WEST VIRGINIA TEACHERS DEFINED CONTRIBUTION RETIREMENT SYSTEM

INVESTMENT POLICY STATEMENT

A. INTRODUCTION
This is the Investment Policy Statement (“Policy” or “Investment Policy”) of the West Virginia Consolidated Public Retirement Board (“Board”) for the West Virginia Teachers Defined Contribution Retirement System (“TDC Plan” or “Plan”), a 401(a) plan. This Investment Policy establishes the objectives, requirements, and guidelines for the efficient and reasonably flexible management of TDC Plan Investment Categories and Options.

B. DEFINITIONS
Board – The West Virginia Consolidated Public Retirement Board.
Beneficiary – The designated person or persons (or, if none, the Participant’s estate) entitled to receive benefits under the Plan after the death of the Participant, at which time the Beneficiary may be referred to as a Participant. A Beneficiary has no rights under the TDC Plan until the death of the Participant.
Investment Category – one or a group of Investment Options which are categorized based upon an investment style of the underlying portfolio holdings.
Investment Options – Individual funds or investments available to Participants to invest the assets in their account.
Market Cycle – Generally a period of three to five years.
Morningstar – Investment research company that provides ratings and benchmarking universes used by the Plan.
Participant – Any eligible individual who is currently deferring compensation, or who has previously deferred compensation, under the Plan by salary reduction, with funds in a Plan account.
Plan or TDC Plan – The State of West Virginia Teachers’ Defined Contribution Retirement System pursuant to Section 401(a) of the Internal Revenue Code and West Virginia Code §18-7B-1 et seq.
Investment Policy or Policy – This Investment Policy Statement.
Service Provider – The administrative service agent providing recordkeeping, education and investment services to the Plan.

C. BACKGROUND
1. The Board was created in 1990 and began operations in 1991 as the administrator of various West Virginia public employee retirement plans, including plans for educational employees, public employees, judges and public safety personnel, pursuant to West Virginia Code §5-10D-1 et seq. The Board is currently located at 4101 MacCorkle Avenue SE, Charleston, West Virginia 25304. The assets and administration of each retirement system remain separate and distinct.

2 The Board established the TDC Plan in accordance with West Virginia Code §18- 7B-1 et seq., as an Internal Revenue Code §401(a) plan. Operations began on July 1, 1991 to replace the Teachers’ Retirement System (“TRS”) for persons newly hired by the fifty-five county boards of education and certain higher education employees.
3. Effective June 30, 2005, the TDC Plan was closed to new enrollment. Since the TDC Plan was established, legislation has allowed various windows for Participants who met certain criteria to transfer from the TDC Plan. The most recent and largest window allowed more than 15,000 members to transfer to TRS effective July 1, 2008.

4. The TDC Plan allows each Participant to direct the investment of the combined employee and employer contributions on a tax deferred basis. Retirement benefits in the TDC Plan are based solely on the Participant’s vested account balance, which is the accumulated employee contributions plus the vested employer contributions, if any, plus net gains or losses on those funds at the time of retirement or termination of employment.

5. The West Virginia Code requires Participants covered by the TDC Plan to contribute 4.5% of their gross compensation and their employers to contribute 7.5% of covered member’s gross compensation. Employer contributions for each Participant become vested on a schedule. Beginning at six years of service, the Participant becomes 1/3 vested, at 9 years of services the Participant becomes 2/3 vested and at 12 years of service the Participant becomes 100% vested. A Participant’s service in the TDC Plan always counts towards vesting, even if withdrawn and not reinstated in accordance with TDC Plan provisions.

6. The fiscal year of the TDC Plan is July 1 through June 30. Deposits to each account are made for regularly scheduled employer payrolls within 5 business days of receipt by the TDC Plan. The TDC Plan does not permit loans and makes no provision for “hardship” withdrawals.

7. Currently a quarterly administrative fee of $25, unless otherwise amended or waived by the Board, is deducted from the employer portion of the account unless that account is exhausted. In such cases the fee will then be deducted from the employee portion of the account. The quarterly administrative fee and other revenues, including, without limitation, rebates, revenue sharing, 12b-1 fees and earnings, are used to pay the costs of the Service Provider and TDC Plan administrative and educational expenses.

