 2020, falling back to a still-consequential 30% in recent years as performance slipped. It is still the fund's largest country allocation by far.

Definitions of emerging markets vary across index providers, and this portfolio does not designate South Korea as an emergi...

People

By Lan Anh Tran 1/9/2026

Vanguard's equity index group earns an Above Average People Pillar rating for its well-supported and stable management team adept at leveraging Vanguard's comprehensive resources. Its portfolio managers benefit from the firm's global infrastructure and advanced portfolio management technology, which facilitates cost-efficient trading around the globe. The infrequent turnover of managers, coupled with Vanguard's practice of rotating them across various funds, enhances their expertise and understanding of different market segments.

The fund's managers directly handle trading, providing them with deeper insights into the portfolio's operations than a stand-alone trader might have. They are backed by a global team of dedicated personnel and employ sophisticated, scalable technology to minimize their workload and enhance tracking accuracy. Vanguard's independent risk-management team plays a crucial role in ensuring its funds adhere to predetermined tracking tolerances. It collaborates closely with the managers to oversee trades and address potential issues proactively. Vanguard compensates managers based on tracking error and excess return metrics to foster a culture of accountability and ensure that the management team's interests are closely tied to investors'.

Performance

By Lan Anh Tran 1/9/2026

The fund's exchange-traded fund share class outperformed the category average by 38 basis points annualized from its 2005 inception through December 2025. Its risk-adjusted performance is comparable to the average category peer over this period. The fund's overweight position in emerging Asian markets like Taiwan boosted returns in recent years compared with the norm.

Country and regional exposure has been and will continue to be an important influence on fund performance. Favoring Taiwan continued to pay off in 2025 as the Taiwanese stock market extended its 2024 winning streak, powered by TSMC's explosive rally. Nonetheless, missing out on South Korean stocks' near 100% annual gain in 2025 dented the fund's edge. It lagged the category average by 5.6 percentage points in 2025, narrowing the gap it created over peers in 2024.

The fund's largest country exposures will continue to influence short-term category-relative performance, but its broad scope limits long-term deviations. Long-term returns tend to follow the average of its category peers, and its low fee and minimal cash drag should guard the fund's edge long term.

Parent Company

By Daniel Sotiroff 7/28/2025

Vanguard maintains its High Parent Pillar rating as it continues to grow under new leadership.

CEO Salim Ramji has had a busy first year captaining Vanguard’s crew, and the ship remains pointed in the right direction. The firm made its largest round of fee cuts in early 2025, which came at an estimated cost of USD 350 million. It established a separate division dedicated to its advice and wealth management efforts, a sign that it wants to seriously compete within those lines of business. Asset growth has continued to be a huge success. Only BlackRock’s inflows rival the money Vanguard is taking in. Likewise, the number of clients it serves has more than doubled since 2015.

Despite that success, an ever-growing number of clients has presented a challenge: Vanguard can’t grow its services fast enough to keep up with demand. In some instances, it has had to curb certain services and capabilities or raise fees on others to cope, causing some loyal clients to criticize what they perceive as deteriorating services.

Vanguard has ambitions to bring its disruptive legacy to the bond market. It created roughly a dozen low-cost bond exchange-traded funds for US investors and sever...

Manager Information and Ownership Levels

Manager Biography

Michael Perre since 8/29/2008

Villanova University, M.B.A.
Saint Joseph's University, B.A.

Michael Perre, Principal of Vanguard. He has been with Vanguard since 1990; has managed investment portfolios since 1999; and has co-managed the Fund since 2009. Education: B.A., Saint Joseph’s University; M.B.A., Villanova University. Michael Perre, Principal of Vanguard. He has co-managed the Fund since 2017.

Manager Biography

Jeffrey D. Miller since 2/26/2016

Pennsylvania State University, B.A.
Drexel University, M.B.A.

Jeffrey D. Miller, Portfolio Manager. He has been with Vanguard since 1999; has managed investment portfolios since 2010 and worked in investment management since 2007. He holds a B.A. from The Pennsylvania State University and M.B.A. from Drexel University.

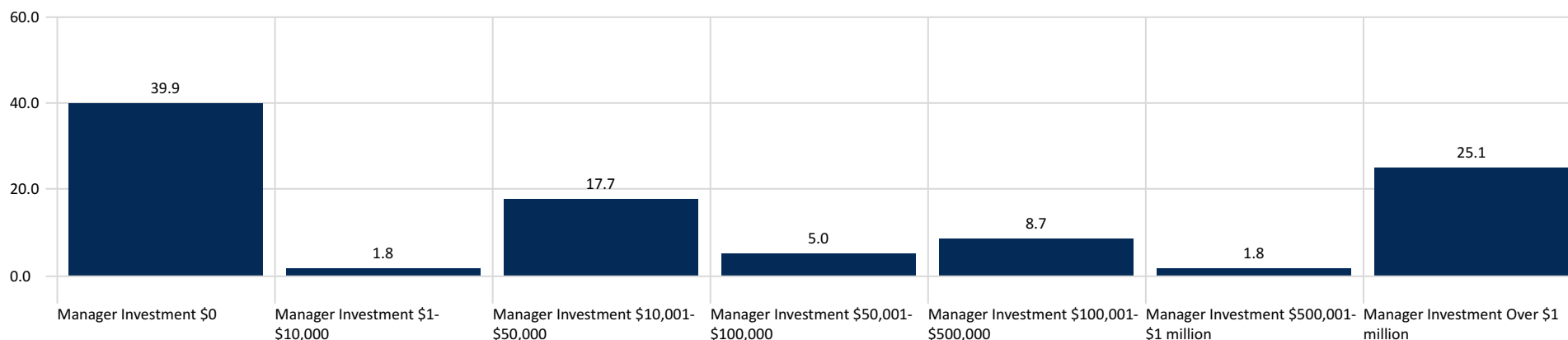
Manager Biography

John Kraynak since 2/18/2025

John Kraynak, CFA, Portfolio Manager at Vanguard. He has been with Vanguard since 2010, has worked in investment management since 2018, and has co-managed the Fund since February 2025. Education: B.S., Millersville University; M.B.A., Drexel University.

Manager Biography

Manager Ownership Level

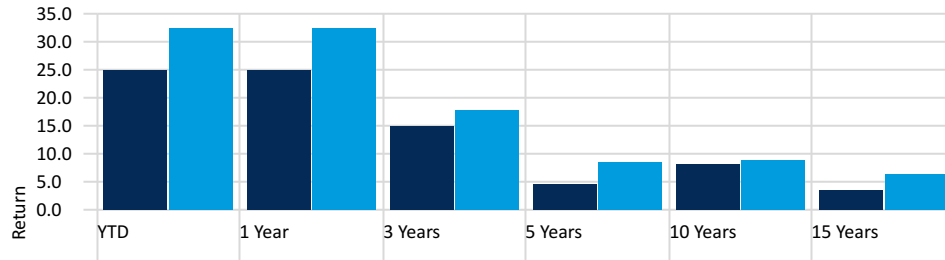


Vanguard FTSE Emerging Markets ETF

Ticker	VWO	Prospectus Net Expense Ratio	0.07	Morningstar Category	US Fund Diversified Emerging Mkts
Manager Name	Multiple	Turnover Ratio %	6.00	Fund Size	142,581,537,930.00
Inception Date	3/4/2005	Potential Capital Gains Exposure	19.10	Alpha (3 Year)	-0.89
Manager Tenure (Longest)	17.42	# of Holdings	5,031	Beta (3 Year)	0.87

Trailing Returns

As of Date: 12/31/2025



■ Vanguard FTSE Emerging Markets ETF ■ FTSE Global All Cap ex US TR USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Vanguard FTSE Emerging Markets ETF	24.83	24.83	14.83	4.69	8.15	6.51
FTSE Global All Cap ex US TR USD	32.37	32.37	17.63	8.38	8.88	6.72

Excess Return vs. Benchmark

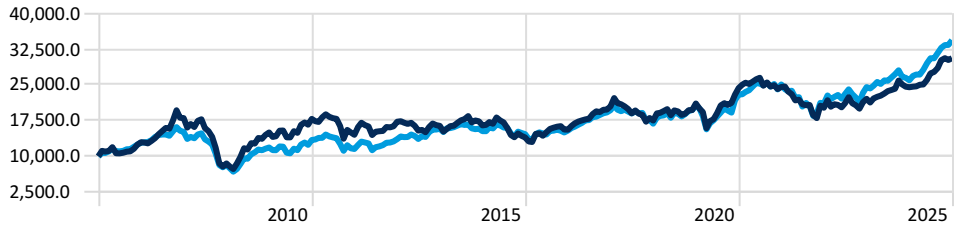
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-7.54	-7.54	-2.81	-3.69	-0.73	-0.21

Investment Strategy

The investment seeks to track the performance the FTSE Emerging Markets All Cap China A Inclusion Index. The index measures the investment return of stocks issued by companies located in emerging market countries. The fund employs an indexing investment approach designed to track the performance of the FTSE Emerging Markets All Cap China A Inclusion Index. It invests by sampling the index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the index in terms of key characteristics.

Investment Growth

Time Period: 1/1/2006 to 12/31/2025



■ Vanguard FTSE Emerging Markets ETF ■ FTSE Global All Cap ex US TR USD

Calendar Year Returns

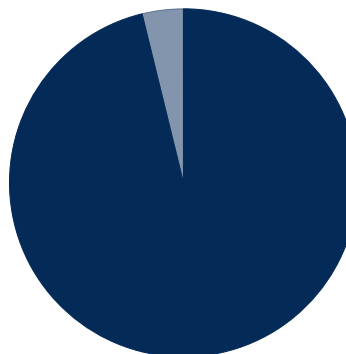
	2021	2022	2023	2024	2025
Vanguard FTSE Emerging Markets ETF	0.96	-17.72	9.27	11.01	24.83
FTSE Global All Cap ex US TR USD	9.13	-15.83	16.17	5.86	32.37

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	-8.18	-1.90	-6.90	5.15	-7.54

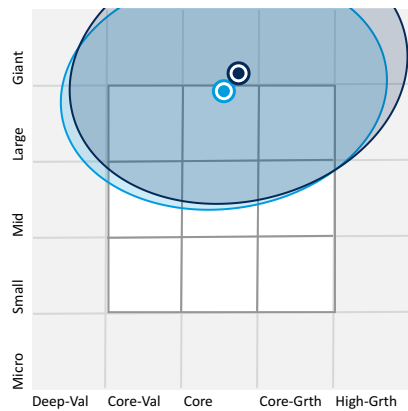
Asset Allocation

Portfolio Date: 11/30/2025



	%
Stock	96.2
Bond	0.0
Cash	3.8
Other	0.0
Total	100.0

Holdings-Based Style Map



Morningstar Style Box

Portfolio Date: 11/30/2025

	Value	Blend	Growth
Large	17.4	32.5	29.5
Mid	5.9	5.7	4.9
Small	1.7	1.4	1.1

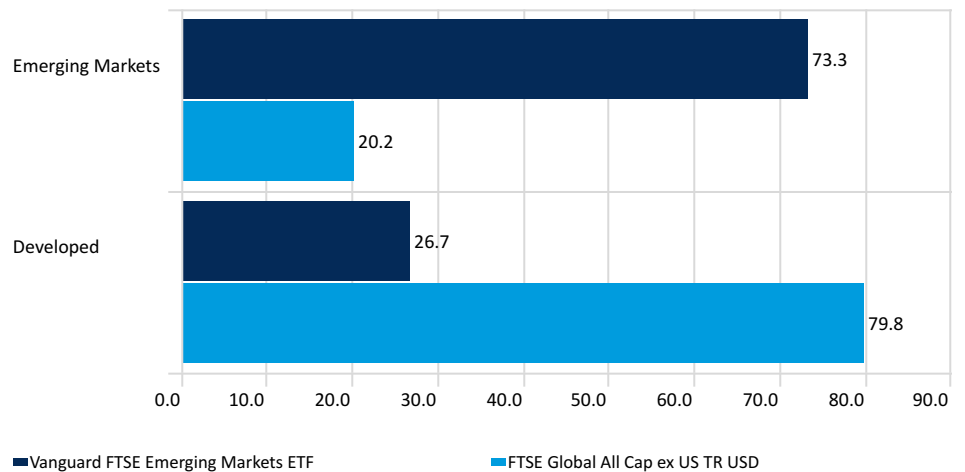
Market Cap	%
Market Cap Giant %	49.2
Market Cap Large %	30.0
Market Cap Mid %	16.5
Market Cap Small %	3.7
Market Cap Micro %	0.5

Top Holdings

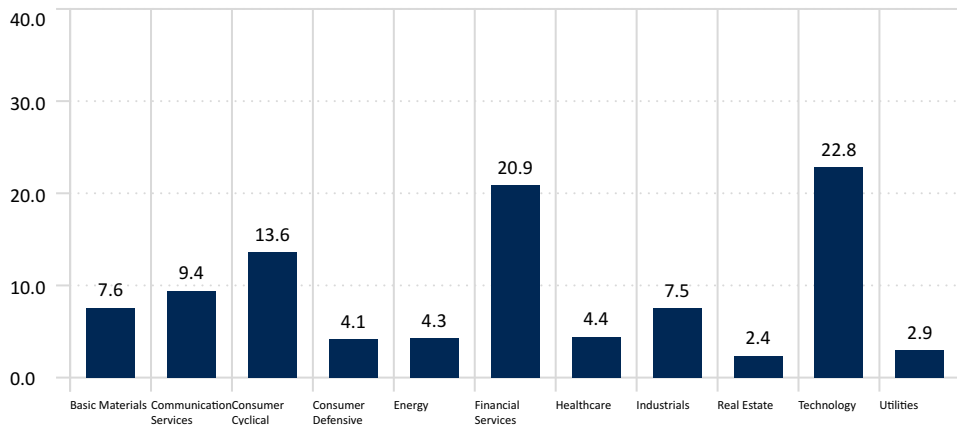
Portfolio Date: 11/30/2025

	Portfolio Weighting %	Benchmark Weighting %
Taiwan Semiconductor Manufacturing Co Ltd	10.38	
Tencent Holdings Ltd	4.53	
Alibaba Group Holding Ltd Ordinary Shares	3.26	
HDFC Bank Ltd	1.19	
Reliance Industries Ltd	1.11	
China Construction Bank Corp Class H	0.94	
Xiaomi Corp Class B	0.85	
PDD Holdings Inc ADR	0.82	
Hon Hai Precision Industry Co Ltd	0.81	
ICICI Bank Ltd	0.76	

Regional Exposure

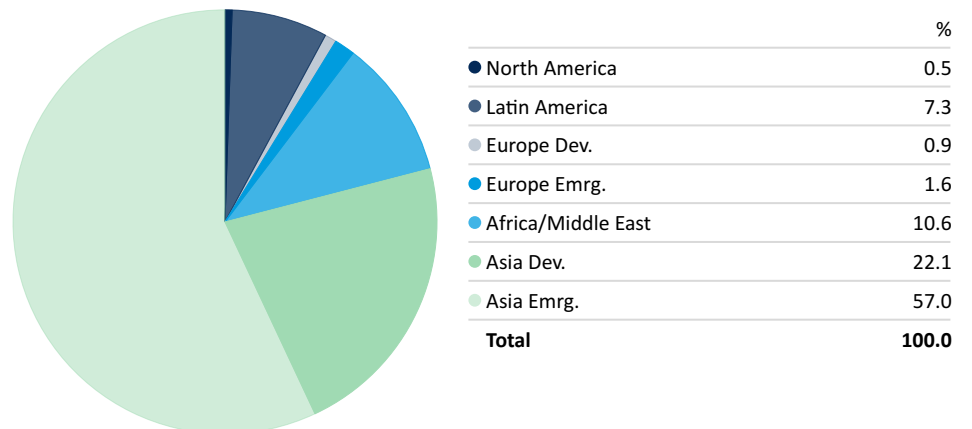


Sector Weight



Equity Regional Exposure

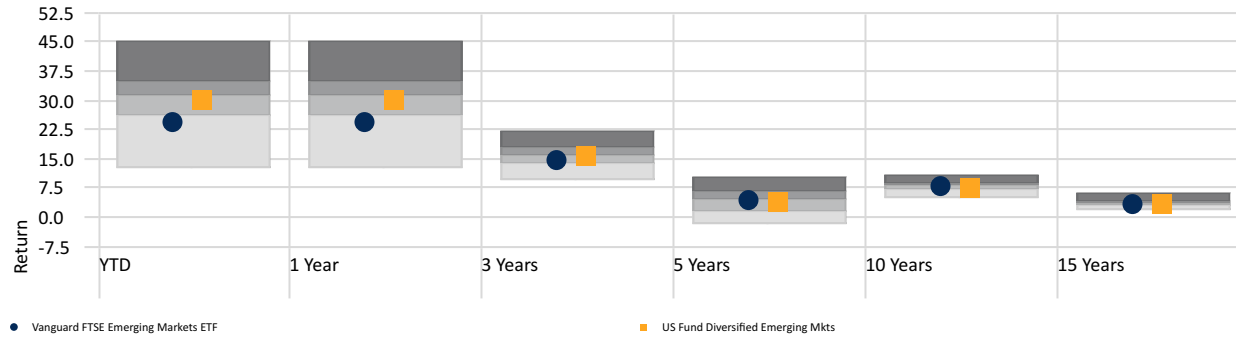
Portfolio Date: 11/30/2025



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Diversified Emerging Mkts Calculation Benchmark: FTSE Global All Cap ex US TR USD

