Supplemental Investment Fund

July 1, 2021 Investment Prospectus
Managed by the Minnesota State Board of Investment
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July 1, 2021

I am pleased to present to you the Supplemental Investment Fund (SIF) Prospectus for the Fiscal Year (FY) ended June 30, 2021. Information presented in this Prospectus provides general descriptions, performance, and fees for each of the investment options offered in the SIF platform managed by the Minnesota State Board of Investment (SBI).

SIF investment options are offered to the Fire Plans + Other Public Retirement Plans and in the Participant Directed Investment Program (PDIP). Of the $129.2 billion in assets managed by the SBI as of June 30, 2021, $3.4 billion represent assets in SIF options.

During the 2021 fiscal year, staff implemented some policy and portfolio changes that affect the following Supplemental Investment Funds:

- The **Broad International Equity Fund** added a currency overlay manager to the manager line-up. The objective of the currency overlay program is to actively manage the currency risk in the portfolio.
- The **Bond Fund** was restructured to a Core/Core Plus mandate. This change allows the current Core Bond managers additional flexibility in their active risk budget to include higher yielding investments while managing the portfolio to the same benchmark.

The global equity markets rallied during the fiscal year, with the Russell 3000 Index of U.S. stocks gaining +44.2% while the MSCI All Country World ex U.S. Index of foreign shares rose +35.6%. The continued advancement of mass vaccination efforts across the globe has fostered a significant economic re-opening of the global economy versus a year ago, resulting in a dramatic rebound in economic activity amid surging consumer demand for goods and services. Businesses hired workers back at a rapid clip, and the U.S. unemployment rate fell to 5.9% in June from a high of over 11% a year earlier. Inflation rose sharply as commodity prices rebounded and the spike in consumer and business demand produced supply shortages in some areas of the economy. Bond market returns were muted as the rebound in growth and inflation led to a rise in interest rates, particularly in the U.S. (Bond prices move inversely to changes in interest rates.) The Federal Reserve acknowledged the risks of faster-than-expected inflation at its June policy meeting, and signaled a willingness to act to tighten monetary policy should the recent spike in inflation persist.

In general, economic and market conditions have a dominant influence on the returns available to any investor. As an investor in the Minnesota Supplemental Investment Fund, or any other investment program, you should be prepared for periods in which the returns on financial investments may be low, or even negative. You should be aware that this possibility is much greater for accounts that emphasize relatively risky, higher return assets such as common stocks, than it is for more conservative investments such as money market instruments. With these considerations in mind, the Minnesota State Board of Investment (SBI) manages the Supplemental Investment Fund to provide competitive long-term returns. I encourage you to carefully review each of the funds available to you and to choose those investment options that meet your own investment needs and risk and return objectives.

On behalf of the Board Members, members of the Investment Advisory Council and the SBI staff, thank you for your continued support and participation in the investment options presented in this Prospectus.

Respectfully submitted,

Mansco Perry III
Executive Director and Chief Investment Officer
Minnesota State Board of Investment
The Capital Market Year in Review

Cumulative Growth and Performance

Cumulative Growth of $100
Last Five Fiscal Years ending June 30

![Cumulative Growth Graph](image)

Performance of Capital Markets
Last Five Fiscal Years Ending June 30

<table>
<thead>
<tr>
<th></th>
<th>Fiscal Year Ending</th>
<th>Ending 6/30/2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td>U.S. Stocks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell 3000</td>
<td>-0.3%</td>
<td>44.2%</td>
</tr>
<tr>
<td>U.S. Bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BB Barclays U.S. Aggregate</td>
<td>-0.3%</td>
<td>8.7%</td>
</tr>
<tr>
<td>International Stocks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MSCI ACWI ex USA (net)</td>
<td>35.6%</td>
<td>-4.8%</td>
</tr>
<tr>
<td>Short Term Investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ICE BofA 3-Month Treasury Bill</td>
<td>0.1%</td>
<td>1.6%</td>
</tr>
<tr>
<td>Inflation Rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer Price Index CPI-U</td>
<td>5.3%</td>
<td>0.7%</td>
</tr>
</tbody>
</table>
Market Summary

**International equity markets** returned +36.6% for the fiscal year ending June 30, 2021, as measured by the Morgan Stanley Capital International All Country World Index excluding the United States net of taxes on dividends (MSCI ACWI ex USA Index net), which represents the developed and emerging international markets outside the U.S. The MSCI World ex USA Index (net), which represents only developed international markets, had a return of +33.6% for the fiscal year. Japan, the United Kingdom, and France were the largest countries in the index at the end of the fiscal year with a combined weight of 44%. They returned +24.8%, +31.3% and +40.9%, respectively. The emerging markets, as measured by the MSCI Emerging Markets Index (net), returned +40.9% for the year in U.S. dollar terms. China, Taiwan and Korea were the largest countries in the index at the end of the fiscal year with a combined weight of 65%, of which China’s weight was 38%. They returned +27.4%, +70.5% and +66.2%, respectively.

The **U.S. equity market**, as measured by the Russell 3000 index, increased +44.2% for the year ending June 30, 2021. Within the Russell 3000, small cap stocks outperformed large cap stocks. The Basic Materials sector was the best performing sector in the Russell 3000 with a +89.9% return, while the Telecommunications sector was the worst performing sector with a -5.9% return.

The **U.S. bond market**, as measured by the Bloomberg Barclays U.S. Aggregate Bond Index, returned -0.3% for the fiscal year ending June 30, 2021 as rising interest rates weighed on returns. Corporate bonds outperformed, gaining +3.3% for the year as credit spreads narrowed. Meanwhile, U.S. Treasuries lagged with a -3.2% return.

Investment Option Returns

The **Broad International Equity Fund** outperformed the international composite index by 1.2 percentage points for the fiscal year. The composite index is comprised of approximately 69% developed markets and 31% emerging markets. Overall, the developed and emerging markets managers outperformed their respective indices.

<table>
<thead>
<tr>
<th>Performance Ending 6/30/2021</th>
<th>1 Yr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broad International Stock Fund</td>
<td>36.8%</td>
</tr>
<tr>
<td>MSCI ACWI ex USA Index (net)</td>
<td>35.6%</td>
</tr>
</tbody>
</table>

The **U.S. Equity Actively Managed Fund** outperformed the Russell 3000 index by 2.4 percentage points for the fiscal year. The fund includes both active and semi-passively managed portfolios. Both mandates outperformed their respective benchmarks for the year.

<table>
<thead>
<tr>
<th>Performance Ending 6/30/21</th>
<th>1 Yr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Equity Actively Managed Fund</td>
<td>46.6%</td>
</tr>
<tr>
<td>Russell 3000</td>
<td>44.2%</td>
</tr>
</tbody>
</table>

The **U.S. Equity Index Fund** outperformed its benchmark, the Russell 3000, for the fiscal year.

