



**GALLIARD**  
Capital Management, Inc.

## **WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND**

SECOND QUARTER 2021 PORTFOLIO REVIEW

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# STABLE VALUE PORTFOLIO REVIEW - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

Second Quarter 2021

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*The information contained in this report is for informational purposes only. It is intended to provide a summary of portfolio performance and characteristics, and an accounting based view of transactions and holdings. This is a standardized report and is not intended to be used for compliance purposes. Individual portfolio compliance requirements may not be captured in this report.*

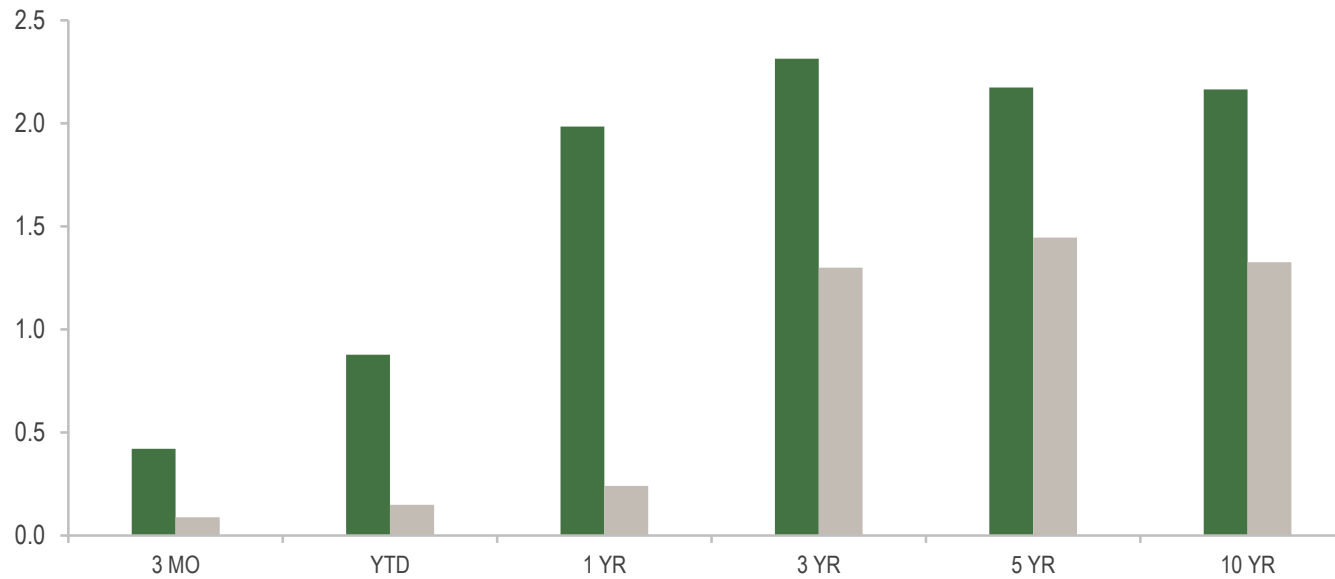
**STABLE VALUE PORTFOLIO REVIEW - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND**

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# STABLE VALUE PORTFOLIO REVIEW - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

Second Quarter 2021

## ANNUALIZED INVESTMENT PERFORMANCE AS OF 6/30/21<sup>1</sup>



	3 Mo.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
■ Portfolio (net of all fees - NAV level) <sup>2</sup>	0.42	0.88	1.98	2.31	2.17	2.16
■ Linked Benchmark <sup>3</sup>	0.09	0.15	0.24	1.30	1.44	1.33
<b>Value Added (net of all fees - NAV level)<sup>4</sup></b>	<b>0.33</b>	<b>0.73</b>	<b>1.74</b>	<b>1.01</b>	<b>0.73</b>	<b>0.84</b>

1: Returns for periods of less than one year are not annualized.

2: Returns are net of all fees, including book value contract fees, Galliard investment management fees, and, if applicable, external manager fees, Wells Fargo collective fund administrative fees, and plan administrative reimbursement.

3: Linked benchmark: 3 Year Constant Maturity Treasury Yield; Prior to 11/1/15 was the 5 Year Constant Maturity Treasury Yield.

4: May not add due to rounding.

# STABLE VALUE PORTFOLIO REVIEW - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

Second Quarter 2021

## WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

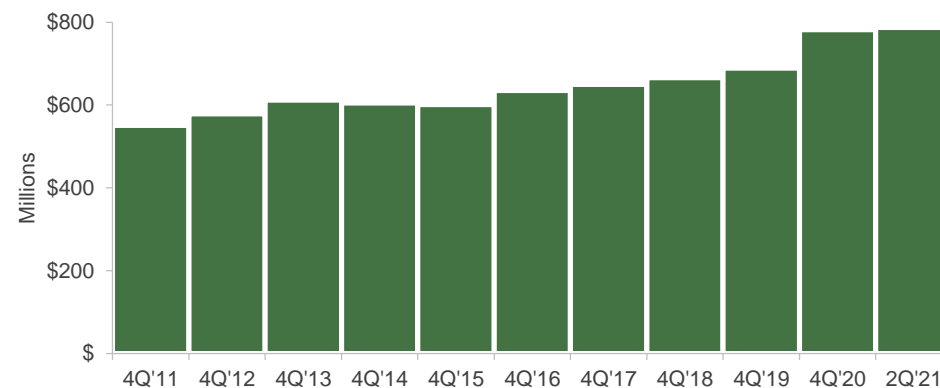
### ACCOUNT SUMMARY

<b>Benchmark</b>	3 Year Constant Maturity Treasury Yield
<b>Galliard Inception Date</b>	July 1, 1998
<b>Net Asset Value</b>	\$786,999,878

### PORTFOLIO CHARACTERISTICS

	Portfolio 3/31/21	Portfolio 6/30/21
<b>Average Quality - Book Value<sup>1</sup></b>	A+	A+
<b>Average Quality - Market Value<sup>2</sup></b>	AA	AA
<b>Number of Contract Issuers</b>	5	5
<b>Blended Yield (after all fees)<sup>3</sup></b>	1.91%	1.67%
<b>Yield to Maturity</b>	0.97%	0.89%
<b>Effective Duration</b>	3.11 years	3.05 years
<b>Market/Book Value Ratio</b>	102.80%	103.01%