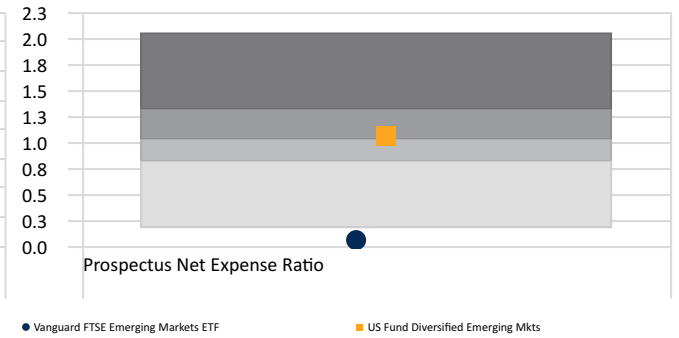
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Diversified Emerging Mkts

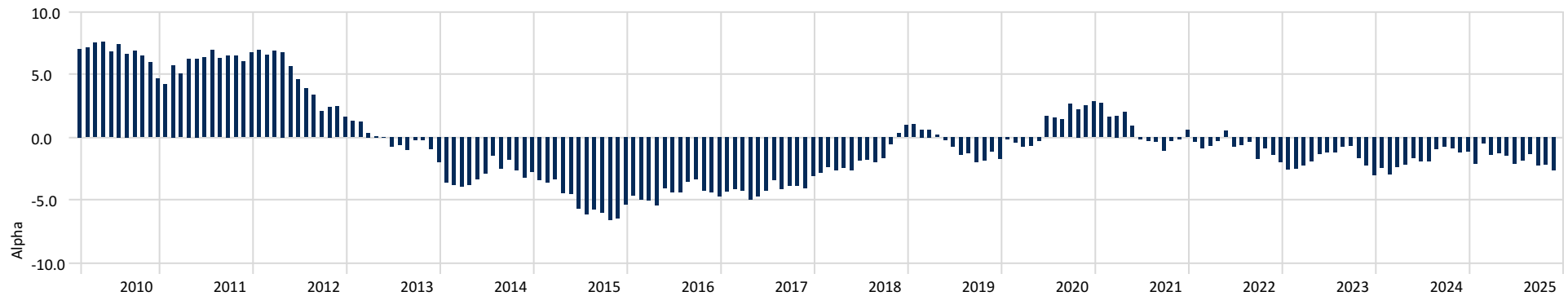
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

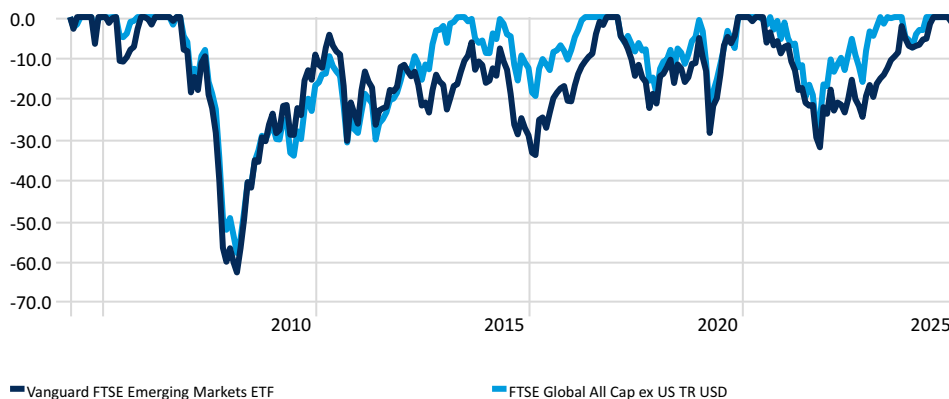
Time Period: Since Common Inception (4/1/2005) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



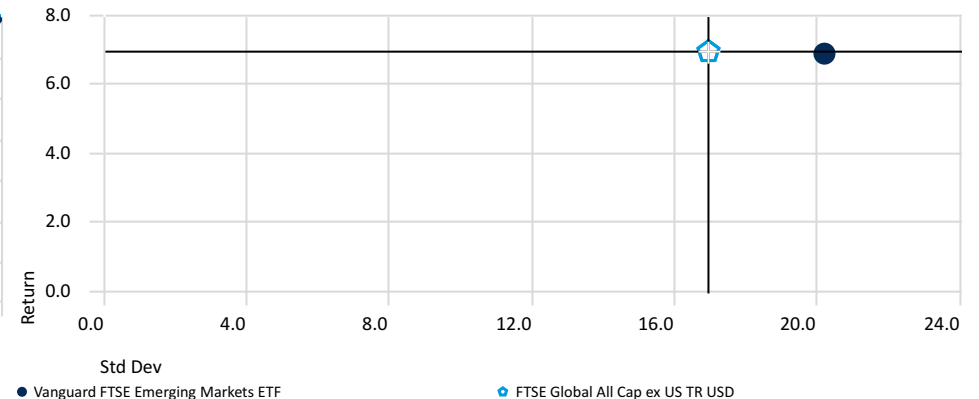
Drawdown

Time Period: Since Common Inception (4/1/2005) to 12/31/2025



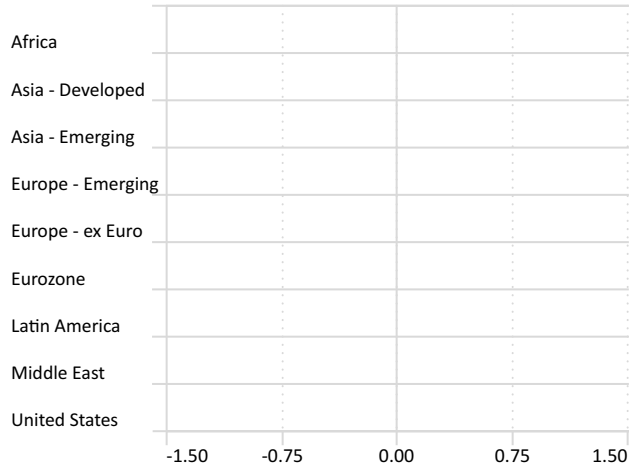
Risk-Reward

Time Period: Since Common Inception (4/1/2005) to 12/31/2025



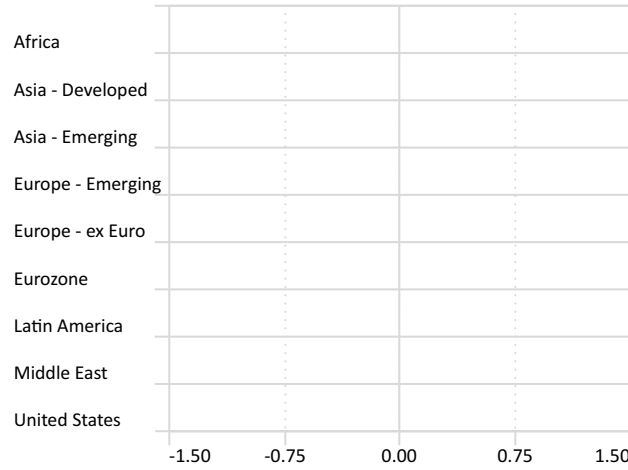
Allocation Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



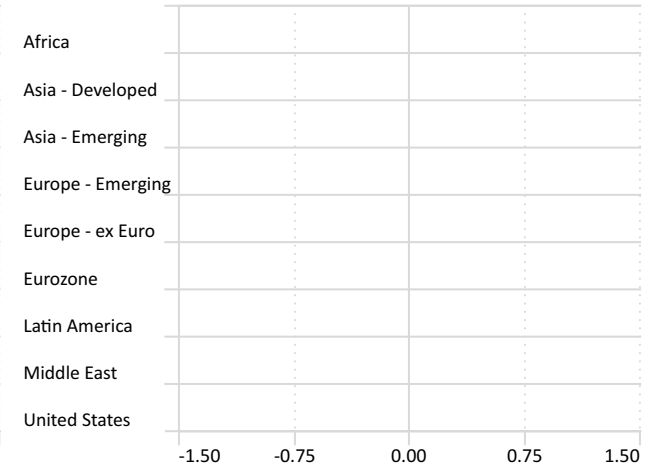
Selection Effect - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Region (QTD)

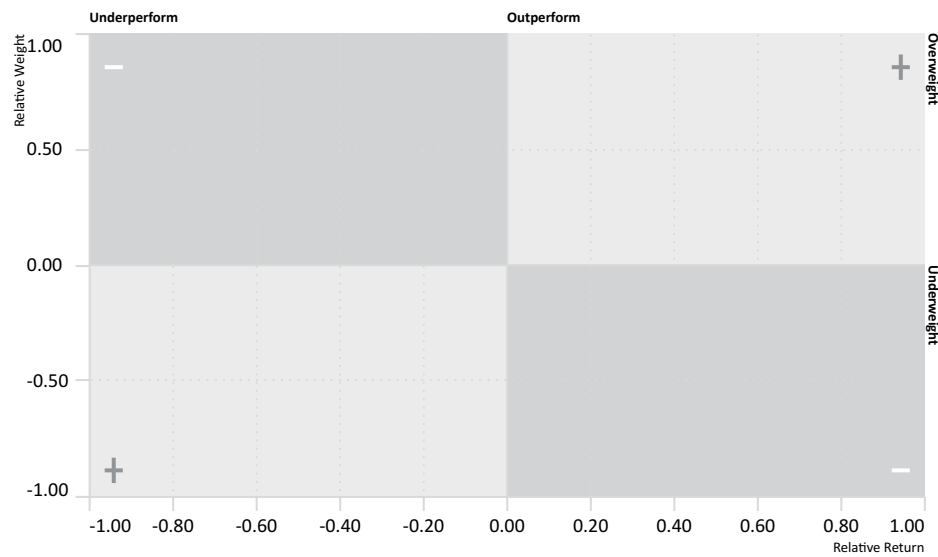
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

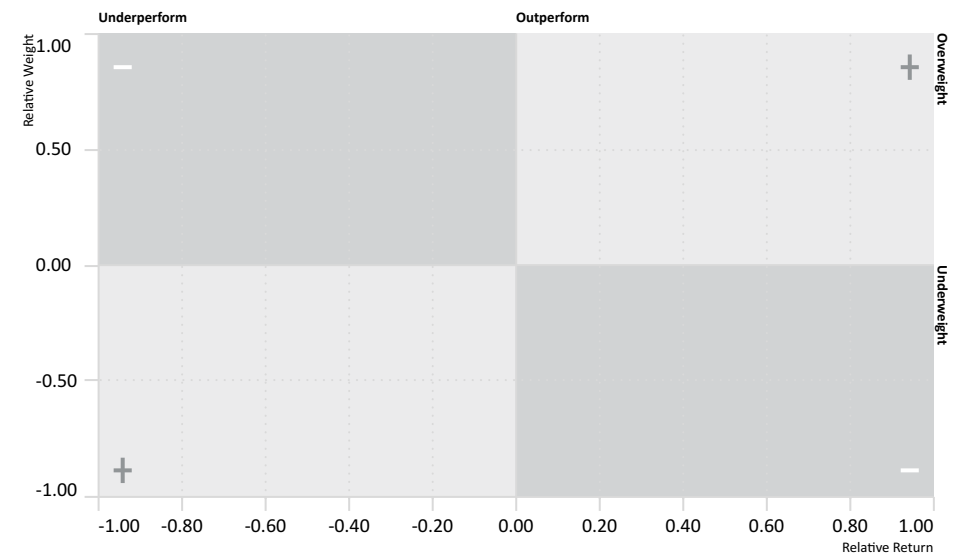
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Selection Effects Plot - Region (QTD)

Time Period: 10/1/2025 to 12/31/2025

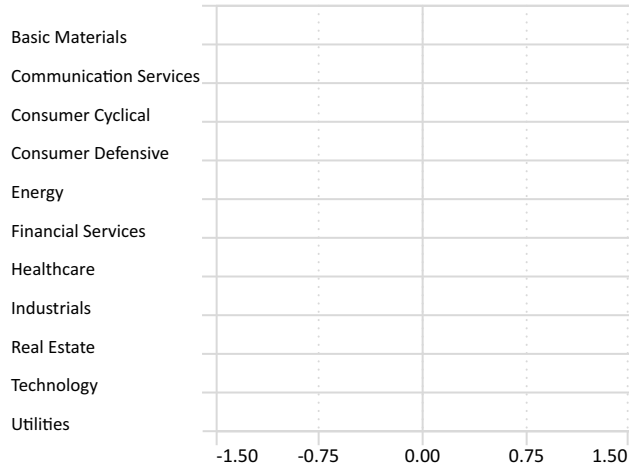
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

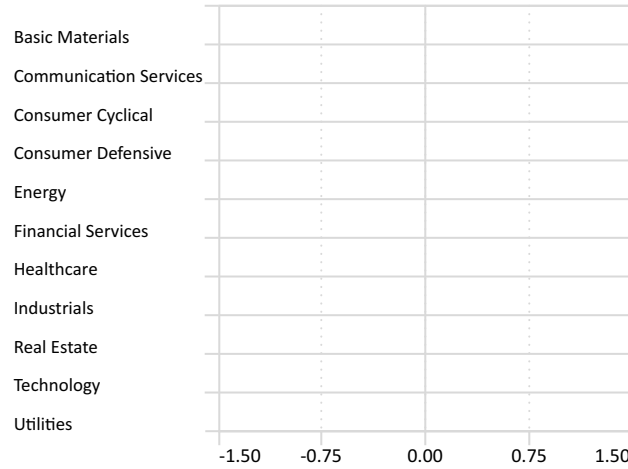
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



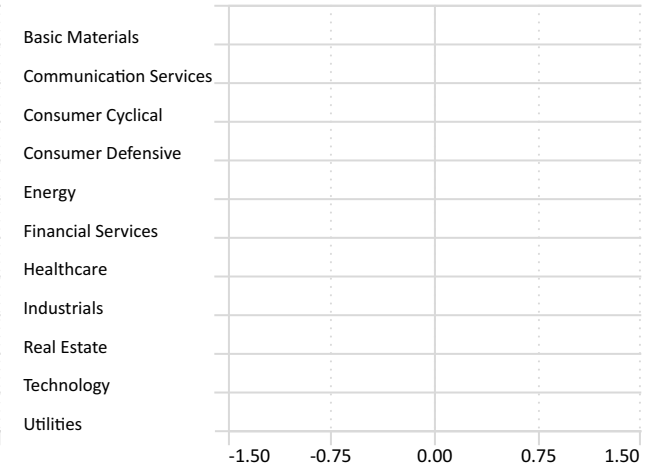
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

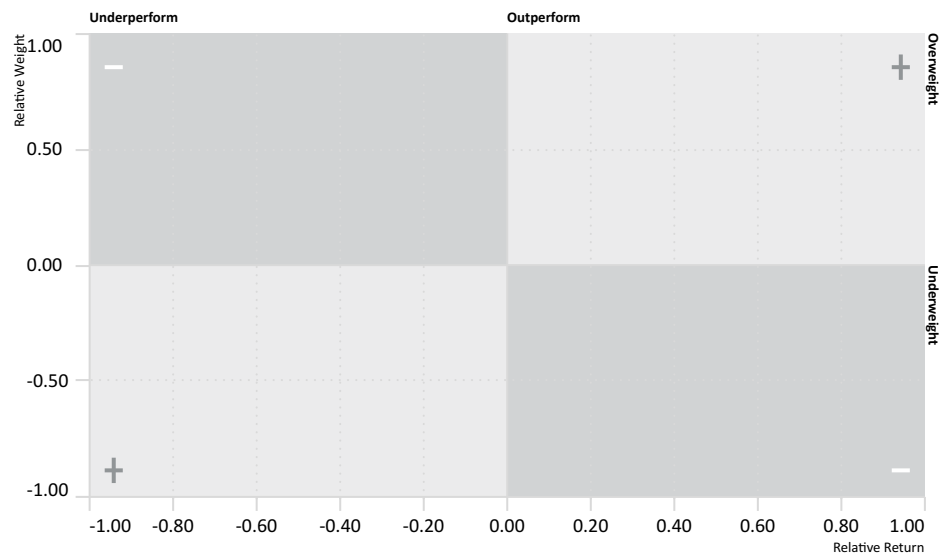
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