<table>
<thead>
<tr>
<th>Performance Ending 6/30/21</th>
<th>1 Yr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Equity Index Fund</td>
<td>44.7%</td>
</tr>
<tr>
<td>Russell 3000</td>
<td>44.2%</td>
</tr>
</tbody>
</table>

The **Bond Fund** outperformed its benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index, by 2.4 percentage points for the fiscal year.

<table>
<thead>
<tr>
<th>Performance Ending 6/30/21</th>
<th>1 Yr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Fund</td>
<td>2.1%</td>
</tr>
<tr>
<td>BB Barclays U.S. Aggregate</td>
<td>-0.3%</td>
</tr>
</tbody>
</table>

Special Note Regarding Your Individual Account Performance

Your plan administrator or reporting agency accumulates your contributions and transfers those contributions to various accounts in the fund. The actual performance of your investments in the Supplemental Investment Fund may be somewhat higher or lower than these figures due to the timing of those transfers. Note that performance calculations may also differ due to rounding.
Supplemental Investment Fund – Overview

Investment Platform
The Minnesota Supplemental Investment Fund (SIF) was established in Minnesota Statute 11A.17 to provide an investment vehicle for the assets of various public retirement plans and funds. The broad asset class options offered to participating plans invest in the Combined Funds asset class pools managed by external investment managers. These asset class pools are structured much like shares of a mutual fund where the participating plans own units of the pool. The Combined Funds represent the assets of the three Statewide Retirement Systems.

Participating Plans and Investors
SIF investment options are available to eligible public retirement plans and various tax-advantaged savings plans that are in the Fire Plans + Other Retirement Plans Investment Program and the Participant Directed Investment Program (PDIP). Not all SIF investment options are available to these Plans as they may have different rules and/or laws established.

Net Asset Values
The net asset values for each of the SIF investment options is provided below. In total, $3.4 billion was invested in the SIF platform ending FY21, of that amount $1.0 billion was invested with the Fire Relief Plans + Other Public Retirement Plans Investment Program and the remainder with PDIP. Please note that the FY20 Prospectus only listed the Fire Plan + Other Public Retirement Program assets.

<table>
<thead>
<tr>
<th>SIF Fund Options</th>
<th>Assets as of 6/30/2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broad International Equity Fund</td>
<td>$160,245,129</td>
</tr>
<tr>
<td>U.S. Equity Actively Managed Fund</td>
<td>$95,834,220</td>
</tr>
<tr>
<td>U.S Equity Index Fund</td>
<td>$460,144,272</td>
</tr>
<tr>
<td>Balanced Fund</td>
<td>$114,562,615</td>
</tr>
<tr>
<td>Bond Fund</td>
<td>$119,193,291</td>
</tr>
<tr>
<td>Money Market Fund</td>
<td>$579,051,391</td>
</tr>
<tr>
<td>Volunteer Firefighter Account</td>
<td>$145,136,075</td>
</tr>
<tr>
<td>Stable Value Fund</td>
<td>$1,704,204,510</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$3,378,371,503</td>
</tr>
</tbody>
</table>

Investment Options and Plans that Invest
The investment choices available to the various Plan Sponsors are listed in the grid below. Not all Plans are eligible to invest in the investment options offered.

<table>
<thead>
<tr>
<th>Plan Sponsor</th>
<th>Broad Int’l Equity Fund</th>
<th>U.S. Equity Actively Mgd Fund</th>
<th>U.S. Equity Index Fund</th>
<th>Bond Fund</th>
<th>Balanced Fund</th>
<th>Volunteer Firefighter Account</th>
<th>Stable Value Fund</th>
<th>Money Market Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volunteer Fire Relief Associations</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Other Public Retirement Plans</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Statewide Volunteer Firefighter Plan</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>PERA DC Plan (PDIP Program)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Other Eligible Plans (PDIP Program)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

1 Volunteer Firefighter Account provides a balanced investment allocation using the respective pooled investment options.
2 Investors in the Participant Directed Investment Program (PDIP) make their own investment decisions for their portfolio.

Pricing of the SIF Funds
Share values in each fund are priced on a daily basis. You may transfer assets among funds on any business day during the month. (See procedures on pages 14-15). Historical share values are available on the SBI website.

Changes within the Investment Funds
During the fiscal year, a currency overlay manager was added to the Broad International Equity Fund. Within the Bond Fund, the Core Bond mandate was restructured to a Core/Core plus mandate, which allows the current fixed income managers additional flexibility in their risk budget. Additional information is provided in the respective fund section of this prospectus.

Changing Investment Options
You can change your investment options as often as you wish. If your plan is eligible to invest in the Stable Value Fund, be aware of restrictions that apply to trades (see page 11). Fire Relief Plans have until 3:00 P.M. CST to enter trade/transfer requests and receive that day’s close price. The Public Employees Retirement Association (PERA) DC Plan and eligible participants that use the Stable Value Fund must transact prior to 10:00 A.M. CST to receive that day’s close price. Guidelines may vary among plans. You should contact your plan administrator for more specific information.

List of Holdings in Funds
A listing is not provided in this Prospectus due to the large number of holdings owned in each of the funds. Please contact the SBI if you would like a complete list of holdings or you can access the list on the SBI website.

Administrative Fees
The SBI’s administrative fee is deducted directly from your account. The current SBI administrative fee is 0.006%. This represents an annual charge of $0.06 per $1,000. Check with your plan administrator if they have a separate charge for administrating your plan.
Supplemental Investment Fund – Overview

External Investment Management of Funds

The SBI offers a variety of funds to help participants reach their financial goals. The external investment managers hired by the SBI are listed under the respective investment option.

**Broad International Equity Fund**
- AQR Capital Management
- Acadian Asset Management
- Columbia Threadneedle
- Earnest Partners
- Fidelity Institutional Asset Management
- J.P. Morgan Investment Management
- Macquarie Investment Management Advisers
- Marathon Asset Management
- Martin Currie
- McKinley Capital Management
- Morgan Stanley Investment Management
- Neuberger Berman Investment Advisers
- Pzena Investment Management
- Record Currency Management
- State Street Global Advisors
- The Rock Creek Group

**U.S. Equity Actively Managed Fund**
- ArrowMark Partners
- Barrow, Hanley, Mewhinney & Strauss
- BlackRock Institutional Trust Company
- Goldman Sachs Asset Management
- Hood River Capital Management
- Hotchkis and Wiley Capital Management
- J.P. Morgan Investment Management
- LSV Asset Management
- Martingale Asset Management
- Peregrine Capital Management
- Rice Hall James & Associates
- Sands Capital Management
- Wellington Management Company
- Winslow Capital Management
- Zevenbergen Capital Investments

**Balanced Fund**
- BlackRock Institutional Trust Company (equities)
- Bond Fund
- (see list of investment managers below)
- State Street Global Advisors (cash)

