

A photograph of a classical building interior. On the right, a large, fluted stone column stands prominently. The background is a wall made of large, light-colored stone blocks. The floor is composed of dark, polished stone tiles. The lighting is soft and even, highlighting the textures of the stone.

Episcopal Foundation of Dallas

February 2021

Agenda

- I. Financial Market Review
- II. 2020 - The Year in Review
- III. Portfolio Performance
- IV. Fees and Expenses
- V. Economic and Market Outlook
- VI. Asset Allocation Study
- VII. Appendix

Presented by:

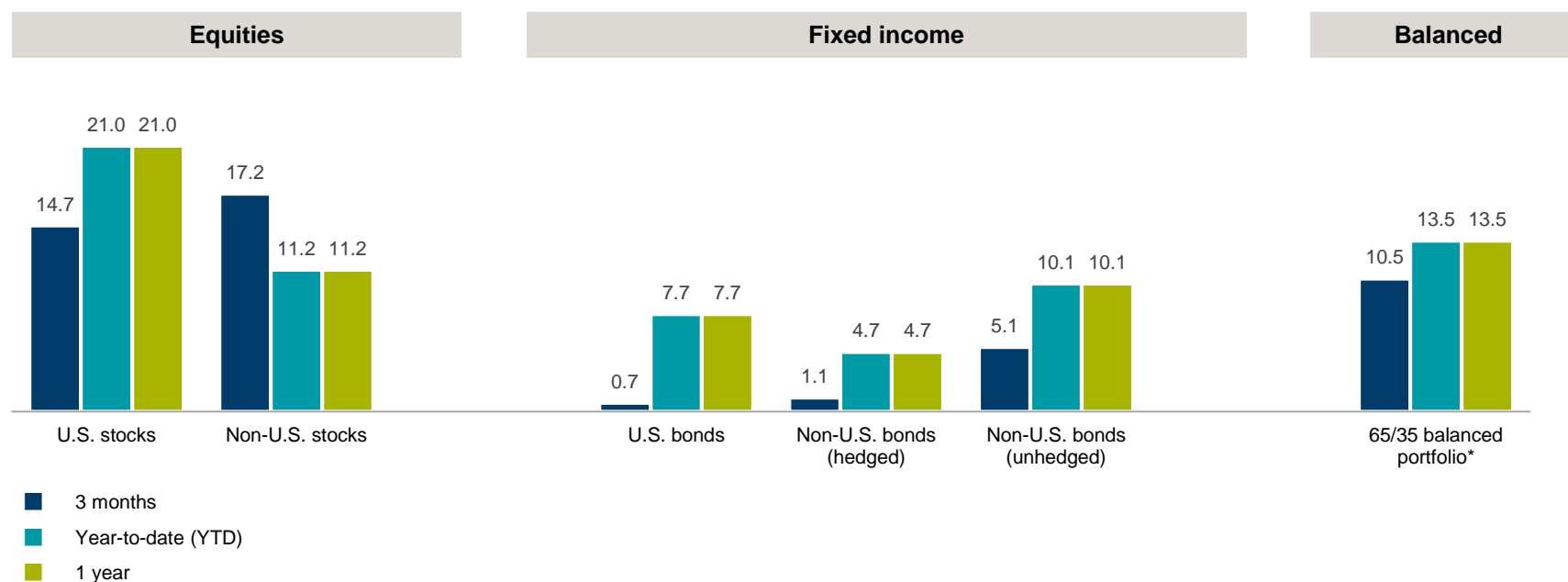
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Senior Investment Consultant
Vanguard Institutional Advisory Services®

Financial Market Review

Global markets post strong results in anticipation of pandemic decline

- As the coronavirus pandemic continues to impact global economies, markets are assessing length and shape of recovery in progress
- Global equities sold off sharply when the pandemic first broke, driving markets briefly into bear market territory, yet have recovered and rallied significantly over the last several months
- Fixed income delivered positive returns as Treasury yields reached record lows and credit bonds weathered the impact of the uncertainty

Global market returns as of December 31, 2020 (%)



Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Sources: Bloomberg Barclays, CRSP, and FTSE.

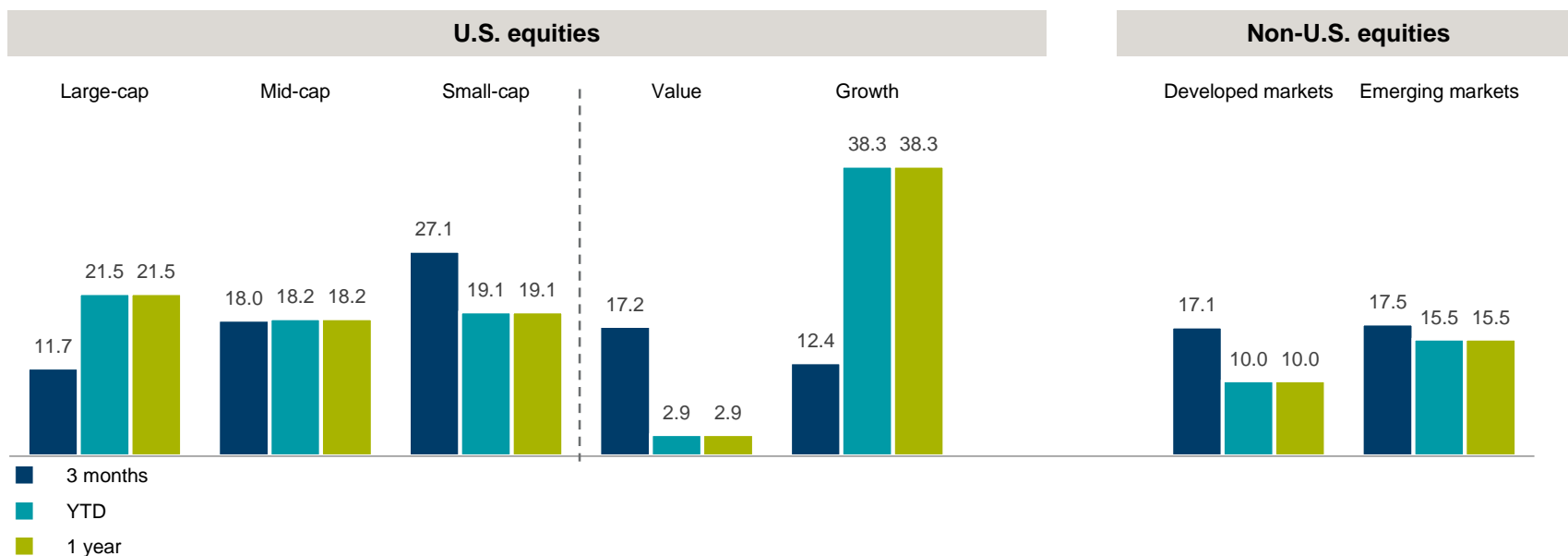
U.S. stocks (CRSP U.S. Total Market Index), non-U.S. stocks (FTSE Global All-Cap ex-US Index), U.S. bonds (Bloomberg Barclays U.S. Aggregate Float Adjusted Index), non-U.S. bonds hedged (Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index hedged), non-U.S. bonds unhedged (Bloomberg Barclays Global Aggregate Index ex USD).

* 65/35 balanced portfolio Static Composite (39% U.S. stocks, 26% international stocks, and 24.5% investment-grade U.S. bonds, 10.5% investment-grade international bonds).

Stocks across market cap and style see significant divergence

- Large-cap stocks led returns by market cap during the trailing 12 months, but small-cap stocks have posted stronger results during the latest quarter
- Growth stocks, led by a select group of mega-cap companies, have significantly outperformed value stocks, extending their recent performance advantage of the last couple years
- In non-U.S. equity markets, emerging markets have outperformed developed markets recently, yet both have fallen short of U.S. market returns

Global equity market returns as of December 31, 2020 (%)



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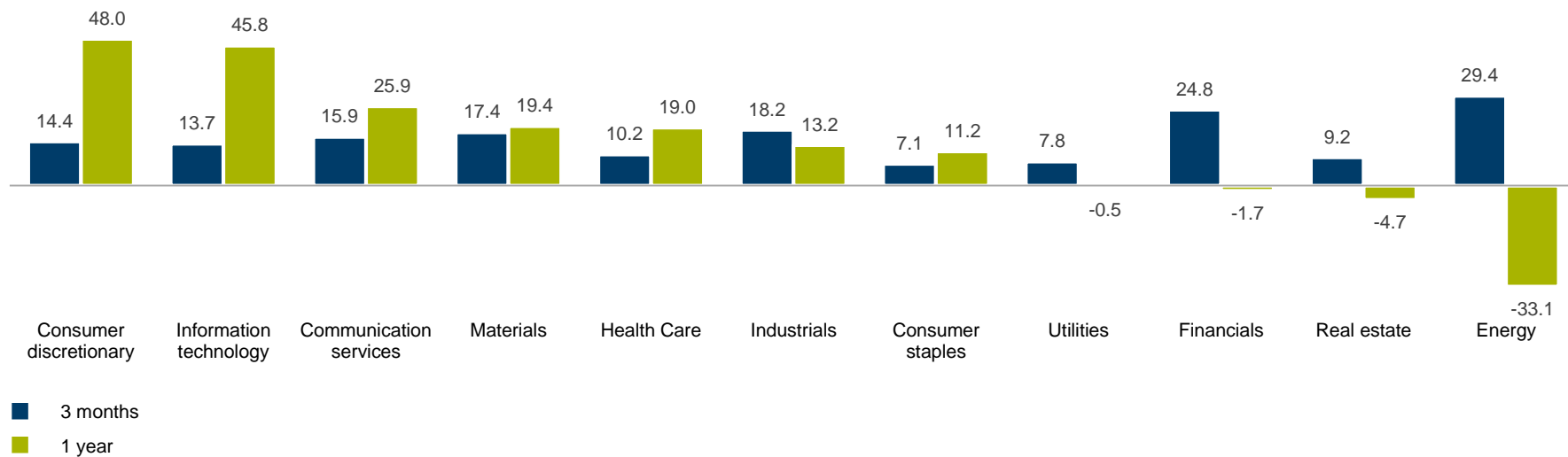
Sources: CRSP, FTSE, and Russell.

Large-cap (CRSP U.S. Mega Cap Index), mid-cap (CRSP U.S. Mid Cap Index), small-cap (CRSP U.S. Small Cap Index); value (Russell 3000 Value Index), growth (Russell 3000 Growth Index); developed markets (FTSE Developed All Cap ex-U.S. Index), emerging markets (FTSE Emerging Markets All Cap China A Inclusion Index).

U.S. sector performance – Strength present in many industries

- No sector escaped the sell-off in the first quarter as steep losses were booked across industries, yet growth-oriented companies have led the recovery over the past several months
- Wide divergence in 12-month returns between the top and bottom sectors illustrates the benefit of diversification
- Energy has posted the deepest loss over the trailing 12 months, impacted by a severe demand shock from the COVID-19 pandemic

U.S. equity sector returns as of December 31, 2020 (%)



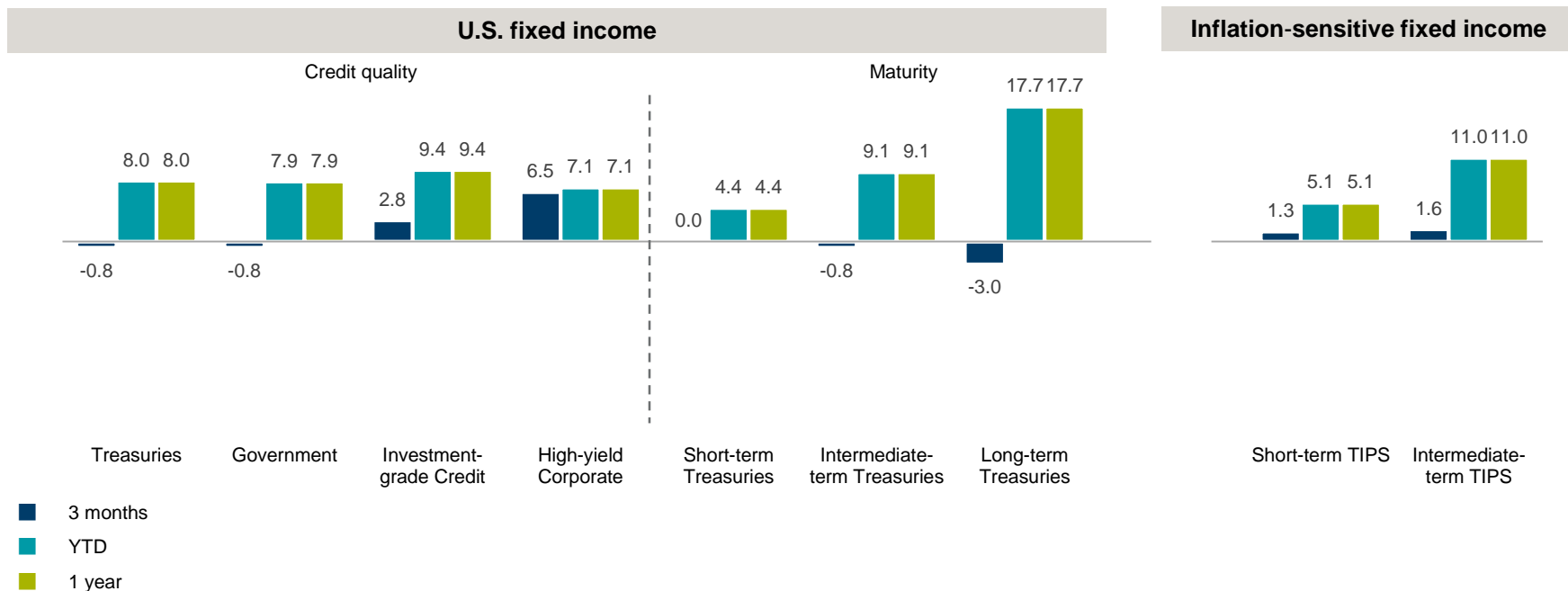
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Source: FactSet.
U.S. markets measured by CRSP U.S. Total Market Index.

Bonds deliver strong returns during tumultuous year

- Treasury yields hit record lows across the curve as investors fled risky assets and the Federal Reserve cut short-term rates to near-zero early in the year in response to the pandemic
- Credit spreads widened sharply during the initial outbreak and market reaction, yet both Investment-grade and High-Yield bonds have recovered during the past several months
- Treasuries have had exceptionally strong performance for the year as economic activity contracted and expectations have refocused on a gradual recovery

Domestic fixed income market returns as of December 31, 2020 (%)



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Source: Bloomberg Barclays.

Treasuries, government, investment-grade credit; high-yield (Bloomberg Barclays U.S. Treasury/Government/Credit/Corporate High-Yield Indices); short-inter-long-term Treasuries (Bloomberg Barclays U.S. 1-5/5-10/Long Treasury Indices); short-term TIPS (Bloomberg Barclays U.S. Treasury 0-5 Year Inflation-Protected Index); intermediate-term TIPS (Bloomberg Barclays U.S. Treasury Inflation-Protected Index).

Market leadership changes

- Emerging markets equities appears at both the top and bottom multiple times, illustrating the relatively high volatility of single asset classes
- The balanced composite generally falls near the middle, demonstrating the volatility dampening effect of high-grade fixed income and the consistency resulting from holding a broadly diversified portfolio
- U.S. stock returns exceeded non-U.S. stock returns by a significant amount over the past ten years, yet it's important to remember that recent outperformance by a subasset class or market segment does not imply future outperformance

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	10-Year Average
REIT 8.7	Emg 18.1	Sml 38.8	REIT 30.4	Grw 5.1	Sml 21.3	Emg 31.1	IB 3.2	Grw 35.8	Grw 38.3	Grw 16.9
Bnd 7.8	REIT 17.8	Grw 34.2	Lrg 13.2	REIT 2.5	Val 18.4	Grw 29.6	T-Bill 1.9	Lrg 31.4	Lrg 21.0	Lrg 14.0
HY 5.0	Val 17.5	Lrg 33.1	Val 12.7	IB 1.4	HY 17.1	Dev 26.3	Bnd 0.0	Val 26.3	Sml 20.0	Sml 11.2
IB 3.9	Dev 17.4	Val 32.7	Grw 12.4	Lrg 0.9	Lrg 12.1	Lrg 21.7	HY -2.1	REIT 25.8	Emg 15.5	Val 10.4
Grw 2.2	Lrg 16.4	Dev 20.5	IB 8.8	Bnd 0.5	Cmd 11.4	Bal 16.5	Grw -2.1	Sml 25.5	Bal 13.4	Bal 8.4
Lrg 1.5	Sml 16.4	Bal 16.8	Bal 6.4	T-Bill 0.0	Emg 10.3	Sml 14.6	REIT -4.6	Dev 22.3	Dev 10.0	REIT 8.3
T-Bill 0.1	HY 15.8	HY 7.4	Bnd 6.0	Bal -0.6	REIT 8.6	Val 13.2	Lrg -4.8	Bal 20.7	Bnd 7.5	HY 6.8
Val -0.1	Grw 15.2	HF 6.7	Sml 4.9	Dev -1.8	Grw 7.4	HY 7.5	Bal -5.5	Emg 20.4	HY 7.1	Dev 5.7
Bal -0.9	Bal 12.7	REIT 2.5	Emg 2.6	HF -3.6	Bal 7.3	HF 6.0	HF -6.7	HY 14.3	HF 6.8	IB 4.4
Sml -4.2	IB 6.5	IB 1.2	HY 2.5	Val -4.1	IB 4.9	REIT 5.1	Val -8.6	Bnd 8.7	IB 3.9	Bnd 3.8
HF -8.9	Bnd 4.2	T-Bill 0.1	T-Bill 0.0	Sml -4.4	Dev 3.1	Bnd 3.5	Sml -11.0	HF 8.6	Val 2.9	Emg 3.4
Dev -12.7	HF 3.5	Bnd -2.0	HF -0.6	HY -4.5	Bnd 2.6	IB 2.5	Cmd -13.0	IB 7.6	T-Bill 0.6	HF 1.3
Cmd -13.4	T-Bill 0.1	Emg -3.2	Dev -4.4	Emg -13.5	HF 2.5	T-Bill 0.8	Emg -14.8	Cmd 5.4	Cmd -3.5	T-Bill 0.6
Emg -20.0	Cmd -1.1	Cmd -9.6	Cmd -17.0	Cmd -24.7	T-Bill 0.3	Cmd 0.7	Dev -14.8	T-Bill 2.3	REIT -7.6	Cmd -7.1

- | | |
|--------|--|
| Val | Value oriented U.S. based stocks
(Russell 3000 Value Index) |
| Grw | Growth oriented U.S. based stocks
(Russell 3000 Growth Index) |
| Lrg | Large U.S. based stocks
(Russell 1000 Index) |
| Sml | Small U.S. based stocks
(Russell 2000 Index) |
| Dev | International stocks from developed countries
(FTSE Developed All Cap ex US Index) |
| Emg | International stocks from emerging countries
(FTSE Emerging ACap CN A Includ Idx) |
| Bnd | Investment-grade U.S. bonds
(BloomBarc US Aggregate Bond Index) |
| HY | High-yield U.S. bonds
(BloomBarc US Corp High Yield Index) |
| IB | Investment-grade international bonds
(BloomBarc GA ex-USD Index Hedged) |
| T-Bill | Short-term Treasury rates
(Citigroup 3-Month US T-Bill Index) |
| REIT | U.S. public equity real estate (REIT)
(MSCI US REIT Index) |
| Cmd | Commodities
(Bloomberg Commodity Index) |
| HF | Hedge funds
(HFRX Global Hedge Fund Index*) |
| Bal | Balanced Static Composite (39% U.S. stocks**,
26% Int'l stocks [†] , 24.5% Invest-grade U.S.
bonds ^{††} , 10.5% Invest-grade Int'l bonds ^{††}) |

Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Source: Vanguard. Last observation: December 31, 2020; 10-year average performance from December 31, 2010 through December 31, 2020.