8. The Board and the staff do not provide investment advice to any Participant, nor do they assist any Participant in determining asset allocations. However, the Board acknowledges its responsibility as a fiduciary to provide and operate the TDC Plan for the sole and exclusive benefit of the Participants and their Beneficiaries.

D. OBJECTIVES

The objectives of this Investment Policy are to:

1. Aid the Board in meeting its fiduciary responsibility to ensure the TDC Plan is operated for the sole and exclusive benefit of the Participants and their Beneficiaries.
2. Ensure each Participant has a reasonable opportunity to exercise independent control over the assets in his/her account using an asset allocation with the aggregate risk and return characteristics within the range reasonably appropriate for the Participant.

3. Define the Investment Categories to be offered, including their objectives and performance benchmarks.

4. Offer a broad range of no load, diversified Investment Options with performance that meets or exceeds the established performance benchmarks of their Investment Categories and with materially different risk and return characteristics.

5. Define procedures for evaluating and reviewing the Investment Categories and Investment Options, including their addition, deletion, and replacement, as well as ensuring their compliance with this Investment Policy.


E. SERVICE PROVIDER SELECTION

1. The Board shall regularly issue an RFP for selecting a Service Provider for the TDC Plan.

2. Criteria in the RFP to select a Service Provider shall include organizational structure, experience in public defined contribution plans (particularly 401(a) plans), investment options, fees, staffing, recordkeeping abilities, administration services, customer service operations, communications, education, transition, reporting, computer system, secure website, online support, distribution services and compliance.

F. RESPONSIBILITIES OF THE BOARD AND THE SERVICE PROVIDER

1. Responsibilities of the Board
   The Board shall:
   a. comply with all applicable laws, rules and regulations, including, without limitation, the Uniform Prudent Investor Act, as set forth in West Virginia Code §44-6C-1 et seq., and, in doing so, may rely on outside experts, such as consultants, actuaries, accountants, and attorneys,
   b. review all Plan communications prior to dissemination,
   c. make the Plan’s reports and this Investment Policy available on the Plan’s website and in writing upon request of a Participant,
   d. review and approve all agreements and any amendments to the agreements with the Service Provider,
   e. quarterly review the performance of the Investment Options,
   f. at least annually, review this Investment Policy and amend it as it considers appropriate, and
g. annually review of all of the services provided to the TDC Plan by the Service Provider, as to performance and quality of services and as to adherence to the contract with the Board and this Investment Policy, and determine if any change is warranted.

2. Responsibilities of the Service Provider

The Service Provider is a Plan fiduciary in regard to the investment of Plan assets and shall:

a. act with the care, skill, prudence, and diligence under the prevailing circumstances that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of a plan of similar characteristics and objectives,

b. comply with all applicable laws, rules, and regulations, including, without limitation, the Uniform Prudent Investor Act, as set forth in West Virginia Code §44-6C-1 et seq.,

c. comply with this Policy, any applicable agreement or other document establishing its responsibilities,

d. maintain individual Participant account records and provide all TPA Services for the TDC Plan,

e. provide information to Participants, including, without limitation:

   (i) written communications approved by the Board,

   (ii) educational materials and training sufficient to enable Participants to manage their investments, and

   (iii) daily valuations of all Investment Options and Participant accounts via the telephone or internet,

f. report the following events to the Board immediately or as soon as it becomes aware of them:

   (i) Investment Option manager changes,

   (ii) regulatory and/or other issues affecting the Plan or the Service Provider, and

   (iii) any other significant occurrence that impacts the Plan or the Service Provider,

g. provide timely and accurate statements and reports that meet Generally Accepted Accounting Principles, which price securities at market value and report dividend and capital gains distributions consistently and currently, as follows:

   (i) **Participant Statements and Confirmations**

   Service Provider shall provide Participant Statements and Confirmations, as follows:

   (a) confirmation of each transaction mailed directly to each Participant’s home address or made available through the Plan’s secure website, at the discretion of the Participant, within three (3) business days following the transaction,

   (b) quarterly statements mailed directly to each Participant’s home address or made available through the Plan’s secure website, at the discretion of the Participant, no later than fifteen (15) days after the end of each calendar quarter, which shall include, at a minimum:
market value of each Investment Option owned by the Participant, including shares and net asset values, and the total market value, net of all fees,
account transactions, and
performance of the Participant’s account, net of all fees, including annual rate of return for the account,