**Bond Fund**
- BlackRock Financial Management
- Dodge & Cox
- Goldman Sachs Asset Management
- Neuberger Berman Investment Advisers
- Western Asset Management Company

**Stable Value Fund**
- Galliard Capital Management

**Money Market Fund**
- State Street Global Advisors

Investment Options/Risk Spectrum

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>Asset Type</th>
<th>Management Approach¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Higher Risk</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broad International Stock</td>
<td>Non-U.S. equities</td>
<td>Active, Semi-passive, and Passive</td>
</tr>
<tr>
<td>Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Equity Actively Managed Fund</td>
<td>U.S. equities</td>
<td>Active</td>
</tr>
<tr>
<td>U.S. Equity Index Fund</td>
<td>U.S. equities</td>
<td>Passive</td>
</tr>
<tr>
<td>Balanced Fund</td>
<td>U.S. equities, U.S. fixed income &amp; cash</td>
<td>Passive (U.S. Stock Index Fund)</td>
</tr>
<tr>
<td>Bond Fund</td>
<td>Fixed Income</td>
<td>Active management</td>
</tr>
<tr>
<td>Stable Value Fund</td>
<td>Fixed Income with Stable Value instruments</td>
<td>Active management</td>
</tr>
<tr>
<td></td>
<td>(investment contracts)</td>
<td></td>
</tr>
<tr>
<td>Money Market Fund</td>
<td>Short-term securities</td>
<td>Active management</td>
</tr>
</tbody>
</table>

Over the long run, higher-risk assets are expected to provide higher investment returns than lower-risk assets. However, there is no guarantee that any investment will not suffer a loss of principal.

¹ All investment options are managed by external investment firms identified above as of June 30, 2021.
The **Broad International Equity Fund** has a market value of approximately $160.2 million. The objective of the fund is to earn a high rate of return by investing in the equity of companies outside the U.S. The fund’s benchmark is the Morgan Stanley Capital International All Country World Index excluding the United States net of taxes on dividends (MSCI ACWI ex USA Index net).

Typically, a majority of the fund is invested in the largest international stock markets (Japan, United Kingdom, France, Switzerland and Canada). Most of the remainder is invested in other well-established markets in Europe and the Pacific region. Approximately thirty-one percent of the fund is invested in developing countries, or “emerging markets”, around the world including those in Asia, Latin America, Eastern Europe, the Middle East and Africa.

**Objectives**

This investment option will be attractive if you believe that, over time, international stocks will provide high returns and provide diversification to your total portfolio of assets. The fund is made up of active and passive managers. The active international stock managers use a variety of investment styles and approaches. The remainder of the fund is passively managed to closely approximate the returns of the international markets.

The returns from the fund will rise and fall with movements in the international stock markets. As with all options that use common stocks, you must be willing to accept returns that may vary widely in the short-term. While this investment strategy has the potential to produce returns that exceed those of a combined index comprised of both the developed markets and emerging markets, there also may be periods when the returns fall below the index return.

**Investment Management**

The Broad International Equity Fund uses a group of external international equity investment managers retained by the SBI (see page 5 for a listing of these managers).

**Fiscal Year 2021 Changes**

The use of a currency overlay strategy was incorporated during the fiscal year to effectively manage the portfolio’s non-dollar exposure. The benchmark for the Broad International Equity Fund continues to be the MSCI ACWI ex USA (net).

**Valuation**

Investors own shares in the fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any dividend income is reinvested in the fund at the time it is earned. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

**Investment Performance**

The graph below shows how $1,000 invested in the fund on June 30, 2016, has grown. Cumulatively, $1,000 would have grown to $1,712.

The table below displays the fund’s actual share values and returns for the last five fiscal years. The annualized (annual compounded) return during this five year period was 11.3%.

**Fund Expenses**

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.24%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.25% or approximately $2.45 per $1,000 invested.

**Fund Statistics and Top Holdings**

<table>
<thead>
<tr>
<th>Security Name</th>
<th>Portfolio Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan Semiconductor</td>
<td>1.8%</td>
</tr>
<tr>
<td>China A Shares Fund</td>
<td>1.8</td>
</tr>
<tr>
<td>Tencent Holdings</td>
<td>1.5</td>
</tr>
<tr>
<td>Samsung Electronics Co.</td>
<td>1.5</td>
</tr>
<tr>
<td>Nestle SA</td>
<td>1.2</td>
</tr>
</tbody>
</table>
The **U.S. Equity Actively Managed Fund** has approximately $95.8 million in assets. The primary objective of the fund is to generate high returns from capital appreciation (increases in the market value of the assets it owns) as measured by the Russell 3000 Index.

The fund is composed almost exclusively of stocks of **U.S. listed companies**. The small amount of cash in the fund represents the new contributions prior to investment in the market as well as any cash held by the individual managers within the fund.

A group of external investment managers retained by the SBI manages the fund. As a result, the fund encompasses a range of investment styles and approaches. One set of managers actively manages portfolios in specific segments of the U.S. stock market. Another set of managers attempts to add incremental value by investing in a broadly diversified portfolio of stocks across a wide range of industries. This structure assures that the fund covers all areas of the broad stock market.

**Objectives**

The U.S. Equity Actively Managed Fund is an actively managed aggressive investment portfolio focused on U.S. stocks. You would choose this fund if you believe that, over time, the stock market will provide higher returns than other types of investments and the managers of the fund will invest in stocks that, in total, perform better than the broad stock market.

The returns from the fund will rise and fall with movement in the stock market. As with all options that use common stocks, you must be willing to accept returns that vary widely in the short-term. The returns from the fund are likely to fluctuate more widely than returns from the U.S. Equity Index Fund, the Balanced Fund or the Bond Fund. While it has the potential to produce returns that exceed those of the broad stock market, an active investment strategy may also experience periods when its returns fall below the market. The potential for higher gains over the long run may compensate for higher short-term volatility of returns.

**Investment Management**

The U.S. Equity Actively Managed Fund consist of active and semi-passively managed portfolios invested by a group of institutional investment managers retained by the SBI (see page 5 for a listing of these managers).

**Valuation**

Investors own shares in the fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any dividend income is reinvested in the fund at the time it is earned. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

**Investment Performance**

The graph below shows how $1,000 invested in the fund on June 30, 2016 has grown. Cumulatively, $1,000 would have grown to $2,466.

The table below displays the fund’s actual share values and returns for the last five fiscal years. The annualized (annual compounded) return during this five year period was 19.8%.

**Fund Expenses**

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.19%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.19% or approximately $1.93 per $1,000 invested.