* Source: Hedge Fund Research, Inc.

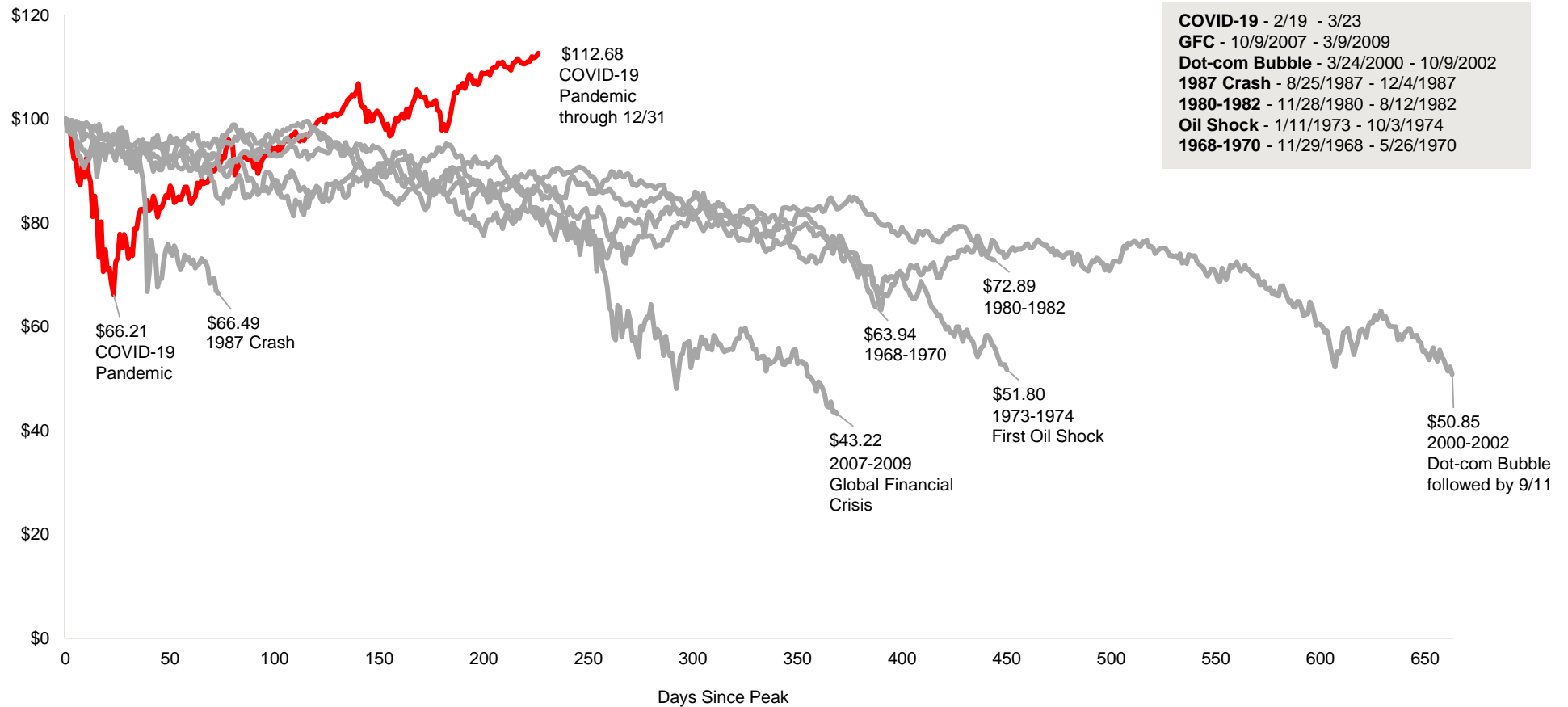
** U.S. stocks: MSCI US Broad Market Index.

[†] International Stocks: FTSE Global All Cap ex-US Index.

†† Bonds: BloomBarc US Aggregate Bond Index and BloomBarc GA ex-USD Index Hedged.

2020 - The Year in Review

COVID-19 and the stock market—a steep fall, and a quick recovery...

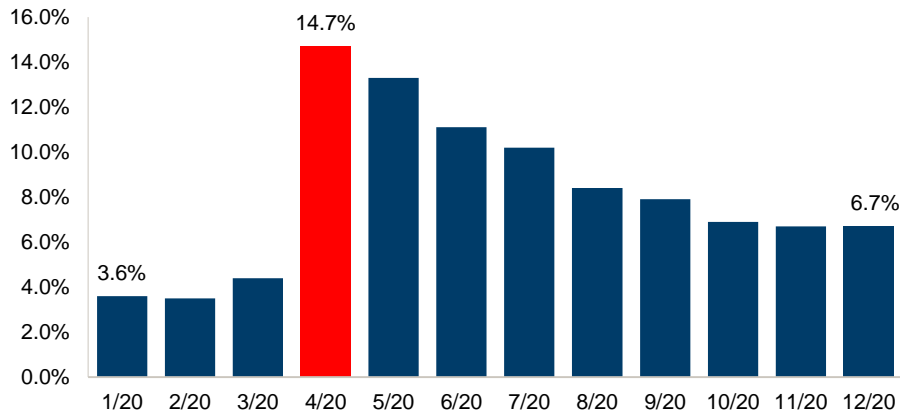


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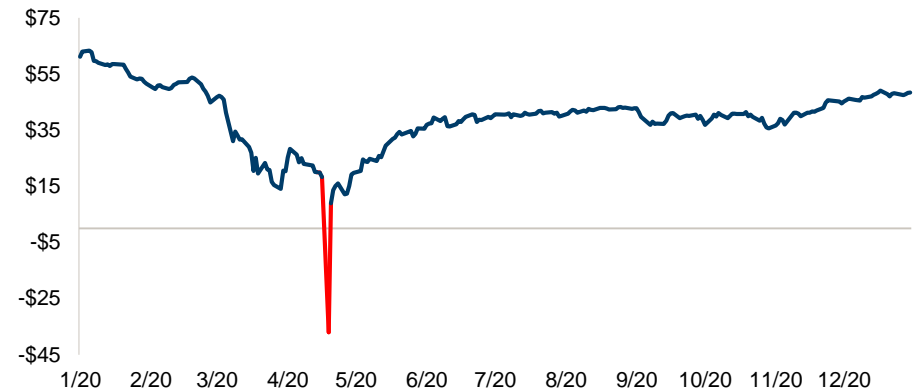
Source: FactSet. Data based on S&P 500 daily returns for each specified time period from a prior stock market high to new low point.
COVID-19 (in red) recovery shown through December 31, 2020.

2020: It was the worst of times...

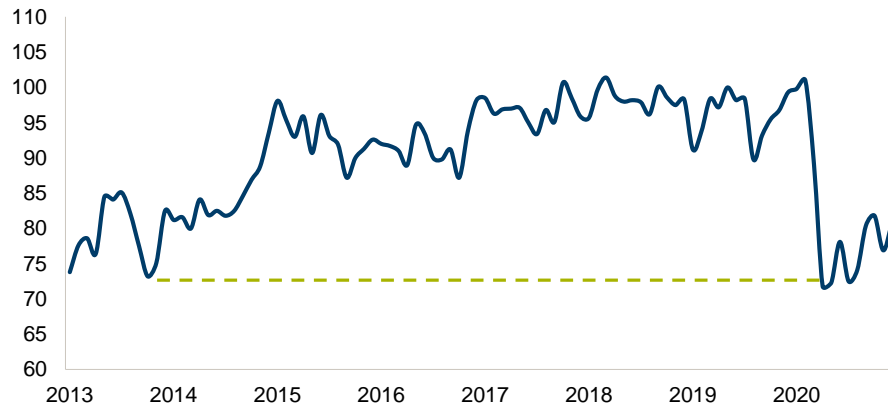
Unemployment spiked to 14.7%, the highest ever recorded



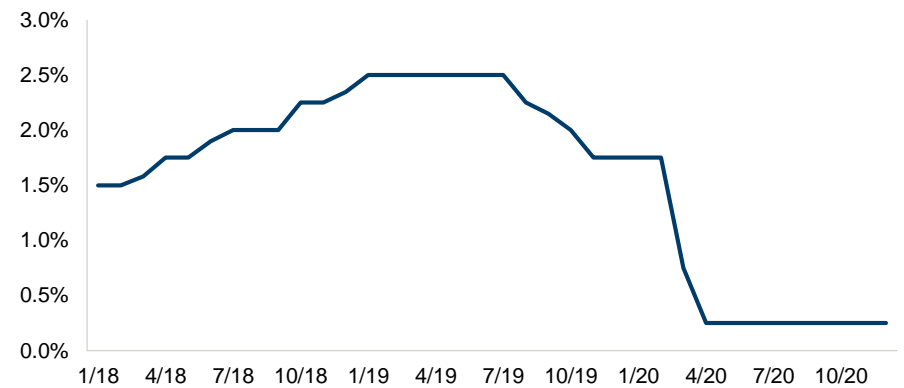
Oil briefly touched negative territory before settling ~21% lower for the year



Consumer sentiment cratered to levels previously seen in the aftermath of the financial crisis



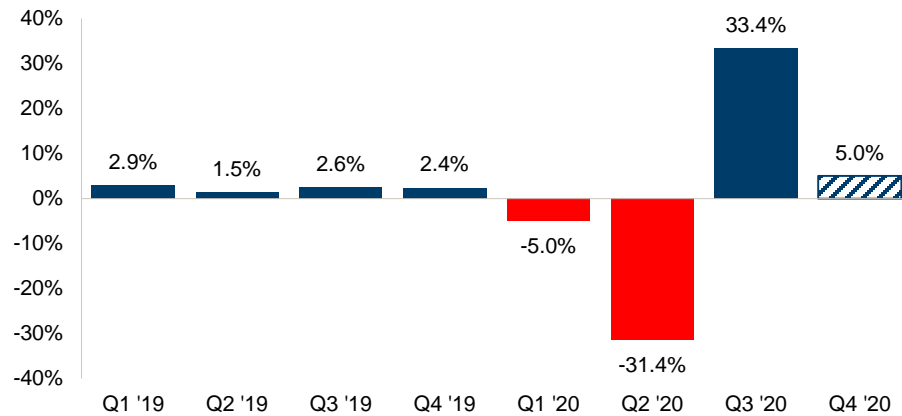
Fed funds rate cut back to 0% despite recent increases



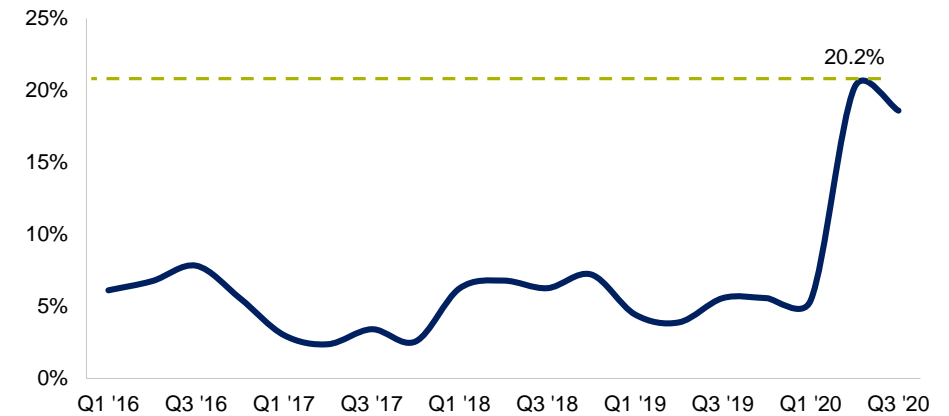
Source: BLS, Board of Governors of the Federal Reserve system, FactSet, Federal Reserve Economic Database, U.S. Energy Information Administration, University of Michigan, and Vanguard calculations.
Data as of December 2020. Oil price reflects WTI cost per barrel. Consumer sentiment reflects University of Michigan consumer sentiment survey.

2020: It was the worst of times...

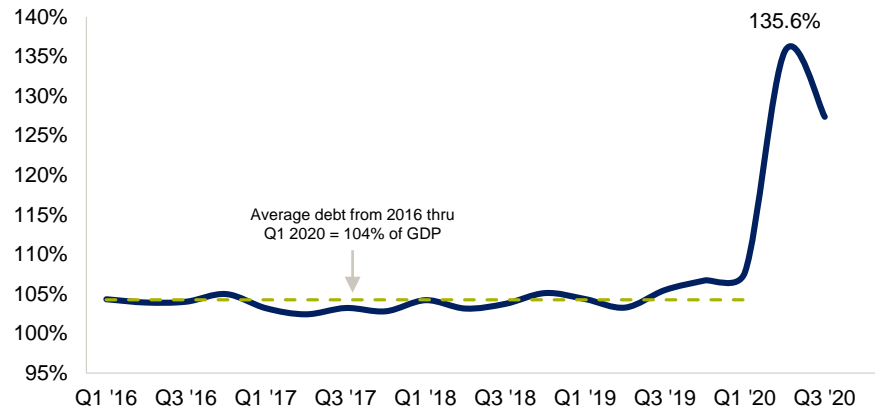
QoQ annualized real GDP declined the most since WWII



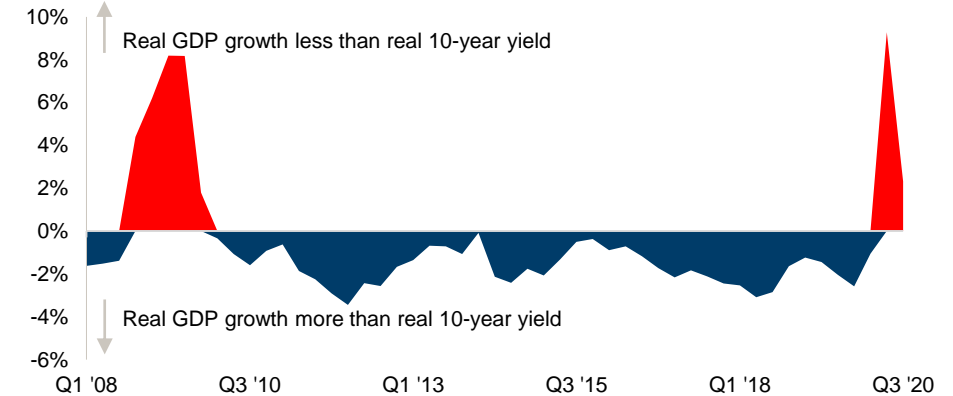
National debt grew more than 20% YoY in Q2



Debt to GDP ratio ballooned to over 135% amid falling output and higher borrowing



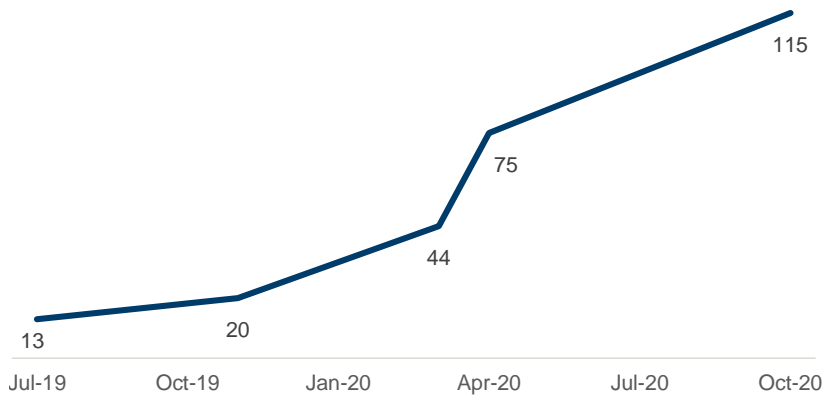
Cost of servicing higher debt: Majority of the time remains manageable if YoY real GDP growth is higher than 10-year real yield



Source: BEA, BLS, U.S. Office of Management and Budget, U.S. Department of the Treasury, Board of Governors of the Federal Reserve system, FactSet, Federal Reserve Economic Database and Vanguard calculations.
Data as of Q3 2020. Q4 2020 GDP is FactSet consensus estimate.

