

# Inflation-Protected Bond Fund

as of September 30, 2024

## Help-Me-Do-It-Path

### Category:

Inflation-Protected Bond

### Inception Date: <sup>1</sup>

7/30/2002

### Total Annual Operating Expense: <sup>2</sup>

As a %: 0.03%  
Per \$1,000: \$0.30

### Total Net Assets: <sup>3</sup>

\$352.9 million

### Number of Issues:

48

### Average Quality:

AA+

### Average Maturity:

7.1 years

### Duration:

6.7 years

### Interest Rate Risk:

Above Average

### Yield: <sup>4</sup>

3.71%

### Portfolio Turnover Rate: <sup>5</sup>

21.1%

### Investment Objective

The Fund seeks to track the performance of the Bloomberg U.S. Treasury Inflation-Protected Securities Index. The index is an unmanaged index that represents the U.S. Treasury Inflation-Protected Securities (TIPS) market. The index includes investment grade TIPS with one or more years to final maturity. There is no assurance that the Fund will achieve its objective. Refer to "Risks" section.

### Manager

The Fund is a bank-maintained collective investment fund managed by a team of BlackRock Institutional Trust Company professionals.

### Investor Profile

Bond investments may be most appropriate for someone seeking a higher potential income than with a money market instrument. Inflation-linked bond investments may be most appropriate for someone wanting to maintain a hedge against inflation. The Fund may be suitable for an investor who may desire to balance more aggressive investments with one providing potentially steady income.

### Strategy

The Inflation-Protected Bond Fund ("Fund") invests in BlackRock's U.S. Treasury Inflation-Protected Securities Fund M. Fund M invests in BlackRock's master Fund F. The Fund is managed using a "passive" or "indexing" investing approach, by which BlackRock attempts to replicate, before expenses, the performance of the index by investing in some or all of the bonds that make up the index. The Fund may use futures and other derivatives and may invest in other investment options.

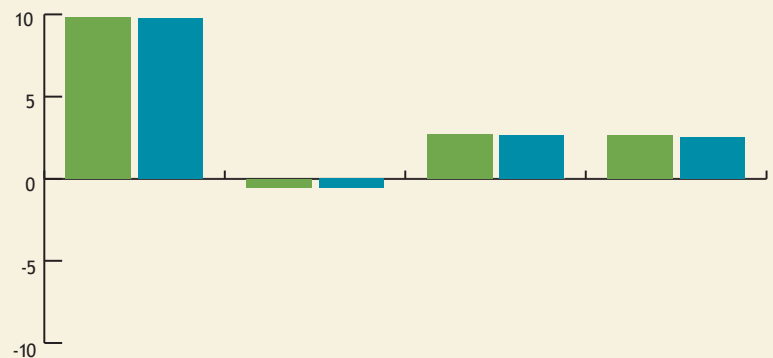
## Performance

Performance data shown represents past performance and is not a guarantee or prediction of future results.

For performance data current to the most recent month-end, please visit the website at:

[dcp.varetire.org/investments](http://dcp.varetire.org/investments).

Investors should consider the investment objectives, risk, fees and expenses carefully before investing.



Total Return (%)

1 Year

3 Years\*

5 Years\*

10 Years\*

**Fund** <sup>6,7</sup>

9.85

-0.53

2.70

2.62

Bloomberg U.S. Treasury Inflation-Protected Securities Index <sup>8</sup>

9.79

-0.57

2.62

2.54

\*Annualized

## Risks

There are risks involved with investing, including loss of money over short or long periods of time. Fund risks include, but are not limited to:

**Interest Rate Risk:** The risk that if interest rates rise, bonds will decline in value.

**Income Risk:** The risk that a fund's income will decline because of falling interest rates.

**Inflation-Indexed Bonds Risk:** The value of inflation-indexed bonds is expected to change in response to changes in real interest rates, which are tied to the relationship between nominal interest rates and the rate of inflation. Inflation-indexed bonds are fixed-income securities whose principal value is periodically adjusted according to the rate of inflation. If the index measuring inflation falls, the principal value of inflation-indexed bonds will be adjusted downward, and consequently the interest payable on these securities (calculated with respect to smaller principal amount) will be reduced.

**Market Risk:** The risk that the price of securities in a fund will rise or fall sometimes rapidly or unpredictably due to factors such as real or perceived adverse economic conditions, political developments and/or investor sentiment generally. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously. Stocks generally have greater price volatility than bonds.

**Manager Risk:** The risk that manager decisions can adversely affect the ability of a fund to meet its investment objectives and/or cause a fund to under-perform relevant benchmarks.

**Securities Lending Risk:** The risk that a fund's participation in a securities lending program may result in losses to the fund. Securities lending programs and subsequent reinvestment of posted collateral are subject to a number of risks including borrower credit risk, settlement risk, and cash collateral related risk, such as the risk that the return on the cash collateral is insufficient to cover the fees the fund is committed to pay and the risk that cash collateral may be invested in securities or other instruments that suffer losses or become illiquid.

**Derivatives Risk:** Investments in derivatives (such as futures contracts, forward contracts, swaps and options) may reduce a fund's returns and/or increase volatility. Fluctuations in the value of derivatives may not correlate perfectly with overall securities markets. Derivatives are also subject to the risk that the other party in the transaction will not fulfill its contractual obligation. The possible lack of a liquid secondary market for derivatives could expose a fund to losses.