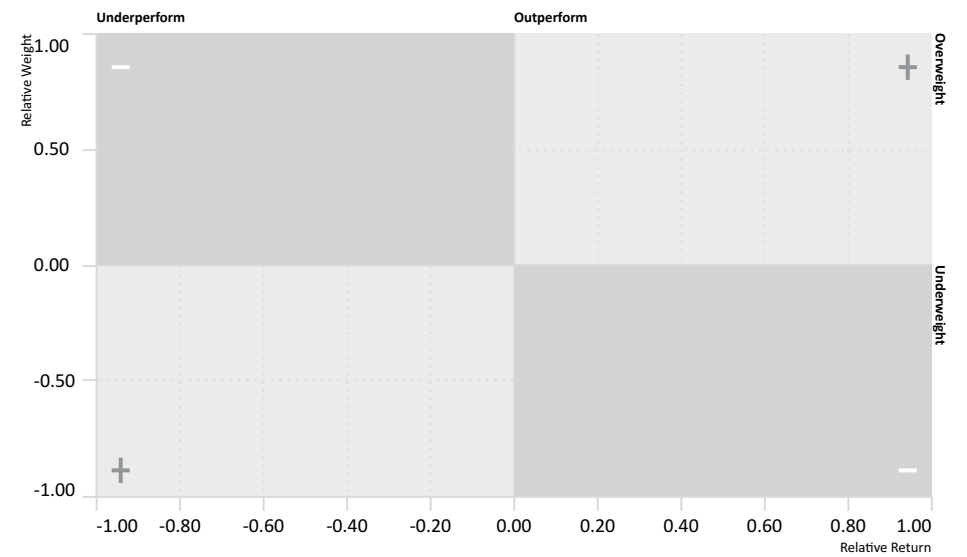
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

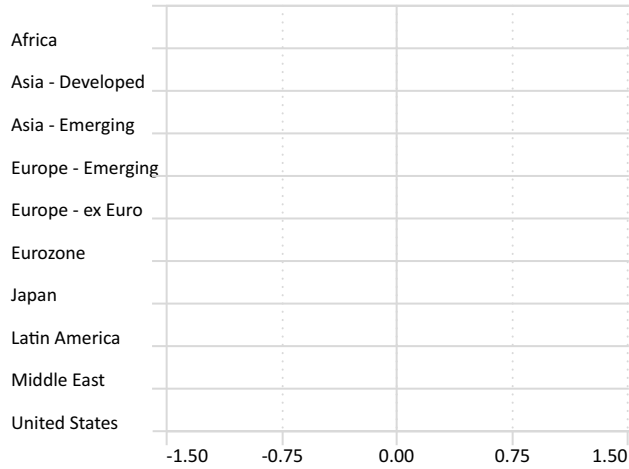
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

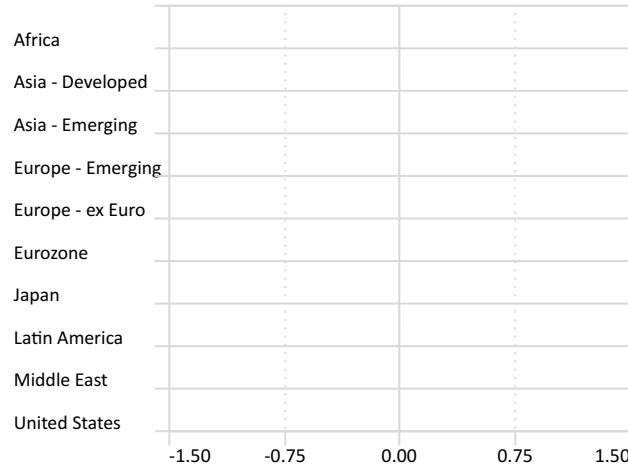
Allocation Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Selection Effect - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Region (1 Year)

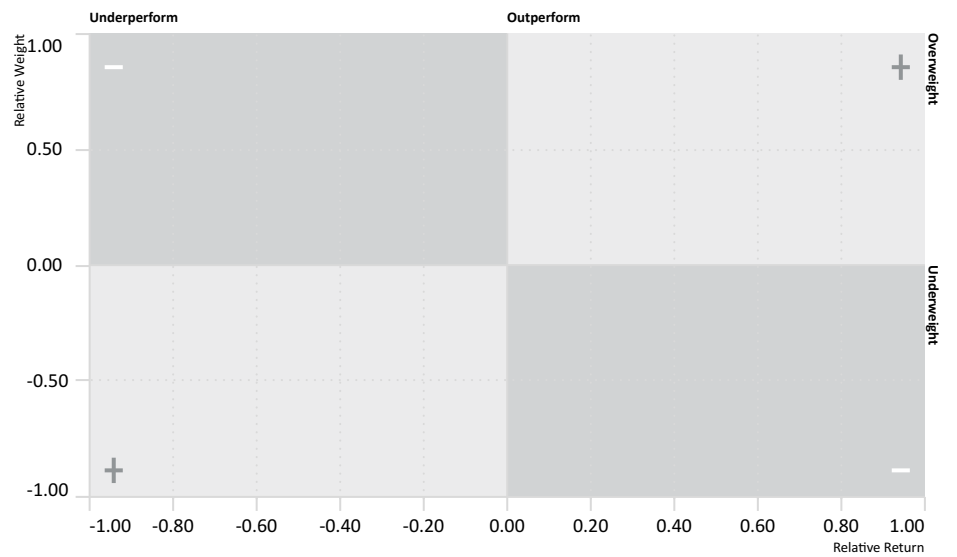
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

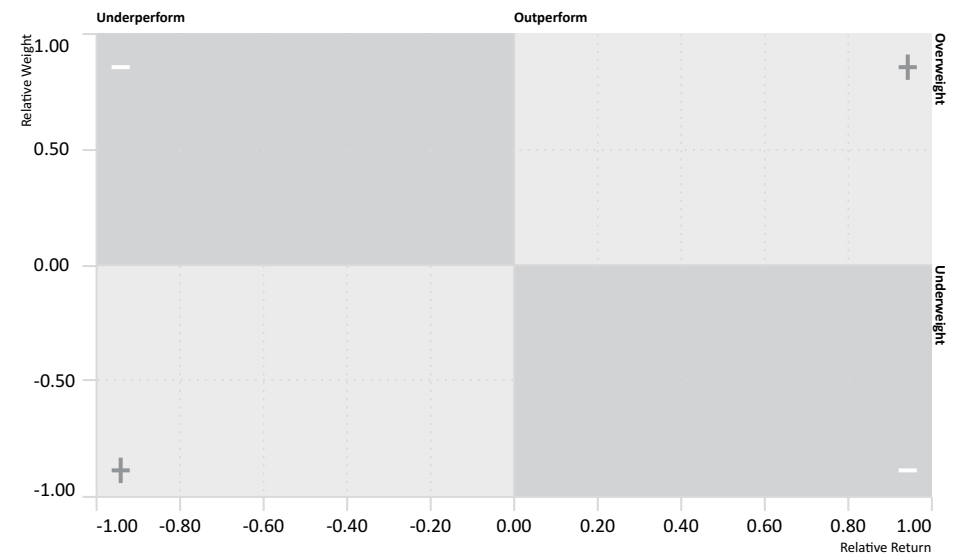
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Selection Effects Plot - Region (1 Year)

Time Period: 1/1/2025 to 12/31/2025

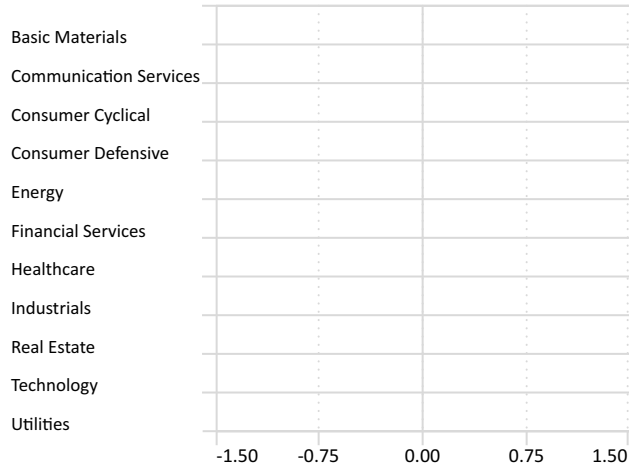
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

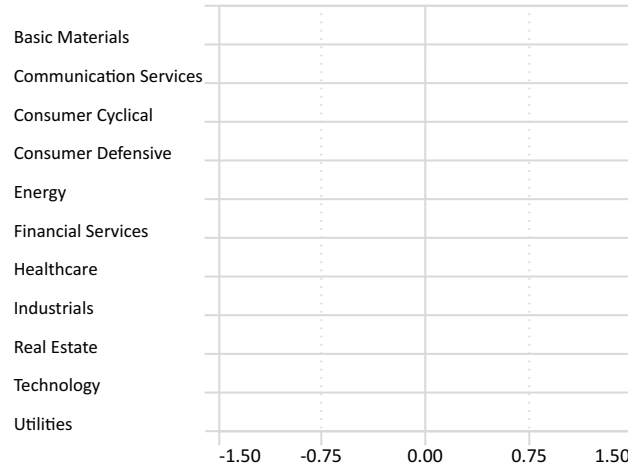
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



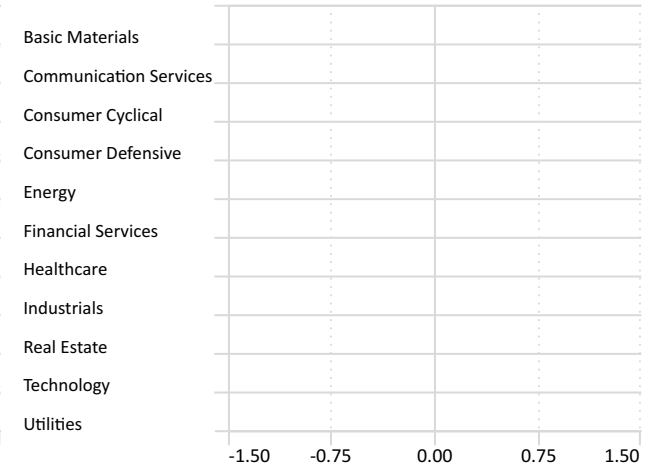
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

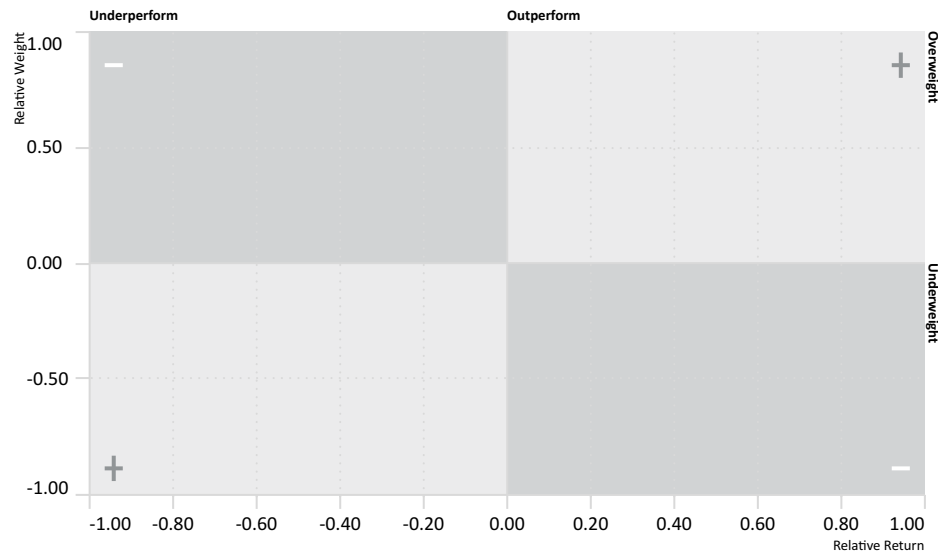
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

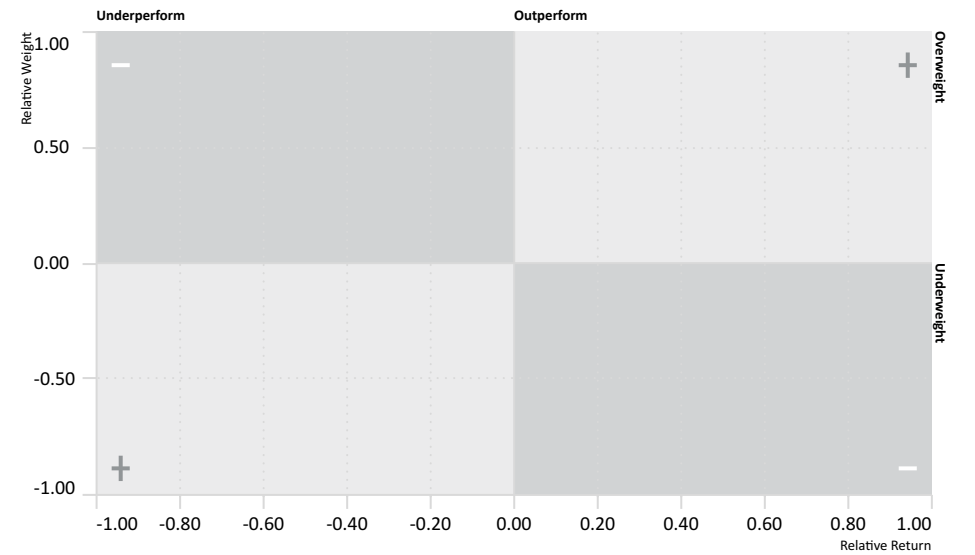
Calculation Benchmark: FTSE Global All Cap ex US TR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: FTSE Global All Cap ex US TR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

Investment Strategy

The investment seeks to achieve real return consisting of capital appreciation and current income. Under normal circumstances, the Adviser invests at least 80% of the net assets of the fund among ETPs that provide exposure to the following primary asset classes: (i) inflation protected securities issued by the United States government; (ii) domestic and international real estate securities; (iii) commodities; (iv) publicly-traded domestic and international infrastructure companies; and (v) publicly-traded companies in natural resources and/or commodities businesses.

Process Approach

By Morningstar Manager Research 12/29/2025

Morningstar's style-agnostic evaluation of this fund's process seeks to understand whether the strategy has a performance objective and sensible, clearly defined, repeatable execution. State Street® Multi-Asset Real Ret ETF earns an Above Average Process Pillar rating.

The main driver of the rating is its parent firm's excellent long-term risk-adjusted performance, as shown by the firm's average 10-year Morningstar Rating of 3.3 stars. The parent firm's five-year risk-adjusted success ratio of 60% also contributes to the process. The measure indicates the percentage of a firm's funds that have beat their respective category's median return for the period. Their impressive success ratio suggests that the firm does well for investors and that this fund may benefit from that. However, the process is limited by the parent firm's five-year retention rate of 76%, which raises concerns about long-term strategic consistency.

Its equity sleeve has a meaningful tilt toward both smaller market-cap and value-oriented companies compared with category peers. The strategy has three region or sector biases compared to category peers. The most noteworthy bias is a consistent overweight in the Developed Europe region. It has also maintained an underweight position in developed markets regions. Lastly, the strategy has a large and consistent overweight in the basic materials sector. ...

Process Portfolio

By Morningstar Manager Research 12/29/2025

Morningstar's style-agnostic evaluation of this fund's process seeks to understand whether the strategy has a performance objective and sensible, clearly defined, repeatable execution. State Street® Multi-Asset Real Ret ETF earns an Above Average Process Pillar rating.

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People

By Morningstar Manager Research 12/29/2025

State Street® Multi-Asset Real Ret ETF earns an Above Average People Pillar rating. The strategy is backed by Michael Narkiewicz, the longest-tenured manager, who has been a listed portfolio manager for nine years. Michael Narkiewicz has a listed co-manager. Together, they average 10 years of listed portfolio management experience. Portfolio managers have made only a small personal investment in the fund, with the maximum investment by either manager being between \$10,000 and \$50,000. That isn't sufficient to align their interests with those of the strategy's investors. Management has provided stability, leading to a potential smooth transition of power, with similar manager retention to peers. However, the most recent documented departure was 16 months ago.

Note: The People Pillar rating is indirectly assigned by an analyst. The longest-tenured manager of the fund also manages a different product rated by an analyst. Their analyst-assigned People Pillar rating is combined here with the People scores (algorithmic or analyst-assigned) for the fund's other managers on a tenure-weighted basis.

Performance

By Morningstar Manager Research 12/29/2025

This share class has taken on elevated overall risk relative to its category benchmark, Morningstar Moderate Target-Risk Index; this has culminated in a mixed long-term track record.

The fund has struggled to provide consistent returns for investors, with a higher standard deviation, 13.0%, than the index, 9.9%, over the 10-year period. With that volatility taken into account, risk-adjusted performance was below average. The share class trailed the index with a lower Sharpe ratio, a measure of risk-adjusted returns, over the trailing 10-year period. And the share class proved itself ineffective as it was unable to generate alpha, over the same period, against the category group index: a benchmark that encapsulates the performance of the broader asset class.