**Fund Statistics and Top Holdings**

<table>
<thead>
<tr>
<th>Fiscal Year Ending June 30</th>
<th>Share Value</th>
<th>Rate of Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$60.77</td>
<td>20.5%</td>
</tr>
<tr>
<td>2018</td>
<td>71.80</td>
<td>18.2</td>
</tr>
<tr>
<td>2019</td>
<td>78.16</td>
<td>8.9</td>
</tr>
<tr>
<td>2020</td>
<td>84.81</td>
<td>8.5</td>
</tr>
<tr>
<td>2021</td>
<td>124.30</td>
<td>46.6</td>
</tr>
</tbody>
</table>

**Top Equity Holdings**

<table>
<thead>
<tr>
<th>Security Name</th>
<th>Portfolio Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple Inc.</td>
<td>2.6%</td>
</tr>
<tr>
<td>Microsoft Corp.</td>
<td>2.4</td>
</tr>
<tr>
<td>Amazon.com Inc.</td>
<td>2.3</td>
</tr>
<tr>
<td>Alphabet Inc. Class A</td>
<td>1.3</td>
</tr>
<tr>
<td>Facebook Inc. Class A</td>
<td>1.2</td>
</tr>
</tbody>
</table>
The **U.S. Equity Index Fund** has a market value of approximately $460.1 million. The objective of the fund is to generate high returns that closely approximate the returns of the U.S. stock market as a whole. The fund is invested primarily in U.S. stocks.

The fund invests in over 2,700 domestic stocks and is designed to replicate the returns produced by the Russell 3000. The Russell 3000 is a stock market index like the Dow Jones Industrial Average. In effect, the diversity of stock holdings in the U.S. Stock Index Fund represents the broad domestic stock market.

### Objectives

This option will be attractive to you if you believe that, over time, stocks will provide higher returns than other investments. You should note, however, that the U.S. Equity Index Fund is passively managed. This means that no attempt is made to identify specific stocks that will perform better than others. Instead, the fund is designed to perform in-line with the broad stock market.

In actively managed funds such as the U.S. Equity Actively Managed Fund (see page 7), stocks are bought and sold in an attempt to maximize market value. While it has the potential to produce returns that exceed those of the broad stock market, an active investment strategy may also experience periods when its returns fall below the market. By contrast, the passive approach used in the U.S. Equity Index Fund should provide returns that consistently and inexpensively replicate the market.

The returns from the fund will rise and fall directly with movement in the stock market. As with all options that use common stocks, you must be willing to accept returns that vary widely in the short-term. In the long-term, the fund should average higher returns than you could obtain by placing your contributions in a fixed income or money market type fund.

### Investment Management

The U.S. Equity Index Fund is a passively managed portfolio invested by BlackRock Institutional Trust Company.

### Valuation

Investors own shares in the fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any dividend income is reinvested in the fund at the time it is earned. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

### Investment Performance

The graph below shows how $1,000 invested in the fund on June 30, 2016 has grown. Cumulatively $1,000 would have grown to $2,290.

The table below displays the fund’s actual share values and returns for the last five years. The annualized (annual compounded) return during this five year period was 18.0%.

### Fund Expenses

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.01%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.017% or approximately $0.17 per $1,000 invested.

### Fund Statistics and Top Holdings

<table>
<thead>
<tr>
<th>Fiscal Year Ending June 30</th>
<th>Share Value</th>
<th>Rate of Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$48.44</td>
<td>18.5%</td>
</tr>
<tr>
<td>2018</td>
<td>55.59</td>
<td>14.8</td>
</tr>
<tr>
<td>2019</td>
<td>60.60</td>
<td>9.0</td>
</tr>
<tr>
<td>2020</td>
<td>64.69</td>
<td>6.7</td>
</tr>
<tr>
<td>2021</td>
<td>93.61</td>
<td>44.7</td>
</tr>
</tbody>
</table>

**Risk Return Statistics as of June 30, 2021**

<table>
<thead>
<tr>
<th>Statistics</th>
<th>3 Yrs.</th>
<th>5 Yrs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Return (%)</td>
<td>19.0</td>
<td>18.0</td>
</tr>
<tr>
<td>Benchmark¹ Return (%)</td>
<td>18.7</td>
<td>17.9</td>
</tr>
<tr>
<td>Excess Return (%)</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Portfolio Standard Deviation (%)²</td>
<td>19.5</td>
<td>15.7</td>
</tr>
<tr>
<td>Benchmark¹ Standard Deviation (%)²</td>
<td>19.4</td>
<td>15.7</td>
</tr>
</tbody>
</table>

¹ Benchmark is the Russell 3000.
² Standard Deviation: measure portfolio’s rate of return volatility.

### Top Equity Holdings

<table>
<thead>
<tr>
<th>Security Name</th>
<th>Portfolio Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple Inc.</td>
<td>4.9%</td>
</tr>
<tr>
<td>Microsoft Corp.</td>
<td>4.6</td>
</tr>
<tr>
<td>Amazon.com Inc.</td>
<td>3.4</td>
</tr>
<tr>
<td>Facebook Inc. Class A</td>
<td>1.9</td>
</tr>
<tr>
<td>Alphabet Inc. Class A</td>
<td>1.7</td>
</tr>
</tbody>
</table>
The Balanced Fund has a market value of approximately $114.6 million in assets. The objective of the fund is to earn a return from both capital appreciation (increases in market value) and current yield (dividends from stock and interest on bonds). To attain that goal, the fund uses a mix of stocks and bonds. While holdings may vary on a day-to-day basis, the following is the targeted asset mix:

- 60% Domestic Equities
- 35% Fixed Income
- 5% Cash

The stock segment of the fund is designed to replicate returns produced by the Russell 3000, a stock market index that reflects the broad U.S. stock market.

The bond segment is actively managed to the Bloomberg Barclays U.S. Aggregate Index. Portfolio holdings include high-quality corporate bonds, mortgage securities, U.S. Government issues, and a portion to higher yielding below investment grade debt issues.

Objectives

You would choose the Balanced Fund if you want a balanced or diversified investment portfolio in one fund. You must be willing to assume some risk with your investment, since returns will vary with changes in market conditions. Over the long run, the fund is expected to average higher returns than you could obtain by placing your contributions in a fixed income or money market instrument.

Market value growth and dividend income from the stock holdings can give you higher returns than are usually available from bonds and short-term (cash) investments. Conversely, while returns on bonds are often lower than returns on stocks, the bond holdings in the fund add stability and offer you some protection against wide swings in the general stock market.

Investment Management

The Balanced Fund uses the external institutional investment managers that invest the U.S. Equity Index Fund, Bond Fund and the Money Market Fund. The bond allocation is invested in the Bond Fund, which includes a group of bond managers retained by the SBI (see page 5 for a listing of these managers). The equity allocation is invested in the same equity index fund used for the U.S. Equity Index Fund (see page 8 for a description of this passively managed index fund). The cash portion of the fund is managed by State Street Global Advisors.