## HISTORICAL FUND ASSETS



### PORTFOLIO DISTRIBUTION

	% Portfolio 3/31/21	% Portfolio 6/30/21
<b>Liquidity Buffer: Cash &amp; Equivalents<sup>4</sup></b>	1.8	2.1
<b>Short Portfolio</b>	40.1	39.8
<b>Intermediate Portfolio</b>	58.1	58.2
<b>Total</b>	<b>100.0%<sup>5</sup></b>	<b>100.0%<sup>5</sup></b>

1: Average holdings quality of the contracts and other book value assets in the portfolio. The Weighted Average Quality of the portfolio has NOT been assessed by a nationally recognized statistical rating organization. The Weighted Average Quality shown represents an average quality of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch.

2: Average holdings quality of the underlying assets of the portfolio. The Weighted Average Quality of the portfolio has NOT been assessed by a nationally recognized statistical rating organization. The Weighted Average Quality shown represents an average quality of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch.

3: Blended Yield is net of all fees, including book value contract fees, Galliard investment management fees, and, if applicable, external manager fees, Wells Fargo collective fund administrative fees, and plan administrative reimbursement.

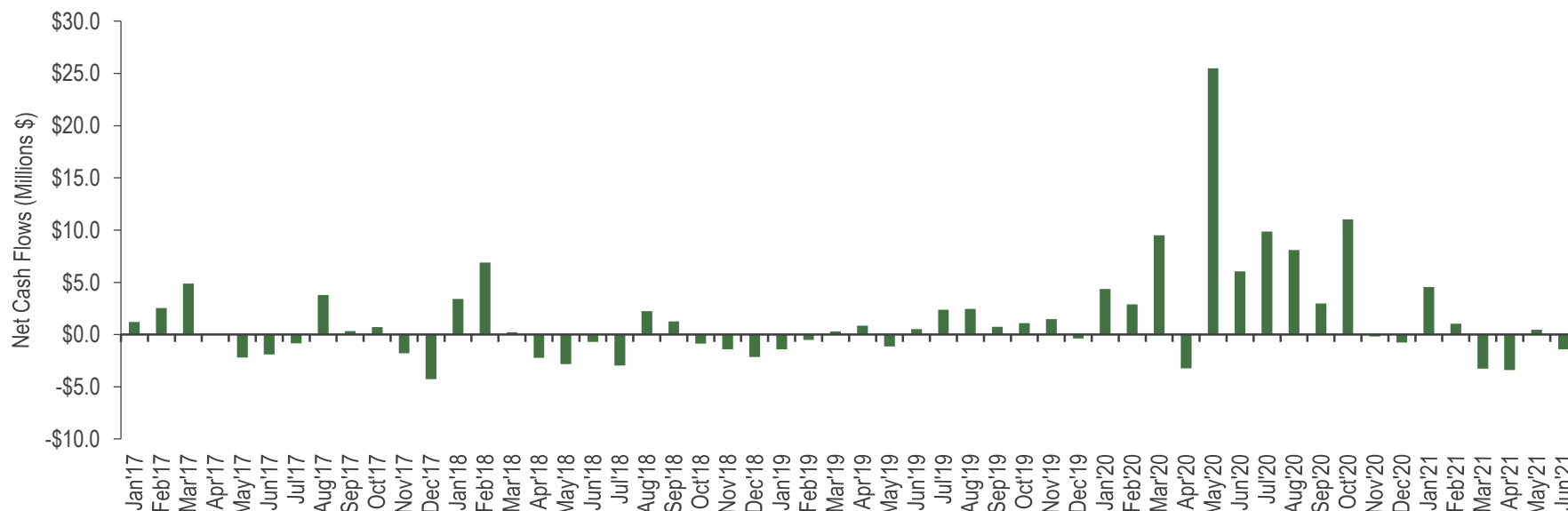
4: Includes Receivables and Payables.

5: Total % of portfolio may not add to 100% due to rounding.

# STABLE VALUE PORTFOLIO REVIEW - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

Second Quarter 2021

## HISTORICAL CASHFLOWS



	2017	2018	2019	2020	1Q'21	2Q'21	2021 YTD
Beginning Assets	\$635.4	\$650.1	\$665.7	\$689.2	\$782.1	\$788.0	\$782.1
Net Cash Flow (\$) <sup>1</sup>	\$2.5	\$0.9	\$6.4	\$76.1	\$2.3	-\$4.3	-\$2.0
Net Cash Flow (%)	0.40%	0.13%	0.96%	11.04%	0.30%	-0.55%	-0.26%
Estimated Investment Earnings	\$12.2	\$14.8	\$17.1	\$16.9	\$3.6	\$3.3	\$6.9
Ending Assets <sup>2</sup>	\$650.1	\$665.7	\$689.2	\$782.1	\$788.0	\$787.0	\$787.0

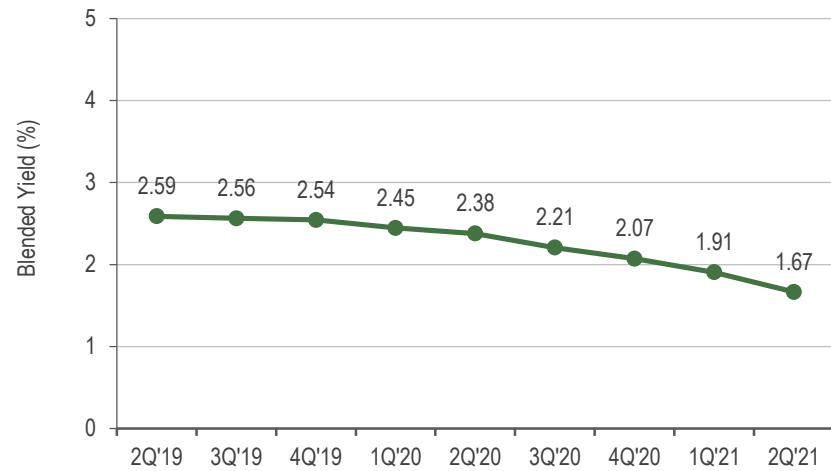
1: Contributions, Withdrawals and Investment Transfers

2: Cashflows may not net to final assets due to rounding.