2020: It was the best of times...for tech

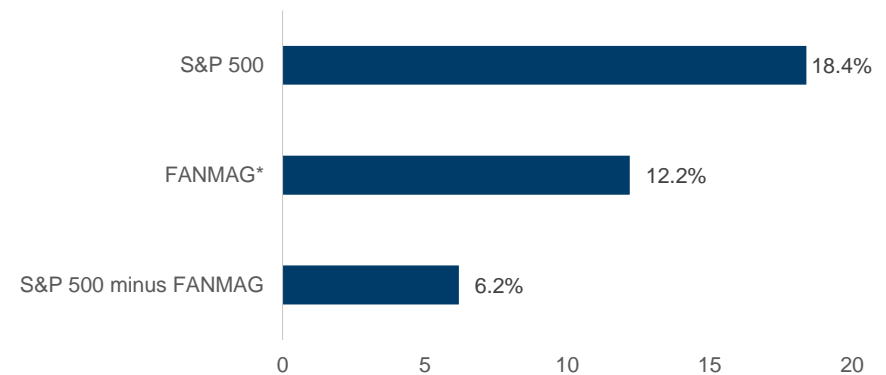
Daily average users of Microsoft Teams (millions)



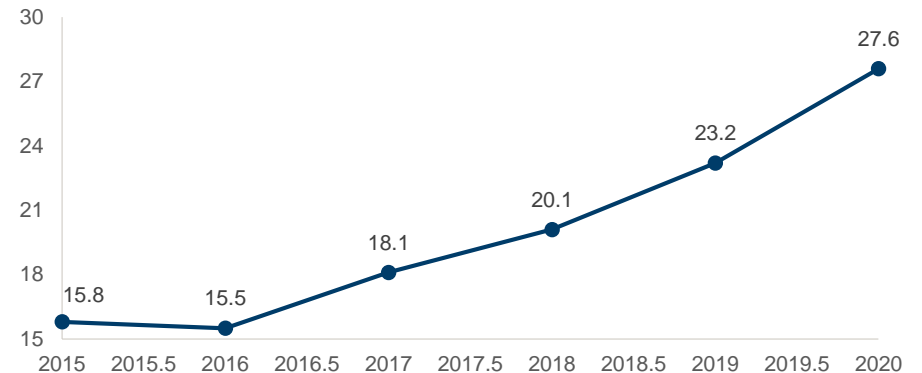
Year over year change: Q3 '19 to Q3 '20

Zoom customers with more than 10 employees	+485%	▲
Online grocery sales in the US	+310%	▲
Door Dash orders	+237%	▲
Shipments of Chromebooks	+123%	▲
Walmart US e-commerce sales	+79%	▲
Amazon North America retail revenue	+39%	▲
Netflix memberships	+23%	▲

FANMAG* % contribution to S&P 500



Tech sector as a % of the S&P 500 has grown dramatically



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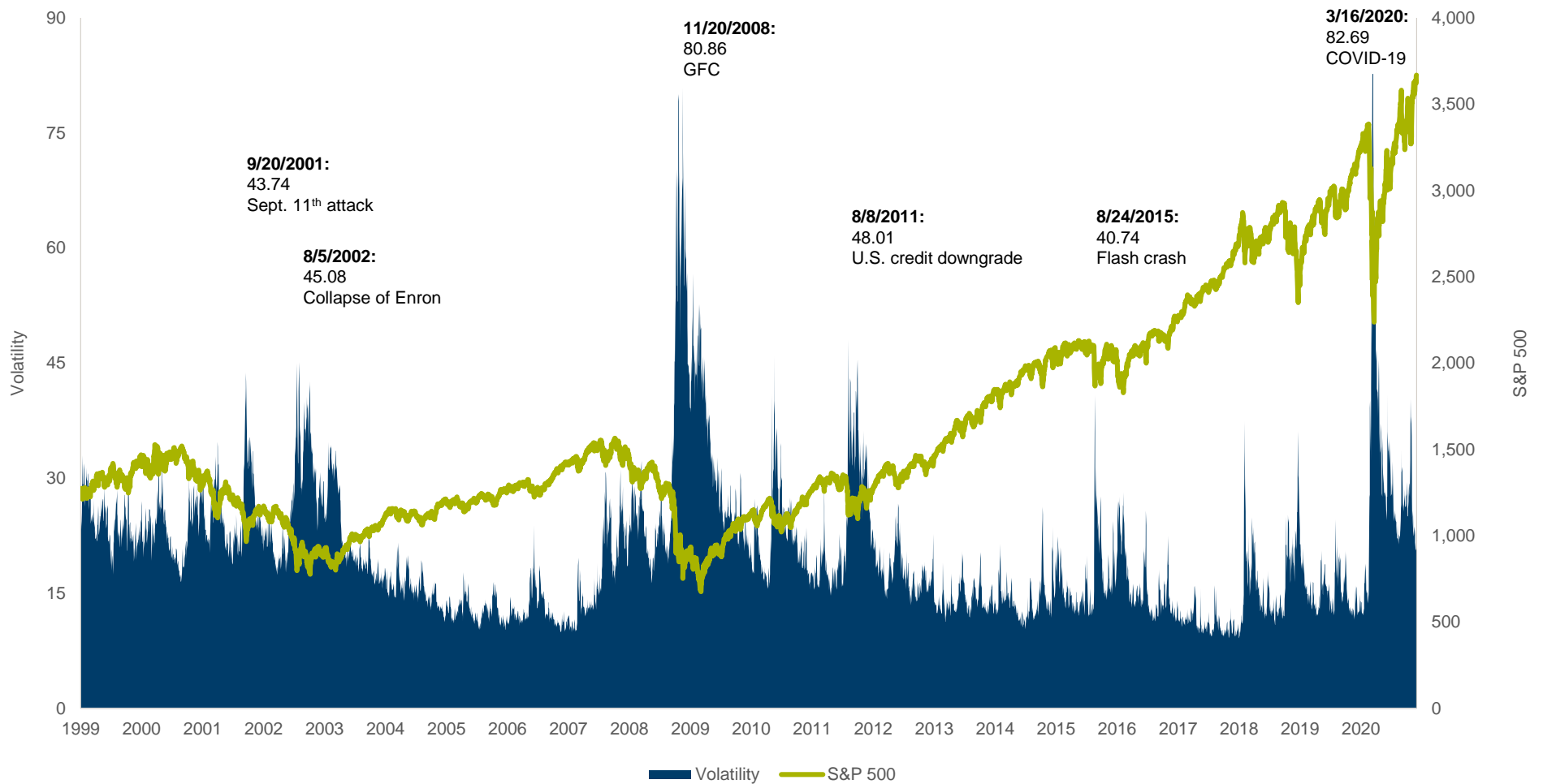
Source: Microsoft, FactSet, Company reports, Canals, NPD Group, Streamlabs, Stream Hatchet, Bernstein Research.

Data as of Q4 2020 unless otherwise stated.

* FANMAG represents: Facebook, Amazon, Netflix, Microsoft, Apple, Google. Returns are based as an equal-weighted portfolio.

Volatility and S&P 500

Of the 10 most volatile trading days in the last 20 years, 5 occurred in 2020



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Source: FactSet. Data as of December 31, 2020. Volatility as measured by the VIX.

Large-cap vs. Small-cap

1-year rolling windows



3-year rolling windows



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Source: Morningstar. Data as of December 31, 2020.

Large-cap represented by S&P 500 Index. Small-Cap represented by Russell 2000 Index.

Growth vs. Value

1-year rolling windows



3-year rolling windows



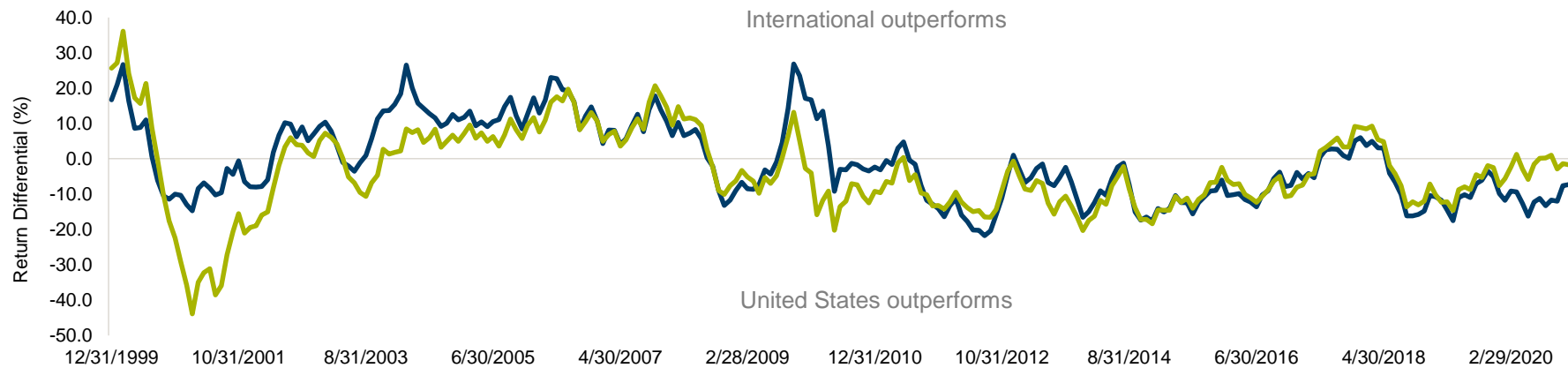
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Source: Morningstar. Data as of December 31, 2020.

Large-cap represented by S&P 500 Index. Small-Cap represented by Russell 2000 Index.

U.S. Equity (market cap and equal weight) vs. International Equity

1-year rolling windows



3-year rolling windows



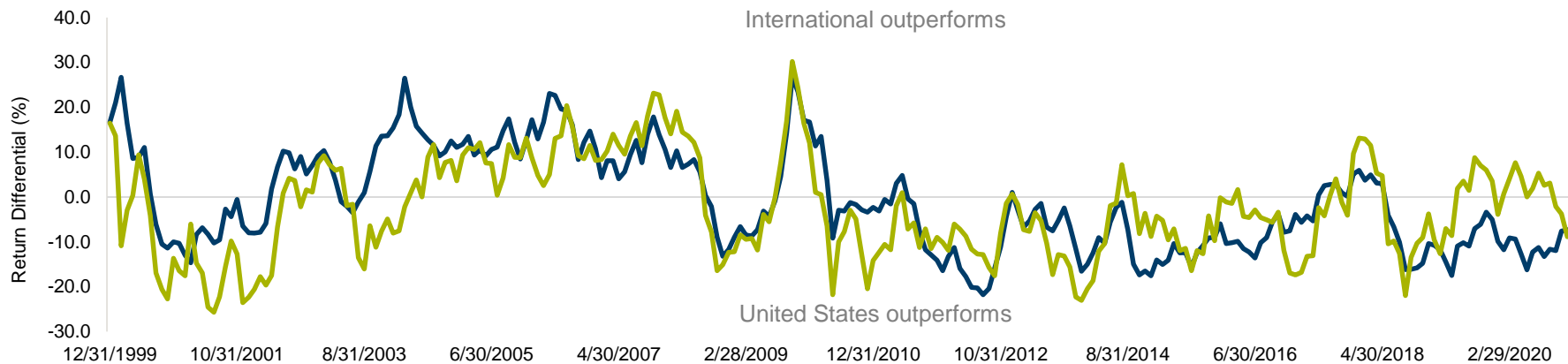
— ACWI ex-US IMI vs. S&P 500 — ACWI ex-US IMI vs. S&P 500 Equal Weighted

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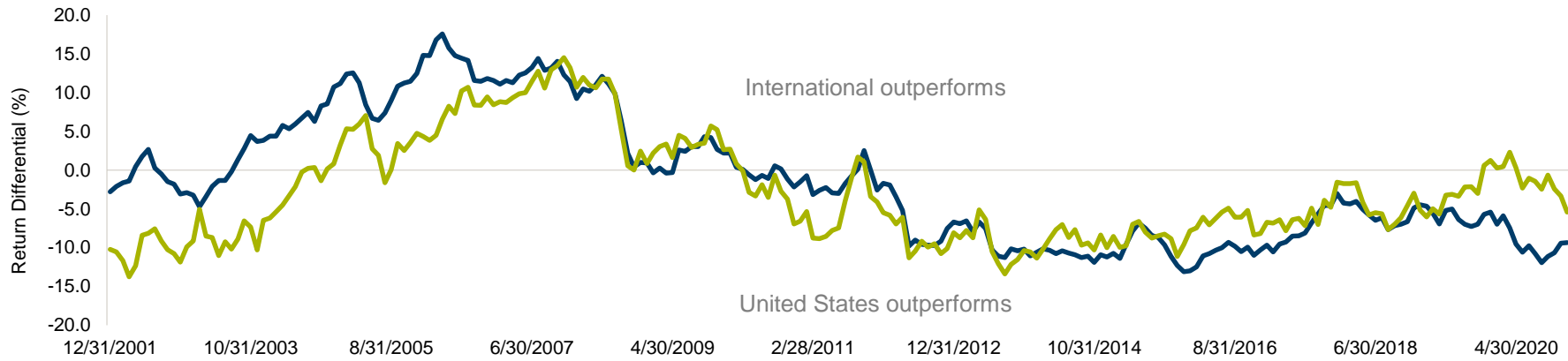
Source: Morningstar. Data as of December 31, 2020.

U.S. Equity (large-cap and small-cap) vs. International Equity

1-year rolling windows



3-year rolling windows



— ACWI ex-US IMI vs. S&P 500 — ACWI ex-US IMI vs. Russell 2000

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Source: Morningstar. Data as of December 31, 2020.

Portfolio Performance

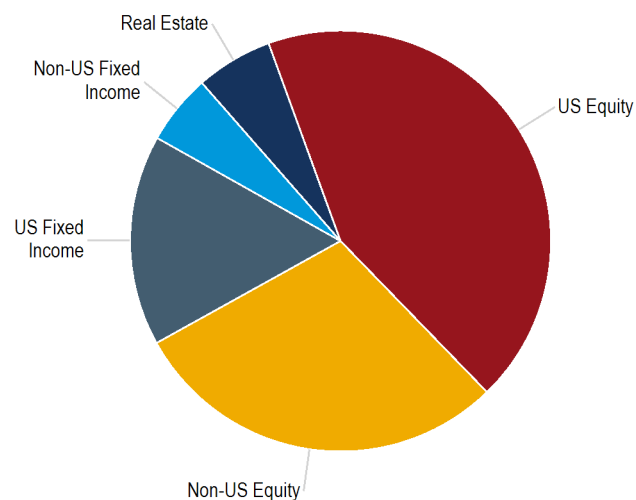
Total Portfolio Performance & Asset Allocation

Performance Summary ending December 31, 2020

	Market Value (\$)	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
EPISCOPAL FOUNDATION OF DALLAS	43,876,936	4.11	13.39	15.15	9.71	11.12	--	9.55	Jun-15
EPISCOPAL FOUNDATION OF DALLAS (Net)		4.11	13.37	15.04	9.59	11.00	--	9.44	
Composite Benchmark		3.65	11.70	13.85	9.43	10.70	--	9.23	Jun-15

- Composite Benchmark = 6% Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged / 6% Real Estate Spliced Index / 18% Spliced Bloomberg Barclays US Aggregate Float Adjusted Index / 28% Spliced Total International Stock Index / 42% Spliced Total Stock Market Index

Current Allocation as of December 31, 2020



	Current \$	Current %	Policy	Difference*
US Equity	\$19,009,913	43.3%	42.0%	1.3%
Non-US Equity	\$12,794,810	29.2%	28.0%	1.2%
US Fixed Income	\$7,117,719	16.2%	18.0%	-1.8%
Non-US Fixed Income	\$2,359,649	5.4%	6.0%	-0.6%
Real Estate	\$2,594,844	5.9%	6.0%	-0.1%
Total	\$43,876,936	100.0%	100.0%	

*Difference between Policy and Current Allocation

Gross of Advisory Fee returns reflect the deduction of fund expense ratios and any other security-level expenses.

Net of Fee returns reflect the deduction of fund expense ratios, any purchase or redemption fees, and VIAS advisory fee applied to the client portfolio.

Returns greater than one year represent annualized returns. Returns less than one year represent cumulative returns.

Performance Summary (Gross of Advisory Fees) ending December 31, 2020

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
EPISCOPAL FOUNDATION OF DALLAS	43,876,936	100.00	4.11	13.39	15.15	9.71	11.12	--	9.55	Jun-15
EPISCOPAL FOUNDATION OF DALLAS (Net)			4.11	13.37	15.04	9.59	11.00	--	9.44	
Composite Benchmark			3.65	11.70	13.85	9.43	10.70	--	9.23	Jun-15
Total Equity	31,804,723	72.49	5.38	17.94	18.67	11.11	13.51	--	11.23	Jun-15
Equity Domestic	19,009,913	43.33	4.71	16.64	16.71	12.49	14.42	--	12.67	Jun-15
Spliced Total Stock Market Index			4.46	14.70	21.00	14.50	15.44	13.80	13.64	Jun-15
Equity International	12,794,810	29.16	6.38	19.90	21.65	8.98	12.07	--	9.01	Jun-15
Spliced Total International Stock Index			5.58	17.21	11.24	4.98	9.07	5.18	6.44	Jun-15
Total Fixed Income	9,477,369	21.60	0.35	1.10	7.30	5.48	4.59	--	4.34	Jun-15
Fixed Income Domestic	7,117,719	16.22	0.35	1.13	8.23	5.60	4.64	--	4.32	Jun-15
Spliced Bloomberg Barclays US Aggregate Float Adjusted Index			0.13	0.71	7.75	5.44	4.53	3.89	4.22	Jun-15
Fixed Income International	2,359,649	5.38	0.36	1.03	4.54	5.08	4.45	--	4.40	Jun-15
Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged			0.36	1.08	4.75	5.30	4.67	--	4.63	Jun-15
Total Real Estate	2,594,844	5.91	2.78	9.26	-4.65	4.96	5.66	--	6.82	Jun-15
Real Estate Domestic	2,594,844	5.91	2.78	9.26	-4.65	4.96	5.66	--	6.82	Jun-15
Real Estate Spliced Index			2.79	9.28	-4.55	5.05	5.75	8.77	6.93	Jun-15