Looking at the absolute returns, the fund had mixed fortunes. On an eight-year basis, this share class outpaced the category index by an annualized 24 basis points. But when expanding to a 10-year period, the fund underperformed the index by 35 basis points. However, despite its mixed performance against the index, it has outpaced its average peer by an annualized 23 basis points over the 10-year period.

Parent Company

By Brendan McCann 7/16/2025

State Street Investment Management is stepping into unproven territory with recent launches, but most of its low-cost offerings remain competitive, supporting an Above Average Parent Pillar rating.

In June 2025, State Street rebranded State Street Global Advisors to State Street Investment Management, complete with a new logo. The update maintains consistency with other State Street product lines and provides greater clarity to investors. According to State Street, the rebrand does not change the firm’s investment philosophy, product strategy, or leadership.

Since taking over as the CEO in 2022, Yie-Hsin Hung has pushed the firm to move more quickly in product development. Hung hired Anna Paglia as the chief business officer in 2024 and Mark Alberici as the firm’s first head of product innovation in 2025. In late 2024 and early 2025, State Street launched unique and thematic exchange-traded funds through partnerships with firms like Apollo and Galaxy Asset Management. State Street’s private credit ETF is its first to include private assets in the ETF structure, and it remains to be seen how it will navigate liquidity constraints. The ETFs launched with Galaxy focus on the blockchain and digital assets....

Manager Information and Ownership Levels

Manager Biography

Michael Narkiewicz since 10/31/2020

Northeastern University (D’Amore-McKim), M.B.A., Finance
Bentley University, B.S., Finance

Michael Narkiewicz is a Principal of SSGA and SSGA FM and a Portfolio Manager in the Investment Solutions Group (ISG), where he is responsible for implementing customized investment approaches, including strategic and tactical multi-asset class solutions, for institutional clients. Prior to his current role, M...

Manager Biography

Tyhesha Harrington since 7/29/2024

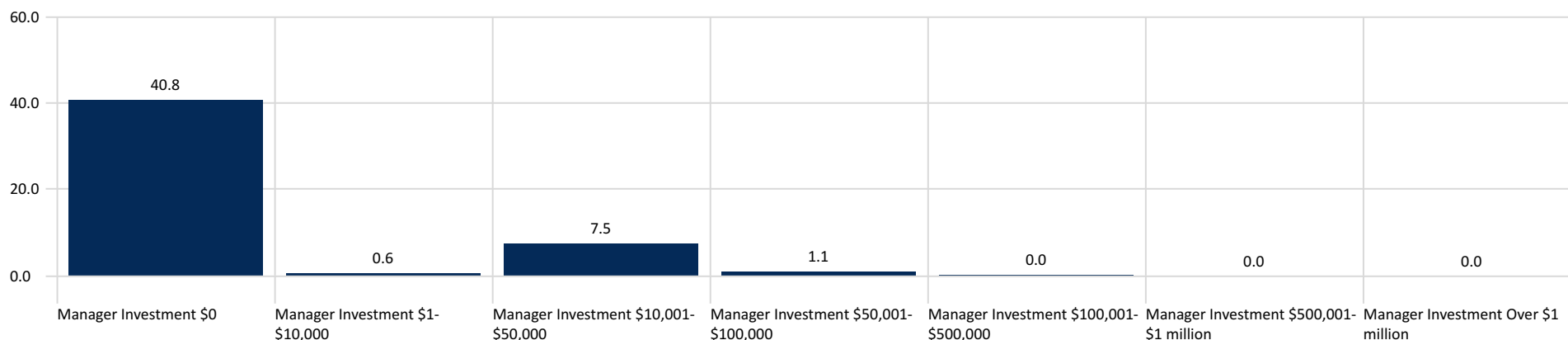
Boston University, M.B.A., Finance
Boston University, B.A., Psychology and Urban Studies

Ms. Harrington is a Vice President of State Street Global Advisors and a Senior Portfolio Manager in the Investment Solutions Group. Ms. Harrington is responsible for developing and implementing investment solutions for clients, including strategic and tactical global balanced funds, equitization and exposure managemen...

Manager Biography

Manager Biography

Manager Ownership Level

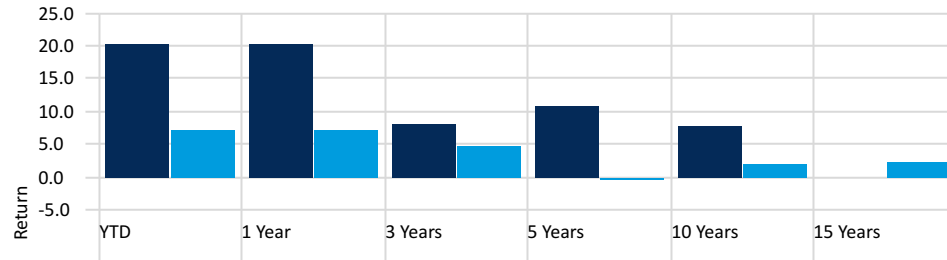


State Street® Multi-Asset Real Ret ETF

Ticker	RLY	Prospectus Net Expense Ratio	0.50	Morningstar Category	US Fund Global Moderate Allocation
Manager Name	Multiple	Turnover Ratio %	56.00	Fund Size	664,287,122.00
Inception Date	4/25/2012	Potential Capital Gains Exposure	-13.82	Alpha (3-Year)	3.56
Manager Tenure (Longest)	5.25	# of Holdings	12	Beta (3-Year)	0.92

Trailing Returns

As of Date: 12/31/2025



■ State Street® Multi-Asset Real Ret ETF ■ Bloomberg US Agg Bond TR USD

Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
State Street® Multi-Asset Real Ret ETF	20.29	20.29	8.13	10.86	7.71	3.82
Bloomberg US Agg Bond TR USD	7.30	7.30	4.66	-0.36	2.01	1.99

Excess Return vs. Benchmark

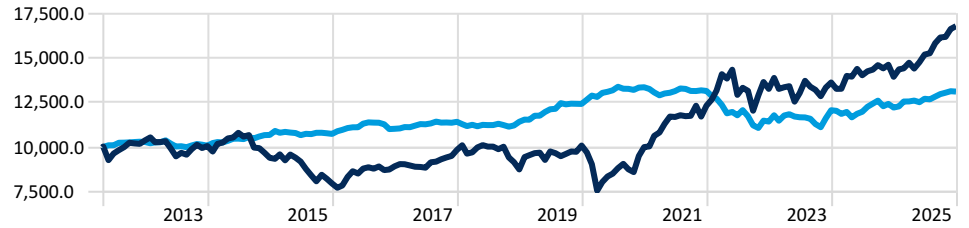
	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	12.99	12.99	3.47	11.23	5.70	1.83

Investment Strategy

The investment seeks to achieve real return consisting of capital appreciation and current income. Under normal circumstances, the Adviser invests at least 80% of the net assets of the fund among ETPs that provide exposure to the following primary asset classes: (i) inflation protected securities issued by the United States government; (ii) domestic and international real estate securities; (iii) commodities; (iv) publicly-traded domestic and international infrastructure companies; and (v) publicly-traded companies in natural resources and/or commodities businesses.

Investment Growth

Time Period: Since Common Inception (4/26/2012) to 12/31/2025



■ State Street® Multi-Asset Real Ret ETF ■ Bloomberg US Agg Bond TR USD

Calendar Year Returns

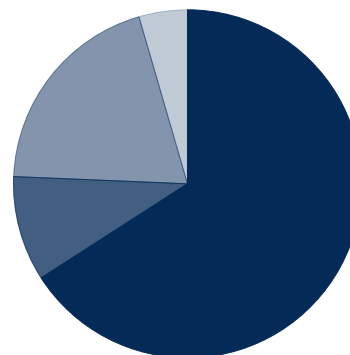
	2021	2022	2023	2024	2025
State Street® Multi-Asset Real Ret ETF	23.11	7.61	2.70	2.33	20.29
Bloomberg US Agg Bond TR USD	-1.54	-13.01	5.53	1.25	7.30

Excess Return vs. Benchmark

	2021	2022	2023	2024	2025
Excess Return	24.65	20.62	-2.83	1.08	12.99

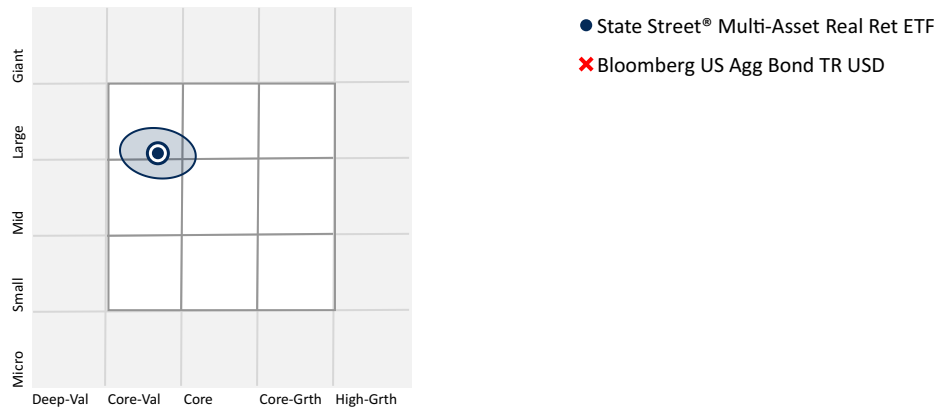
Asset Allocation

Portfolio Date: 12/31/2025



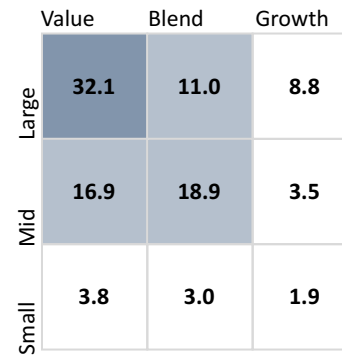
	%
Stock	65.9
Bond	9.8
Cash	19.8
Other	4.5
Total	100.0

Holdings-Based Style Map



Morningstar Style Box

Portfolio Date: 12/31/2025



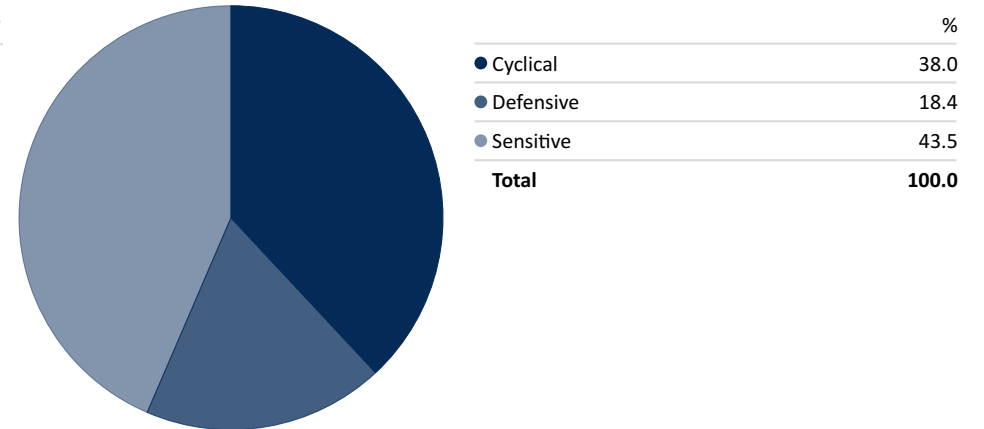
Market Cap	%
Market Cap Giant %	15.5
Market Cap Large %	36.4
Market Cap Mid %	39.3
Market Cap Small %	7.1
Market Cap Micro %	1.7

Top Holdings

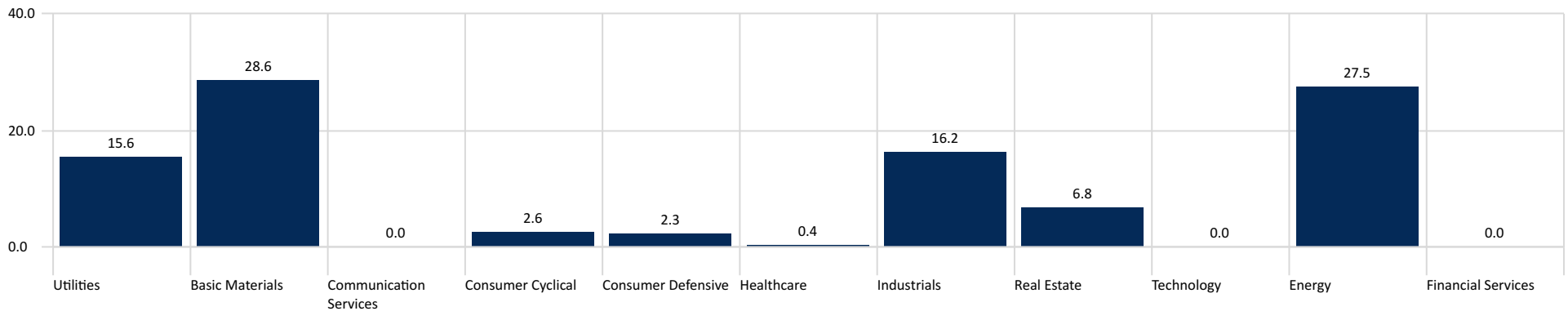
	Portfolio Weighting %	Benchmark Weighting %
SPDR® S&P Global Natural Resources ETF	25.89	
SPDR® S&P® Global Infrastructure ETF	25.06	
SPDR Blmbrg Enh Roll Y Cmd Stgy NoK-1ETF	24.84	
State Street® SPDR® Blmbrg 1-10 YrTIPSETF	6.66	
Stt Strt®SPDR®S&P®Mtls &MngETF	4.66	
State Street®EngySelSectSPDR®ETF	4.48	
State Street® SPDR® Dow Jones® REIT ETF	3.47	
SPDR® FTSE Intl Govt Infl-Protld Bd ETF	2.95	
VanEck Agribusiness ETF	1.24	
SPDR® Dow Jones® International RelEstETF	0.73	

Equity Super Sectors (Morningstar) - State Street® Multi-Asset Real Ret ETF

Portfolio Date: 12/31/2025



Sector Weight



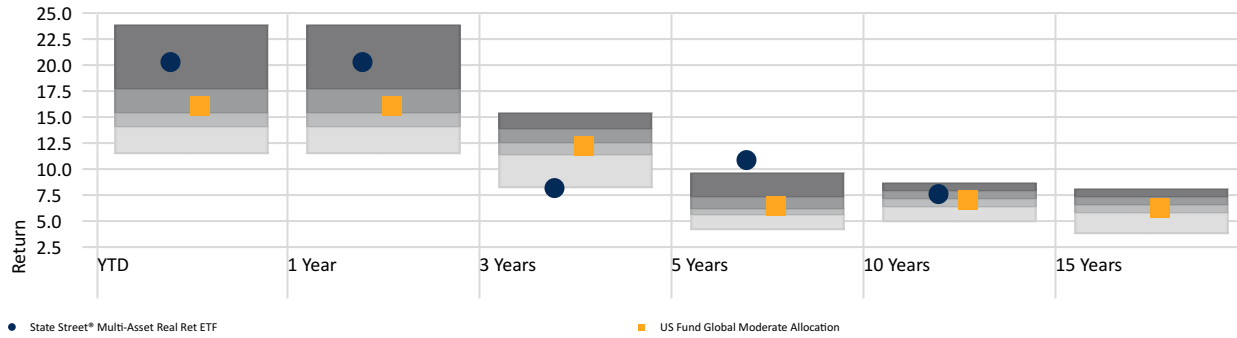
State Street® Multi-Asset Real Ret ETF

✖ Bloomberg US Agg Bond TR USD

Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Global Moderate Allocation Calculation Benchmark: Bloomberg US Agg Bond TR USD

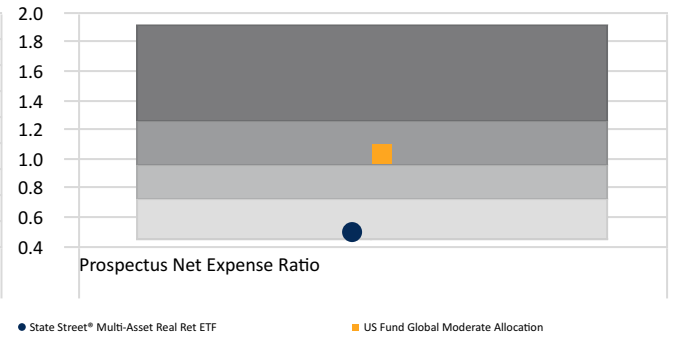
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Global Moderate Allocation