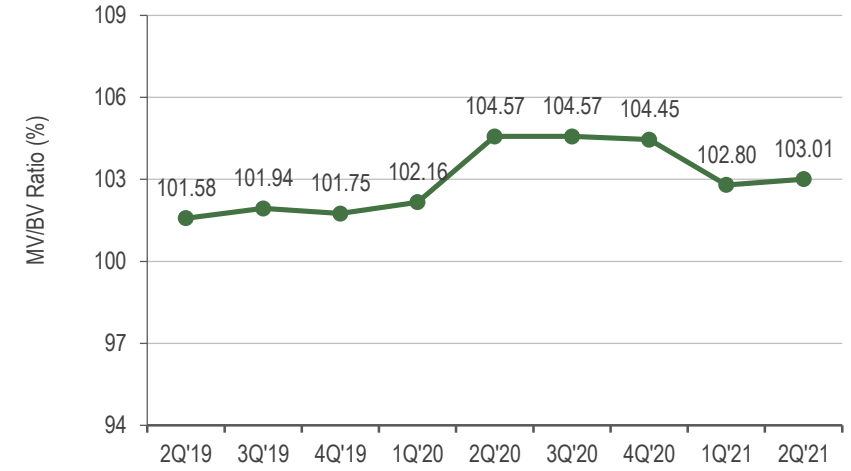
# STABLE VALUE PORTFOLIO REVIEW - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

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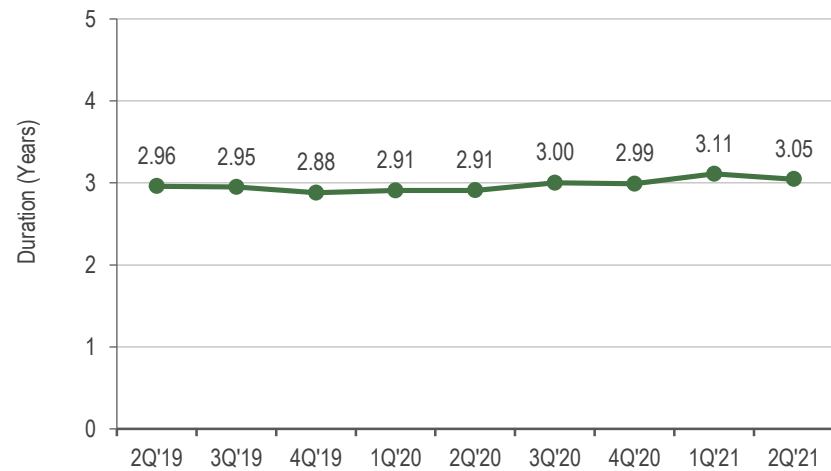
### HISTORICAL BLENDED YIELD<sup>1</sup>



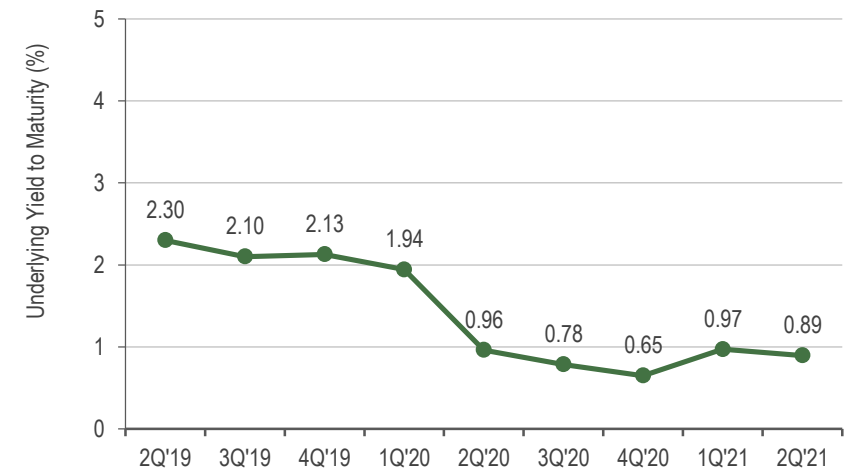
### HISTORICAL MARKET VALUE TO BOOK VALUE RATIO



### HISTORICAL DURATION



### HISTORICAL UNDERLYING YIELD TO MATURITY



<sup>1</sup>: Blended Yield is net of all fees, including book value contract fees, Galliard investment management fees, and, if applicable, external manager fees, Wells Fargo collective fund administrative fees, and plan administrative reimbursement.

# STABLE VALUE PORTFOLIO REVIEW - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

Second Quarter 2021

## CONTRACT ISSUER DISTRIBUTION & RATING SUMMARY<sup>1</sup>

	<b>Contract Type<sup>2</sup></b>	<b>% Portfolio 3/31/21</b>	<b>% Portfolio 6/30/21</b>	<b>Rating 3/31/21</b>	<b>Rating 6/30/21</b>	<b>Wrap fees (bps) 6/30/21</b>
American General Life Ins. Co.	SBIC	19.7	19.6	A+	A+	15
Nationwide Life Ins. Co.	SBIC	20.0	20.0	A+	A+	15
Prudential Ins. Co. of America	SBIC	19.8	19.8	AA-	AA-	16
Transamerica Life Ins. Co.	SBIC	21.6	21.5	A+	A+	15
Voya Ret. Ins. and Annuity Co.	SBIC	17.1	17.1	A	A	16

1: The quality rating shown represents the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch. Ratings shown as NR/NA are not rated or not available security ratings.