Valuation

Investors own shares in the fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any interest and dividend income is reinvested in the fund at the time it is earned. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

Investment Performance

The graph below shows how $1,000 invested in the Balanced Fund on June 30, 2016 has grown. Cumulatively, $1,000 would have grown to $1,805.

<table>
<thead>
<tr>
<th>Year Ending June 30</th>
<th>Share Value</th>
<th>Rate of Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$75.96</td>
<td>11.3%</td>
</tr>
<tr>
<td>2018</td>
<td>82.71</td>
<td>8.9</td>
</tr>
<tr>
<td>2019</td>
<td>89.94</td>
<td>8.8</td>
</tr>
<tr>
<td>2020</td>
<td>97.34</td>
<td>8.2</td>
</tr>
<tr>
<td>2021</td>
<td>123.18</td>
<td>26.5</td>
</tr>
</tbody>
</table>

Fund Expenses

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.04%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.042% or approximately $0.42 per $1,000 invested.

Fixed Income Sector Weights and Equity Holdings

<table>
<thead>
<tr>
<th>Security Name</th>
<th>Bond Fund Weight</th>
<th>BBG Barclays Agg Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>32.1%</td>
<td>23.8%</td>
</tr>
<tr>
<td>Mortgage Pass-Through</td>
<td>24.5%</td>
<td>27.2%</td>
</tr>
<tr>
<td>U.S. Treasury</td>
<td>18.7%</td>
<td>36.8%</td>
</tr>
<tr>
<td>Yankee</td>
<td>9.3%</td>
<td>6.7%</td>
</tr>
<tr>
<td>CMO</td>
<td>5.8%</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Security Name</th>
<th>Equity Fund Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple Inc.</td>
<td>4.9%</td>
</tr>
<tr>
<td>Microsoft Corp.</td>
<td>4.6%</td>
</tr>
<tr>
<td>Amazon.com Inc.</td>
<td>3.4%</td>
</tr>
<tr>
<td>Facebook Inc. Class A</td>
<td>1.9%</td>
</tr>
<tr>
<td>Alphabet Inc. Class A</td>
<td>1.7%</td>
</tr>
</tbody>
</table>
The **Bond Fund** has a market value of approximately $119.2 million. The objective of this fund is to earn returns by investing in fixed income securities (bonds).

Interest income and capital appreciation (increases in the market value of the assets) are the sources of returns for the fund. The fund invests its majority in high quality government and corporate bonds and mortgage securities that have intermediate to long-term maturities, usually 3 to 20 years. The managers of the fund also may attempt to earn returns by anticipating changes in interest rates and adjusting bond holdings accordingly. While the managers invest primarily in the U.S. bond market, some are authorized to invest a small portion of their portfolios in non-U.S. bonds. Similarly, while the large majority of holdings in the fund will be rated investment grade, managers are authorized to invest a portion of their portfolios in higher yielding below investment grade debt issues.

The fund is invested entirely in fixed income securities. No stocks are held in the fund.

**Objectives**

The Bond Fund is a moderately conservative investment option. It will be attractive if you want an investment option that avoids common stocks, but you also want the potential for greater returns than you can obtain from money market type funds.

The returns from the fund generally will move in the opposite direction of interest rate changes. You must be willing to assume some risk with your investment, because the fund could report losses in periods when interest rates are rising.

**Investment Management**

The Bond Fund is invested by a group of bond managers retained by the SBI (see page 5 for a listing of these managers).

**Valuation**

Investors own shares in the fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any interest earnings are reinvested at the time they are received. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

**Fiscal Year 2021 Changes**

Investment managers were allowed expanded investment authorization to incorporate opportunistic sectors of the fixed income market. The addition of a core plus fixed income mandate was incorporated during the 2021 fiscal year to provide additional diversification and an opportunity for enhanced returns. This change also increases the active risk, which means the fund return may deviate more from the benchmark return. The benchmark for the Bond Fund continues to be the Bloomberg Barclays U.S. Aggregate.

**Investment Performance**

The graph below shows how $1,000 invested in the fund on June 30, 2016 has grown. Cumulatively, $1,000 would have grown to $1,218.

![Investment Performance Graph](image-url)

The table below displays the fund’s actual share values and returns for the last five years. The annualized (annual compounded) return during this five year period was 4.0%.

<table>
<thead>
<tr>
<th>Year Ending June 30</th>
<th>Share Value</th>
<th>Rate of Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>18.82</td>
<td>0.9%</td>
</tr>
<tr>
<td>2018</td>
<td>18.84</td>
<td>0.1%</td>
</tr>
<tr>
<td>2019</td>
<td>20.38</td>
<td>8.2%</td>
</tr>
<tr>
<td>2020</td>
<td>22.26</td>
<td>9.2%</td>
</tr>
<tr>
<td>2021</td>
<td>22.72</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

**Fund Expenses**

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.10%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.11% or approximately $1.10 per $1,000 invested.

**Characteristics and Sector Weights**

**Fixed Income Characteristics as of June 30, 2021**

<table>
<thead>
<tr>
<th>Bond Fund</th>
<th>BBG Barclays Aggregate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Duration</td>
<td>6.0</td>
</tr>
<tr>
<td>Coupon Rate</td>
<td>3.1</td>
</tr>
<tr>
<td>Yield to Maturity</td>
<td>2.3</td>
</tr>
<tr>
<td>Average Life (yrs.)</td>
<td>8.5</td>
</tr>
<tr>
<td>Average Quality Rating</td>
<td>A1</td>
</tr>
</tbody>
</table>

1. The avg % change in the portfolio return given a 1% shift in the yield curve.
2. The average coupon rate of all bonds in portfolio weighted by mkt value.
3. The annual internal rate of return on the bonds if held to maturity.
4. The average life of the bonds in the portfolio weighted by mkt value.
5. Moody’s credit rating for bonds in portfolio weighted by mkt value.

**Top Sector Weights**

<table>
<thead>
<tr>
<th>Security Name</th>
<th>Bond Fund Weight</th>
<th>BBG Barclays Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporates</td>
<td>32.1%</td>
<td>23.8%</td>
</tr>
<tr>
<td>Mortgage Pass-Through</td>
<td>24.5</td>
<td>27.2</td>
</tr>
<tr>
<td>U.S. Treasury</td>
<td>18.7%</td>
<td>36.8%</td>
</tr>
<tr>
<td>Yankee</td>
<td>9.3%</td>
<td>6.7%</td>
</tr>
<tr>
<td>CMO</td>
<td>5.8%</td>
<td>2.0%</td>
</tr>
</tbody>
</table>
The Stable Value Fund seeks to preserve principal, maintain adequate liquidity to meet withdrawals, and generate a level of income consistent with a short to intermediate duration, high quality fixed income portfolio. The Stable Value Fund is offered in two different investment platforms within the Participant Directed Investment Program. At the end of June 30, 2021, the total market value of the Stable Value Fund was approximately $1.7 billion.