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

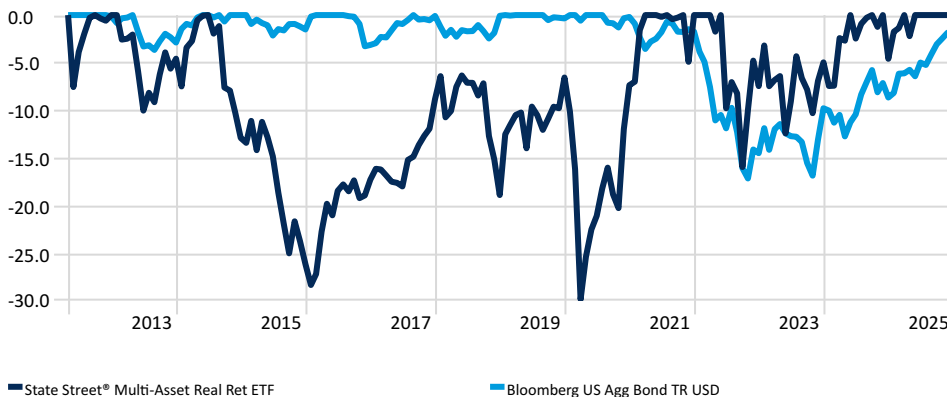
Time Period: Since Common Inception (5/1/2012) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



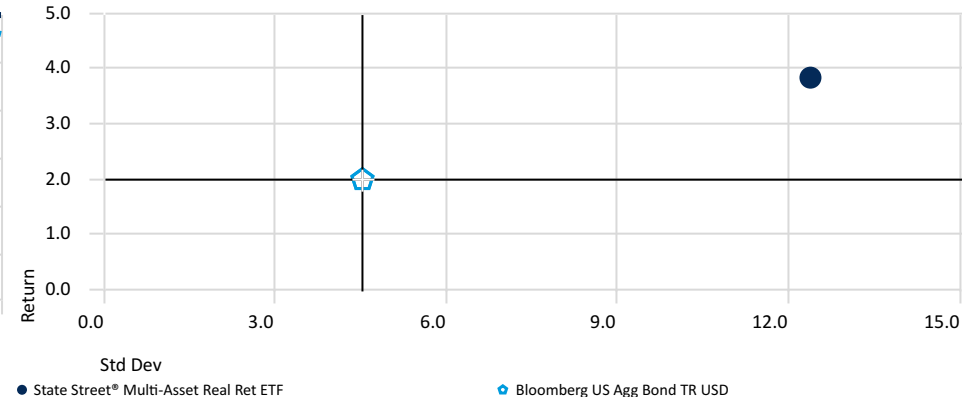
Drawdown

Time Period: Since Common Inception (5/1/2012) to 12/31/2025



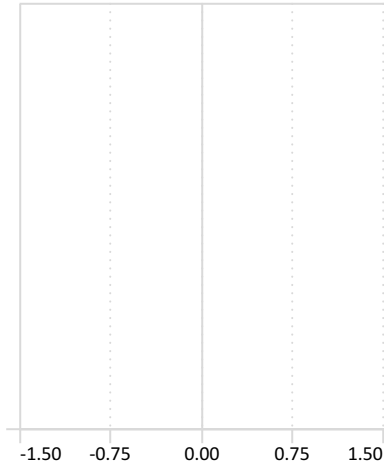
Risk-Reward

Time Period: Since Common Inception (5/1/2012) to 12/31/2025



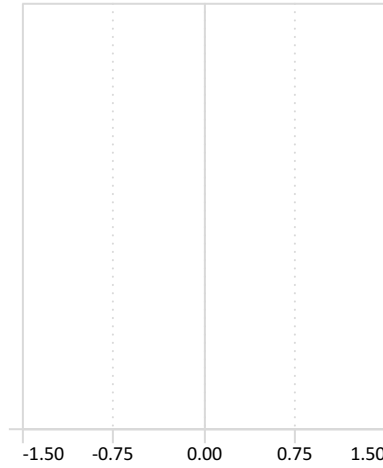
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



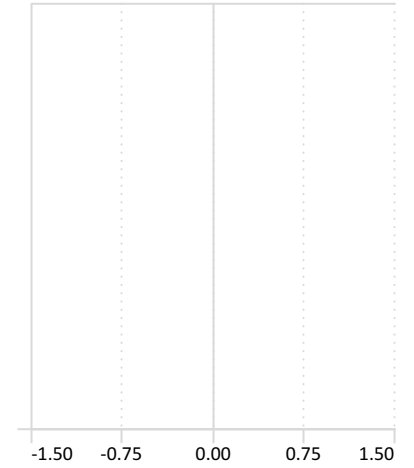
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

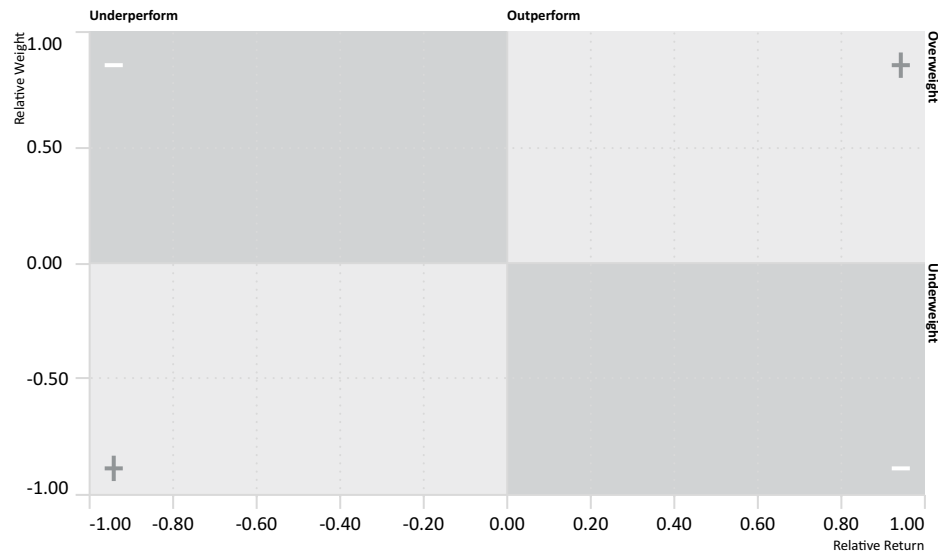
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

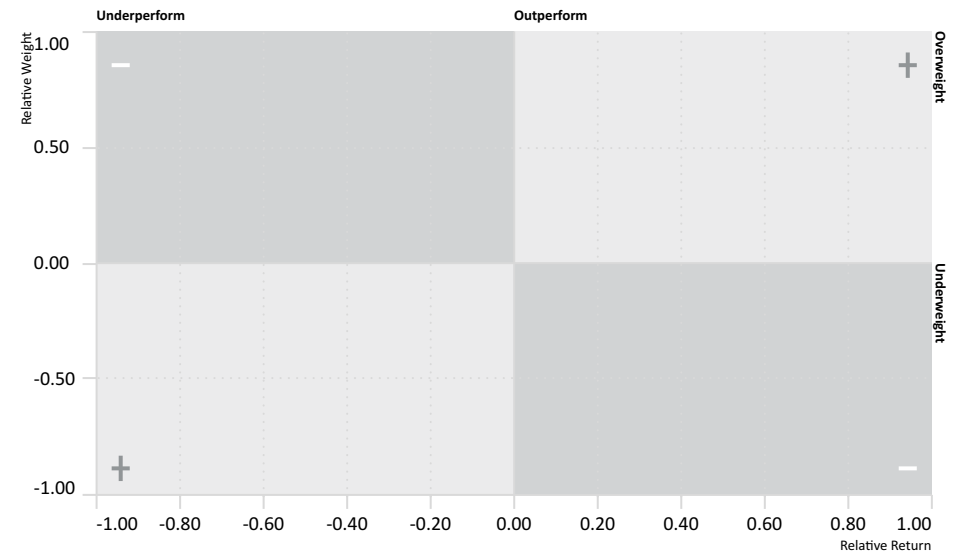
Calculation Benchmark: Bloomberg US Agg Bond TR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

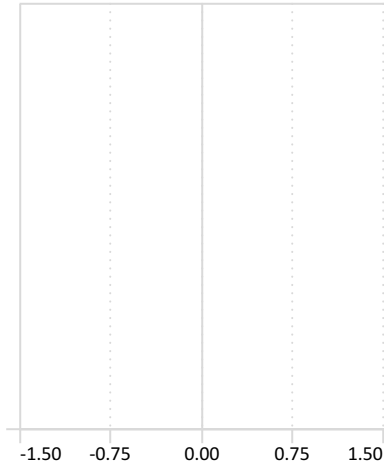
Calculation Benchmark: Bloomberg US Agg Bond TR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

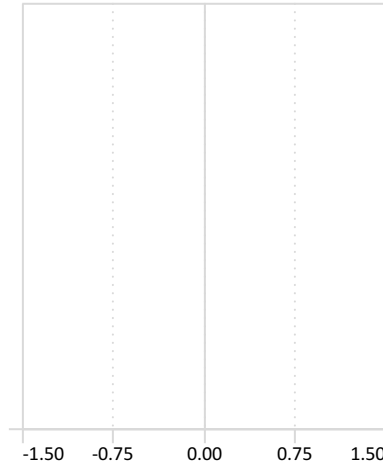
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



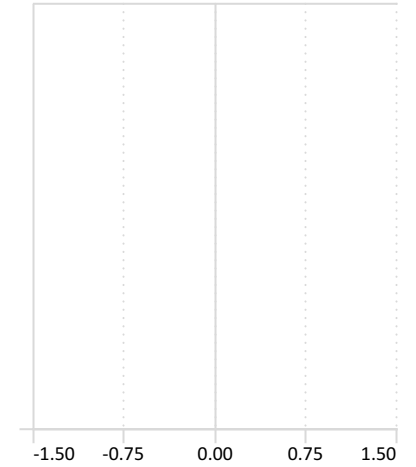
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

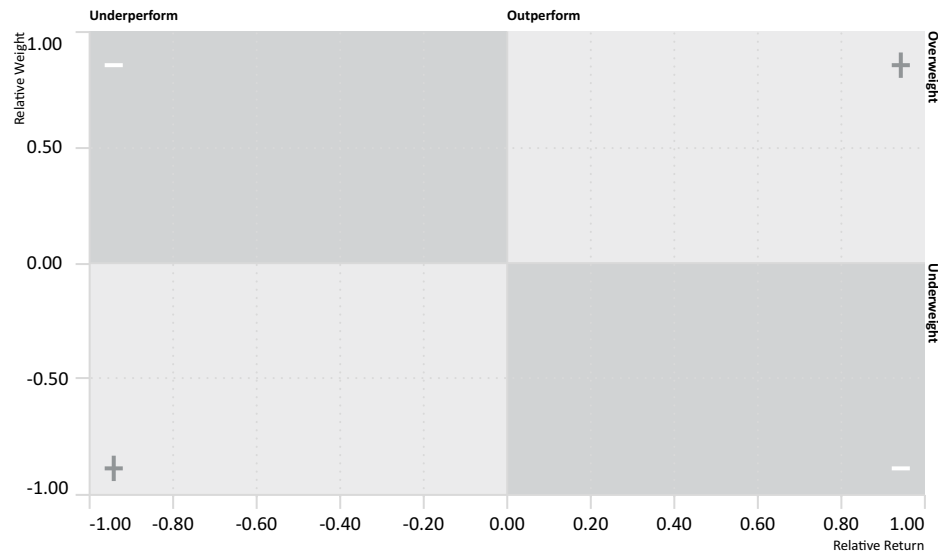
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

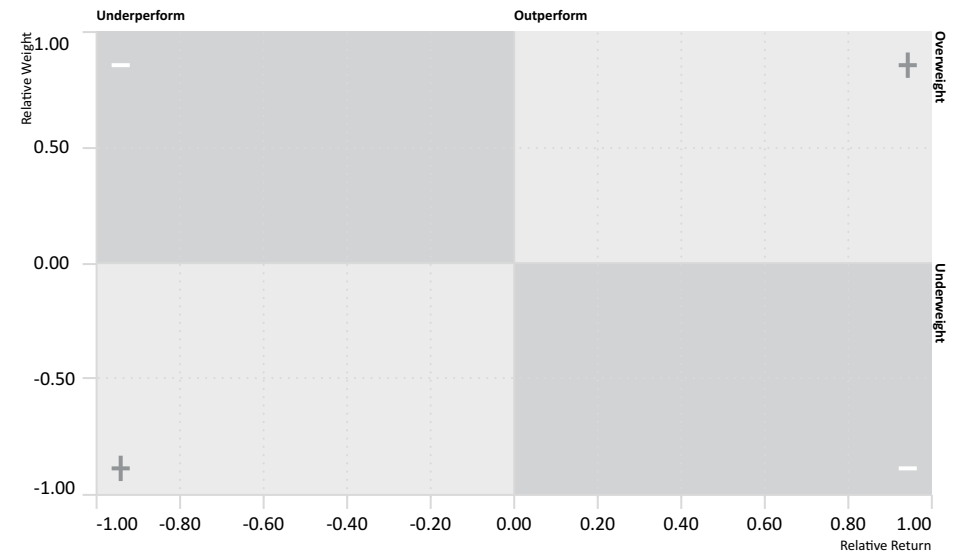
Calculation Benchmark: Bloomberg US Agg Bond TR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: Bloomberg US Agg Bond TR USD



Best Weighting Weight +/- Return +/- Effect Worst Weighting Weight +/- Return +/- Effect Best Selections Morningstar... Weight +/- Return +/- Effect Worst Selections Morningstar... Weight +/- Return +/- Effect

Investment Strategy

The investment seeks to track the investment results of the FTSE NAREIT Equity REITs Index composed of U.S. real estate equities. The fund generally will invest at least 80% of its assets in the component securities of its underlying index. The index measures the performance of U.S.-listed equity real estate investment trusts ("REITs"), excluding infrastructure REITs, mortgage REITs, and timber REITs.

Process Approach

By Morningstar Manager Research 12/29/2025

Morningstar's evaluation of this security's process aims to determine the likelihood that it will outperform its Morningstar Category peers on a risk-adjusted basis over the long term. iShares Core US REIT ETF earns an Average Process Pillar rating.

Morningstar's algorithmically assigned Passive Process ratings are first formulated by comparing the historical efficacy of passive investments relative to active peers. This peer-level score is then adjusted based on the fund's individual characteristics such as: its ability to diversify risk and represent the category's opportunity set, while penalizing funds whose benchmark index could be hard to track. The fund's Process Pillar is rated as Average, given it is well-diversified and accurately represents the Real Estate category's opportunity set. Passive Real Estate funds have historically turned in average performance compared with their active category peers. They have not shown a significant edge or disadvantage compared with active funds in this area of the market. Available data suggests that the fund should be able to efficiently track its benchmark index.

The investment strategy as stated in the fund's prospectus is:

The investment seeks to track the investment results of the FTSE NAREIT Equity REITs Index composed of U.S. real estate equities. The fund generally will invest at least 80% of its assets in the component securities of its underlying index. The index measur...

Process Portfolio

By Morningstar Manager Research 12/29/2025

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People

By Morningstar Manager Research 12/29/2025

iShares's equity team is strong compared with others in the industry, resulting in an Above Average People Pillar rating. There are four managers listed on the fund: Peter Sietsema, Jennifer Hsui, Matt Waldron, Steven White. Together, they manage a total of 227 strategies, with a Bronze asset-weighted average Morningstar Medalist Rating, demonstrating their potential to deliver positive alpha relative to the category median in aggregate. The team has lacked continuity recently, with Paul Whitehead leaving in the last five months, detracting from its rating. Even though it is a passive fund, high turnover can still hinder the effectiveness of the investment process.

Note: This People Pillar rating is indirectly assigned by an analyst. Morningstar analysts evaluate the People Pillar for passive products at the brand level and may also differentiate by asset class. There is at least one other passive strategy at the firm that is covered by a Morningstar analyst, so the People Pillar rating of the fund is inherited from the rating that the Morningstar analyst assigned to investment vehicles under the same brand name.

Performance

By Morningstar Manager Research 12/29/2025

This share class has outstripped both its peers and the category benchmark. This share class outpaced its average peer by 94 basis points annualized over a 10-year period. And it also outperformed the category index by an annualized 27 basis points over the same period.

The risk-adjusted performance only continues to make a case for this fund. The share class had a higher Sharpe ratio, a measure of risk-adjusted return, than the index over the trailing 10-year period. These strong risk-adjusted results have not resulted in a bumpier ride for investors. This strategy took on similar risk as the benchmark, as measured by standard deviation. However, the share class proved itself ineffective as it was unable to generate alpha, over the same 10-year period, against the category group index: a benchmark that encapsulates the performance of the broader asset class.

Parent Company

By Jason Kephart 1/10/2025

BlackRock has raised the bar for what it means to be a truly diversified asset manager. After going on a private-asset shopping spree in 2024 to acquire infrastructure, credit, and alternative fund data capabilities, few other firms can match its breadth of offerings. It remains to be seen if these acquisitions will be as transformative and beneficial for investors as its 2009 purchase of Barclays Global Investors, which included its now iconic iShares brand of exchange-traded funds. BlackRock continues to earn an Above Average rating for Parent.