2: SBIC = Security Backed Investment Contract. SAGIC = Separate Account GIC



# STABLE VALUE PORTFOLIO REVIEW - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

Second Quarter 2021

## MANAGER DISTRIBUTION

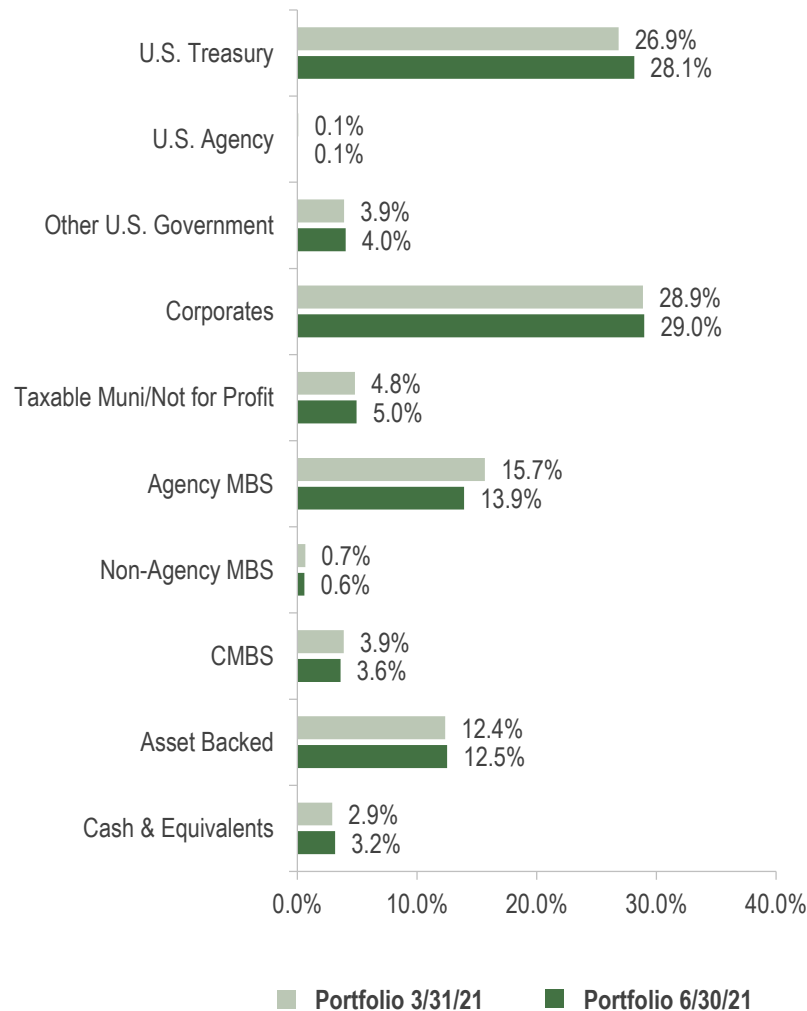
	Strategy	Benchmark	% of Portfolio 3/31/21	% of Portfolio 6/30/21
Liquidity Buffer: Cash & Equivalents	STIF/Money Market		1.8	2.1
Galliard	Short	Bloomberg Barclays U.S. 1-3 Year Government/Credit Bond Index	40.1	39.8
Galliard	Intermediate	Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index	28.3	28.3
Dodge & Cox	Intermediate	Bloomberg Barclays U.S. Intermediate Aggregate Bond Index	10.3	10.3
Jennison Assoc.	Intermediate	Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index	9.3	9.3
TCW	Intermediate	Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index	10.3	10.2
Total			100% <sup>1</sup>	100% <sup>1</sup>

<sup>1</sup>: Total % of portfolio may not add to 100% due to rounding.

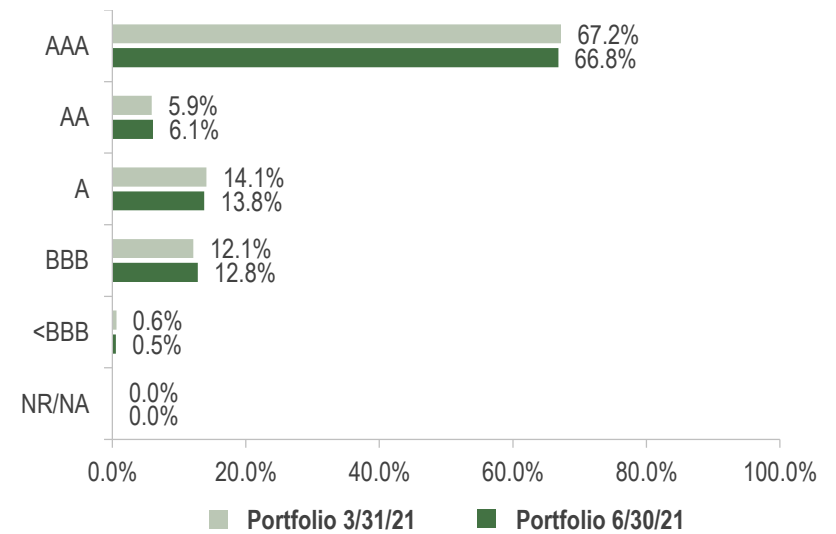
# STABLE VALUE PORTFOLIO REVIEW - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

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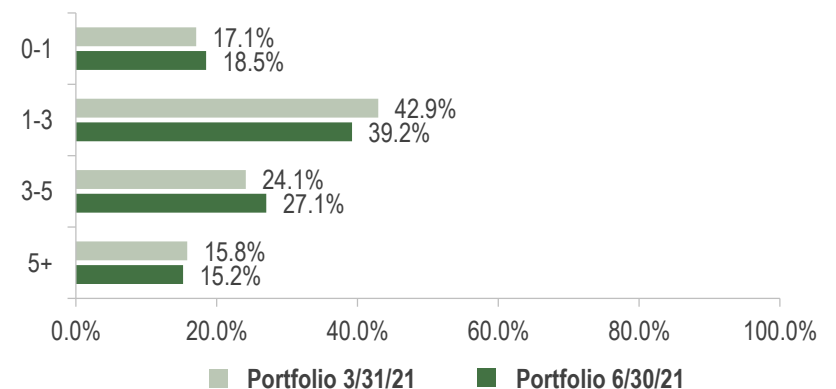
## UNDERLYING FIXED INCOME ASSET ALLOCATION<sup>1</sup>



## UNDERLYING QUALITY DISTRIBUTION<sup>1</sup>



## UNDERLYING DURATION DISTRIBUTION



<sup>1</sup>: Market Value. Total % of portfolio may not add to 100% due to rounding. The external managers provide holdings and the securities are classified using Galliard's analytics methodology for comparability across managers. The quality distribution shown represents the distribution of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch. Ratings shown as NR/NA are not rated or not available security ratings. Distributions represent the portfolio positions for reporting purposes only. Investment guideline compliance is reported in the appendix or separately through your Galliard relationship manager.

## WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND PORTFOLIO TRANSACTIONS

Period: 4/1/2021 - 6/30/2021

Asset ID	Security Description	Book Value	Settle Date	Galliard Composite Rating
<b>PURCHASES</b>				
9983008\$P	WF/BlackRock Short Term Investment Fund S	7,000,000	6/23/2021	AAA
<b>TOTAL PURCHASES</b>		<b>7,000,000</b>		
<b>SALES</b>				
946996EP6	American General Life Ins. Co.	1,407,000	6/23/2021	A+
896994DP2	Nationwide Life Ins. Co.	1,422,000	6/23/2021	A+
744999ZU0	Prudential Ins. Co. of America	1,409,000	6/23/2021	AA-
600996CC4	Transamerica Life Ins. Co.	1,542,000	6/23/2021	A+
75999UNG9	Voya Ret. Ins. and Annuity Co.	1,220,000	6/23/2021	A
<b>TOTAL SALES</b>		<b>7,000,000</b>		

# WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND PORTFOLIO HOLDINGS

June 30, 2021

Asset ID	Security Description	Manager	Book Value (\$)	Market Value (\$)	Market/Book Value Ratio (%)	% of Portfolio	Crediting Rate (%) <sup>1</sup>	UCA Yield (%)	Effective Duration (yrs)	Galliard Composite Rating	Wrap Fees (bps)
<b>LIQUIDITY BUFFER</b>											
	Cash Receivable / (Payable)		-444,291	-444,291	100.0	-0.1	0.08	0.08	0.10	AAA	
9983008\$P	WF/BlackRock Short Term Investment Fund S		16,680,852	16,680,852	100.0	2.1	0.08	0.08	0.10	AAA	
<b>TOTAL LIQUIDITY BUFFER</b>			16,236,560	16,236,560	100.0	2.1	0.08	0.08	0.10	AAA	
<b>SHORT PORTFOLIO</b>											
946996EP6	American General Life Ins. Co.	Galliard	62,518,310	64,663,927	103.4	7.9	1.93	0.62	1.88	A+	15.0
896994DP2	Nationwide Life Ins. Co.	Galliard	63,639,465	65,370,007	102.7	8.1	1.69	0.62	1.88	A+	15.0
744999ZU0	Prudential Ins. Co. of America	Galliard	63,211,556	64,988,078	102.8	8.0	1.64	0.62	1.88	AA-	16.0
600996CC4	Transamerica Life Ins. Co.	Galliard	68,809,227	71,052,024	103.3	8.7	1.87	0.62	1.88	A+	15.0
75999UNG9	Voya Ret. Ins. and Annuity Co.	Galliard	54,657,627	56,364,776	103.1	6.9	1.74	0.62	1.88	A	16.0
<b>TOTAL SHORT PORTFOLIO</b>			312,836,185	322,438,812	103.1	39.8	1.78	0.62	1.88	A+	

1: Crediting rates are net of wrap fees and any other fees being netted out of the rates.

# WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND PORTFOLIO HOLDINGS

June 30, 2021

Asset ID	Security Description	Manager	Book Value (\$)	Market Value (\$)	Market/Book Value Ratio (%)	% of Portfolio	Crediting Rate (%) <sup>1</sup>	UCA Yield (%)	Effective Duration (yrs)	Galliard Composite Rating	Wrap Fees (bps)
<b>INTERMEDIATE PORTFOLIO</b>											
946996EP6	American General Life Ins. Co.	Galliard	44,334,777	45,856,337	103.4	5.6	1.93	1.16	4.09	A+	15.0
946996EP6	American General Life Ins. Co.	Jennison Assoc.	14,694,981	15,199,310	103.4	1.9	1.93	0.90	3.98	A+	15.0
946996EP6	American General Life Ins. Co.	TCW	16,331,791	16,892,295	103.4	2.1	1.93	0.95	3.71	A+	15.0
946996EP6	American General Life Ins. Co.	Dodge & Cox	16,451,676	17,016,295	103.4	2.1	1.93	1.32	3.75	A+	15.0
896994DP2	Nationwide Life Ins. Co.	Dodge & Cox	15,990,859	16,425,697	102.7	2.0	1.69	1.32	3.75	A+	15.0
896994DP2	Nationwide Life Ins. Co.	Jennison Assoc.	11,741,037	12,060,310	102.7	1.5	1.69	0.90	3.98	A+	15.0
896994DP2	Nationwide Life Ins. Co.	Galliard	49,860,943	51,216,807	102.7	6.3	1.69	1.16	4.09	A+	15.0
896994DP2	Nationwide Life Ins. Co.	TCW	15,884,175	16,316,112	102.7	2.0	1.69	0.95	3.71	A+	15.0
744999ZU0	Prudential Ins. Co. of America	Dodge & Cox	16,535,912	17,000,644	102.8	2.1	1.64	1.32	3.75	AA-	16.0
744999ZU0	Prudential Ins. Co. of America	Galliard	43,266,348	44,482,321	102.8	5.5	1.64	1.16	4.09	AA-	16.0
744999ZU0	Prudential Ins. Co. of America	Jennison Assoc.	16,095,658	16,548,016	102.8	2.0	1.64	0.90	3.98	AA-	16.0
744999ZU0	Prudential Ins. Co. of America	TCW	16,404,922	16,865,972	102.8	2.1	1.64	0.95	3.71	AA-	16.0
600996CC4	Transamerica Life Ins. Co.	Jennison Assoc.	17,292,466	17,856,104	103.3	2.2	1.87	0.90	3.98	A+	15.0
600996CC4	Transamerica Life Ins. Co.	Dodge & Cox	18,183,702	18,776,389	103.3	2.3	1.87	1.32	3.75	A+	15.0
600996CC4	Transamerica Life Ins. Co.	Galliard	48,015,634	49,580,675	103.3	6.1	1.87	1.16	4.09	A+	15.0
600996CC4	Transamerica Life Ins. Co.	TCW	17,261,272	17,823,893	103.3	2.2	1.87	0.95	3.71	A+	15.0
75999UNG9	Voya Ret. Ins. and Annuity Co.	Dodge & Cox	13,754,468	14,184,068	103.1	1.7	1.74	1.32	3.75	A	16.0
75999UNG9	Voya Ret. Ins. and Annuity Co.	Galliard	37,429,429	38,598,482	103.1	4.8	1.74	1.16	4.09	A	16.0
75999UNG9	Voya Ret. Ins. and Annuity Co.	TCW	14,726,063	15,186,009	103.1	1.9	1.74	0.95	3.71	A	16.0
75999UNG9	Voya Ret. Ins. and Annuity Co.	Jennison Assoc.	13,671,022	14,098,016	103.1	1.7	1.74	0.90	3.98	A	16.0
<b>TOTAL INTERMEDIATE PORTFOLIO</b>			<b>457,927,132</b>	<b>471,983,752</b>	<b>103.1</b>	<b>58.2</b>	<b>1.78</b>	<b>1.11</b>	<b>3.94</b>	<b>A+</b>	
<b>TOTAL PORTFOLIO</b>			<b>786,999,878</b>	<b>810,659,124</b>	<b>103.0</b>	<b>100.0</b>	<b>1.74</b>	<b>0.89</b>	<b>3.05</b>	<b>A+</b>	