Components of the Stable Value Portfolio
There are three components to the Stable Value Fund. The first component is comprised of Investment Contracts issued by financial institutions. Investment Contracts are vehicles that are valued at “book” value rather than “market” value. The fund is allowed to value its Investment Contracts at book value since it has secured the book value coverage by a third party financial institution. The second component consists of an underlying portfolio of high quality, well-diversified short and intermediate-duration fixed income securities which are subject to the Investment Contracts and are often referred to as “Underlying Securities”. The last component is cash.

Objectives
The Stable Value Fund is a conservative investment option. This type of investment option may be attractive to you because the possibility of incurring a loss on your original investment is low. You should also understand that the returns of the fund may not change as quickly as the credited interest rates associated with a money market fund. This lag will tend to work to your advantage when overall interest rates are falling and will tend to work to your disadvantage when overall rates are rising.

Investment Management
The Stable Value Fund is managed by Galliard Capital Management, an independently operated, wholly-owned subsidiary of Wells Fargo Asset Management.

Valuation
Investors own shares in the fund, much like a mutual fund. The share value is determined on a daily basis and reflects the blended crediting rate available from all investments in the fund.

Risks
While the Stable Value Fund is a conservative investment option, it is possible to lose money by investing in this fund. An investment in the fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation (FDIC) or by any other bank or investment advisor.

Restrictions
The fund will accept transfers from other investment options in your plan, provided you follow the guidelines established by your plan administrator. You may not transfer balances directly from the Stable Value Fund to the Money Market Fund. Instead, you must make transfers from the Stable Value Fund to any other non-competing investment option for a period of 90 days before moving the balance to the Money Market Fund; often referred to as an Equity Wash.

Explanation for the Restriction
When short-term interest rates rise above the rates available in the Stable Value Fund, transfers from the Stable Value Fund to the Money Market Fund adversely affect the investments in the Stable Value Fund.

Investment Performance
The graph below shows how $1,000 invested in the fund on June 30, 2016 has grown. Cumulatively, $1,000 would have grown to $1,123.

The table below displays the fund’s returns for the last five fiscal years. The annualized (annual compounded) return during this five year period was 2.3%.

Fiscal Year Ending June 30

<table>
<thead>
<tr>
<th>Year</th>
<th>Stable Value Return¹</th>
<th>Benchmark Return²</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2.0%</td>
<td>1.7%</td>
</tr>
<tr>
<td>2018</td>
<td>2.2</td>
<td>2.4</td>
</tr>
<tr>
<td>2019</td>
<td>2.6</td>
<td>3.0</td>
</tr>
<tr>
<td>2020</td>
<td>2.7</td>
<td>1.6</td>
</tr>
<tr>
<td>2021</td>
<td>2.2</td>
<td>0.7</td>
</tr>
</tbody>
</table>

¹Net gain/loss of book value asset in portfolio (Investment Contracts).
²Benchmark is the 3Yr. Constant Maturity Treasury Note +0.45bps.

Fund Expenses
The rate of return for this fund is calculated after investment and operating fees are paid but before administrative fees are deducted. As of June 30, 2021, investment and operating fees were 0.20%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.20% or approximately $2.06 per $1,000 invested.

Characteristics and Sector Weights

Portfolio Characteristics as of June 30, 2021

<table>
<thead>
<tr>
<th>Average Quality (Investment Contracts)</th>
<th>AA-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market/Book Value Ratio</td>
<td>103.7%</td>
</tr>
<tr>
<td>Crediting Yield (net of fees)</td>
<td>1.9%</td>
</tr>
<tr>
<td>Average Quality (underlying portfolio)</td>
<td>AA</td>
</tr>
<tr>
<td>Yield to Maturity (underlying portfolio)</td>
<td>0.9%</td>
</tr>
<tr>
<td>Effective Duration (underlying portfolio)</td>
<td>3.2 yrs.</td>
</tr>
</tbody>
</table>

Top Sector Weights of Underlying Portfolio

<table>
<thead>
<tr>
<th>Corporates</th>
<th>28.6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Treasury</td>
<td>24.0</td>
</tr>
<tr>
<td>Asset Backed Securities (ABS)</td>
<td>14.8</td>
</tr>
<tr>
<td>Agency Mortgage-Backed Securities (MBS)</td>
<td>11.5</td>
</tr>
<tr>
<td>Other U.S. Government</td>
<td>7.7</td>
</tr>
</tbody>
</table>
Investments Option – Money Market Fund

The return in the Money Market Fund is based on the interest income produced by the fund’s investments. The objective of the fund is to provide safety of principal by investing in high-quality, short-term instruments. The Money Market Fund is offered in two different investment platforms within the Participant Directed Investment Program. At the end of June 30, 2021, the total market value of the Money Market Fund was approximately $579.1 million.

Unlike the funds described earlier, the Money Market Fund does not own stocks or long-term bonds. The fund is invested in short-term, high-quality money market instruments.

Objectives
The Money Market Fund is a conservative investment option. You would choose the fund if you want to maintain the value of your original investment while earning competitive short-term interest rates.

The returns from the fund will vary less than investments that include stocks or bonds and should closely follow the rise and fall in short-term interest rates.

Investment Management
The Money Market Fund is managed by State Street Global Advisors, the organization that provides short-term investment management for a substantial portion of the SBI’s cash reserves.

Fund Structure/Regulated
The fund is an actively managed cash portfolio structured as a Short-Term Investment Fund (STIF). The fund is regulated by the Federal Reserve, the Commodity Futures Trading Commission (CFTC), and the National Futures Association (NFA). The fund is not registered with the Securities and Exchange Commission (SEC) and is not subject to the various rules and limitations that apply to money market funds regulated by the SEC.

Valuation
The share value for the Money Market Fund is uniformly priced at $1.00 per share. There is no assurance that the portfolio will be able to maintain a stable net asset value of $1.00 per share. Interest earnings are credited on a daily basis by purchasing additional shares on your behalf. The credited interest rate changes only modestly from day to day and reflects the yield available for all investments in the fund.

Risks
While a money market fund’s objective generally includes the preservation of capital, it is possible to lose money by investing in the fund.

Investment Performance
The graph below shows how $1,000 invested in the fund on June 30, 2016 has grown. Cumulatively, $1,000 would have grown to $1,061.

The table below displays the fund’s actual returns for the last five years. The annualized (annual compounded) return during this five year period was 1.3%.

<table>
<thead>
<tr>
<th>Year</th>
<th>Money Market Fund Return</th>
<th>Benchmark Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>0.7%</td>
<td>0.5%</td>
</tr>
<tr>
<td>2018</td>
<td>1.5</td>
<td>1.4</td>
</tr>
<tr>
<td>2019</td>
<td>2.5</td>
<td>2.3</td>
</tr>
<tr>
<td>2020</td>
<td>1.7</td>
<td>1.6</td>
</tr>
<tr>
<td>2021</td>
<td>0.2</td>
<td>0.1</td>
</tr>
</tbody>
</table>

*Benchmark is the ICE BofA U.S. 3-Month Treasury Bill.