There are reasons for optimism. CEO Larry Fink’s track record of acquisitions stands out for its focus on expanding what BlackRock can offer, rather than looking to build scale. The firm has been able to deliver packaged versions of its products, like direct indexing, through its popular model portfolios for financial advisors at low costs that have made significant improvements to investor outcomes.

For hands-off investors, BlackRock’s multi-asset options like its target-date strategies and once flagship global allocation strategy are among their respective Morningstar Categories’ best options. ...

Manager Information and Ownership Levels

Manager Biography

Jennifer Hsui since 9/1/2012

University of California

Jennifer Hsui, Managing Director & Portfolio Manager at BlackRock Investment Management LLC has been employed by BlackRock Fund Advisors as a senior portfolio manager since 2007. Prior to that, Ms. Hsui was a portfolio manager from 2006 to 2007 for BGFA. She was a research analyst for RBC Capital Markets from 2003 to 2006.

Manager Biography

Peter Sietsema since 4/1/2025

Peter Sietsema has been with BFA since 2007, including his years with BGI, which merged with BFA in 2009. Mr. Sietsema has been employed by BFA or its affiliates as a Director since 2011 and a Vice President from 2009 to 2010. Mr. Sietsema has been a Portfolio Manager of each fund since 2023.

Manager Biography

Matt Waldron since 4/1/2025

University of Delaware, B.A., Finance

Matt Waldron, CFA, Managing Director, is US Head of International Portfolio Management within BlackRock Global Markets & Index Investments (“BGM”). He is responsible for the overall management of ETFs, CTFs, and Institutional SMAs that are predominantly invested in developed and emerging markets. Mr. Waldron’s service with the firm dates back to 2003. Prior to his current role, Mr. Waldron

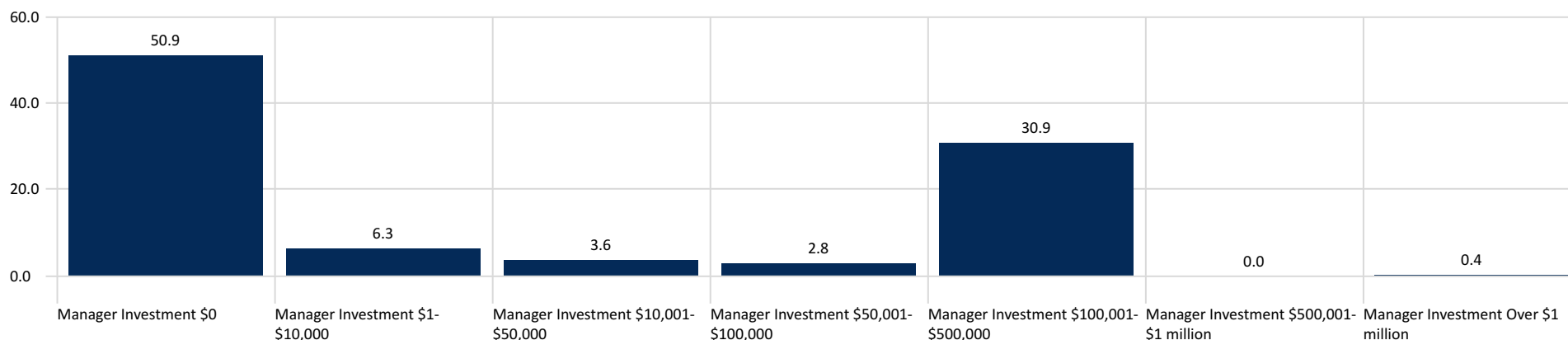
WAS

Manager Biography

Steven White since 4/1/2025

Steven White, Director, is Co-CIO for Index Equity Investments within BlackRock Global Markets & Index Investments (“BGM”) Steven co-leads the CIO function, which is responsible for leading efforts to drive scale, quality and risk-managed investment outcomes for clients. Within the function he has direct responsibilities for investment risk and performance oversight across the global book as well as Index Equities Index Advocacy function which looks to enhance benchmark methodologies managed to by t...

Manager Ownership Level

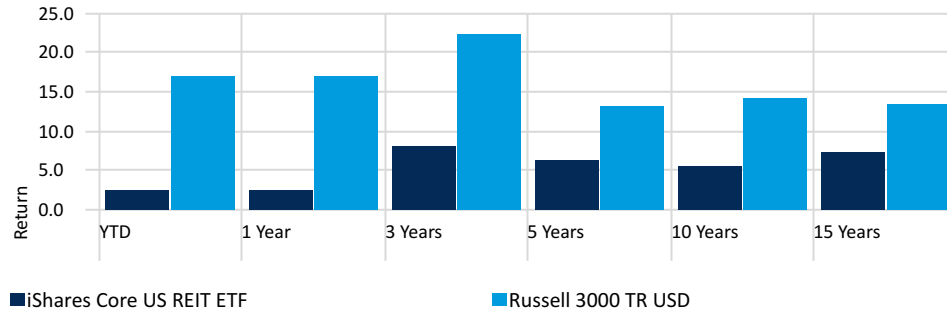


iShares Core US REIT ETF

Ticker	USRT	Prospectus Net Expense Ratio	0.08	Morningstar Category	US Fund Real Estate
Manager Name	Multiple	Turnover Ratio %	7.00	Fund Size	3,288,048,949.00
Inception Date	5/1/2007	Potential Capital Gains Exposure	-7.34	Alpha (3-Year)	-12.32
Manager Tenure (Longest)	13.33	# of Holdings	135	Beta (3-Year)	1.03

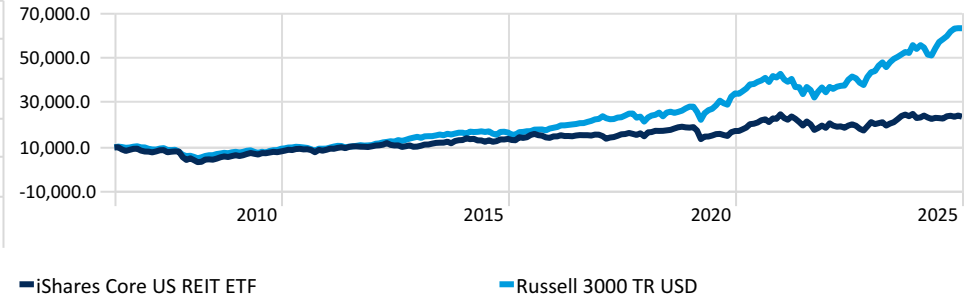
Trailing Returns

As of Date: 12/31/2025



Investment Growth

Time Period: Since Common Inception (5/2/2007) to 12/31/2025



Trailing Returns

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
iShares Core US REIT ETF	2.50	2.50	8.15	6.47	5.57	4.73
Russell 3000 TR USD	17.15	17.15	22.25	13.15	14.29	10.24

Calendar Year Returns

	2021	2022	2023	2024	2025
iShares Core US REIT ETF	43.11	-24.40	13.62	8.60	2.50
Russell 3000 TR USD	25.66	-19.21	25.96	23.81	17.15

Excess Return vs. Benchmark

	YTD	1 Year	3 Years	5 Years	10 Years	Inception
Excess Return	-14.64	-14.64	-14.10	-6.68	-8.72	-5.51

Excess Return vs. Benchmark

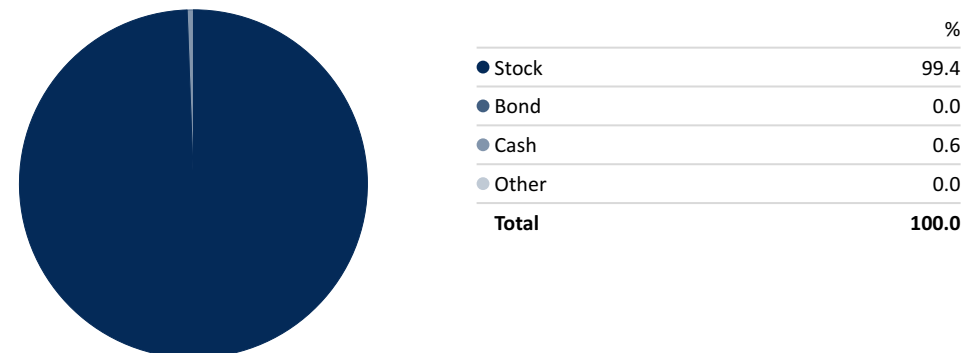
	2021	2022	2023	2024	2025
Excess Return	17.45	-5.20	-12.34	-15.21	-14.64

Investment Strategy

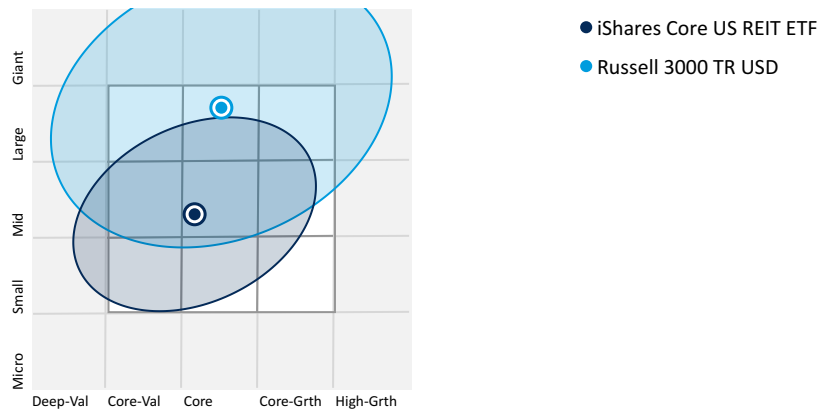
The investment seeks to track the investment results of the FTSE NAREIT Equity REITs Index composed of U.S. real estate equities. The fund generally will invest at least 80% of its assets in the component securities of its underlying index. The index measures the performance of U.S.-listed equity real estate investment trusts ("REITs"), excluding infrastructure REITs, mortgage REITs, and timber REITs.

Asset Allocation

Portfolio Date: 12/31/2025



Holdings-Based Style Map



Morningstar Style Box

Portfolio Date: 12/31/2025

	Value	Blend	Growth
Large	0.0	8.2	8.7
Mid	9.6	34.0	3.4
Small	12.0	24.0	0.2

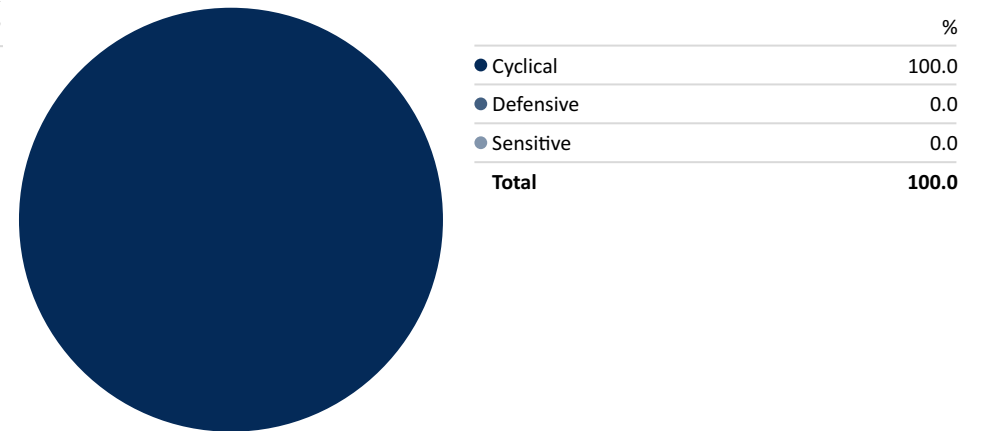
Market Cap	%
Market Cap Giant %	0.0
Market Cap Large %	16.8
Market Cap Mid %	46.8
Market Cap Small %	28.9
Market Cap Micro %	7.6

Top Holdings

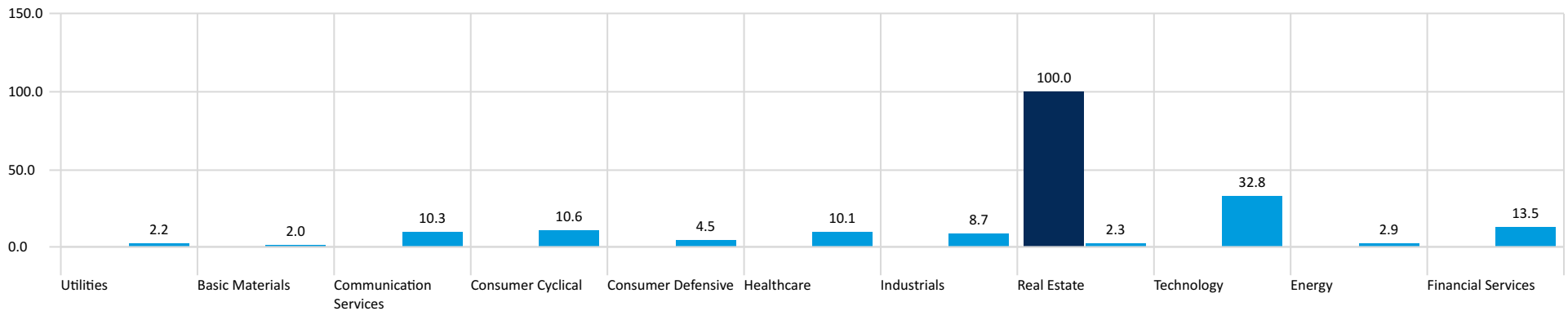
	Portfolio Weighting %	Benchmark Weighting %
Welltower Inc	8.52	
Prologis Inc	8.04	
Equinix Inc	5.77	
Simon Property Group Inc	4.50	
Digital Realty Trust Inc	4.35	
Realty Income Corp	4.32	
Public Storage	3.98	
Ventas Inc	3.22	
VICI Properties Inc Ordinary Shares	2.70	
Extra Space Storage Inc	2.68	

Equity Super Sectors (Morningstar) - iShares Core US REIT ETF

Portfolio Date: 12/31/2025



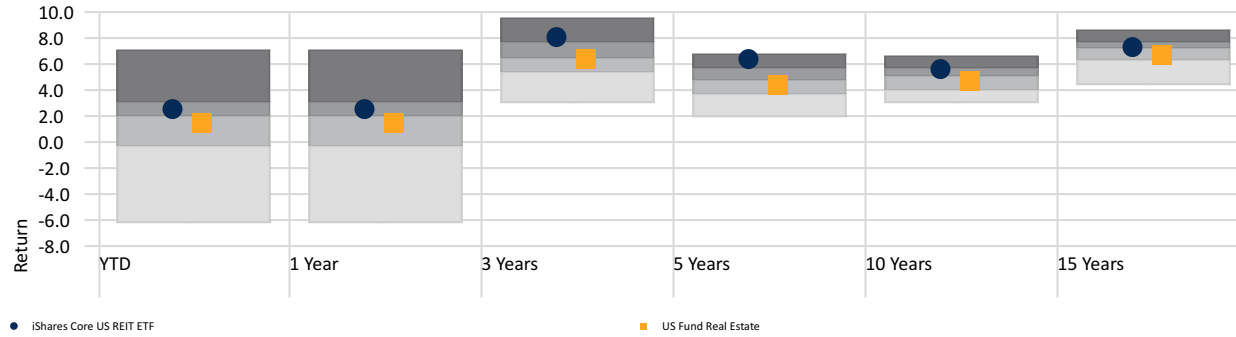
Sector Weight



Performance Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Real Estate Calculation Benchmark: Russell 3000 TR USD

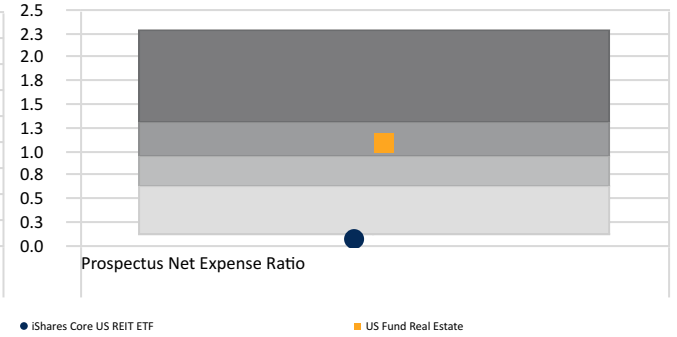
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Expense Ratio Relative to Peer Group