<sup>1</sup>: Crediting rates are net of wrap fees and any other fees being netted out of the rates.



# MARKET REVIEW

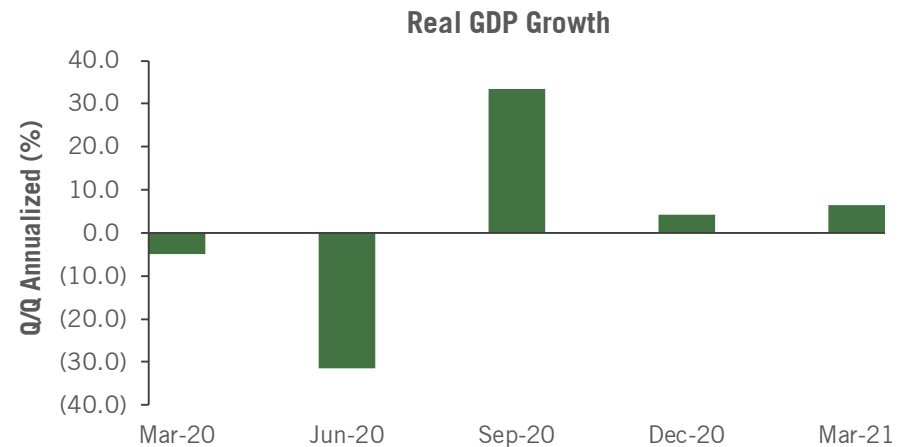
## SECOND QUARTER 2021

### PANDEMIC RESTRICTIONS LIFTED...

- Historic efforts to stimulate the economy and the remarkably fast development of vaccines have borne fruit, resulting in the lifting of virtually all pandemic activity restrictions by mid-May. Armed with accumulated excess savings, consumers are increasingly back on the move.
- The economy has accelerated considerably, fueled by pent-up consumer demand and the removal of COVID-19 activity restrictions. 1Q21 GDP growth accelerated at a 6.4% q/q annualized pace.
- With virtually all measures of economic activity signaling a robust rebound for the remainder of the year, 2Q21 GDP is expected to be 10%-11% q/q annualized. Furthermore, full-year GDP growth projections are in the 6%-7% range.

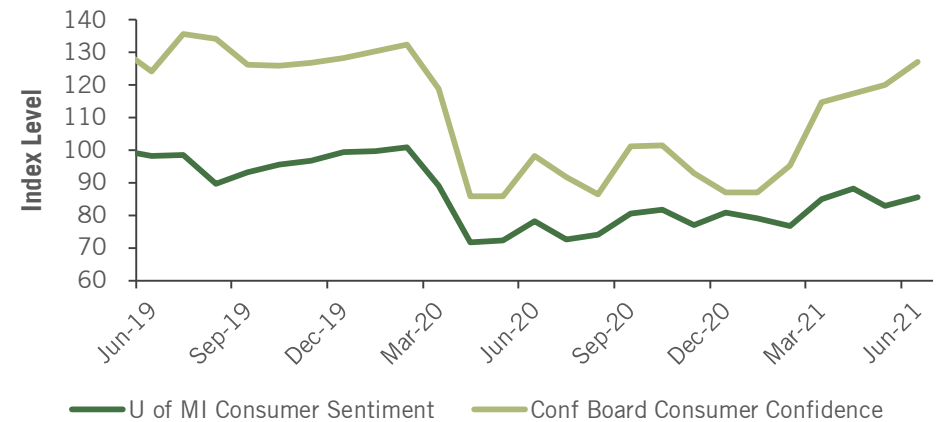
### ...RETURN TO NORMAL UNDERWAY BUT CONSTRAINTS REMAIN

- Consumer confidence has generally been on an upward trend and retail sales have displayed a strong correlation to government stimulus. Sales rose rapidly in January and March (7.6% m/m and 11.3% m/m respectively) while increasing by a more subdued 0.9% in April and falling by 1.3% in May. Sales are now 18% higher than February 2020, indicating consumers continue to spend at an elevated rate.
- With the economic flood gates open, a commensurate rebound in employment has been expected; however, the labor market recovery has been somewhat underwhelming. The June payroll number was stronger than expected at 850k jobs added, but total employment is still ~7 million jobs lower than pre-pandemic levels.
- Businesses are expanding rapidly in an attempt to meet consumer demand. While supply chain bottlenecks and labor shortages remain, there are signs they may be easing somewhat. Both the ISM Manufacturing and Services Indices remain strongly in expansionary territory, settling in at 60.6 and 60.1 in June after both reached historic highs earlier in the spring.