Fund Expense
There are no investment management fees for an investment in the Money Market Fund. The administrative fee was 0.006%, which would be an annual total fund expense of approximately $0.06 per $1,000.

Characteristics and Sector Weights

<table>
<thead>
<tr>
<th>Portfolio Characteristics as of June 30, 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Effective Yield</td>
</tr>
<tr>
<td>Weighted Average Maturity (in days)</td>
</tr>
<tr>
<td>Average Credit Quality</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Top Sector Weights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security Name</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
</tr>
<tr>
<td>Commercial Paper</td>
</tr>
<tr>
<td>Time Deposit</td>
</tr>
<tr>
<td>Asset Backed Commercial Paper</td>
</tr>
<tr>
<td>U.S. Treasury</td>
</tr>
</tbody>
</table>
The chart below provides the Supplemental Investment Fund (SIF) asset ownership as of June 30, 2021 by the participating plans in the Fire Relief Plans + Other Public Retirement Plans Program and the Participant Directed Investment Program (PDIP).

Investing in the Supplemental Investment Fund

The various participants investing in the Supplemental Investment Fund (SIF) have different procedures that need to be followed.

- Participants in the Public Employees Retirement Association Defined Contribution Plan (PERA DC) should contact the Public Employees Retirement Association (PERA) for their plan procedures.
- Procedures for Volunteer Fire Relief Associations, not invested in the SVF Plan, can be found on pages 14-15 of this prospectus.
- Participants in the Statewide Volunteer Firefighter Retirement Plan (SVF Plan) should refer to the SVF Plan investment prospectus or contact PERA for their procedures.

Plan Administrator

Public Employees Retirement Association (PERA)

[www.mnpera.org](http://www.mnpera.org)
60 Empire Drive, Suite 200
St. Paul, MN 55103-2088
(651) 296-7460

Reporting Agency

Minnesota State Board of Investment (SBI)

[http://mn.gov/sbi](http://mn.gov/sbi)
60 Empire Drive, Suite 355
St. Paul, MN 55103-3555
(651) 296-3328

* Fire Relief + Other Public Retirement Program assets represents just under 30% of the SIF platform

Participants Planning by Investment Program

- MN Deferred Compensation Plan
  - 46.5%
- Health Care Savings Plan
  - 19.3%
- PERA DC Plan
  - 2.9%
- Unclassified Retirement Plan
  - 1.1%
- Volunteer Fire Relief Associations*
  - 12.1%
- Statewide Volunteer Firefighter Plan*
  - 4.3%
- St. Paul Teachers Retirement Fund Association*
  - 13.5%
- Participant Directed Investment Program
  - 70.1%
- PERA DC Plan
  - 2.9%
- Health Care Savings Plan
  - 19.3%
- Minnesota Deferred Compensation Plan
  - 46.5%
- Unclassified Retirement Plan
  - 1.1%
- Volunteer Fire Relief Associations*
  - 12.1%
- Statewide Volunteer Firefighter Plan*
  - 4.3%
- St. Paul Teachers Retirement Fund Association*
  - 13.5%
- Participant Directed Investment Program
  - 70.1%
Procedures – Volunteer Fire Relief Associations

Volunteer Fire Relief Associations that are not invested in the Statewide Volunteer Firefighter Retirement Plan will use the following procedures to invest in the Supplemental Investment Fund.

All funds in the Supplemental Investment Fund (Fund), with the exception of the Stable Value Fund*, are available to Volunteer Fire Relief Associations. Fire Relief plans have complete discretion in determining the amount and allocation to invest any eligible fund(s). (See Minnesota Statutes, Section 356A.06, subdivision 6 and 7.)

*The Stable Value Fund is not available to Volunteer Fire Relief Associations given the different pension plan structures. Qualified plans must meet FASB SOP 94-4 accounting rules.

### How To Open A Plan Account With The SBI

Before investing in the Fund for the first time, a fire relief plan must complete the Relief Association Contact Form, the Relief Association Wire Instructions Form and return them to the SBI.

- **The Relief Association Contact Form** provides the SBI with the permanent address of the Plan and the name, telephone number and e-mail address of the contact person for the Plan.

  Monthly reports, statement notifications, and other correspondence from the SBI will be mailed and/or emailed to the contact person at the email address provided.

  SBI will email credentials and instructions about activating and using the access and transaction website within five business days of receiving the Contact Form.

- **The Relief Association Wire Instructions Form** provides the SBI with the name of the financial institution and wire instructions that will be used for all withdrawals.

  All withdrawals from the Fund by your relief association will be sent to the named financial institution via the wire instructions provided. The SBI cannot issues checks for any withdrawals.

  **The wire instruction form must be notarized before returning to SBI.**

### Contribution, Withdrawal And Transfer Procedures

A fire relief plan may contribute, withdraw or transfer funds on any business day of the month using one of two methods:

- **Mail/Email**
  Complete the Relief Association Transaction Form.
  - This form instructs the SBI what transaction to perform, the Fund(s) involved, the dollar amount of the transaction and whether a check or wire transfer will be used.

  - The Plan contact person must sign the form and send it to the SBI before 2:00 PM CST five business day prior to having the funds wired (no same day trades are allowed).

- **Online**
  Enter your Trades online.
  - If you wish to use this method, you must first have completed and sent to the SBI the Relief Association Contact Form and the Relief Association Wire Instructions Form.

  - Once the forms are received and approved, the SBI will instruct you on access to the system. **This could take up to five business days to process.**

  If an online trade is for one million dollars or greater, you must notify the SBI prior to entering the trade (for internal control purposes).

**Contributions (may be made via wire transfer or check. The SBI prefers contributions via wire transfer).**

- **Contributions via Check**
  - If you send a contribution by check for the SBI to process, submit a Relief Association Transaction Form and make the check payable to the “Minnesota State Board of Investment”.

  Contributions via check will take a minimum of five days to process.
Contributions (cont.)

Contributions via Wire Transfer
- If you instruct the SBI to process a contribution that was wired to the SBI’s custodian bank, you must notify the SBI on the Relief Association Transaction Form of the exact date the wire contribution will be sent from the Plan’s financial institution to the SBI’s custodian (State Street Bank) using the wire instructions below.
- If you process an online contribution using website access, you must make the contribution via wire transfer using the wire instructions provided.