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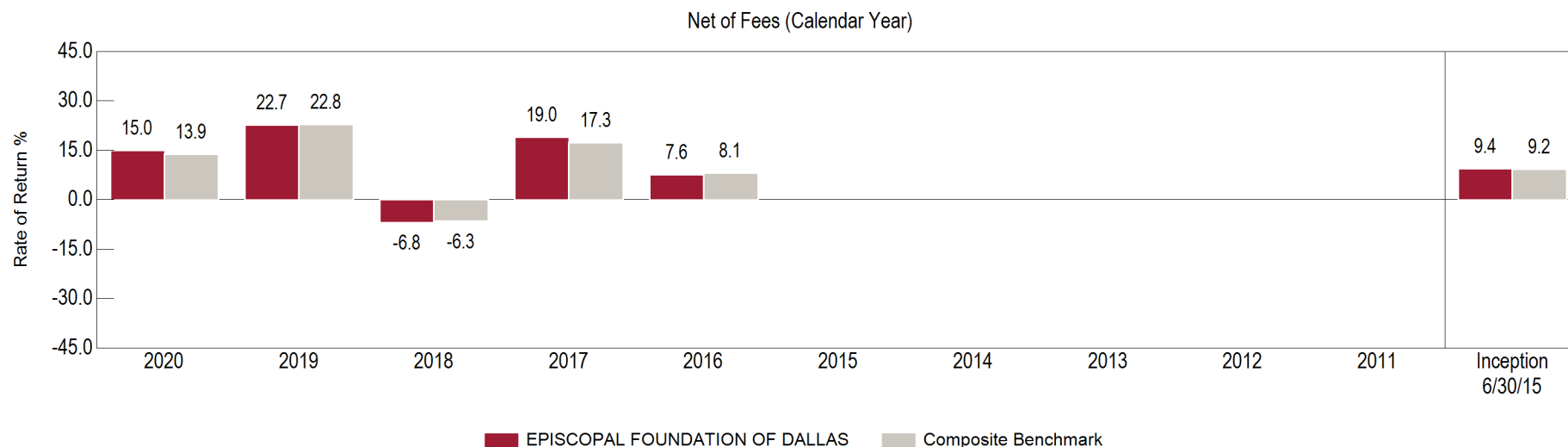
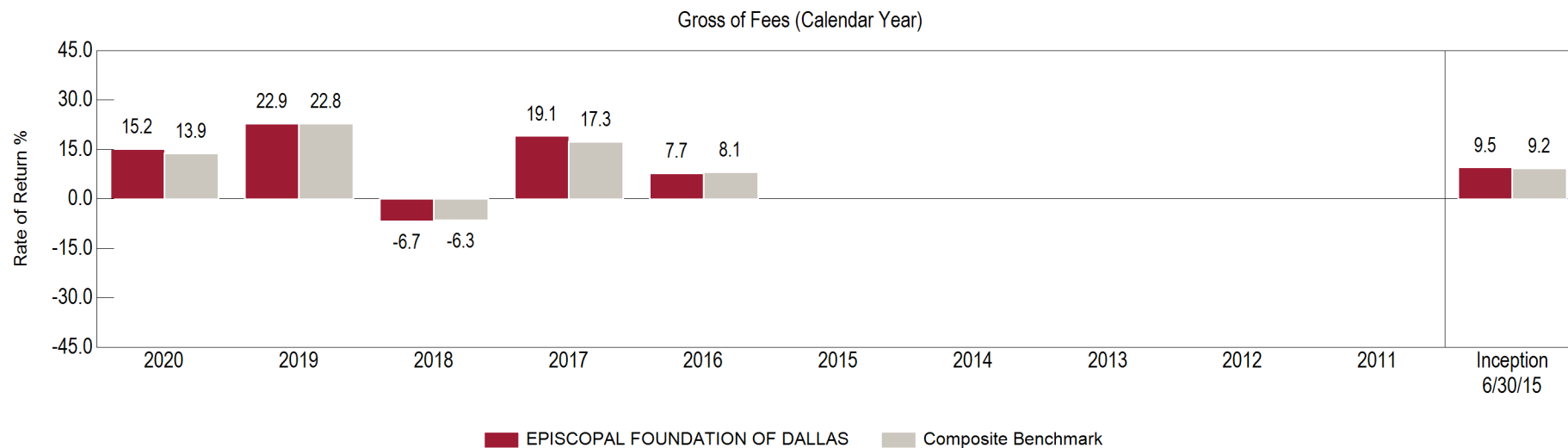
Performance Summary (Gross of Advisory Fees) ending December 31, 2020

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
EPISCOPAL FOUNDATION OF DALLAS	43,876,936	100.00	4.11	13.39	15.15	9.71	11.12	--	9.55	Jun-15
Composite Benchmark			3.65	11.70	13.85	9.43	10.70	--	9.23	Jun-15
Total Equity	31,804,723	72.49	5.38	17.94	18.67	11.11	13.51	--	11.23	Jun-15
Equity Domestic	19,009,913	43.33	4.71	16.64	16.71	12.49	14.42	--	12.67	Jun-15
Spliced Total Stock Market Index			4.46	14.70	21.00	14.50	15.44	13.80	13.64	Jun-15
Vanguard® Total Stock Market Index Fund Institutional Shares	9,473,013	21.59	4.45	14.69	21.00	14.50	15.43	13.79	13.63	Jun-15
Spliced Total Stock Market Index			4.46	14.70	21.00	14.50	15.44	13.80	13.64	Jun-15
Multi-Cap Core Funds Average			4.29	14.19	16.36	11.01	12.42	11.01	10.41	Jun-15
Vanguard® Windsor™ Fund Admiral™ Shares	4,773,355	10.88	4.72	23.07	7.52	7.13	10.54	10.96	8.36	Jun-15
Russell 1000 Value			3.83	16.25	2.79	6.07	9.74	10.50	8.17	Jun-15
Multi-Cap Value Funds Average			4.21	17.78	1.97	4.12	8.60	8.88	6.69	Jun-15
Vanguard® PRIMECAP Fund Admiral™ Shares	4,763,545	10.86	5.22	14.19	17.32	13.73	16.12	15.10	14.94	Jun-15
Russell 1000 Growth			4.60	11.39	38.49	22.99	21.00	17.21	19.27	Jun-15
Multi-Cap Growth Funds Average			4.82	14.59	39.96	21.45	18.50	14.55	16.25	Jun-15
Equity International	12,794,810	29.16	6.38	19.90	21.65	8.98	12.07	--	9.01	Jun-15
Spliced Total International Stock Index			5.58	17.21	11.24	4.98	9.07	5.18	6.44	Jun-15
Vanguard® Total International Stock Index Fund Inst Shares	6,394,467	14.57	5.82	16.89	11.28	5.01	9.11	5.15	6.37	Jun-15
Spliced Total International Stock Index			5.58	17.21	11.24	4.98	9.07	5.18	6.44	Jun-15
International Funds Average			5.44	15.84	12.12	5.20	8.21	5.39	6.06	Jun-15
Vanguard® International Growth Fund Admiral™ Shares	3,211,201	7.32	6.49	22.26	59.74	22.45	21.77	12.39	18.08	Jun-15
Spliced International Index			5.41	17.01	10.65	4.88	8.93	4.92	6.18	Jun-15
International Funds Average			5.44	15.84	12.12	5.20	8.21	5.39	6.06	Jun-15
Vanguard® International Value Fund	3,189,142	7.27	7.36	23.57	8.99	3.90	8.43	5.08	5.32	Jun-15
Spliced International Index			5.41	17.01	10.65	4.88	8.93	4.92	6.18	Jun-15
International Funds Average			5.44	15.84	12.12	5.20	8.21	5.39	6.06	Jun-15
Total Fixed Income	9,477,369	21.60	0.35	1.10	7.30	5.48	4.59	--	4.34	Jun-15
Fixed Income Domestic	7,117,719	16.22	0.35	1.13	8.23	5.60	4.64	--	4.32	Jun-15
Spliced Bloomberg Barclays US Aggregate Float Adjusted Index			0.13	0.71	7.75	5.44	4.53	3.89	4.22	Jun-15

Performance Summary (Gross of Advisory Fees) ending December 31, 2020

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Vanguard® Total Bond Market Index Fund Admiral™ Shares	3,555,108	8.10	0.16	0.67	7.72	5.40	4.46	3.80	4.15	Jun-15
Spliced Bloomberg Barclays US Aggregate Float Adjusted Index			0.13	0.71	7.75	5.44	4.53	3.89	4.22	Jun-15
Spliced Intermediate-Term Investment-Grade Debt Funds Average			0.37	1.45	8.22	5.32	4.51	3.85	4.07	Jun-15
Vanguard® Inter-Term Investment-Grade Fund Adm™ Shares	2,390,749	5.45	0.63	1.89	10.42	6.68	5.64	5.10	5.29	Jun-15
BBgBarc US Credit 5-10 Yr TR			0.63	2.28	9.49	7.08	6.40	5.69	5.84	Jun-15
Spliced Core Bond Funds Average			0.37	1.45	8.22	5.32	4.51	3.85	4.07	Jun-15
Vanguard® Short-Term Investment-Grade Fund Adm™ Shares	1,171,862	2.67	0.36	0.98	5.25	4.00	3.38	2.76	3.10	Jun-15
BBgBarc US Credit 1-5 Yr TR			0.34	0.95	5.19	4.27	3.54	3.04	3.21	Jun-15
1-5 Year Investment-Grade Debt Funds Average			0.39	1.07	4.08	3.19	2.70	2.11	2.36	Jun-15
Fixed Income International	2,359,649	5.38	0.36	1.03	4.54	5.08	4.45	--	4.40	Jun-15
Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged			0.36	1.08	4.75	5.30	4.67	--	4.63	Jun-15
Vanguard® Total International Bond Index Fund Adm™ Shares	2,359,649	5.38	0.36	1.03	4.54	5.08	4.45	--	4.40	Jun-15
Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Hedged			0.36	1.08	4.75	5.30	4.67	--	4.63	Jun-15
International Income Funds Average			1.75	4.31	5.99	3.45	4.31	2.32	3.50	Jun-15
Total Real Estate	2,594,844	5.91	2.78	9.26	-4.65	4.96	5.66	--	6.82	Jun-15
Real Estate Domestic	2,594,844	5.91	2.78	9.26	-4.65	4.96	5.66	--	6.82	Jun-15
Real Estate Spliced Index			2.79	9.28	-4.55	5.05	5.75	8.77	6.93	Jun-15
Vanguard® Real Estate Index Fund Admiral™ Shares	2,594,844	5.91	2.78	9.26	-4.65	4.96	5.65	8.68	6.82	Jun-15
Real Estate Spliced Index			2.79	9.28	-4.55	5.05	5.75	8.77	6.93	Jun-15
Real Estate Funds Average			3.25	9.88	-3.81	4.50	5.25	8.05	6.18	Jun-15

Total Portfolio Performance



Gross of Advisory Fee returns reflect the deduction of fund expense ratios and any other security-level expenses.

Net of Fee returns reflect the deduction of fund expense ratios, any purchase or redemption fees, and VIAS advisory fee applied to the client portfolio.

Returns greater than one year represent annualized returns. Returns less than one year represent cumulative returns.

Cash Flow Summary

	Last Month	Last Three Months	Year-To-Date	One Year
Beginning Market Value	\$42,696,290	\$39,253,650	\$39,302,262	\$39,302,262
Net Cash Flow	-\$575,363	-\$624,021	-\$1,483,727	-\$1,483,727
Capital Appreciation	\$1,439,879	\$4,902,121	\$5,308,982	\$5,308,982
Income	\$316,129	\$345,185	\$749,418	\$749,418
Ending Market Value	\$43,876,936	\$43,876,936	\$43,876,936	\$43,876,936

Month Ending December 31, 2020

	Beginning Market Value	Net Cash Flow	Capital Appreciation	Income	Ending Market Value
Vanguard® Inter-Term Investment-Grade Fund Adm™ Shares	\$2,375,986	\$0	\$9,509	\$5,255	\$2,390,749
Vanguard® International Growth Fund Admiral™ Shares	\$3,065,552	-\$53,562	\$189,321	\$9,889	\$3,211,201
Vanguard® International Value Fund	\$3,158,231	-\$202,188	\$180,485	\$52,612	\$3,189,142
Vanguard® PRIMECAP Fund Admiral™ Shares	\$4,528,182	-\$1,129	\$188,156	\$48,335	\$4,763,545
Vanguard® Real Estate Index Fund Admiral™ Shares	\$2,524,693	\$0	\$29,944	\$40,207	\$2,594,844
Vanguard® Short-Term Investment-Grade Fund Adm™ Shares	\$1,167,676	\$0	\$2,121	\$2,065	\$1,171,862
Vanguard® Total Bond Market Index Fund Admiral™ Shares	\$3,549,506	\$0	-\$330	\$5,932	\$3,555,108
Vanguard® Total International Bond Index Fund Adm™ Shares	\$2,351,215	\$0	\$6,623	\$1,812	\$2,359,649
Vanguard® Total International Stock Index Fund Inst Shares	\$6,109,675	-\$71,057	\$293,303	\$62,547	\$6,394,467
Vanguard® Total Stock Market Index Fund Institutional Shares	\$9,069,263	\$0	\$365,872	\$37,878	\$9,473,013
Vanguard® Windsor™ Fund Admiral™ Shares	\$4,796,309	-\$247,427	\$174,876	\$49,596	\$4,773,355
Total	\$42,696,290	-\$575,363	\$1,439,879	\$316,129	\$43,876,936

Episcopal Foundation of Dallas - Aggregated Performance Summary								
as-of December 31, 2020								
	Market Value*	Portfolio Allocation	Three-Month	Year-to-Date	One-Year	Three-Year	Five-Year	Since Inception
Vanguard	\$43,876,936	100.00%	13.37%	15.04%	15.04%	9.59%	11.00%	9.44%
Vanguard Composite Benchmark			11.70%	13.85%	13.85%	9.43%	10.70%	9.23%
Aggregate Portfolio (net of EFD fee)*	\$43,876,936	100.00%	13.22%	14.44%	14.44%	9.05%	10.43%	8.82%
Aggregate Composite Benchmark*			11.70%	13.85%	13.85%	9.43%	10.89%	9.56%
<p>Notes: Return data achieved before February 2016 provided by client. All returns are net of fund-level fees and the Vanguard advisory fee. Aggregate portfolio returns are net of the EFD administrative fee. Vanguard Composite provides a comparison for Vanguard portfolio return and constitutes 42% Spliced Total Stock Market Index/28% Spliced Total International Stock Index/18% Spliced Barclays U.S. Agg Flt-Adj. Index/6% Barclays GA ex-USD Flt-Adj. RIC Capped Index Hedged/6% REIT Spliced Index and has been calculated as-of December 31, 2020. Performance effective date for Vanguard Composite as-of December 31, 2015. Aggregate Composite provides a comparison for Episcopal Foundation of Dallas portfolio and constitutes a weighted average of the Vanguard Composite and HFRI Fund of Funds Composite. Since inception date is January 1, 2010.</p> <p>*Aggregate portfolio performance and Aggregate composite performance include hedge fund and HFRI performance, respectively, through February 29, 2016 for the Five-Year and Since Inception time periods.</p>								

Fees and Expenses

VIAS management fee structure

VIAS charges a management fee based on assets under management

Annual fee schedule

Asset level	Management fee
First \$10 million	0.15%
Next \$10 million	0.12%
Next \$30 million	0.08%

Total estimated expenses

Assets under management	Fee %	\$43.9 million
Management fee	0.105%	\$46,102
Fund expenses*	0.151%	\$66,254
Commingled funds/partnership expense	0.00%	\$0
Incentive fees	0.00%	\$0
Custodial fees	0.00%	\$0
Additional travel fees	0.00%	\$0
Total all-in fee	0.256%	\$112,356

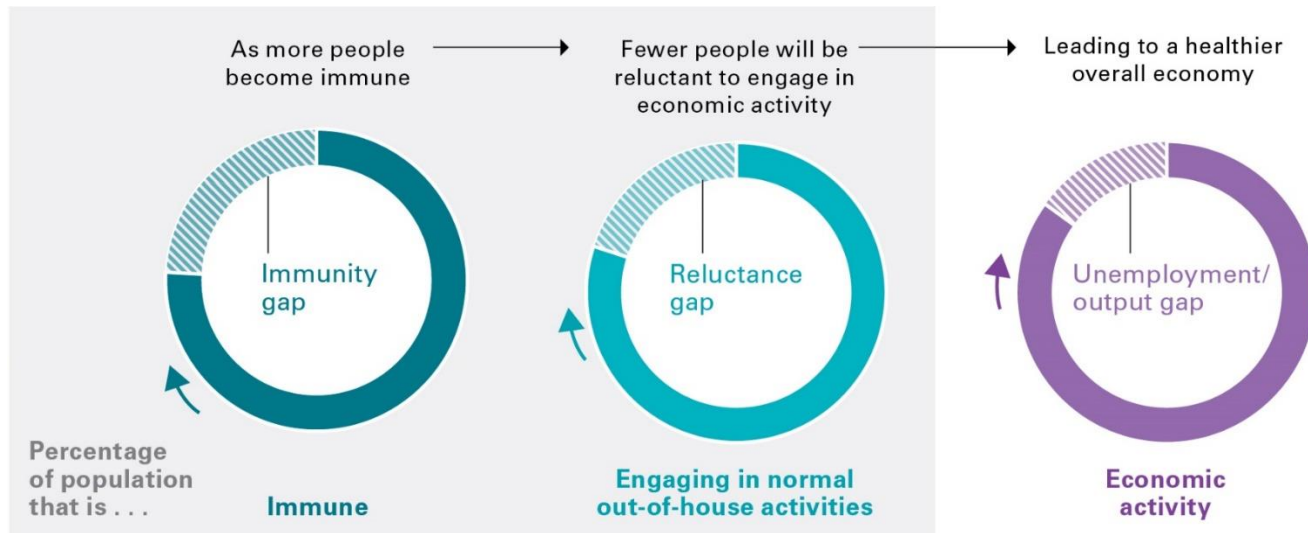
* These costs are estimated. Actual weighted annual expense ratio is determined by the actual funds chosen for the portfolio. Importantly, there are no sales commissions or 12b-1 fees for Vanguard funds. The cost of our investment management services (i.e., custodial fees, manager costs, trading costs) are reflected in the expense ratios of our funds and are deducted from each fund's earnings before they are distributed to shareholders. Vanguard is committed to maintaining operating expenses at the lowest possible level, without sacrificing premier quality service.

Investment Expense Analysis as of December 31, 2020

Name	Market Value	% of Portfolio	Expense Ratio
Total Equity	\$31,804,723	72.5%	
Equity Domestic	\$19,009,913	43.3%	
Vanguard® Total Stock Market Index Fund Institutional Shares	\$9,473,013	21.6%	0.030%
Vanguard® Windsor™ Fund Admiral™ Shares	\$4,773,355	10.9%	0.200%
Vanguard® PRIMECAP Fund Admiral™ Shares	\$4,763,545	10.9%	0.310%
Equity International	\$12,794,810	29.2%	
Vanguard® International Value Fund	\$3,189,142	7.3%	0.380%
Vanguard® International Growth Fund Admiral™ Shares	\$3,211,201	7.3%	0.330%
Vanguard® Total International Stock Index Fund Inst Shares	\$6,394,467	14.6%	0.080%
Total Fixed Income	\$9,477,369	21.6%	
Fixed Income Domestic	\$7,117,719	16.2%	
Vanguard® Short-Term Investment-Grade Fund Adm™ Shares	\$1,171,862	2.7%	0.100%
Vanguard® Total Bond Market Index Fund Admiral™ Shares	\$3,555,108	8.1%	0.050%
Vanguard® Inter-Term Investment-Grade Fund Adm™ Shares	\$2,390,749	5.4%	0.100%
Fixed Income International	\$2,359,649	5.4%	
Vanguard® Total International Bond Index Fund Adm™ Shares	\$2,359,649	5.4%	0.110%
Total Real Estate	\$2,594,844	5.9%	
Real Estate Domestic	\$2,594,844	5.9%	
Vanguard® Real Estate Index Fund Admiral™ Shares	\$2,594,844	5.9%	0.120%
Total	\$43,876,936	100.0%	0.151%

Economic and Market Outlook

Health outcomes drive consumer behavior and, in turn, recovery



Source: Vanguard.

Notes: The immunity gap is the proportion of the population that remains susceptible to COVID-19, and it's calculated as the difference between herd immunity threshold (around 65% of the population) and the percentage of population with acquired immunity. The reluctance gap is the proportion of the population that continues to refrain from normal out-of-house activities in fear of catching the virus. This is directly related to the immunity gap. The higher the immunity gap, the higher the proportion of the population that is fearful of engaging in normal activities. The unemployment/output gap is the gap between what economic activity was before COVID-19 and what economic activity is today. That is directly related to the reluctance gap. The bigger the reluctance gap, the lower economic activity is. That translates to a bigger economic activity gap and a bigger output gap.