Source: Bloomberg

### University of Michigan Consumer Sentiment and Conference Board Consumer Confidence



Source: Bloomberg

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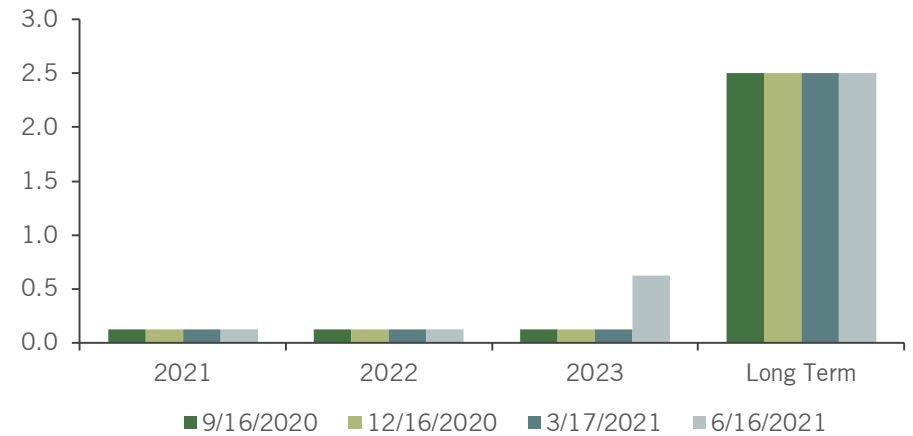
# MARKET REVIEW

## SECOND QUARTER 2021

### GOVERNMENT AND FED STILL IN STIMULUS MODE...

- As expected, the Fed kept its policy rate unchanged throughout the quarter; however, published forecasts and expected future rate hike messaging turned slightly hawkish in June. While many have stated that the dot plots should be taken with a considerable grain of salt, it is noteworthy that an increasing number of Fed members have moved up the timing of rate increases and the impact of rising inflation in their projections.
- The market now expects a formal announcement of QE tapering at the September Fed meeting with implementation in early 2022. However, after years of cheap financing there is some question as to the market's ability to tolerate higher rates and "normalized" monetary policy. Some form of unconventional monetary policy may be here to stay.
- After alleviating considerable financial stress for millions of Americans during the pandemic, a number of financial relief programs have already expired or are scheduled to expire in the coming months. However, considering the current political impetus to remain accommodative, it seems likely that portions of these programs will get extended, perhaps on a more targeted basis.

FOMC Median Fed Funds Rate Projections (%)



Source: Federal Reserve

### ...AS INFLATION HEATS UP BUT EXPECTATIONS REMAIN IN CHECK

- Elevated consumer demand and supply chain bottlenecks are accelerating near-term inflation. Core CPI rose by 0.9% m/m in April, the largest one-month increase since 1982, before rising an additional 0.7% m/m in May. As with many measures, y/y inflation readings are distorted due to base effects, but for illustrative purposes, headline and core CPI are running at 5% and 3.8% y/y respectively.
- Forecasts generally call for core inflation in the 2.5% range by the end of the year, falling back to closer to 2% in 2022. Importantly, these rates do not imply problematic inflation on the horizon, suggesting the market has thus far agreed with the Fed's current assessment that inflationary pressures will likely pass.
- Further, by design, the Fed's new FAIT framework provides breathing room to let inflation run hot; however, the more hawkish pivot at the June FOMC meeting suggests the Fed is more likely to capitulate to inflationary pressures and perhaps sooner than previously expected.

5-Year and 10-Year U.S. TIPS Breakeven Rates



Source: Bloomberg

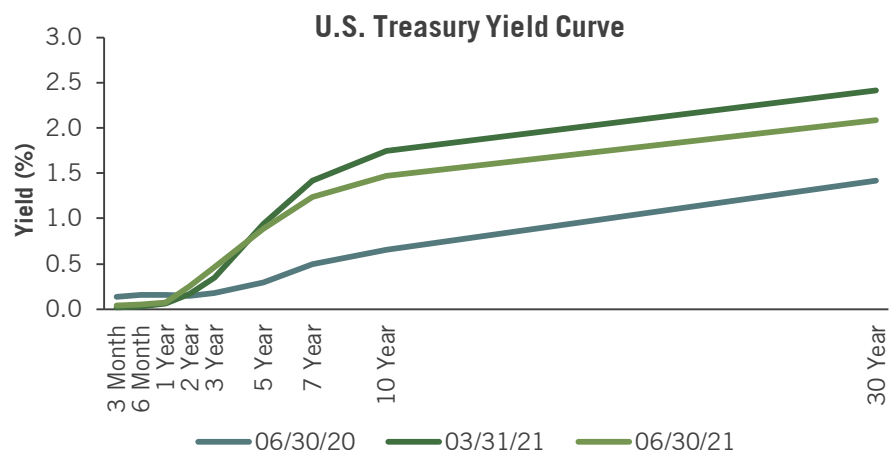
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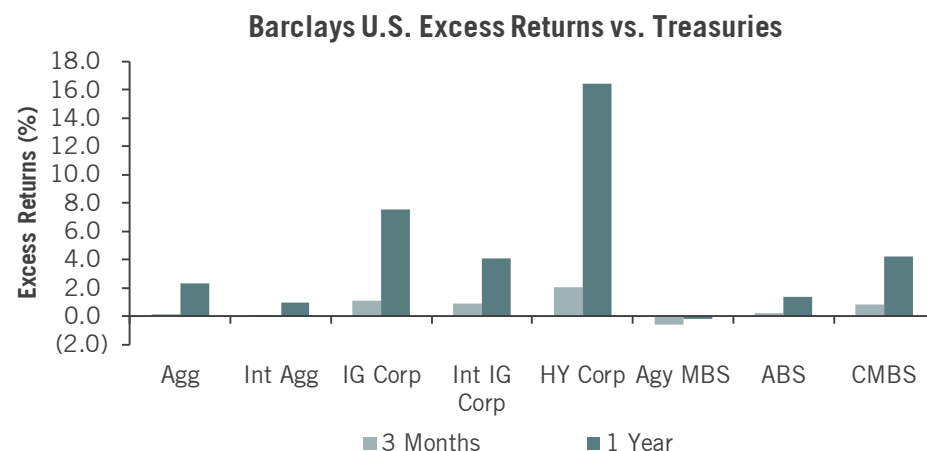
# MARKET REVIEW