(ii) Plan Reports
Service Provider shall provide reports to the Board, as follows:
(a) Quarterly reports mailed to the Board no later than the last day of the month following the end of each calendar quarter, which will include, at a minimum:
- economic and market conditions,
- current trends and developments in the capital markets,
- current Investment Categories and Options offered under the Plan,
- any changes in the investment management staff or ownership related to each Investment Option or any regulatory issues raised,
- any style drift or other issues with Investment Options,
- compliance of each Investment Option to this Investment Policy,
- report from any due diligence reviews performed by the Service Provider or its subcontractor on any Investment Option manager during the quarter,
- performance of each Investment Option, net of all fees, compared to the assigned benchmark and Morningstar peer group for the quarter and rolling one-, three- and five-year periods,
- Sharpe ratio and expense ratio of each Investment Option,
- Morningstar ratings for each Investment Option,
- total Plan assets by Investment Option
- number of Participants,
- fees received, by source, and deposited to the Board account,
- educational training provided, by type and location,
- website usage and updates, and
- any other information requested by the Board,
(b) Annual reports mailed to the Board no later than the last day of the month following the end of the calendar year, which shall include, at a minimum, discussion of Service Provider and Field Representative performance, composite Plan level information relative to the market value of each of the Plan’s Investment Options, performance versus assigned benchmark for the most recent quarter and for the one-, three-, and five-year periods, disclosure of any pending investigations or actions pertaining to the Investment Option manager’s and/or Service Provider’s operations, and any suggestions for Plan improvement, and
(c) investment advisory services to Participants through an investment advisor registered with U.S. Securities and Exchange Commission.
G. INVESTMENT CATEGORIES AND INVESTMENT OPTIONS

1. Investment Categories
   The TDC Plan shall offer Investment Options in the types of Investment Categories specified in Attachment A.

2. Investment Option Selection
   a. The Board shall select and monitor Investment Options for the Plan.
   b. Current Investment Options are listed on Attachment B to this Investment Policy.
   c. Any money market/stable value/general account product offered to participants should seek capital preservation as its primary objective. Should a general account product be utilized, the issuer must possess a credit rating of A/A2 or better as rated by Standard & Poor’s, Moody’s, or Fitch.
   d. Target Date Funds shall be the designated default Investment Option.
   e. Investment Options shall:
      (i) have returns, net of all fees, in the top two quartiles of the Morningstar universe for that Investment Category over a three- to five-year Market Cycle,
      (ii) have risk, as measured by the standard deviation of quarterly returns, consistent with the specified benchmark and Morningstar universe for that Investment Category,
      (iii) have ratings of three stars or better by Morningstar (If the Investment Option is not rated by Morningstar, the retail version of the Investment Option must be rated three stars or better by Morningstar),
      (iv) operate in full compliance with its published prospectus,
      (v) have fees that are reasonable and consistent with the industry, its peer group and other funds of the same Investment Category,
      (vi) have no front or back load fees,
      (vii) have at least three years of measurable operating history, and
      (viii) allow Participants to move their assets daily, subject to the excessive trading policy of the Service Provider/Third Party-Administrator. (See Attachment C)

3. Investment Option Evaluation and Review
   a. The Board shall evaluate the performance and compliance of each Investment Option quarterly. In its discretion, the Board may conduct, or caused to be conducted, a review of an Investment Option at any time. Attachment B will be automatically amended when Investment Option changes are approved by the Board as of the effective date of the new Investment Option.
   b. Reasons for an informal review may include one or more of the following:
      (i) the Investment Option has not met the performance standards of the Investment Category it is in over a three year period, or such other shorter period as determined by the Board,
      (ii) the Investment Option has changed investment manager or other staff that will materially affect the Investment Option or such change appears imminent,
      (iii) the Investment Option has had a significant change in ownership or control,
      (iv) the Investment Option has changed investment focus or strategy or has experienced style drift,
(v) the Investment Option and/or its manager has violated or is believed to have violated any applicable law, rule or regulation,
(vi) the Investment Option has experienced other changes or problems in its procedures, operations, investing, or reporting which, in the Board’s view, has or could detract from the objectives of the Plan,
(vii) regulatory and legal compliance issues,
(viii) duplication among Investment Options,
(ix) turnover ratio,
(x) diversification,
(xi) rating of two stars or less by Morningstar,
(xii) excessive fee charges for the Investment Option, and/or
(xiii) any other circumstance the Board so determines.