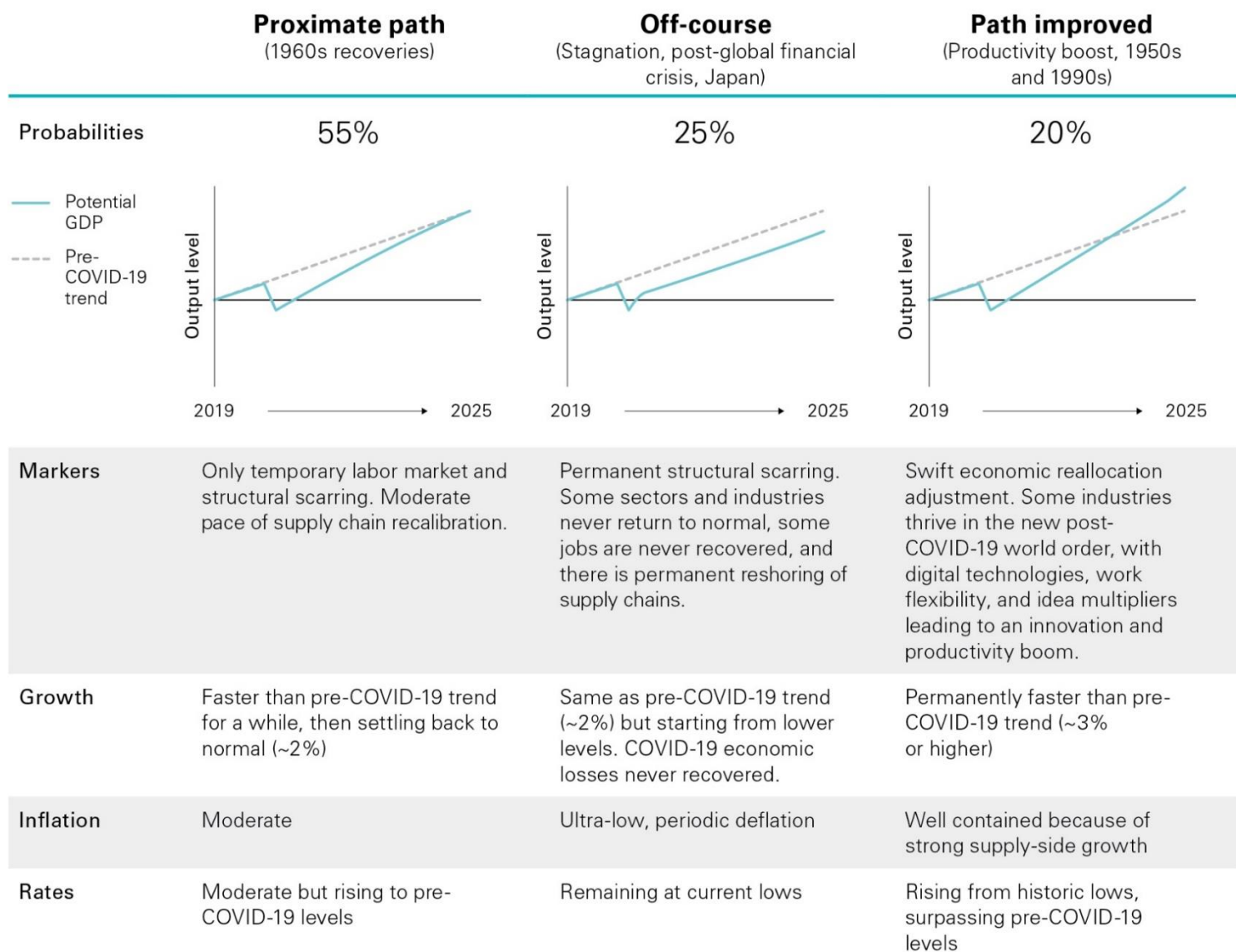
Economic scenarios for 2021

Vanguard assessment of risks			
	Downside risk	Base case	Upside surprise
	10%	60%	30%
Immunity gap	Little progress on infection immunity by end of 2021	Major economies achieve infection immunity by end of 2021	Major economies achieve infection immunity by mid-2021
Reluctance gap	Social and business activity hampered through 2021	Social and business activity normalizes by the second half of 2021	Social and business activity normalizes in the first half of 2021
Economic recovery	<p>Labor market scarring possible given persistently high and long-term unemployment</p> <p>Inflation persistently below target</p> <p>Pre-pandemic level of output not achieved in 2021</p>	<p>Unemployment rate falls through year-end 2021</p> <p>Inflation moves toward target in 2021</p> <p>Pre-pandemic level of output reached by end of 2021</p>	<p>Unemployment rate falls and full employment is achieved by end of 2021</p> <p>Inflation overshoots in 2021</p> <p>Pre-pandemic level of output reached mid-2021</p>

Source: Vanguard, as of November 30, 2020.

Note: The odds for each scenario are based on the assessment of members of Vanguard's Global Economics and Capital Markets Outlook Team.

Post-COVID secular states of the world



Source: Vanguard, as of November 30, 2020.

Vanguard February 2021 market and economic outlook at a glance

Key takeaways:

- The vaccination rollout reaffirms our outlook for U.S. GDP growth above 5% in 2021.
- Vanguard's outlook for U.S. monetary policy remains dovish even amid discussions around additional fiscal stimulus.
- Vanguard doesn't foresee a prolonged period of job losses.
- We expect some inflation volatility in the near- to-medium term but anticipate inflation will trend lower in the second half of the year.

Asset-class return outlooks

Our 10-year, annualized, nominal return projections, as of September 30, 2020, are shown below. Please note that the figures are based on a 1.0-point range around the rounded 50th percentile of the distribution of return outcomes for equities and a 0.5-point range around the rounded 50th percentile for fixed income.

Equities	Return projection	Median volatility
U.S. equities	3.7%–5.7%	16.9%
U.S. value	4.8%–6.8%	18.7%
U.S. growth	1.1%–3.1%	18.1%
U.S. large-cap	3.6%–5.6%	16.5%
U.S. small-cap	3.7%–5.7%	21.6%
U.S. real estate investment trusts	3.3%–5.3%	19.5%
Global equities ex-U.S. (unhedged)	7.0%–9.0%	18.6%

U.S. inflation	0.9%–1.9%	2.4%
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Fixed income	Return projection	Median volatility
U.S. aggregate bonds	0.7%–1.7%	4.0%
U.S. Treasury bonds	0.3%–1.3%	4.1%
U.S. credit bonds	1.3%–2.3%	5.6%
U.S. high-yield corporate bonds	2.7%–3.7%	10.3%
U.S. Treasury inflation-protected securities	0.4%–1.4%	6.3%
U.S. cash	0.6%–1.6%	0.9%
Global bonds ex-U.S. (hedged)	0.5%–1.5%	2.4%
Emerging market sovereign	2.3%–3.3%	10.5%

These probabilistic return assumptions depend on current market conditions and, as such, may change over time.

IMPORTANT: The projections or other information generated by the Vanguard Capital Markets Model® regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results.

Distribution of return outcomes from the VCMM are derived from 10,000 simulations for each modeled asset class. Simulations are as of September 30, 2020. Results from the model may vary with each use and over time. For more information, see Important information page.

Source: Vanguard Investment Strategy Group.

Vanguard February 2021 market and economic outlook at a glance



Region-by-region outlook

United States. Early-winter growth in COVID-19 cases hasn't materially changed Vanguard's assessment of economic prospects in the United States since publication of our 2021 economic outlook, though we're closely watching the timetable for vaccine rollout.

- In fact, despite an initially slow rollout, a more recent trend of daily vaccinations approaching 1 million reaffirms our outlook for GDP growth above 5% in 2021.
- Additional fiscal stimulus would introduce the potential for further upside to growth. Vanguard foresees fourth-quarter 2020 growth in the mid-to-high single digits, with high-frequency data supporting our view that the number could come in at the higher end.

Euro area. A surge in COVID-19 cases and resulting restrictions on economic activity has led Vanguard to temper our forecast for 2021 GDP in the euro area. We now expect the euro area economy to grow around 4.5% in 2021, lower than our 2021 forecast for growth around 5%.

- Differentiation in the region could be considerable, with Germany likely to experience the strongest hit to near-term growth owing to its tighter national lockdown measures.
- Nonetheless, we largely see this development as a delay in economic activity, with growth accelerating at a faster pace in the second half of the year than we had previously anticipated and our views unchanged that the euro area economy will reach its pre-pandemic level of growth toward the end of the year.

China. The economy in China grew by 2.3% in 2020, according to China's National Bureau of Statistics, the only full-year growth that any major economy is likely to register for the year.

- We don't foresee renewed COVID-19-related regional lockdown measures derailing growth for several reasons: The locked-down regions to date account for only about 1% of China's GDP, lockdowns in developed markets are likely to support China's exports, and the more uncertain environment will likely prevent the People's Bank of China from tightening monetary policy too quickly.
- Vanguard maintains its forecast for China's economy to grow around 9% in 2021 as elevated developed-market demand for goods persists through the first half, particularly with additional fiscal stimulus likely in the United States, and as China's domestic service sectors continue to recover.

Emerging markets. Vanguard foresees 2021 economic growth around 6% for emerging markets as effects of the pandemic and progress of vaccine rollout—sure to lag behind that of developed markets—remain central themes.

- The outlook for Latin America, under assault from COVID-19, is particularly pessimistic.
- Emerging markets will be watching developments in U.S.-China relations, which have implications for supply chains and trade-related growth.

Vanguard February 2021 market and economic outlook at a glance



Better news
ahead for jobs

Employment should improve in the U.S.

Vanguard doesn't foresee a prolonged period of job losses, with a return to job growth perhaps as early as January and average monthly job creation around 250,000 for all of 2021.

- Recent job losses were most prominent in the leisure and hospitality sectors amid renewed lockdown measures as virus cases surge.
- The U.S. jobs report for January is scheduled to be released Friday, February 5.



Monetary
policy remains
accommodative

No major changes likely for the Fed

Given our expectation for a slow recovery in demand amid pandemic containment efforts, Vanguard continues to expect monetary policy to remain loose into 2021, with risks skewed toward further easing.

Federal Reserve. Vanguard's outlook for U.S. monetary policy remains dovish even amid discussions around additional fiscal stimulus to counter effects of the COVID-19 pandemic.

- The Fed said its accommodative stance would continue "until substantial further progress has been made toward the Committee's maximum employment and price stability goals."
- Tapering of its bond-buying program is a long way off, the Fed chairman said, and when it eventually does occur it would come with plenty of advance notice.



Inflation volatility
ahead?

Look for U.S. inflation to trend lower in the second half

We expect some inflation volatility in the near-to-medium term as economic activity resumes and price comparisons with weak year-earlier numbers temporarily push inflation above the Federal Reserve's 2% target.

- We don't expect these cyclical effects to result in a sustained inflationary trend given structural forces including technology.
- We expect inflation will trend lower in the second half of the year, bringing our outlook for full-year inflation to a range of 1.6% to 1.8%.

Vanguard February 2021 market and economic outlook at a glance



Caution advised on cryptocurrencies

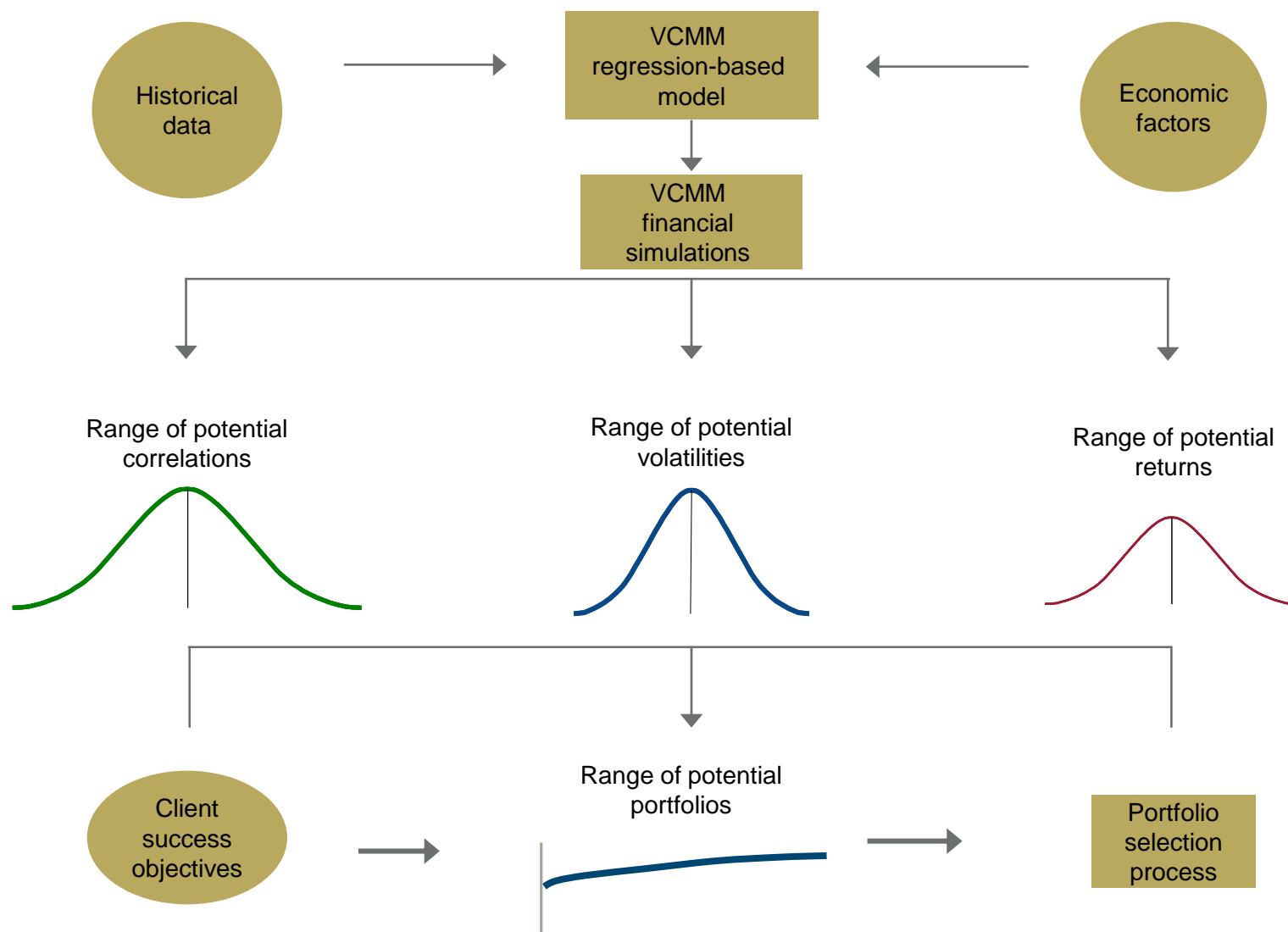
Why the investment case for cryptocurrencies is weak

The tremendous surge in the price of Bitcoin has attracted the attention of the news media and many investors, including some Vanguard clients.

- Unlike stocks and bonds, cryptocurrencies lack intrinsic economic value and generate no cash flows, such as interest payments or dividends, which can explain their prices.
- For investors, adding exposure to Bitcoin or another cryptocurrency to their portfolio would mean reducing their allocation to traditional asset classes, such as stocks, bonds, and cash, which Vanguard views as the building blocks of a prudent, well-balanced investment program.

Asset Allocation Study

Vanguard Capital Markets Model® (VCMM) Modeling should consider a range of outcomes



Analysis

Objective:

- Examine risk/reward trade-offs for different asset allocations

Time horizon:

- 30 years

Asset classes and frontier constraints:

- U.S. Equity
- Non-U.S. Equity: up to 50% of Total Equity
- U.S. Bonds
- Non-U.S. Bonds: up to 50% of Traditional Fixed Income
- Total Credit Bonds: up to 50% of Total Fixed Income

Note: The projections assume regular rebalancing and no alpha* or investment-related costs. A measure of performance on a risk-adjusted basis. Alpha takes the volatility of a mutual fund and compares its risk-adjusted performance to a benchmark performance. The excess return of the fund relative to the return of the benchmark index is a fund's alpha.

Efficient frontier analysis – 10 years

Asset classes	Target	75/25	Target w/ PE	80/20
U.S. Equity	42%	45%	42%	48%
Non U.S. Equity	28%	30%	28%	32%
U.S. Aggregate Bonds	9%	10%	9%	7.5%
Non U.S. Bonds	6%	6%	6%	5%
Total Credit Bonds	9%	9%	9%	7.5%
Private Equity	--	--	6%	--
Real Estate	6%	--	--	--

Median expected outcomes				
Nominal Returns	5.21%	5.25%	5.55%	5.46%
Real Returns	3.69%	3.73%	4.02%	3.93%
Volatility	12.03%	12.27%	12.20%	13.10%
Sharpe ratio	0.38	0.37	0.40	0.37
EQ/FI/Alts (%)	70/24/6	75/25	70/24/6	80/20

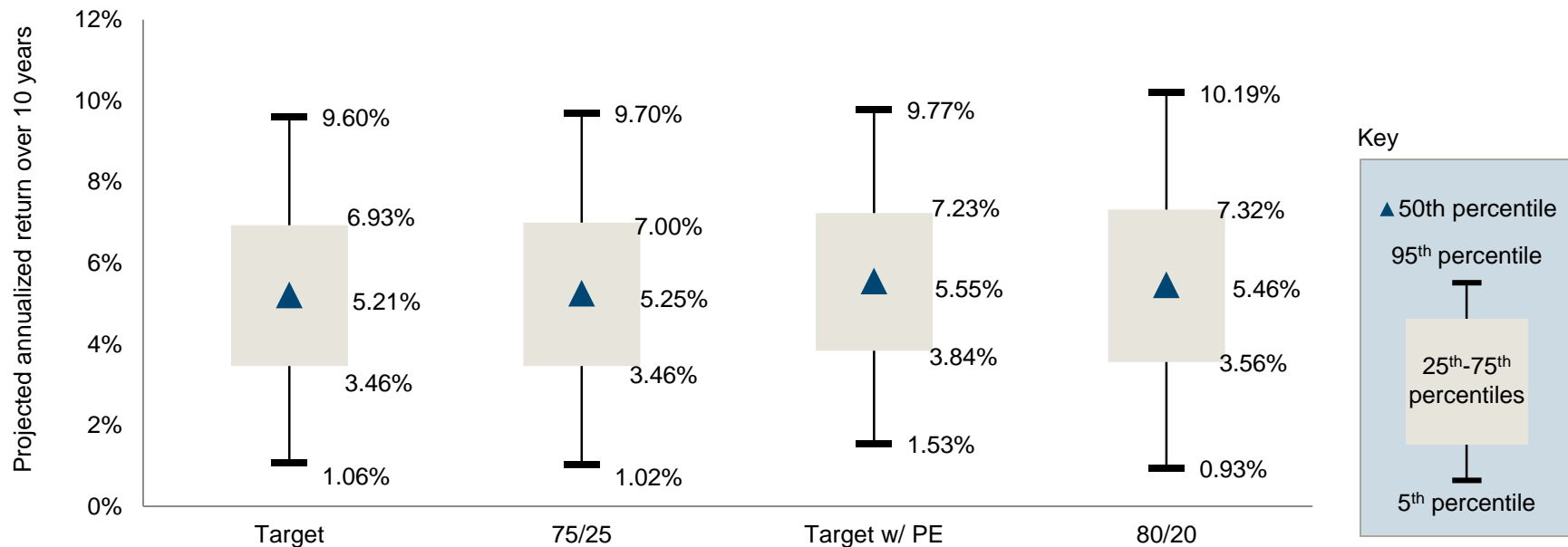
Note: Returns, real returns, and Sharpe ratio listed above represent the median value for 10,000 scenarios. The Sharpe ratio calculates return (or reward) per unit of risk; $(R_x - r_f) / \sigma_{(x-r)}$; R_f = cash. The risk-free rate is based on VCMM's projections for cash.