**U.S. Government Issuers Risk:** U.S. Treasury obligations may differ in their interest rates, maturities, times of issuance and other characteristics. Obligations of U.S. government agencies and authorities are supported by varying degrees of credit. Debentures issued by U.S. government agencies are generally backed only by the general creditworthiness and reputation of the government agency issuing the debenture and are not backed by the full faith and credit of the U.S. government.

## Top Ten Holdings (%)

TREASURY (CPI) NOTE, 2.125%, 4/15/29	3.7
TREASURY (CPI) NOTE, 1.125%, 1/15/33	3.5
TREASURY (CPI) NOTE, 1.375%, 7/15/33	3.5
TREASURY (CPI) NOTE, 0.625%, 7/15/32	3.5
TREASURY (CPI) NOTE, 2.375%, 10/15/28	3.4
TREASURY (CPI) NOTE, 1.750%, 1/15/34	3.4
TREASURY (CPI) NOTE, 0.125%, 7/15/31	3.3
TREASURY (CPI) NOTE, 0.125%, 1/15/32	3.3
TREASURY (CPI) NOTE, 1.625%, 10/15/27	3.2
TREASURY (CPI) NOTE, 1.250%, 4/15/28	3.1

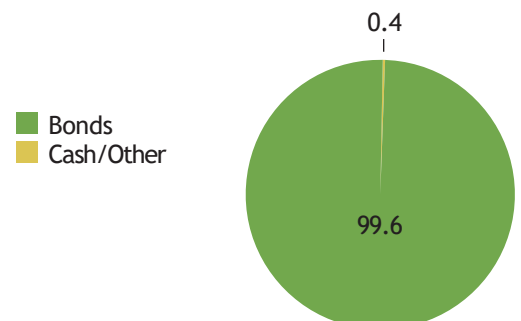
## Sector Weightings (%)

Treasury	99.6
Cash	0.4

## Weighted Average Life Breakdown (%) <sup>9</sup>

Under 1 Year	0.4
1 - 1.99 Years	11.5
2 - 2.99 Years	12.4
3 - 4.99 Years	28.3
5 - 6.99 Years	11.4
7 - 9.99 Years	21.0
10 - 19.99 Years	5.5
20 - 20.99 Years	9.5

## Portfolio Composition (%) <sup>9</sup>



## Glossary of Terms

**Quality Ratings:** Represents bond issuers' ability to make interest payments and repay principal over time. Rating organizations such as Moody's and Standard & Poor's evaluate the credit worthiness of bonds and assign ratings accordingly. Because the financial condition of an issuer can change, rating organizations may downgrade or upgrade ratings over time. The chart to the right serves as a reference.

**Duration:** Measures a bond or bond portfolio's price sensitivity to changes in interest rates. The higher the duration number (expressed in years), the greater the interest rate risk.

**Portfolio Turnover Rate:** A measure of how frequently investments are bought and sold within an investment fund. The portfolio turnover rate is usually expressed as an annualized percentage of the total value of an investment fund.

An expanded glossary of terms is located on the Plans' website at [dcp.varetire.org/investments](http://dcp.varetire.org/investments).

	Moody's*	Standard & Poor's**
<b>Investment Grade</b>		
Highest Quality	Aaa	AAA
High Quality (very strong)	Aa	AA
Upper-Medium Grade Quality (strong)	A	A
Medium Grade Quality	Baa	BBB
<b>Not Investment Grade</b>		
Lower Medium Grade Quality (somewhat speculative)	Ba	BB
Low Grade Quality (speculative)	B	B
Poor Quality	Caa	CCC
Most Speculative	Ca	CC
Imminent Default or Default	C	C, D

- <sup>1</sup> The inception date shown reflects the inception date of the master Fund F. The inception date of Fund M was July 20, 2012.
- <sup>2</sup> Fund investment advisers may voluntarily agree to waive expenses. Expense waivers may be terminated at any time.
- <sup>3</sup> Total Net Assets reflect that of the Fund M.
- <sup>4</sup> Represents Yield to Maturity.
- <sup>5</sup> Portfolio turnover rates for all funds managed by BlackRock are calculated on an annual basis. The portfolio turnover rate shown is based on information as of 12/31/2023.
- <sup>6</sup> Performance represents BlackRock's returns for the Fund M. Because Fund M's inception date was July 20, 2012, performance for the month of July 2012 and prior months represent performance of BlackRock's master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses.
- <sup>7</sup> Fund performance returns shown reflect fund management fees and expenses, but do not reflect plan administrative fees which would further reduce the returns shown. All calculations assume reinvestment of dividends and capital gains. All returns are calculated in U.S. dollars.
- <sup>8</sup> You cannot invest directly in an Index.
- <sup>9</sup> May not equal 100% due to rounding.

**Plan Administrative Fee** — A Voya Financial annual record keeping fee of \$35.50 will be deducted from your account on a monthly basis (approximately \$2.96 per month) and is to fund annual operating expenses. If you participate in more than one Commonwealth of Virginia plan, only one annual fee of \$35.50 will be deducted from your account.

\* The ratings from Aa to Caa by Moody's may be modified by the addition of 1, 2 or 3 to show relative standing within the category with 1 ranking in the higher end and 3 ranking in the lower end of the category.

\*\* The ratings from AA to CCC by Standard & Poor's may be modified by the addition of a plus or minus sign to show relative standing within the category.

NOT FDIC INSURED - MAY LOSE VALUE - NO BANK GUARANTEE