c. Upon request by the Board for a review, the Service Provider shall investigate an Investment Option, provide an evaluation of its operations and performance, report to the Board as to any problems, and provide alternative replacement options.

d. The Board may suspend or prohibit contributions to an Investment Option, may continue or discontinue formal review, or may terminate an Investment Option.

5. Termination of Investment Option/Suspension of Contributions

a. When the Board suspends contributions or terminates an Investment Option, it shall promptly notify the Service Provider, and the Service Provider shall promptly notify Participants that the Board is suspending contributions or terminating an Investment Option.

b. The notice shall provide that:
   (i) new investment moneys will be redirected to another Investment Option after the contribution-suspension date or the termination date of the Investment Option,
   (ii) all assets in any terminated Investment Option must be transferred to another Investment Option prior to the Investment Option termination date, and
   (iii) contributions or assets not transferred by Participants to other Investment Options by the Investment Option termination date will be automatically transferred or "mapped" to a replacement or a designated default Investment Option.

6. Changing Investment Options

a. From time to time, the Board, in its discretion, may add, subtract, or change Investment Options or Categories, and modify this Policy to include the changes. The Service Provider is prohibited from making any change in an Investment Option without the express written consent of the Board.

b. If the Board determines an Investment Option no longer meets its performance criteria or for any other reason, the Board, in its discretion, may replace an Investment Option. In selecting an Investment Option, the Board shall consider the factors specified in this Investment Policy or such other matters as it considers appropriate.
c. The Service Provider shall, upon written direction from the Board, transfer or "map" contributions and assets from a terminated Investment Option to the replacement Investment Option or to the default Investment Option.

H. Investment Policy Review and Amendments
1. This Investment Policy shall be reviewed at least annually.
2. This Investment Policy may be amended as determined by the Board.

VERSIONS
May 10, 2000 (original)
December 14, 2011
December 18, 2013
April 18, 2018
July 15, 2020
INVESTMENT CATEGORIES

The following Investment Categories are authorized:

<table>
<thead>
<tr>
<th>INVESTMENT CATEGORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money Market/Stable Value/General Account</td>
</tr>
<tr>
<td>Bond</td>
</tr>
<tr>
<td>High Yield Bond</td>
</tr>
<tr>
<td>Balanced</td>
</tr>
<tr>
<td>Large Cap Value</td>
</tr>
<tr>
<td>Large Cap Blend</td>
</tr>
<tr>
<td>Large Cap Growth</td>
</tr>
<tr>
<td>Mid Cap Value</td>
</tr>
<tr>
<td>Mid Cap Blend</td>
</tr>
<tr>
<td>Mid Cap Growth</td>
</tr>
<tr>
<td>Small Cap Value</td>
</tr>
<tr>
<td>Small Cap Blend</td>
</tr>
<tr>
<td>Small Cap Growth</td>
</tr>
<tr>
<td>International/Foreign Equity</td>
</tr>
<tr>
<td>World/Global Equity</td>
</tr>
<tr>
<td>Life Cycle / Target Date</td>
</tr>
</tbody>
</table>
INVESTMENT OPTIONS

The current Investment Options are available to Participants:

<table>
<thead>
<tr>
<th>FUND</th>
<th>CATEGORY</th>
<th>BENCHMARK</th>
</tr>
</thead>
<tbody>
<tr>
<td>VALIC Fixed Annuity Option (4.5% minimum</td>
<td>Stable Value / Fixed</td>
<td>Barclays 3-5 Year Government Bond Index</td>
</tr>
<tr>
<td>guaranteed annual rate)</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>Western Asset Core Plus Bond A (WAPAX)</td>
<td>Bond</td>
<td>Barclays Capital Aggregate Bond Index</td>
</tr>
<tr>
<td>Vanguard Intermediate Term Bond Index Inv</td>
<td>Bond</td>
<td>Barclays Capital Aggregate Bond Index</td>
</tr>
<tr>
<td>(VBIIX)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TIAA-CREF High Yield Inst (TIHYX)</td>
<td>High Yield Bond</td>
<td>CSFB High Yield Index</td>
</tr>
<tr>
<td>Great-West Trust SecureFoundation Balanced</td>
<td>Balanced</td>
<td>Morningstar Mod Target Risk TR</td>
</tr>
<tr>
<td>Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Putnam Equity Income Y (PEIYX)</td>
<td>Large Cap Value</td>
<td>Russell 1000 Value Index</td>
</tr>
<tr>
<td>Vanguard Large Cap Index Inv (VLACX)</td>
<td>Large Cap Blend / Index</td>
<td>S&amp;P 500 Index</td>
</tr>
<tr>
<td>T. Rowe Price Blue Chip Growth (TRBCX)</td>
<td>Large Cap Growth</td>
<td>Russell 1000 Growth Index</td>
</tr>
<tr>
<td>Carillon Scout Mid Cap (UMBMX)</td>
<td>Mid Cap Blend</td>
<td>Russell Mid Cap Index</td>
</tr>
<tr>
<td>Great-West T. Rowe Price Mid Cap Growth Fund</td>
<td>Mid Cap Growth</td>
<td>Russell Mid Cap Growth Index</td>
</tr>
<tr>
<td>Inv (MXMGX)</td>
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<tr>
<td>DFA US Targeted Value R1 (DFTVX)</td>
<td>Small Cap Value</td>
<td>Russell 2000 Value Index</td>
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<tr>
<td>Vanguard Small Cap Index Inv (VSCIX)</td>
<td>Small Cap Blend</td>
<td>CRSP US Small Cap.Index</td>
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<td>T. Rowe Price QM US Small Cap Growth Eq</td>
<td>Small Cap Growth</td>
<td>Russell 2000 Growth Index</td>
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<td>(PRDSX)</td>
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<td>American Funds EuroPacific GR R5 (RERFX)</td>
<td>International/Foreign</td>
<td>MSCI EAFE Index (net of dividends)</td>
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<tr>
<td>American Funds New Perspective R6 (RNPGX)</td>
<td>World/Global Equity</td>
<td>MSCI World Index (net of dividends)</td>
</tr>
<tr>
<td>Great-West Lifetime Asset Allocation Series</td>
<td>Life Cycle/Target Date</td>
<td>Appropriate S&amp;P Target Date Index</td>
</tr>
<tr>
<td>(2015 – 2055)</td>
<td></td>
<td></td>
</tr>
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</table>
Attachment C

EXCESSIVE TRADING POLICY

In order to meet both the needs of our mutual fund partners and to provide industry standard recordkeeping, Empower Retirement has implemented the following procedures in a good faith effort to address mutual fund company inquiries regarding this issue:

1. Upon the request of a mutual fund, Empower Retirement will investigate the suspected trading activity. We will convey the information on the suspected activity to the mutual fund partner and request its determination as to whether such activity constitutes market timing and/or excessive trading.

2. If the mutual fund determines that such activity does constitute market timing/excessive trading, we will identify the participant(s) and plan(s) involved. We will notify the plan sponsor, and the individual participant(s) will be contacted via a letter stating that trading restrictions will be imposed unless the prohibited trading does not cease. (Some funds may require immediate trading restrictions, in which case we will notify the participant(s) and plan sponsor(s) of the restriction.). For some fund companies we systematically monitor trading activity. For those participants we see messaging about those trade policies online or through a representative.

3. When market timing/excessive trading is identified, Empower Retirement will monitor the participant’s trading activity and convey the information to the mutual fund. We do not disclose to the fund the participant’s identity.

4. If the mutual fund company determines that the market timing/excessive trading activities have not ceased, the participant(s) will be restricted from transferring into the identified fund(s) for the imposed period of time. However, individuals are permitted to transfer out of the fund(s) to other available plan investment options.

5. At the end of the fund company’s restriction period, the participant(s) will be allowed to resume transfers into the identified fund(s).

Of note: If prohibited trading persists, a fund company has the right to reject all trades initiated by the plan, including trades of individuals who have not engaged in prohibited trading.