Source: Vanguard, Investment Strategy Group.

IMPORTANT: The projections or other information generated by the Vanguard Capital Markets Model®(VCMM) regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Distribution of return outcomes from VCMM derived from 10,000 simulations for U.S. equity returns and fixed income returns. Simulations as of June 30, 2020. Results from the model may vary with each use and over time. For more information on VCMM, see the Important Information slide.

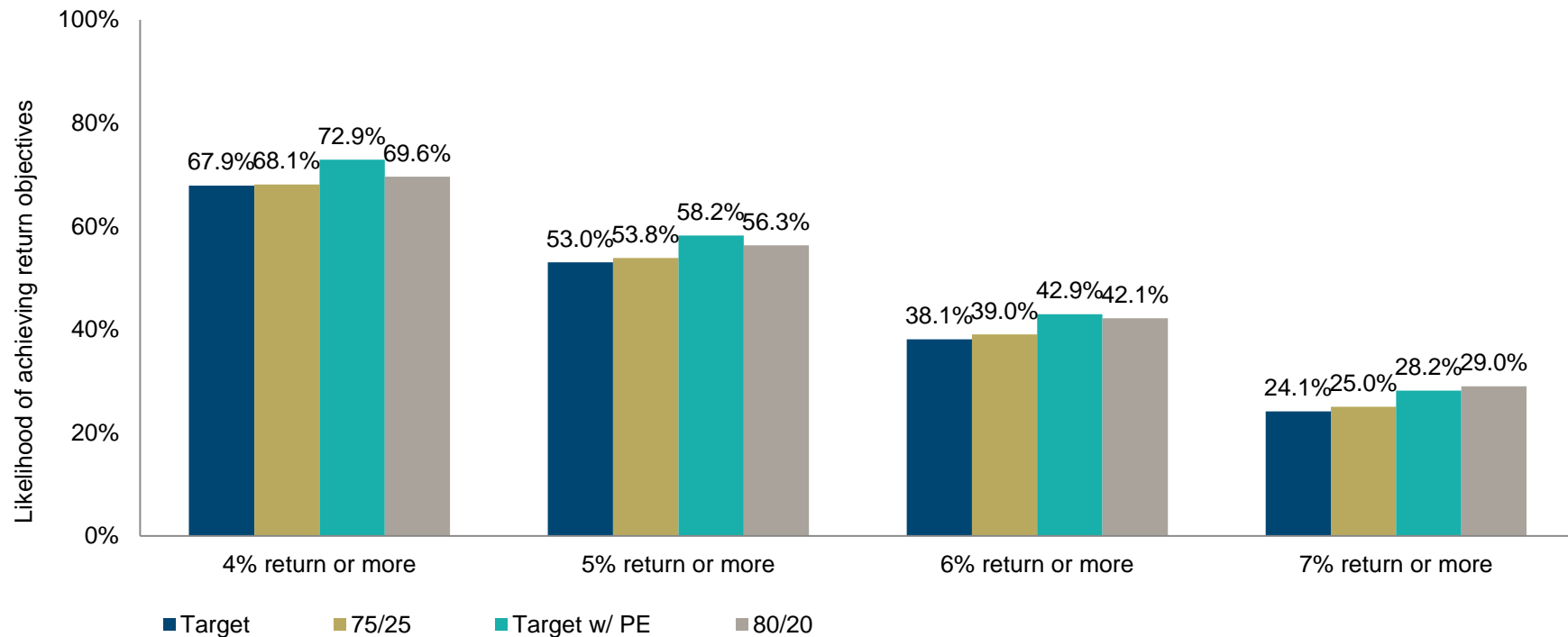
Portfolio nominal return analysis – 10 years

- The target portfolio has a narrower range of projected returns with lower projected volatility as it has the lowest exposure to equities
- Conversely, the other portfolios have a wider range of projected returns and higher projected volatility due to the portfolio's higher equity exposure



Asset return goals in nominal terms – 10 years

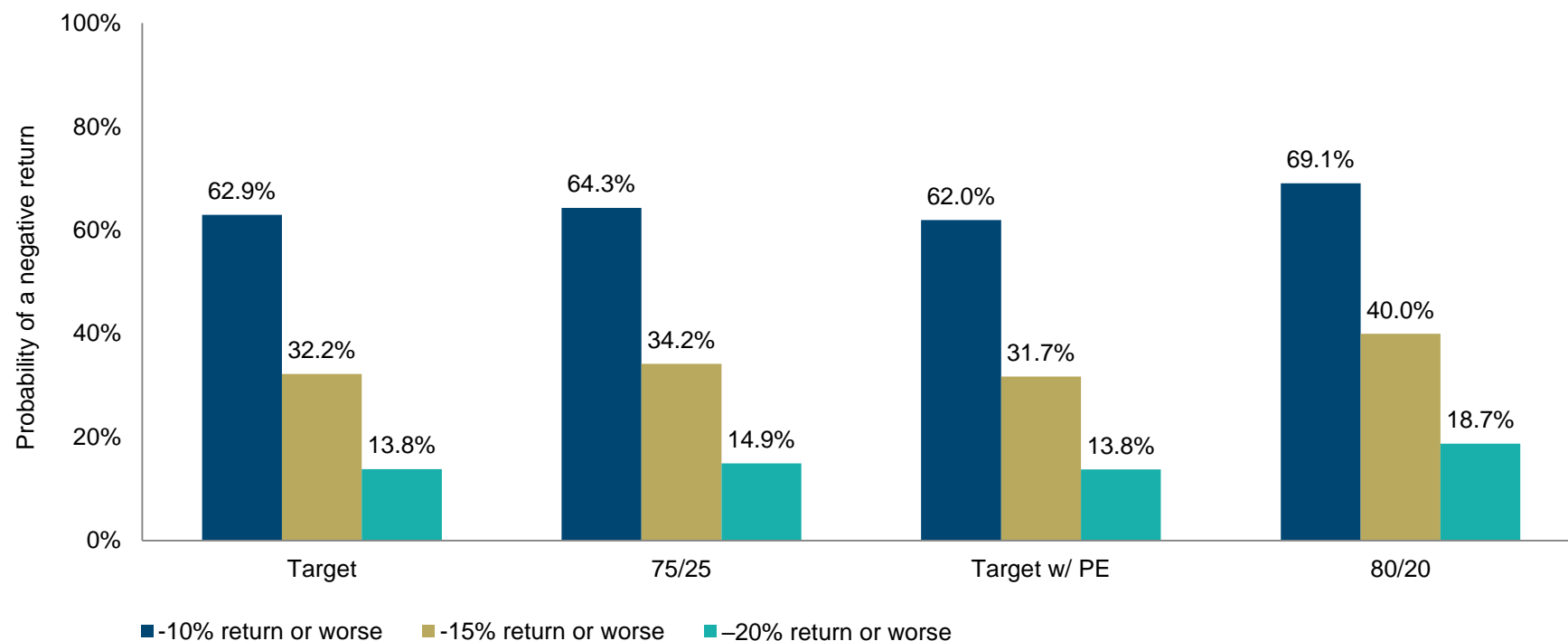
- Below, several return objectives are examined to demonstrate the ability to consistently meet a target rate of return; the probabilities of achieving a designated return objective increase with the level of equity exposure



Note: Probability percentages are based on projected returns after inflation.

Downside risk in nominal terms – 10 years

- In any single year, there is a reasonably high probability that the portfolio realizes a flat return; the probability of a negative return increases with higher equity exposure



Note: This graph shows the probability of a negative return (in any 1 year out of the next 10 years). Probability percentages are based on projected returns before inflation.

Efficient frontier analysis – 30 years

Asset classes	Target	75/25	Target w/ PE	80/20
U.S. Equity	42%	45%	42%	48%
Non U.S. Equity	28%	30%	28%	32%
U.S. Aggregate Bonds	9%	10%	9%	7.5%
Non U.S. Bonds	6%	6%	6%	5%
Total Credit Bonds	9%	9%	9%	7.5%
Private Equity	--	--	6%	--
Real Estate	6%	--	--	--

Median expected outcomes				
Nominal Returns	6.61%	6.65%	6.96%	6.84%
Real Returns	4.85%	4.89%	5.18%	5.07%
Volatility	12.49%	12.73%	12.62%	13.59%
Sharpe ratio	0.39	0.38	0.41	0.38
EQ/FI/Alts (%)	70/24/6	75/25	70/24/6	80/20

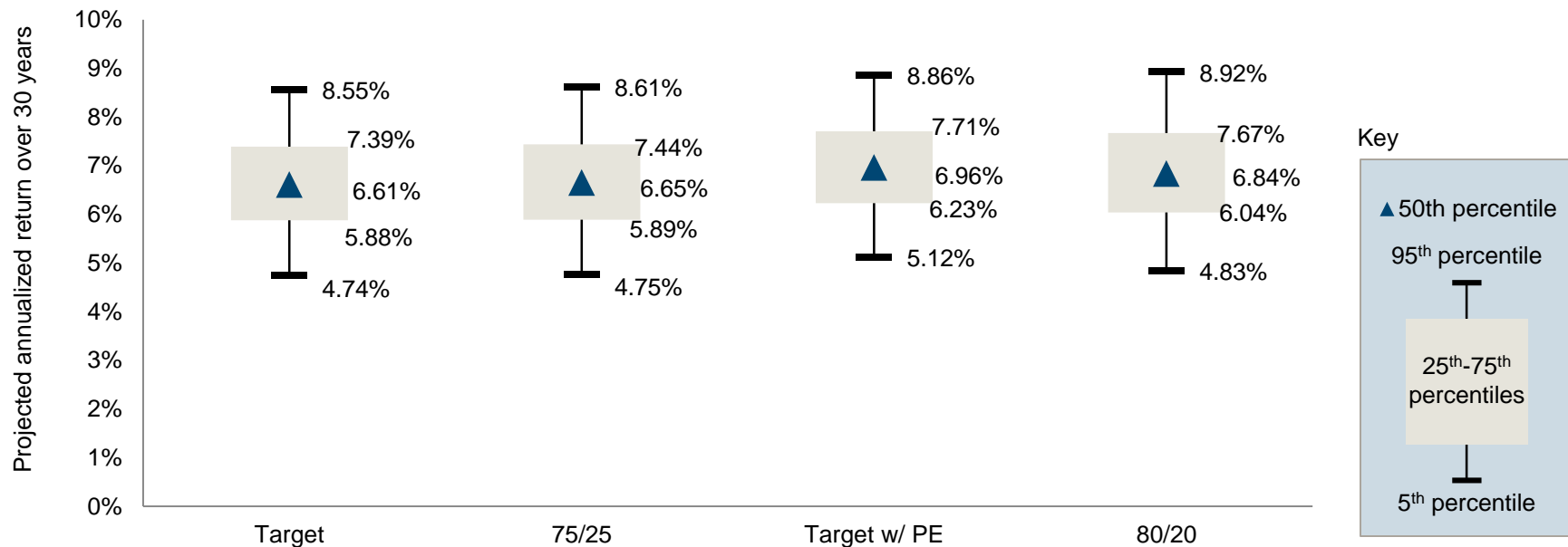
Note: Returns, real returns, and Sharpe ratio listed above represent the median value for 10,000 scenarios. The Sharpe ratio calculates return (or reward) per unit of risk; $(R_x - r_f) / \sigma_{(x-r)}$; R_f = cash. The risk-free rate is based on VCMM's projections for cash.

Source: Vanguard, Investment Strategy Group.

IMPORTANT: The projections or other information generated by the Vanguard Capital Markets Model®(VCMM) regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Distribution of return outcomes from VCMM derived from 10,000 simulations for U.S. equity returns and fixed income returns. Simulations as of September 30, 2020. Results from the model may vary with each use and over time. For more information on VCMM, see the Important Information slide.

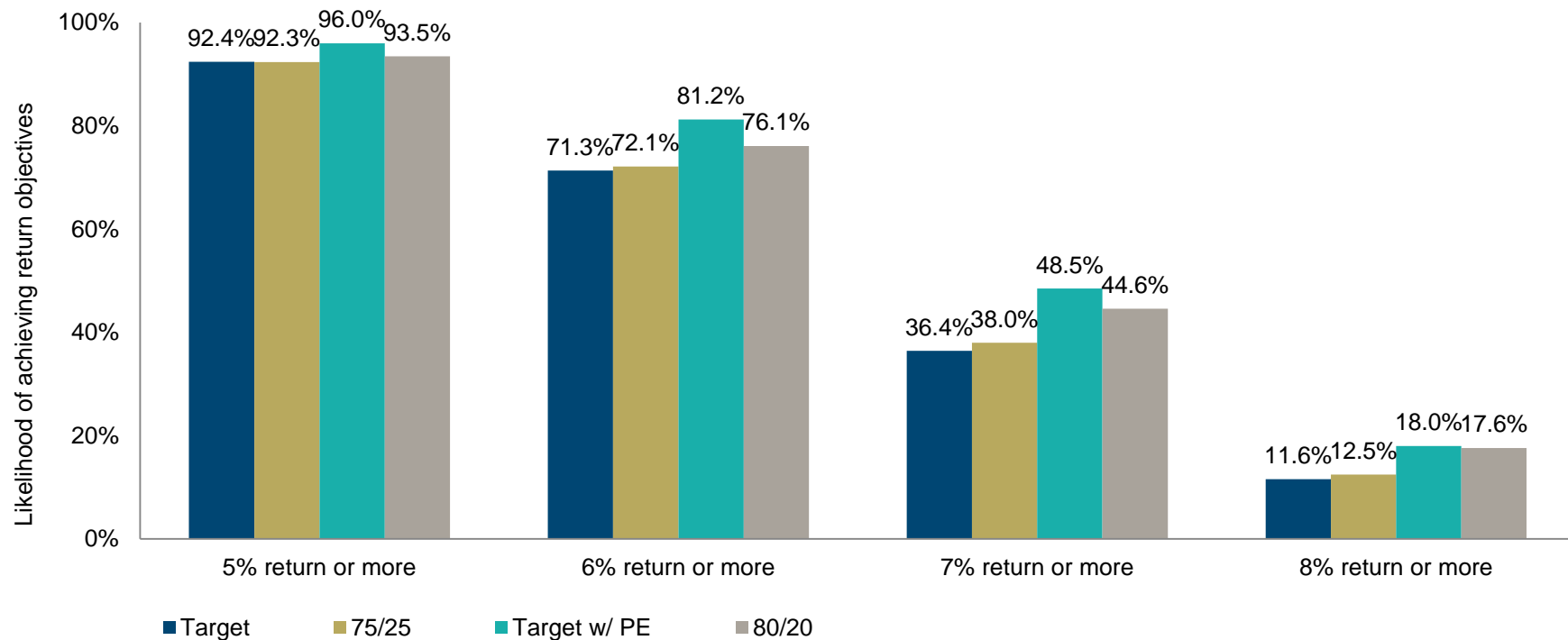
Portfolio nominal return analysis – 30 years

- The target portfolio has a narrower range of projected returns with lower projected volatility as it has the lowest exposure to equities
- Conversely, the other portfolios have a wider range of projected returns and higher projected volatility due to the portfolio's higher equity exposure



Asset return goals in nominal terms – 30 years

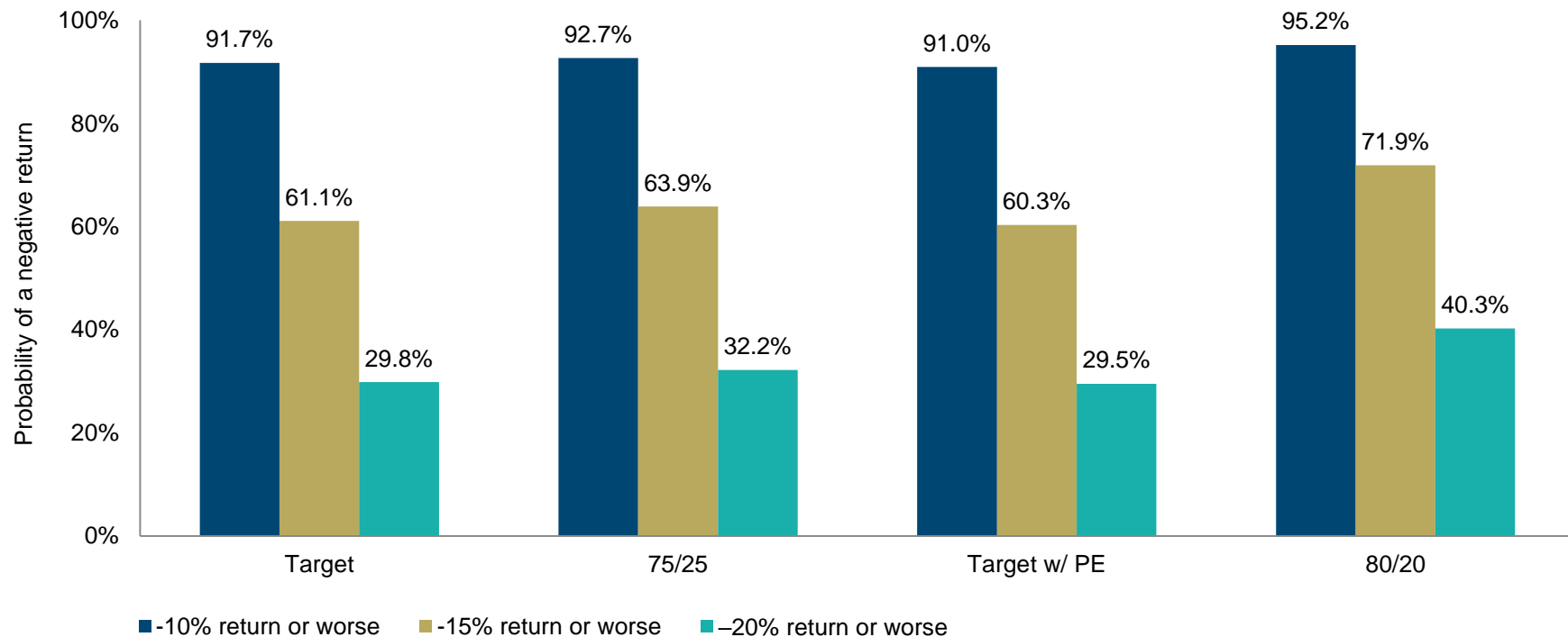
- Below, several return objectives are examined to demonstrate the ability to consistently meet a target rate of return; the probabilities of achieving a designated return objective increase with the level of equity exposure



Note: Probability percentages are based on projected returns after inflation.