## SECOND QUARTER 2021

### FED FLATTENS THE YIELD CURVE, MOST NON-TREASURY SECTORS CONTINUE TO OUTPERFORM



Source: Bloomberg



Source: Bloomberg Barclays

- In a partial reversal of the first quarter's steepening, the Treasury yield curve flattened considerably in 2Q21. The 10-year Treasury started grinding lower in May, falling from 1.74% to 1.47% to end the quarter. The 2-year Treasury yield rose by ~0.10%, settling in at 0.25% at the end of June. Altogether, 2s vs. 10s flattened 36 bps (0.36%), reflecting the Fed's more hawkish tone.
- Most major fixed income spread sectors outperformed like-duration Treasuries modestly during the quarter, with the exception of Agency MBS. Once again, relative performance was led by Corporate bonds, with longer bonds outperforming short/intermediate maturities, and BBB and crossover/high yield issuers outperforming up-in-quality names. The picture is similar for the previous twelve months.
- Corporate new issue supply year-to-date has been robust. According to SIFMA, investment grade supply was ~\$830 billion for the first half of the year. While this is down relative to 1H20, it is well above 1H19 levels. High yield issuance also remains strong with supply of ~\$300 billion through June. This is meaningfully above issuance over the same timeframe in 2020 and 2019. Spreads generally tightened across the board during the quarter and remain at historically tight levels overall.
- The Agency MBS sector struggled during the quarter, the only major spread sector to generate negative excess return vs. Treasuries. The idea of earlier than anticipated asset purchase tapering caused spreads to move wider in May and June. However, post-June FOMC the curve flattened and relative value brought buyers back in. At \$418 billion YTD, net supply of Agency MBS has already been considerable. Should trends in housing continue, net supply could reach \$700+ billion, double to triple the normal amount over the last handful of years.
- ABS credit performance continues to be strong as a result of fiscal stimulus and excess consumer savings; however, with many government programs scheduled to wind down, we expect credit performance to deteriorate modestly over the near term. New issue remains robust, with \$66 billion of supply in 2Q bringing the year-to-date total to \$130 billion (Citi Research).
- The new issue CMBS market has picked up steam, providing \$31 billion of supply in 2Q and \$45 billion in 1H21 (BofA). Notably, single-asset/single-borrower supply has outstripped conduit supply by a margin of 2:1 so far this year. With the economy opening up, we expect CMBS credit performance to continue to improve; however, less favorable trends in sectors like retail, multifamily, and office will continue to weigh on performance.

The information contained herein reflects the views of Galliard Capital Management, Inc. & sources believed to be reliable by Galliard as of the date of publication. The views expressed here may change at any time subsequent to the date of publication. This publication is for informational purposes only. For institutional investor use only.



## APPENDIX - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

Second Quarter 2021

### CALENDAR YEAR INVESTMENT PERFORMANCE

	2016	2017	2018	2019	2020
Portfolio (net of all fees - NAV level) <sup>1</sup>	1.90	1.90	2.26	2.56	2.31
Linked Benchmark <sup>2</sup>	1.01	1.58	2.63	1.94	0.43
<b>Value Added (net of all fees – NAV level)<sup>3</sup></b>	<b>0.90</b>	<b>0.32</b>	<b>(0.37)</b>	<b>0.62</b>	<b>1.88</b>

### MARKET INDICES

ICE BofA U.S. 3 Month Treasury Bill	0.33	0.86	1.87	2.28	0.67
Consumer Price Index	2.07	2.11	1.67	2.29	1.36

### GUIDELINE COMPLIANCE

We have not become aware of any investment guideline compliance issues occurring in the portfolio during the quarter.

1: Returns are net of all fees, including book value contract fees, Galliard investment management fees, and, if applicable, external manager fees, and plan administrative reimbursement.

2: Linked benchmark: 3 Year Constant Maturity Treasury Yield; Prior to 11/1/15 was the 5 Year Constant Maturity Treasury Yield.

3: May not add due to rounding.

## APPENDIX - WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

Second Quarter 2021

### TOTAL ANNUAL FUND OPERATING EXPENSES

Total Annual Operating Expenses are deducted directly from the Fund's net asset value and reduce the investment option's rate of return.

Expense	Expense Ratio 6/30/21	Per \$1000
Investment Management Fees paid to Galliard	0.075%	\$0.75
Investment Management fees paid to Non-Affiliated Investment Advisors	None	None
Investment Contract Fees <sup>1</sup>	0.151%	\$1.51
Acquired Fund Fees <sup>2</sup>	0.058%	\$0.58
-Investment Contract Fees	None	None
-Other Acquired Fund Fees and Non-Affiliated Investment Management Fees paid to Non-Affiliated Investment Advisors <sup>3</sup>	0.058%	\$0.58
12b-1 Distribution Fee	None	None
Other Expenses	None	None
<b>Total Annual Fund Operating Expenses<sup>4</sup></b>	<b>0.283%</b>	<b>\$2.83</b>

1: These are fees paid to create and maintain the investments used by a stable value fund.

2: These are fees borne indirectly by the Fund when it acquires an interest in another fund which pays its own separate fees.

3: Includes audit fees for the cost of producing a report by a qualified auditor.

4: Total Annual Fund Operating Expenses are reflected daily in the Fund's net asset value (NAV).

Excluding STIF or money market allocations, non-affiliated investment advisors include Dodge & Cox , Jennison Assoc., TCW.