Peer Group (5-95%): Funds - U.S. - Real Estate

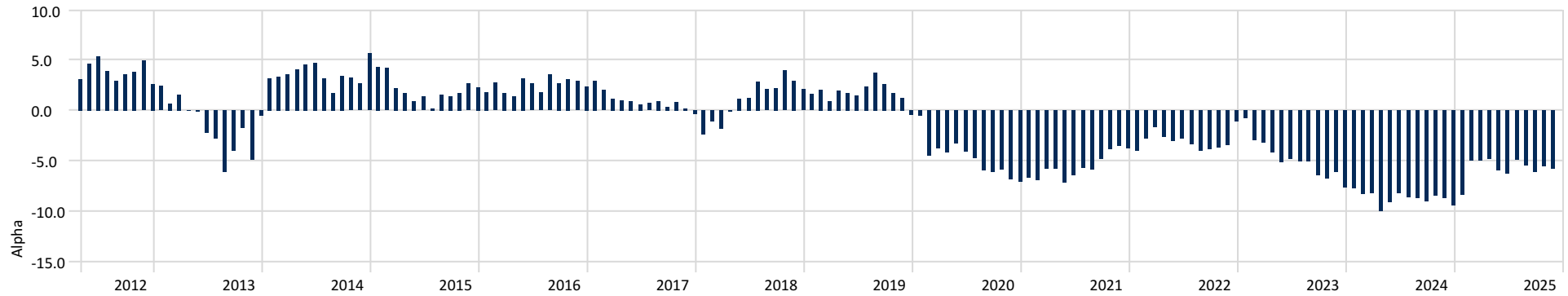
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Alpha

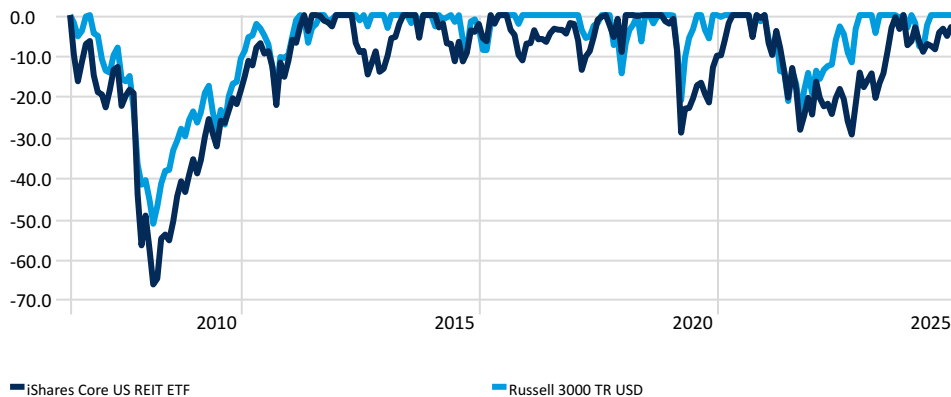
Time Period: Since Common Inception (6/1/2007) to 12/31/2025

Rolling Window: 5 Years 1 Month shift



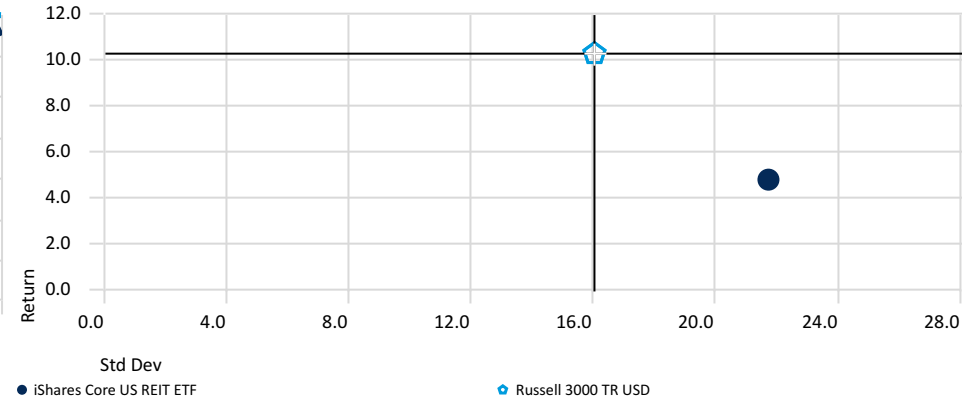
Drawdown

Time Period: Since Common Inception (6/1/2007) to 12/31/2025



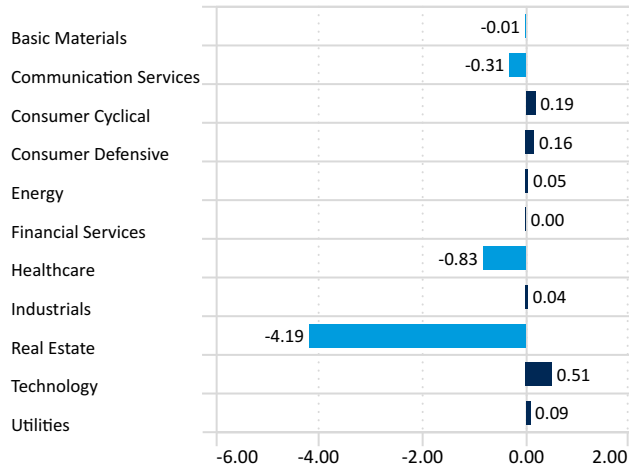
Risk-Reward

Time Period: Since Common Inception (6/1/2007) to 12/31/2025



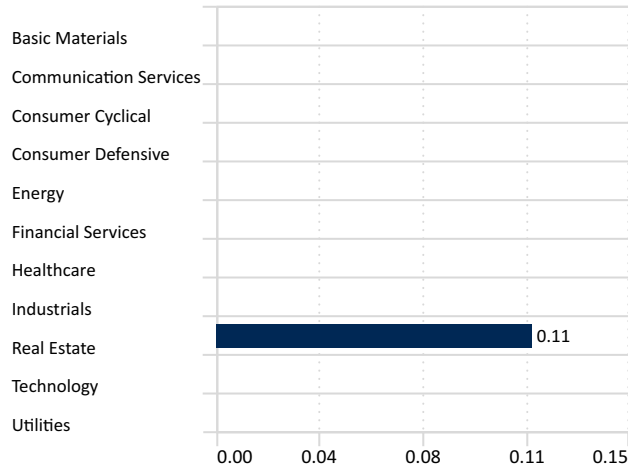
Allocation Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



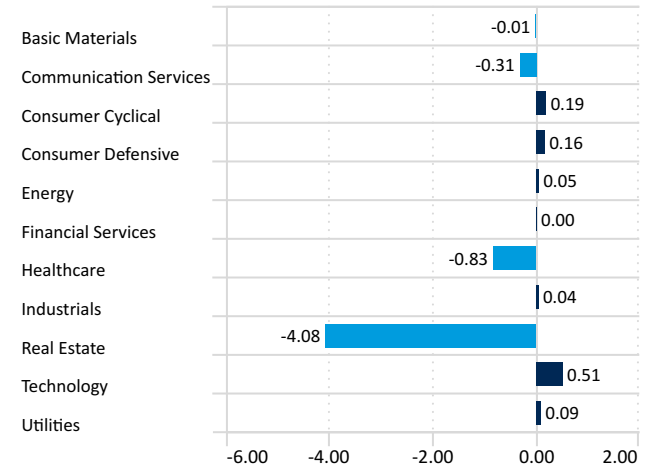
Selection Effect - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025



Active Return - Sector (QTD)

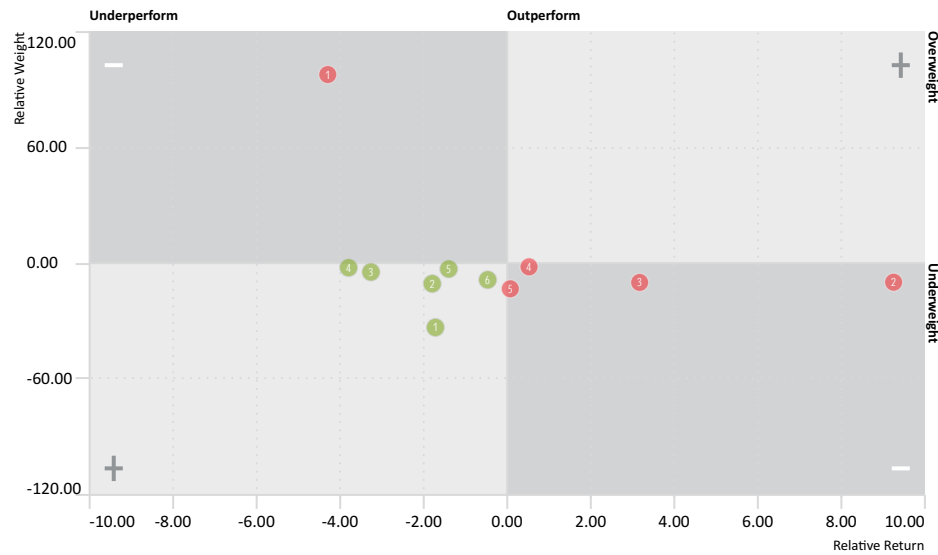
Time Period: 10/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

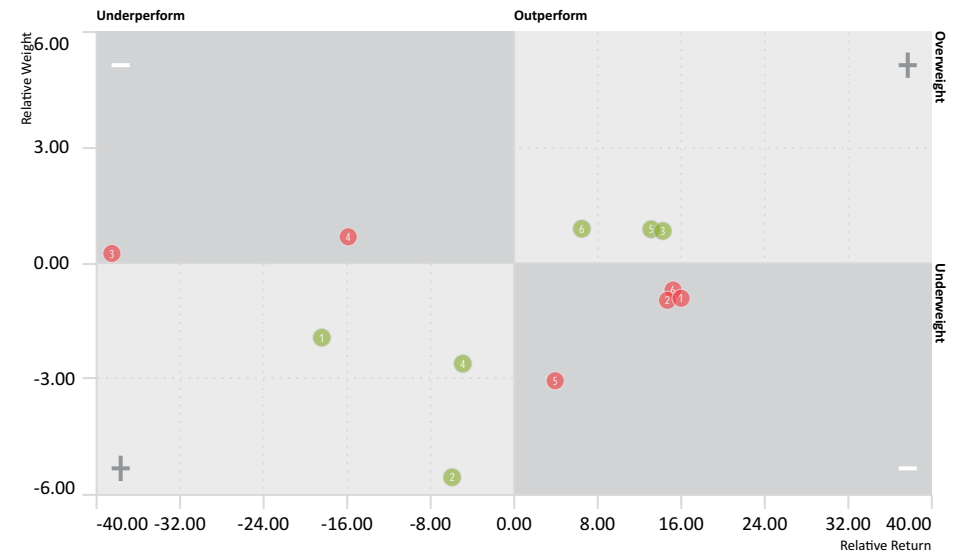
Calculation Benchmark: Russell 3000 TR USD



Selection Effects Plot - Sector (QTD)

Time Period: 10/1/2025 to 12/31/2025

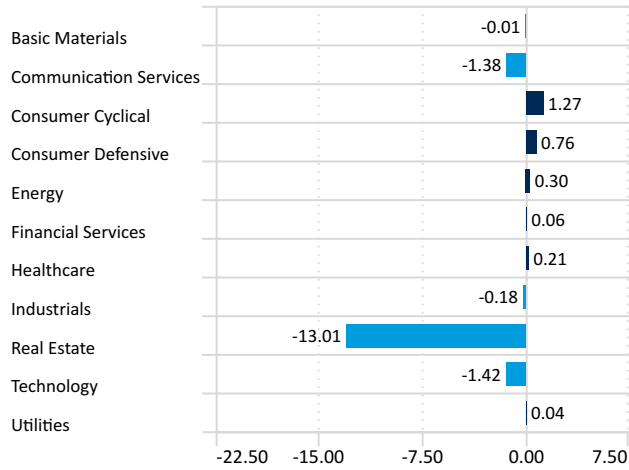
Calculation Benchmark: Russell 3000 TR USD



Best Weighting	Weight +/-	Return +/-	Effect	Worst Weighting	Weight +/-	Return +/-	Effect	Best Selections	Morningstar...	Weight +/-	Return +/-	Effect	Worst Selections	Morningstar...	Weight +/-	Return +/-	Effect
Technology	-33.30	-1.72	0.51	Real Estate	97.64	-4.30	-4.19	CoStar Grou...	Real Estate	-1.93	-18.43	0.42	Annaly Capi...	Real Estate	-0.91	15.98	-0.14
Consumer Cyclical	-10.64	-1.80	0.19	Healthcare	-9.89	9.25	-0.83	American T...	Real Estate	-5.54	-5.95	0.35	Jones Lang ...	Real Estate	-0.96	14.68	-0.14
Consumer Defensive	-4.60	-3.26	0.16	Communication Services	-10.00	3.17	-0.31	Prologis Inc	Real Estate	0.83	14.23	0.16	Alexandria ...	Real Estate	0.25	-38.53	-0.13
Utilities	-2.34	-3.80	0.09	Basic Materials	-1.94	0.52	-0.01	Crown Castl...	Real Estate	-2.60	-4.93	0.13	Iron Mount...	Real Estate	0.68	-15.90	-0.13
Energy	-2.99	-1.40	0.05	Financial Services	-13.29	0.07	0.00	Ventas Inc	Real Estate	0.88	13.12	0.10	CBRE Group...	Real Estate	-3.04	3.93	-0.12
Industrials	-8.65	-0.47	0.04					Welltower Inc	Real Estate	0.89	6.48	0.05	AGNC Inves...	Real Estate	-0.70	15.21	-0.10

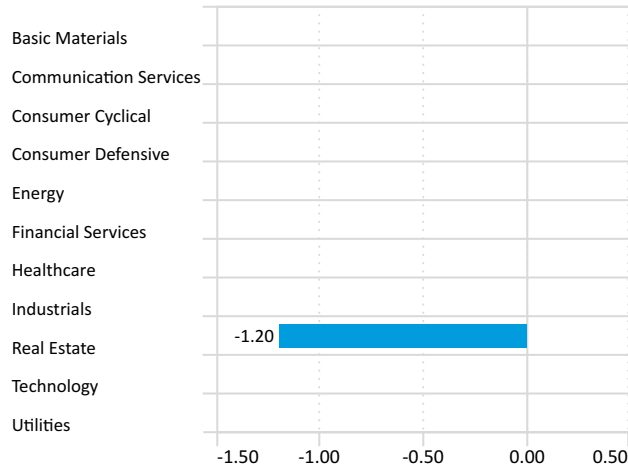
Allocation Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



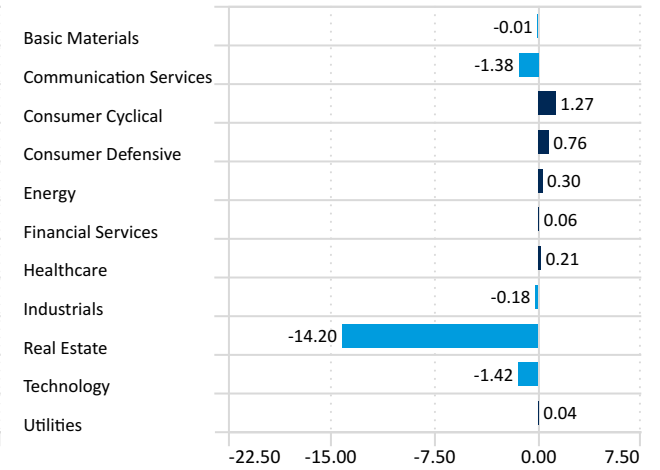
Selection Effect - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025



Active Return - Sector (1 Year)

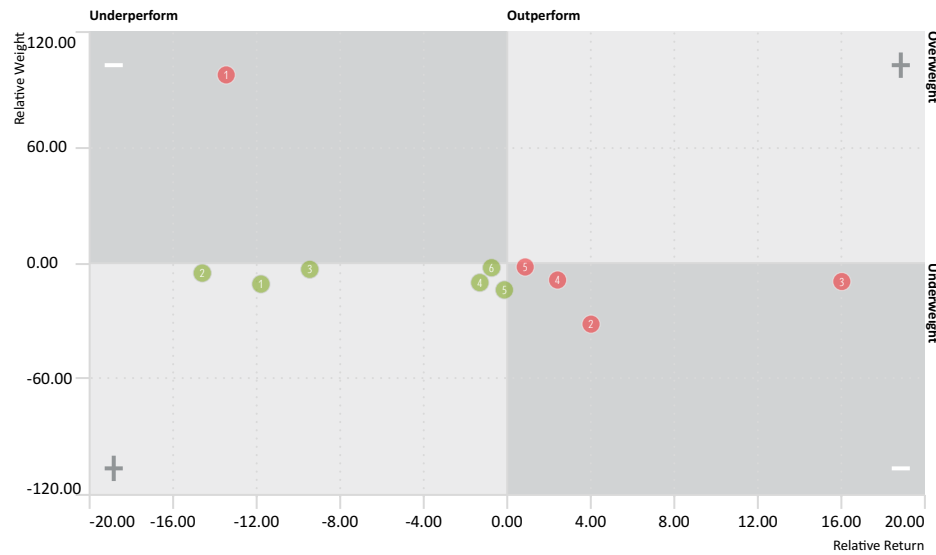
Time Period: 1/1/2025 to 12/31/2025



Allocation Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

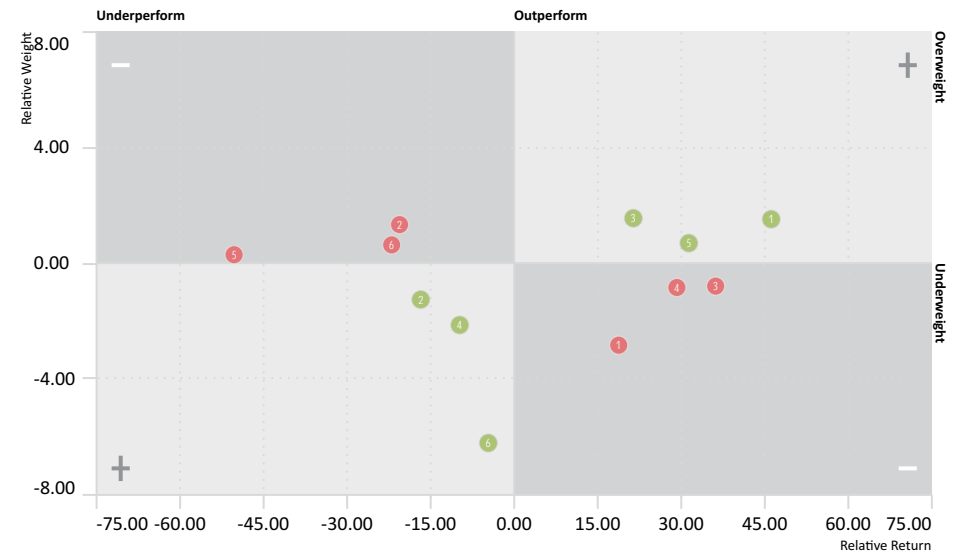
Calculation Benchmark: Russell 3000 TR USD