Downside risk in terms – 30 years

- In any single year, there is a reasonably high probability that the portfolio realizes a flat return; the probability of a negative return increases with higher equity exposure



Note: This graph shows the probability of a negative return (in any 1 year out of the next 30 years). Probability percentages are based on projected returns before inflation.

Appendix

Vanguard Real Estate Index Fund (VGSLX)

Investment approach

- Seeks to track the performance of the MSCI US Investable Market Real Estate 25/50 Index.
- Equity real estate investment trusts.
- Passively managed, full-replication approach.
- Low expenses minimize net tracking error.

Key facts

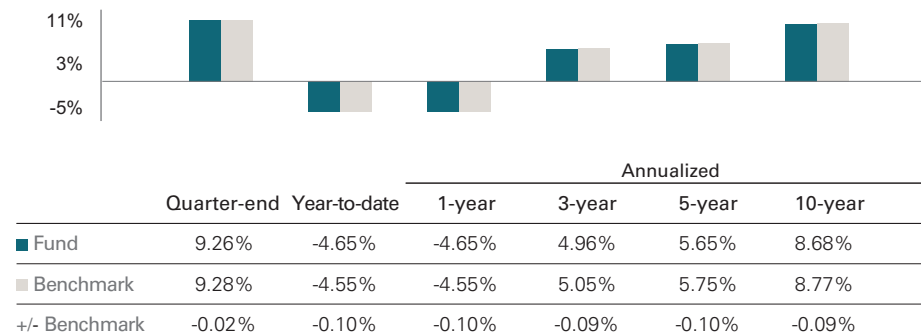
Expense ratio as of 05/29/2020	12 bps
As reported in the most recent prospectus.	
Designation	Sector/specialized
Fund inception date	05/13/1996
Admiral™ Shares inception date	11/12/2001
Total net assets as of 12/31/2020 (\$M)	\$60,606
Net fund assets for VGSLX as of 12/31/2020 (\$M)	\$19,823
Holdings	176
Indexed to	MSCI US Investable Market Real Estate 25/50 Index (M2CXVGD)
Turnover rate (fiscal year-end 01/31/2020)	5.8%
CUSIP	921908877
Investment manager	Vanguard Equity Index Group

Risk and volatility

	R ²	Beta
Primary benchmark	1.00	1.00
Broad-based benchmark	0.61	0.75

R-squared and beta are calculated from trailing 36-month fund returns relative to the associated benchmark.
Broad-based benchmark: Dow Jones U.S. Total Stock Market Float Adjusted Index.

Performance



Real Estate 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 February 1, 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.

Performance versus competitors

Percentage of Real Estate Funds outperformed by VGSLX



Source: Lipper, a Thomson Reuters Company. Based on total returns as of December 31, 2020. Number of funds in category: 1-year, 224; 3-year, 208; 5-year, 183; 10-year, 132. Only funds with a minimum one-, three-, five-, or ten-year history, respectively, were included in the comparison. Results will vary for other time periods.

The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.

The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Vanguard Total Stock Market Index Fund (VITSX)

Investment approach

- Seeks to track the performance of the CRSP US Total Market Index.
- Large, mid-, and small-cap equity diversified across growth and value styles.
- Passively managed, using index sampling.
- Fund remains fully invested.
- Low expenses minimize net tracking error.

Share of U.S. stock market (%)



100% CRSP US Total Market Index

As measured by the MSCI US Broad Market Index.

Key facts

Expense ratio as of 04/28/2020 3 bps

As reported in the most recent prospectus.

Designation Domestic large-cap blend

Fund inception date 04/27/1992

Institutional Shares inception date 07/07/1997

Total net assets as of 12/31/2020 (\$M) \$1,080,711

Net fund assets for VITSX as of 12/31/2020 (\$M) \$180,586

Holdings 3,634

Indexed to CRSP US Total Market Index (CRSPTMT)

Turnover rate (fiscal year-end 12/31/2020) 5.2%

CUSIP 922908801

Investment manager Vanguard Equity Index Group

Risk and volatility

	R ²	Beta
Primary benchmark	1.00	1.00
Broad-based benchmark	1.00	1.00

R-squared and beta are calculated from trailing 36-month fund returns relative to the associated benchmark. Broad-based benchmark: Dow Jones U.S. Total Stock Market Float Adjusted Index.

Performance



	Quarter-end	Year-to-date	Annualized			
			1-year	3-year	5-year	10-year
Fund	14.69%	21.00%	21.00%	14.50%	15.43%	13.79%
Benchmark	14.70%	20.99%	20.99%	14.50%	15.44%	13.80%
+/- Benchmark	-0.01%	0.01%	0.01%	0.00%	-0.01%	-0.01%

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.

Performance versus competitors

Percentage of Multi-Cap Core Funds outperformed by VITSX



Source: Lipper, a Thomson Reuters Company. Based on total returns as of December 31, 2020. Number of funds in category: 1-year, 588; 3-year, 541; 5-year, 481; 10-year, 342. Only funds with a minimum one-, three-, five-, or ten-year history, respectively, were included in the comparison. Results will vary for other time periods.

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Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

All data as of December 31, 2020, unless otherwise noted.

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Vanguard U.S. Growth Fund (VWUAX)

Investment approach

- Large-cap growth equity.
- Seeks long-term capital appreciation.
- Multi-manager structure.
- Fundamental stock selection.

Fund advisors



27%	Jennison Associates LLC
25%	Wellington Management Company LLP
20%	Baillie Gifford Overseas Ltd.
13%	Jackson Square Partners, LLC
13%	Vanguard Quantitative Equity Group
2%	Cash investments

Key facts

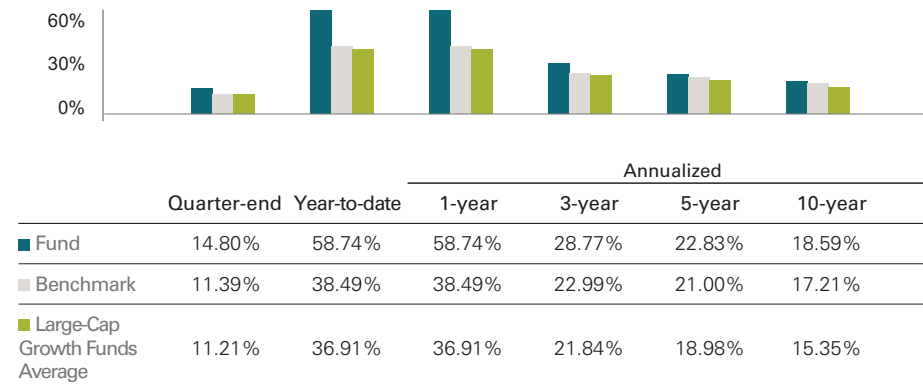
Expense ratio as of 12/22/2020	28 bps
As reported in the most recent prospectus.	
Designation	Domestic large-cap growth
Fund inception date	01/06/1959
Admiral™ Shares inception date	08/13/2001
Total net assets as of 12/31/2020 (\$M)	\$45,149
Net fund assets for VWUAX as of 12/31/2020 (\$M)	\$33,419
Holdings	256
Benchmarked to	Russell 1000 Growth Index (RU10GRTR)
Turnover rate (fiscal year-end 08/31/2020)	37.5%
CUSIP	921910600

Risk and volatility

	R ²	Beta
Primary benchmark	0.98	1.09
Broad-based benchmark	0.92	1.07

R-squared and beta are calculated from trailing 36-month fund returns relative to the associated benchmark. Broad-based benchmark: Dow Jones U.S. Total Stock Market Float Adjusted Index.

Performance



Performance versus competitors

Percentage of Large-Cap Growth Funds outperformed by VWUAX



Source: Lipper, a Thomson Reuters Company. Based on total returns as of December 31, 2020. Number of funds in category: 1-year, 631; 3-year, 592; 5-year, 539; 10-year, 426. Only funds with a minimum one-, three-, five-, or ten-year history, respectively, were included in the comparison. Results will vary for other time periods.

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Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Vanguard Windsor™ II Fund (VWNAX)

Investment approach

- Large- and mid-cap value equity.
- Seeks long-term capital appreciation and income.
- Broadly diversified, multimanager structure.
- Fundamental and quantitative approaches.
- Emphasis on superior stock selection and controlled risk.

Fund advisors



36%	Lazard Asset Management LLC
22%	Hotchkis and Wiley Capital Management, LLC
22%	Sanders Capital, LLC
20%	Aristotle Capital Management
0%	Cash investments

Key facts

Expense ratio as of 02/27/2020	26 bps
As reported in the most recent prospectus.	
Designation	Domestic large-cap value
Fund inception date	06/24/1985
Admiral™ Shares inception date	05/14/2001
Total net assets as of 12/31/2020 (\$M)	\$48,913
Net fund assets for VWNAX as of 12/31/2020 (\$M)	\$36,268
Holdings	184
Benchmarked to	Russell 1000 Value Index (RU10VATR)
Turnover rate (fiscal year-end 10/31/2020)	61.4%
CUSIP	922018304

Risk and volatility

	R ²	Beta
Primary benchmark	0.98	1.02
Broad-based benchmark	0.97	1.02

R-squared and beta are calculated from trailing 36-month fund returns relative to the associated benchmark. Broad-based benchmark: Dow Jones U.S. Total Stock Market Float Adjusted Index.

Performance



	Quarter-end	Year-to-date	Annualized			
			1-year	3-year	5-year	10-year
Fund	17.91%	14.53%	14.53%	10.61%	12.41%	11.75%
Benchmark	16.25%	2.80%	2.80%	6.07%	9.74%	10.50%
Large-Cap Value Funds Average	16.27%	3.58%	3.58%	6.00%	9.62%	9.66%

Performance versus competitors

Percentage of Large-Cap Value Funds outperformed by VWNAX



Source: Lipper, a Thomson Reuters Company. Based on total returns as of December 31, 2020. Number of funds in category: 1-year, 358; 3-year, 336; 5-year, 320; 10-year, 243. Only funds with a minimum one-, three-, five-, or ten-year history, respectively, were included in the comparison. Results will vary for other time periods.

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Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Important Information

For more information about any fund, visit institutional.vanguard.com or call 866-499-8473 to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information are contained in the prospectus; read and consider it carefully before investing.

Vanguard ETF® Shares are not redeemable with the issuing fund other than in very large aggregations worth millions of dollars. Instead, investors must buy or sell Vanguard ETF Shares in the secondary market and hold those shares in a brokerage account. In doing so, the investor may incur brokerage commissions and may pay more than net asset value when buying and receive less than net asset value when selling.

Mutual funds and all investments are subject to risk, including the possible loss of the money you invest. Prices of mid- and small-cap stocks often fluctuate more than those of large-company stocks. Investments in stocks or bonds issued by non-U.S. companies are subject to risks including country/regional risk and currency risk. These risks are especially high in emerging markets. Funds that concentrate on a relatively narrow sector face the risk of higher share-price volatility. It is possible that tax-managed funds will not meet their objective of being tax-efficient. Because company stock funds concentrate on a single stock, they are considered riskier than diversified stock funds.

Investments in bond funds are subject to the risk that an issuer will fail to make payments on time and that bond prices will decline because of rising interest rates or negative perceptions of an issuer's ability to make payments. High-yield bonds generally have medium- and lower-range credit quality ratings and are therefore subject to a higher level of credit risk than bonds with higher credit quality ratings. Although the income from a municipal bond fund is exempt from federal tax, you may owe taxes on any capital gains realized through the fund's trading or through your own redemption of shares. For some investors, a portion of the fund's income may be subject to state and local taxes, as well as to the federal Alternative Minimum Tax. Diversification does not ensure a profit or protect against a loss.

While U.S. Treasury or government agency securities provide substantial protection against credit risk, they do not protect investors against price changes due to changing interest rates. Unlike stocks and bonds, U.S. Treasury bills are guaranteed as to the timely payment of principal and interest.

Investments in Target Retirement Funds or Trusts are subject to the risks of their underlying funds. The year in the fund name refers to the approximate year (the target date) when an investor in the fund or trust would retire and leave the workforce. The fund or trust will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in the Target Retirement Fund or Trust is not guaranteed at any time, including on or after the target date.

Each LifeStrategy Fund invests in four broadly diversified Vanguard funds and is subject to the risks associated with those underlying funds.

Vanguard collective trusts are not mutual funds. They are collective trusts available only to tax-qualified plans and their eligible participants. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing. The collective trust mandates are managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc.

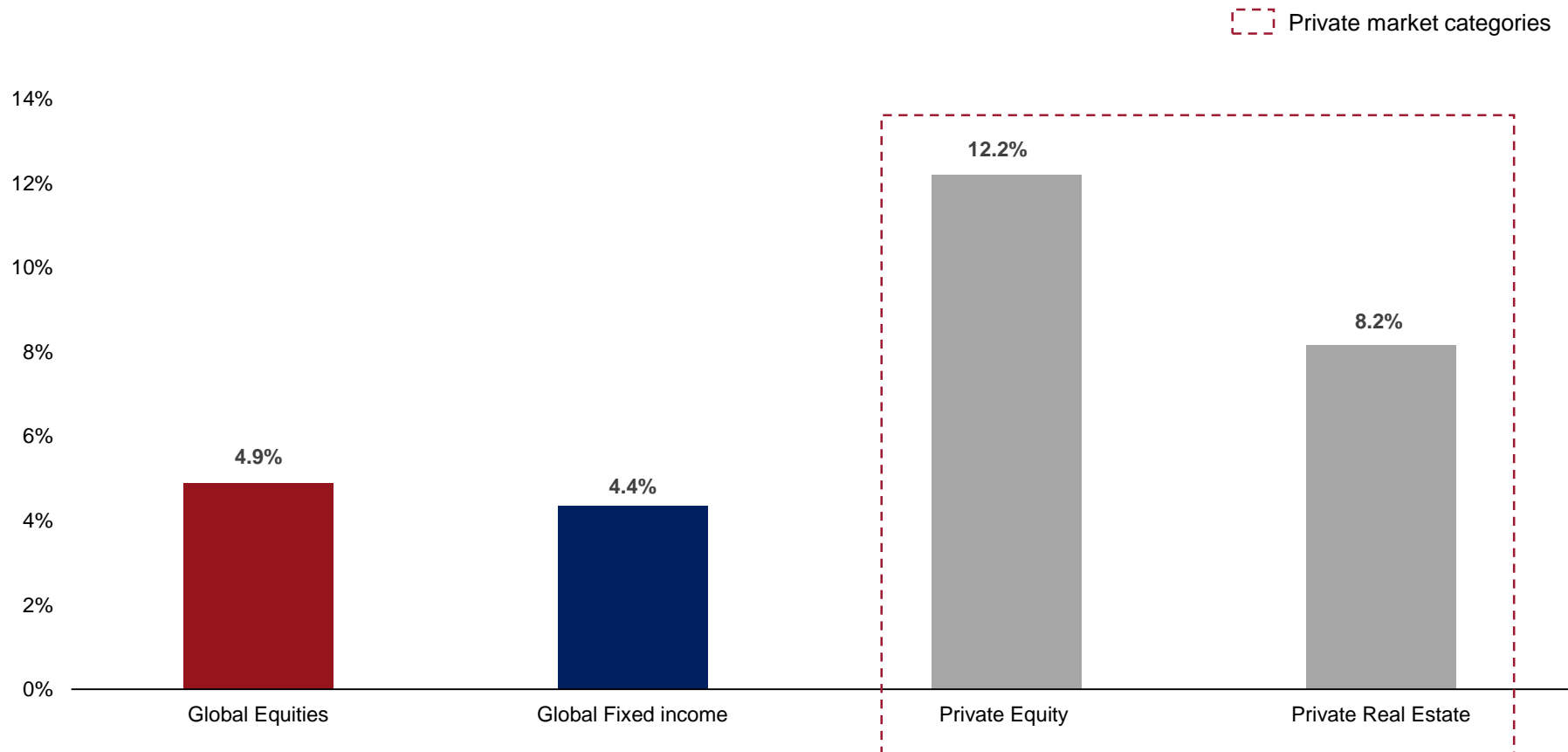
A stable value investment is neither insured nor guaranteed by the U.S. government. There is no assurance that the investment will be able to maintain a stable net asset value, and it is possible to lose money in such an investment.

The Factor Funds are subject to investment style risk, which is the chance that returns from the types of stocks in which a Factor Fund invests will trail returns from the U.S. stock markets. Factor Funds are subject to manager risk, which is the chance that poor security selection will cause a Factor Fund to underperform its relevant benchmark or other funds with a similar investment objective and sector risk, which is the chance that significant problems will affect a particular sector in which a Factor Fund invests, or that returns from that sector will trail returns from the overall stock market.

ESG funds are subject to ESG investment risk, which is the chance that the stocks or bonds screened by the index sponsor for ESG criteria generally will underperform the market as a whole or that the particular stocks or bonds selected will, in the aggregate, trail returns of other funds screened for ESG criteria.