Wire Instructions To State Street Bank
State Street/Boston/Public Funds for the State of Minnesota
Credit GP31
Credit DDA #59845743
ATTN: Matthew Terlaje
ABA #0110 000 28
Corporate Headquarters
One Heritage Drive
3rd Floor N
Quincy, MA 02171

Withdrawals
- The SBI will return withdrawn amounts to relief associations only by means of a wire transfer.
- Withdrawals will be sent to the financial institution via wire instructions as shown on your Relief Association Wire Instructions Form on file with the SBI.
- As a long-term investor, Volunteer Fire Relief Associations are responsible for determining their investment objectives and risk tolerance and choose their investments accordingly. Funds needed for operations or short-term obligations should be kept at your local financial institution in a liquid account; your Plan account with the SBI is not intended to be used as a checking account.

Fees

Administrative Fees
Administrative fees are deducted by the SBI on a quarterly basis using the order below.
- First: Money Market Fund
- Second: Bond Fund
- Third: U.S. Equity Index Fund
- Fourth: U.S. Equity Actively Managed Fund
- Fifth: Broad International Equity Fund
- Sixth: Balanced Fund

Investment Management Fees
There are no “front-end” or “back-end” fees charged on contributions, withdrawals or transfers. Investment Management Fees are paid out of the Fund on a quarterly basis and the daily share value is net of these fees. These deductions will vary from Fund to Fund and from year to year depending on the actual investment management costs incurred.

Please refer to pages 6-12 of this Prospectus for investment management fee information for each of the Funds.

Reporting
- Monthly reports, statement notifications, and other correspondence from the SBI will be mailed and/or emailed to the Plan contact person on file with the SBI.
- Monthly reports display current balances, performance, administrative fees (if applicable for the month), and any transactions that may have occurred during the month. All transaction use the daily share value established for each Fund.
- Online access to your Plan’s account status is available and includes downloadable current balances, transactions and past statements.

To Change Contact Person / Financial Institution
Submit a newly completed Relief Association Contact Form to update a contact on file, or Wire Instructions Form to change banking information. Allow five business days for processing.

To Contact The SBI:
Minnesota State Board of Investment
60 Empire Drive, Suite 355
St. Paul, MN 55103-3555
TEL (651) 296-3328
FAX (651) 296-9572
Shirley Baribeau: shirley.baribeau@state.mn.us and
SBI Accounting Team: acctg.sbi@state.mn.us
About the State Board of Investment

Board Members

The Minnesota State Board of Investment (SBI), in conjunction with SBI staff and the Investment Advisory Council (IAC), establishes investment policies for all funds under its control. These investment policies are tailored to the particular needs of each fund and specify investment objectives, risk tolerance, asset allocation, investment management structure and specific performance standards. The Board’s membership is specified in the Minnesota Constitution and is composed of the officers listed below. The Board’s duties, powers, and investment authority are contained in *Minnesota Statutes, Chapter 11A*

<table>
<thead>
<tr>
<th>Governor</th>
<th>State Auditor</th>
<th>Secretary of State</th>
<th>Attorney General</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tim Walz</td>
<td>Julie Blaha</td>
<td>Steve Simon</td>
<td>Keith Ellison</td>
</tr>
</tbody>
</table>

Investment Advisory Council

The Legislature has established an Investment Advisory Council to advise the Board and its staff on investment related matters.

Gary Martin, Chair  
Kim Faust, Vice Chair  
Denise Anderson  
Doug Anderson  
Ellen Browne  
Dennis Duerst  
Jim Schwalter  
Susanna Gibbons  
Morris Goodwin, Jr.  
Peggy Ingison  
Erin Leonard  
Dan McConnell  
Nancy Orr  
Carol Peterfeso  
Martha Sevetson Rush  
Jay Stoffel  
Shawn Wischmeier  
Malcolm W. McDonald (Emeritus)

Chief Investment Officer  
Vice President and Treasurer  
Governor’s Appointee  
Executive Director  
Director of Investments  
President, 3M Investment Mgmt. Corp, Retired  
Commissioner  
Managing Director, Carlson Funds Enterprise  
Sr. Vice President and CFO  
Governor’s Appointee  
Executive Director  
Chief Investment Officer  
Governor’s Appointee  
Chief Investment Officer  
Director & Corporate Secretary, Retired

Macalester College  
Fairview Health Services  
Active Employee Representative  
Public Employees Retirement Association  
Saint Paul & Minnesota Foundation  
3M Company  
Minnesota Management and Budget  
Carlson School of Management, UMN  
American Public Media Group  
Retiree Member Representative  
Minnesota State Retirement System  
Building & Construction Trades/Council of Mpls.  
Fiduciary Counselling, Inc.  
University of St. Thomas  
Active Employee Representative  
Teachers Retirement Association  
Margaret A. Cargill Philanthropies  
Space Center, Inc.

Executive Director and SBI Staff

To carry out its mission, the SBI retains an executive director, an internal investment staff and external investment managers to execute its policies.

**Executive Staff**

Mansco Perry III  
*Executive Director and Chief Investment Officer*

Charlene Olson  
*Executive Assistant and Head of Office Services*

Andy Christensen  
*Assistant Executive Director, Investment Strategy and Administration*

Erol Sonderegger  
*Assistant Executive Director, Portfolio Management and Risk Analysis*

**Directors**

Patricia Ammann  
*Director, Investment Services and Operations*

Paul T. Anderson  
*Director, Financial Services and Operations*

Andrew Krech  
*Director, Private Markets and Asset Allocation*

John Mulé  
*Director, Legal, Legislative Policy and Shareholder Services*

**IT Services Staff**

Todd Lauf  
*Information Technology Manager*

**Investment Staff**

Nathan Blumenshine, *Investment Officer*

Cassandra Boll, *Senior Investment Officer*

Tammy Brusehaver, *Investment Officer*

Dan Covich, *Investment Officer*

Stephanie Gleeson, *Investment Officer*

Aaron D. Griga, *Senior Investment Officer*

Steven P. Kuettel, *Investment Officer*

S. Emily Pechacek, *Investment Officer*

Jonathan Stacy, *Senior Investment Officer*

Jeffrey Weber, *Investment Officer*

**Financial Services Staff**

Kailee Anderson, *Accounting Officer, Intermediate*

Shirley Baribeau, *Controller*

Stephanie Bui, *Account Clerk, Senior*

William J. Nicol, *Investment Accounting Specialist*

Narmada Ramaswami, *Accounting Officer, Principal*

Iryna Shafir, *Compliance Analyst*

**Office Services Staff**

Melissa Mader, *Office Admin. Specialist, Senior*

Kelly Nordstrom, *Office Admin. Specialist, Intermediate*

As of September 1, 2021
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The Minnesota Supplemental Investment Fund
is managed by the Minnesota State Board of Investment

Board Members:

Governor Tim Walz
State Auditor Julie Blaha
Secretary of State Steve Simon
Attorney General Keith Ellison

Executive Director and Chief Investment Officer:

Mansco Perry III