Selection Effects Plot - Sector (1 Year)

Time Period: 1/1/2025 to 12/31/2025

Calculation Benchmark: Russell 3000 TR USD



Best Weighting	Weight +/-	Return +/-	Effect	Worst Weighting	Weight +/-	Return +/-	Effect
Consumer Cyclical	-10.85	-11.80	1.27	Real Estate	97.45	-13.46	-13.01
Consumer Defensive	-5.16	-14.60	0.76	Technology	-31.60	4.01	-1.42
Energy	-3.22	-9.46	0.30	Communication Services	-9.53	16.02	-1.38
Healthcare	-10.11	-1.31	0.21	Industrials	-8.75	2.41	-0.18
Financial Services	-13.86	-0.13	0.06	Basic Materials	-2.02	0.86	-0.01
Utilities	-2.35	-0.75	0.04				

Best Selections	Morningstar...	Weight +/-	Return +/-	Effect	Worst Selections	Morningstar...	Weight +/-	Return +/-	Effect
Welltower Inc	Real Estate	1.52	46.15	0.59	CBRE Group...	Real Estate	-2.83	18.76	-0.52
Weyerhae...	Real Estate	-1.26	-16.78	0.24	Equinix Inc	Real Estate	1.33	-20.59	-0.31
Prologis Inc	Real Estate	1.55	21.40	0.23	Annaly Capi...	Real Estate	-0.79	36.18	-0.27
CoStar Grou...	Real Estate	-2.14	-9.79	0.23	Jones Lang ...	Real Estate	-0.84	29.21	-0.25
Ventas Inc	Real Estate	0.69	31.36	0.21	Alexandria ...	Real Estate	0.29	-50.30	-0.20
American T...	Real Estate	-6.21	-4.65	0.20	Iron Mount...	Real Estate	0.63	-22.01	-0.18

Definitions & Disclosures

Please note: Due to rounding methodologies of various data providers, certain returns in this report might differ slightly when compared to other sources

REGULATORY DISCLOSURES

Offer of ADV Part 2A: Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send a copy of our ADV Part 2A to you upon your written request to compliance@fiducient.com.

INDEX DEFINITIONS

- **Citigroup 3 Month T-Bill** measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.
- **Ryan 3 Yr. GIC** is an arithmetic mean of market rates of \$1 million Guaranteed Interest Contracts held for three years.
- **Bloomberg Treasury U.S. T-Bills-1-3 Month Index** includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.
- **Bloomberg Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg Muni Index** is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.
- **Bloomberg Muni 1 Year Index** is the 1-year (1-2) component of the Municipal Bond index.
- **Bloomberg Muni 3 Year Index** is the 3-year (2-4) component of the Municipal Bond index.
- **Bloomberg Muni 5 Year Index** is the 5-year (4-6) component of the Municipal Bond index.
- **Bloomberg Muni 7 Year Index** is the 7-year (6-8) component of the Municipal Bond index.
- **Bloomberg Intermediate U.S. Gov't/Credit** is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
- **Bloomberg U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
- **Bloomberg Global Aggregate ex. USD Indices** represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.
- **Bloomberg U.S. Corporate High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- **JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- **The S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **The Dow Jones Industrial Index** is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- **The NASDAQ** is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.
- **Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- **Russell 1000** consists of the largest 1000 companies in the Russell 3000 Index.
- **Russell 1000 Growth** measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 1000 Value** measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.
- **Russell Mid Cap Growth** measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.
- **Russell Mid Cap Value** measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- **Russell 2000 Growth** measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2000 Value** measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2500** consists of the 2,500 smallest U.S. companies in the Russell 3000 index.
- **Russell 2500 Growth** measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2500 Value** measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.
- **MSCI World** captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI ACWI (All Country World Index) ex. U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
- **MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index** captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.
- **MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

- **MSCI EAFE Value** captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. 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. With 507 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI EAFE Growth** captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. 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. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI Emerging Markets** captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.
- **Consumer Price Index** is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.
- **FTSE NAREIT Equity REITs Index** contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.
- **S&P Developed World Property** 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 Developed World Property x U.S.** defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **Fund Specific Broad Real Asset Benchmarks:**
 - **DWS Real Assets:** 30%: Dow Jones Brookfield Infrastructure Index, 30%: FTSE EPRA/NAREIT Developed Index, 15%: Bloomberg Commodity Index, 15%: S&P Global Natural Resources Index, 10%: U.S. Treasury Inflation Notes Total Return Index
 - **PIMCO Inflation Response Multi Asset Fund:** 45% Bloomberg U.S. TIPS, 20% Bloomberg Commodity Index, 15% JP Morgan Emerging Local Markets Plus, 10% Dow Jones Select REIT, 10% Bloomberg Gold Subindex Total Return
 - **Principal Diversified Real Assets:** 35% BbgBarc U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index NTR, 20% S&P Global Natural Resources Index NTR, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Index NTR
 - **Wellington Diversified Inflation H:** 50% MSCI ACWI Commodity Producers Index, 25% Bloomberg Commodity Index, and 25% Bloomberg Bloomberg US TIPS 1 – 10 Year Index
- **Bloomberg Commodity Index** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- **HFRI Fund Weighted Composite Index** is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of \$50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.
- **The Alerian MLP Index** is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- **The Adjusted Alerian MLP Index** is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.
- **Cambridge Associates U.S. Private Equity Index** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.
- **Cambridge Associates U.S. Venture Capital Index** is based on data compiled from over 1,600 institutional-quality venture capital funds formed between 1986 and 2015.
- **Vanguard Spliced Bloomberg US1-5Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US5-10Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Agg Flt Adj Index:** Bloomberg U.S. Aggregate Bond Index through December 31, 2009; Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Long Gov/Cr Flt Adj Index:** Bloomberg U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. Long Government/Credit Float Adjusted Index thereafter.
- **Vanguard Balanced Composite Index:** Made up of two unmanaged benchmarks, weighted 60% Dow Jones U.S. Total Stock Market Index (formerly the Dow Jones Wilshire 5000 Index) and 40% Bloomberg U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Intermediate-Term Tax-Exempt Index:** Bloomberg 1–15 Year Municipal Bond Index.
- **Vanguard Spliced Extended Market Index:** Dow Jones Wilshire 4500 Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.
- **Vanguard Spliced Value Index:** S&P 500 Value Index (formerly the S&P 500/Barra Value Index) through May 16, 2003; MSCI US Prime Market Value Index through April 16, 2013; CRSP US Large Cap Value Index thereafter.
- **Vanguard Spliced Large Cap Index:** Consists of MSCI US Prime Market 750 Index through January 30, 2013, and the CRSP US Large Cap Index thereafter.
- **Vanguard Spliced Growth Index:** S&P 500 Growth Index (formerly the S&P 500/Barra Growth Index) through May 16, 2003; MSCI US Prime Market Growth Index through April 16, 2013; CRSP US Large Cap Growth Index thereafter.
- **Vanguard Spliced Mid Cap Value Index:** MSCI US Mid Cap Value Index through April 16, 2013; CRSP US Mid Cap Value Index thereafter.
- **Vanguard Spliced Mid Cap Index:** S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter.
- **Vanguard Spliced Mid Cap Growth Index:** MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.
- **Vanguard Spliced Total Stock Market Index:** Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.
- **Vanguard Spliced Small Cap Value Index:** SmallCap 600 Value Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Value Index through April 16, 2013; CRSP US Small Cap Value Index thereafter.

- **Vanguard Spliced Small Cap Index:** Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter.
- **Vanguard Spliced Small Cap Growth Index:** S&P SmallCap 600 Growth Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Growth Index through April 16, 2013; CRSP US Small Cap Growth Index thereafter.
- **Vanguard Spliced Total International Stock Index:** Consists of the Total International Composite Index through August 31, 2006; the MSCI EAFE + Emerging Markets Index through December 15, 2010; the MSCI ACWI ex USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Developed Markets Index:** MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index through May 31, 2016; FTSE Developed All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Emerging Markets Index:** Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; and FTSE Emerging Markets All Cap China A Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard REIT Spliced Index:** MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index through January 31, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018; MSCI US Investable Market Real Estate 25/50 Index thereafter.

Additional:

- Equity sector returns are calculated by Russell and MSCI for domestic and international markets, respectively. MSCI sector definitions correspond to the MSCI GICS® classification (Global Industry Classification System); Russell uses its own sector and industry classifications.
- MSCI country returns are calculated by MSCI and are free float-adjusted market capitalization indices that are designed to measure equity market performance in each specific country.
- Currency returns are calculated using Bloomberg's historical spot rate indices and are calculated using the U.S. dollar as the base currency.
- The Index of Leading Economic Indicators, calculated by The Conference Board, is used as a barometer of economic activity over a range of three to six months. The index is used to determine the direction and stability of the economy. The composite index of leading indicators, which is derived from 10 leading indicators, helps to signal turning points in the economy and forecast economic cycles. The leading indicators are the following: average weekly hours, average weekly initial claims, manufacturers' new orders, both consumer and non-defense capital goods, vendor performance, building permits, stock prices, money supply (M2), the interest rate spread and the index of consumer expectations.
- S&P Target Date Indexes are constructed using a survey method of current target date investments with \$100 million or more in assets under management. Allocations for each vintage are comprised of exchange-traded funds that represent respective asset classes used in target date portfolios. The indexes are designed to represent a market consensus glide path.

DEFINITION OF KEY STATISTICS AND TERMS

- **Returns:** A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.
- **Universe Comparison:** The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming 75%.
- **Returns In Up/Down Markets:** This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up market capture ratio is the ratio of the fund's return in up markets to the index. The down market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.
- **Standard Deviation:** Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.
- **R-Squared:** This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.
- **Beta:** This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse than the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).
- **Alpha:** The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.
- **Sharpe Ratio:** The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.
- **Treynor Ratio:** The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns rather than the standard deviation of portfolio returns. High values mean better return for risk taken.

- **Tracking Error:** Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between the manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.
- **Information Ratio:** The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing it by the standard deviation of excess return.
- **Consistency:** Consistency shows the percent of the periods the fund has beaten the index and the percent of the periods the index has beat the fund. A high average for the fund (e.g., over 50) is desirable, indicating the fund has beaten the index frequently.
- **Downside Risk:** Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
- **M-Squared:** M-squared, or the Modigliani risk-adjusted performance measure is used to characterize how well a portfolio's return rewards an investor for the amount of risk taken, relative to that of some benchmark portfolio and to the risk-free rate.

DEFINITION OF KEY PRIVATE EQUITY TERMS

- **PIC (Paid in Capital):** The amount of committed capital that has been transferred from the limited partner to the general partner.
- **TVPI (Total Value to Paid in Capital):** Money returned to limited partners plus the fund's unrealized investments, divided by money paid-in to the partnership. The TVPI should equal RVPI plus DPI.
- **DPI (Distribution to Paid In Capital):** Money returned (distributions) to limited partners divided by money paid in to the partnership. Also called cash-on-cash multiple.
- **RVPI (Residual Value to Paid In Capital):** The value of a fund's unrealized investments divided by money paid-in to the partnership.
- **Internal rate of return (IRR):** This is the most appropriate performance benchmark for private equity investments. It is a time-weighted return expressed as a percentage. IRR uses the present sum of cash drawdowns (money invested), the present value of distributions (money returned from investments) and the current value of unrealized investments and applies a discount.
- **Commitment:** Every investor in a private equity fund commits to investing a specified sum of money in the fund partnership over a specified period of time. The fund records this as the limited partnership's capital commitment. The sum of capital commitments is equal to the size of the fund.
- **Capital Distribution:** These are the returns that an investor in a private equity fund receives. It is the income and capital realized from investments less expenses and liabilities. Once a limited partner has had their cost of investment returned, further distributions are actual profit. The partnership agreement determines the timing of distributions to the limited partner. It will also determine how profits are divided among the limited partners and general partner.
- **Carried Interest:** The share of profits that the fund manager is due once it has returned the cost of investment to investors. Carried interest is normally expressed as a percentage of the total profits of the fund.
- **Co-Investment:** Co-Investments are minority investments made alongside a private equity investor in an LBO, a recapitalization, or an expansion capital transaction. It is a passive, non-controlling investment, as the private equity firm involved will typically exercise control and perform monitoring functions.
- **General Partner (GP):** This can refer to the top-ranking partners at a private equity firm as well as the firm managing the private equity fund.
- **GP Commitments:** It is normal practice for the GP managing a private equity fund to also make a financial commitment to the fund on the same basis as the LPs in the fund, and this is seen as an important factor driving the alignment of GP and LP interests. The historic benchmark for GP commitments has been 1% of the total fund size, but this is by no means universal, and many GPs commit significantly larger amounts. Furthermore, there has been a marked trend towards GPs making larger commitments to their funds over recent years.
- **Leveraged Buy-Out (LBO):** The acquisition of a company using debt and equity finance.
- **Limited Partner (LP):** Institutions or high-net-worth individuals/sophisticated investors that contribute capital to a private equity fund.
- **Public Market Equivalent (PME):** Performance measure used to evaluate performance relative to the market. It is calculated as the ratio of the discounted value of the LP's inflows divided by the discounted value of outflows, with the discounting performed using realized market returns.
- **Primaries:** An original investment vehicle that invests directly into a company or asset.

VALUATION POLICY

Fiducient Advisors does not engage an independent third-party pricing service to value securities. Our reports are generated using the security prices provided by custodians used by our clients. Our custodial pricing hierarchy is available upon request. If a client holds a security not reported by the first custodian within the hierarchy, the valuation is generated from the next custodian within the hierarchy, and so forth. Each custodian uses pricing services from outside vendors, where the vendors may generate nominally different prices. Therefore, this report can reflect minor valuation differences from those contained in a custodian's report. In rare instances where FA overrides a custodial price, prices are taken from Bloomberg.

REPORTING POLICY

This report is intended for the exclusive use of the client listed within the report. Content is privileged and confidential. Any dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources believed to be reliable though not independently verified. Any forecast represents median expectations and actual returns, volatilities and correlations will differ from forecasts. Please note each client has customized investment objectives and constraints and the investment strategy for each portfolio is based on a client-specific asset allocation model. Past performance does not indicate future performance and there is a possibility of a loss. Performance calculated net of investment fees. Certain portfolios presented may be gross of Fiducient Advisors' fees and actual performance would be reduced by investment advisory fees. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice.

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Manager performance for mutual funds and ETFs is based on NAV and provided by Morningstar. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Unless specified otherwise, all returns are net of individual manager fees, represent total returns and are annualized for periods greater than one year. The deduction of fees produces a compounding effect that reduces the total rate of return over time. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 0.50% annual investment advisory fee would be \$5,228 in the first year, and cumulative effects of \$30,342 over five years and \$73,826 over ten years. Additional information on advisory fees charged by Fiducient Advisors are described in Part 2 of the Form ADV.

OTHER

By regulation, closed-end funds utilizing debt for leverage must report their interest expense, as well as their income tax expense, as part of their total expense ratio. To make for a useful comparison between closed-end funds and both open-end funds and exchange-traded funds, adjusted expense ratios excluding interest and income tax expenses are utilized for closed-end funds within this report. See disclosure on closed-end fund fact sheets for information regarding the total expense ratio of each closed-end fund.

Please advise us of any changes in your objectives or circumstances.

CUSTODIAN STATEMENTS

Please remember to review the periodic statements you receive from you custodian. If you do not receive periodic statements from your custodian or notice issues with the activity reported in those statements, please contact FA or your custodian immediately.

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