Private equity sustained strong performance relative to traditional asset classes

Twenty-year annualized returns by category through September 2019



Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

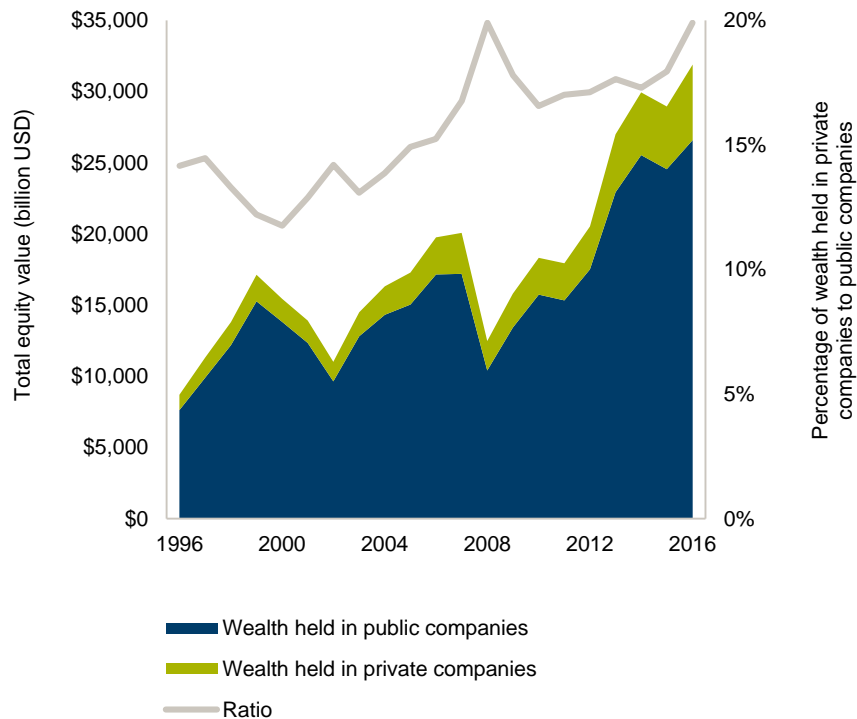
Source: Cambridge Associate LLC, NFI-ODCE, Morningstar.

Global Equities returns are represented by the MSCI World Index (net). Global Fixed Income is represented by Bloomberg Barclays Global Aggregate Index (net). The Private Equity index is a horizon calculation based on data compiled from 2,220 private equity funds, including fully liquidated partnerships, formed between 1986 and 2019.

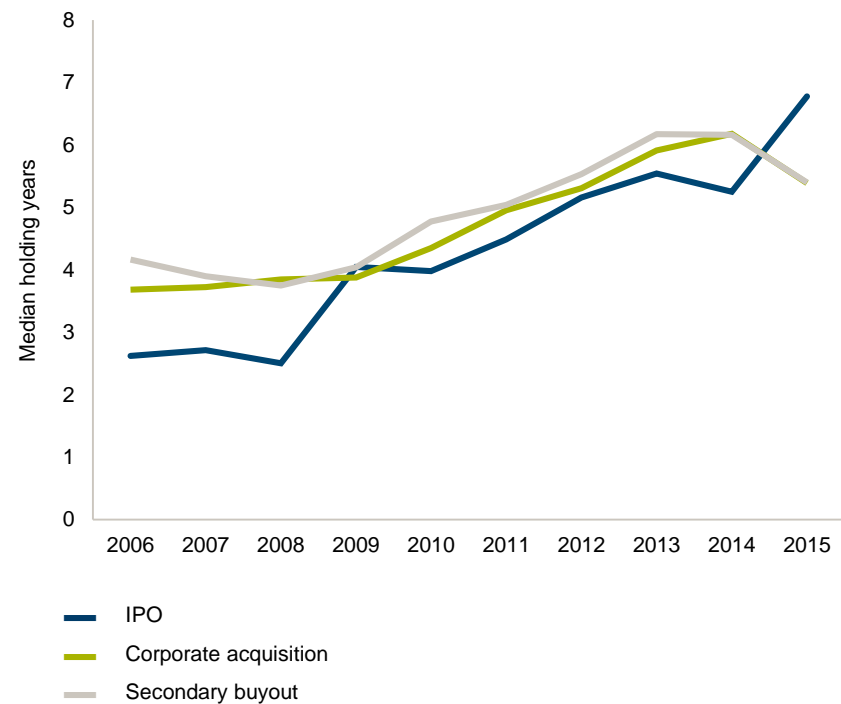
Private indexes are pooled horizon internal rate of return (IRR) calculations, net of fees, expenses, and carried interest. The timing and magnitude of fund cash flows are integral to the IRR performance calculation. Public indexes are average annual compounded return (AACR) calculations which are time weighted measures over the specified time horizon, and are shown for reference and directional purposes only. Due to the fundamental differences between the two calculations, direct comparison of IRRs to AACRs is not recommended.

The opportunity for private equity has evolved over time

The size of private equity has been growing relative to public equity



Private companies are staying private longer



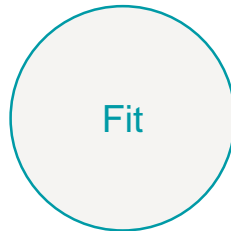
Source: Vanguard calculation based on the Flow of Fund data from the Federal Reserve.
Note: Data on closely held companies started from fourth quarter 1996.

Source: Vanguard calculation based on data from Pitchbook.
Note: The oldest data from open-source Pitchbook data is 2006. The chart represents the three options for the private equity to exit, IPO, corporate acquisition, and secondary buyout.

Key factors to consider when including private investments



Role
Funding source
Portfolio impact
Exposure



Governance/infrastructure
Time horizon
Opportunity cost
Expertise
Stakeholder comfort
Investment policy statement



Direct: Management fee,
consultant fees, performance
fees, other layered fees
Indirect: Reporting, internal
oversight and search, custody,
transition, audit, accounting

HarbourVest’s resources and global fund construction display its ability to provide a comprehensive solution for our clients

The product’s three-year commitment cycle provides an added layer of vintage year diversification to the fund’s base allocations

Geography



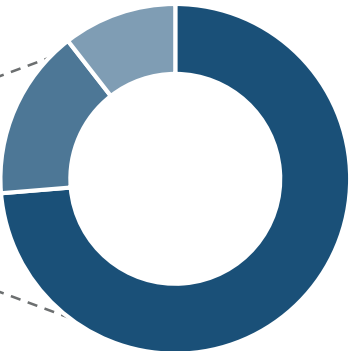
- North America
- Europe
- Asia

Strategy



- Primary
- Secondary*
- Co-investments*

Stage



- Buyout
- Venture capital
- Debt/other

* Secondary and co-investments are primarily buyout investments.

Confidentiality

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Vanguard HarbourVest Fund fees

Detailed expected average fees for the total fund over full life cycle

Vanguard Private Equity offer		
	Management fee	Carry
Underlying GPs*	1.03%	17%
HarbourVest fees**	0.21%	5%
Total†	1.24%	22%

Assumptions for underlying manager fees

	Fund weight	Estimated management fee for underlying GPs	Carry	Weighted management fee	Weighted carry	HarbourVest management fee	HarbourVest carry	Weighted carry
Primary investments	60%	1.50%	20%	0.90%	12%	0.21%	—	—
Secondaries	25%	0.50%	20%	0.13%	5%	0.21% (above 8% IRR hurdle rate)	12.5%	~3%
Co-investments	15%	0.00%	0%	0.00%	0%	0.21% (above 8% IRR hurdle rate)	12.5%	~2%
Fund fees				1.03%	17%	0.21%		5.00%

* Weighted average of underlying GP fees in each offer. Vanguard Private Equity Offer and Industry Average – Comprehensive Offer assume 60% allocation to primary investments, 25% to secondaries, and 15% to co-investments.

** Management fees reflect assumptions for fees paid to comprehensive solution provider. Fee levels for HarbourVest and Vanguard partnership are not representative of actual client experience. Industry Average – Comprehensive Offer fee levels.

† Total average fees above do not include other administrative and operational expenses of the Vanguard HarbourVestFund. Management Fees for underlying GPs, and HarbourVest are based on capital committed to the Fund.
Source: Preqin.

Important information

All investing is subject to risk, including the possible loss of the money you invest. Be aware that fluctuations in the financial markets and other factors may cause declines in the value of your account. There is no guarantee that any particular asset allocation or mix of funds will meet your investment objectives or provide you with a given level of income.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any specific investment product sponsored by, or investment services provided by Vanguard Advisers Inc. or its affiliates. Any such offer may be made only to qualified investors by means of delivery of a confidential Private Placement Memorandum or similar materials that contain a description of the material terms of such investment. No sale will be made in any jurisdiction in which the offer, solicitation, or sale is not authorized or to any person to whom it is unlawful to make the offer, solicitation, or sale. Private investments involve a high degree of risk and therefore, should be undertaken only by prospective investors capable of evaluating and bearing the risks such an investment represents. Investors in private equity generally must meet certain minimum financial qualifications that may make it unsuitable for specific market participants.

Past performance is no guarantee of future returns.

Important information

Illiquidity of Interests; Limitations on Transfer; No Market for Interests. An investor in the Fund will not be permitted to transfer its interest without the consent of the general partner of the Fund. Furthermore, the transferability of an interest will be subject to certain restrictions contained in the Limited Partnership Agreement of the Fund and will be affected by restrictions imposed under applicable securities laws. There is currently no market for the interests, and it is not contemplated that one will develop. The interests should only be acquired by investors able to commit their funds for an indefinite period of time, as the term of the Fund could continue for over 14 years. In addition, there are very few situations in which an investor may withdraw from the Fund. The possibility of total loss of an investment in the Fund exists and prospective investors should not invest unless they can readily bear such a loss.

Risks Related to the Structure and Terms of the Fund. Investments in a fund of funds structure may subject investors to additional risks which would not be incurred if such investor were investing directly in private equity funds (the “Underlying Funds”). Such risks may include but are not limited to (i) multiple levels of expense; (ii) reliance on third-party management; and (iii) termination of the Fund’s interest by an Underlying Fund.

Risk of Loss. There can be no assurance that the operations the Fund will be profitable, that the Fund will be able to avoid losses or that cash from operations will be available for distribution to the limited partners. The possibility of partial or total loss of capital of the Fund exists, and prospective investors should not subscribe unless they can readily bear the consequences of a complete loss of their investment. The Fund will have no source of funds from which to pay distributions to the limited partners other than income and gains received on portfolio investments and the return of capital.

Leverage. The Fund and its Underlying Funds may use leverage in their investment strategies. Leverage may take the form of loans for borrowed money (e.g., margin loans) or derivative securities and instruments that are inherently leveraged, including options, futures, forward contracts, swaps and repurchase agreements. The Fund or its Underlying Funds may use leverage to acquire, directly or indirectly, new investments. The use of leverage by the Fund or the Underlying Funds can substantially increase the market exposure (and market risk) to which the Fund’s and the Underlying Funds’ investment portfolios may be subject.

Reliance on the General Partner and Investment Manager. The success of the Fund will be highly dependent on the financial and managerial expertise of the Fund’s general partner and investment manager and their expertise in the relevant markets. The quality of results of the general partner and investment manager will depend on the quality of their personnel. There are risks that death, illness, disability, change in career or new employment of such personnel could adversely affect results of the Fund. The limited partners will not make decisions with respect to the acquisition, management, disposition or other realization of any investment, or other decisions regarding the Fund’s businesses and portfolio.

Reliance on Third Party Fund Management. The Fund will be investing in Underlying Funds managed by such Underlying Funds’ managers who are unrelated to the Fund’s general partner and investment manager and to Vanguard and, indirectly, in investments selected by such unrelated managers. Although the Fund’s general partner and investment manager will attempt to evaluate each Underlying Fund based on criteria such as the performance history of such Underlying Fund and its underlying manager as well as such Underlying Fund’s investment strategies, the past performance of an Underlying Fund and its underlying manager may not be a reliable indicator of future results. Neither HarbourVest nor Vanguard will have an active role in the day-to-day management of Underlying Funds in which the Fund invests.

Availability of Investment Opportunities. The business of identifying and structuring investments of the types contemplated by a Portfolio and its underlying funds is competitive and involves a high degree of uncertainty. Furthermore, the availability of investment opportunities generally will be subject to market conditions and competition from other funds of funds as well as, in some cases, the prevailing regulatory or political climate. There can be no assurance that the Fund and its Underlying Funds will be able to identify and complete attractive investments in the future or that they will be able to invest fully their commitments.

Important information

Advice services are provided by Vanguard Advisers, Inc., a registered investment advisor.

Investment Related Risks. The success of the Underlying Funds' activities may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may affect the level and volatility of security prices and liquidity of the portfolio investments. Unexpected volatility or liquidity could impair a Portfolio's profitability or result in their suffering losses.

Risks Associated with Non-U.S. Investments. Certain non-U.S. investments involve risks and special considerations not typically associated with U.S. investments. Such risks may include but are not limited to (i) changing political environments, regulatory restrictions and changes in government institutions and policies; (ii) changes in policy with regard to taxation, fiscal and monetary policies, repatriation of profits and other economic regulations; (iii) currency exchange rate fluctuation; (iv) differences in auditing and financial reporting standards; (v) differences in tax regimes and changes in tax treaties; (vi) local intermediary risks and (vii) restrictions on the repatriation of capital and profits.

Valuations. Because there is no public market for private equity investments, they are difficult to value. This difficulty is increased when purchasing a portfolio of interests in private equity funds, as the portfolio will lack the benefit of financial statements and periodic company updates originated from a common investment manager. The overall performance of the Fund will be affected by the acquisition price paid by the Fund for its direct or indirect interests in portfolio investments, which will be subject to negotiation with the sellers of the interests. In addition, while the performance of the investment manager will affect the purchase price paid for the interests, the historical performance of investment managers is not a guarantee or prediction of their future performance, which can vary considerably.

IMPORTANT: The projections or other information generated by the Vanguard Capital Markets Model® (VCMM) regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. VCMM results will vary with each use and over time.

The VCMM projections are based on a statistical analysis of historical data. Future returns may behave differently from the historical patterns captured in the VCMM. More importantly, the VCMM may be underestimating extreme negative scenarios unobserved in the historical period on which the model estimation is based.

The Vanguard Capital Markets Model is a proprietary financial simulation tool developed and maintained by Vanguard's primary investment research and advice teams. The model forecasts distributions of future returns for a wide array of broad asset classes. Those asset classes include U.S. and international equity markets, several maturities of the U.S. Treasury and corporate fixed income markets, international fixed income markets, U.S. money markets, commodities, and certain alternative investment strategies. The theoretical and empirical foundation for the Vanguard Capital Markets Model is that the returns of various asset classes reflect the compensation investors require for bearing different types of systematic risk (beta). At the core of the model are estimates of the dynamic statistical relationship between risk factors and asset returns, obtained from statistical analysis based on available monthly financial and economic data from as early as 1960. Using a system of estimated equations, the model then applies a Monte Carlo simulation method to project the estimated interrelationships among risk factors and asset classes as well as uncertainty and randomness over time. The model generates a large set of simulated outcomes for each asset class over several time horizons. Forecasts are obtained by computing measures of central tendency in these simulations. Results produced by the tool will vary with each use and over time.

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The Vanguard Lifecycle Model (VLCM) is designed to identify the product design that represents the best investment solution for a theoretical, representative investor who uses the target-date funds to accumulate wealth for retirement. The VLCM generates an optimal custom glide path for a participant population by assessing the trade-offs between the expected (median) wealth accumulation and the uncertainty about that wealth outcome, for thousands of potential glide paths. The VLCM does this by combining two set of inputs: the asset class return projections from the VCMM and the average characteristics of the participant population. Along with the optimal custom glide path, the VLCM generates a wide range of portfolio metrics such as a distribution of potential wealth accumulation outcomes, risk and return distributions for the asset allocation, and probability of ruin, such as the odds of participants depleting their wealth by age 95.

The VLCM inherits the distributional forecasting framework of the VCMM and applies to it the calculation of wealth outcomes from any given portfolio.

The most impactful drivers of glide path changes within the VLCM tend to be risk aversion, the presence of a defined benefit plan, retirement age, savings rate and starting compensation. The VLCM chooses among glide paths by scoring them according to the utility function described and choosing the one with the highest score. The VLCM does not optimize the levels of spending and contribution rates. Rather, the VLCM optimizes the glide path for a given customizable level of spending, growth rate of contributions and other plan sponsor characteristics.

A full dynamic stochastic life-cycle model, including optimization of a savings strategy and dynamic spending in retirement is beyond the scope of this framework.

Important information

For more information about any fund, visit institutional.vanguard.com or call 866-499-8473 to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information are contained in the prospectus; read and consider it carefully before investing.

Vanguard ETF® Shares are not redeemable with the issuing fund other than in very large aggregations worth millions of dollars. Instead, investors must buy or sell Vanguard ETF Shares in the secondary market and hold those shares in a brokerage account. In doing so, the investor may incur brokerage commissions and may pay more than net asset value when buying and receive less than net asset value when selling.

Mutual funds and all investments are subject to risk, including the possible loss of the money you invest. Prices of mid- and small-cap stocks often fluctuate more than those of large-company stocks. Investments in stocks or bonds issued by non-U.S. companies are subject to risks including country/regional risk and currency risk. These risks are especially high in emerging markets. Funds that concentrate on a relatively narrow sector face the risk of higher share-price volatility. It is possible that tax-managed funds will not meet their objective of being tax-efficient. Because company stock funds concentrate on a single stock, they are considered riskier than diversified stock funds.

Investments in bond funds are subject to the risk that an issuer will fail to make payments on time and that bond prices will decline because of rising interest rates or negative perceptions of an issuer's ability to make payments. High-yield bonds generally have medium- and lower-range credit quality ratings and are therefore subject to a higher level of credit risk than bonds with higher credit quality ratings. Although the income from a municipal bond fund is exempt from federal tax, you may owe taxes on any capital gains realized through the fund's trading or through your own redemption of shares. For some investors, a portion of the fund's income may be subject to state and local taxes, as well as to the federal Alternative Minimum Tax. Diversification does not ensure a profit or protect against a loss.

While U.S. Treasury or government agency securities provide substantial protection against credit risk, they do not protect investors against price changes due to changing interest rates. Unlike stocks and bonds, U.S. Treasury bills are guaranteed as to the timely payment of principal and interest.

Investments in Target Retirement Funds or Trusts are subject to the risks of their underlying funds. The year in the fund name refers to the approximate year (the target date) when an investor in the fund or trust would retire and leave the workforce. The fund or trust will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in the Target Retirement Fund or Trust is not guaranteed at any time, including on or after the target date.

Vanguard collective trusts are not mutual funds. They are collective trusts available only to tax-qualified plans and their eligible participants. Investment objectives, risks, charges, expenses, and other important information should be considered carefully before investing. The collective trust mandates are managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc.

A stable value investment is neither insured nor guaranteed by the U.S. government. There is no assurance that the investment will be able to maintain a stable net asset value, and it is possible to lose money in such an investment.

Factor funds are subject to investment style risk, which is the chance that returns from the types of stocks in which the fund invests will trail returns from U.S. stock markets. Factor funds are subject to manager risk, which is the chance that poor security selection will cause the fund to underperform relevant benchmarks or other funds with a similar investment objective.

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