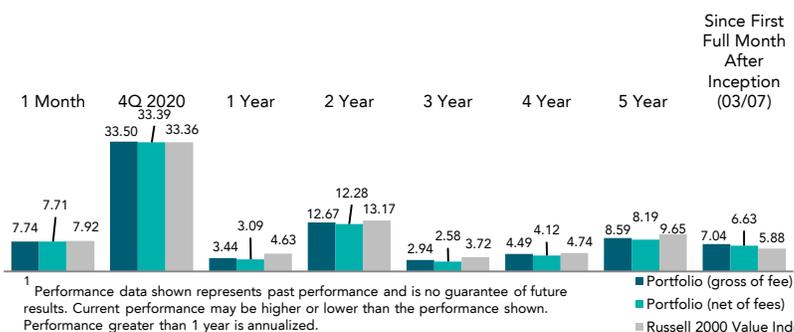


New York City Deferred Compensation Plan

US Targeted Value Strategy

PERFORMANCE (%)¹



INVESTMENT STRATEGY

The strategy, using a market capitalization weighted approach, purchases a broad and diverse group of the readily marketable securities of U.S. small and mid cap companies that Dimensional Fund Advisors LP (the "Advisor") determines to be value stocks. A company's market capitalization is the number of its shares outstanding times its price per share. In general, the higher the relative market capitalization of the eligible company, the greater its representation in the Portfolio. The Advisor may adjust the representation in the U.S. Targeted Value Portfolio of an eligible company, or exclude a company, after considering such factors as free float, momentum, trading strategies, liquidity, size, value, profitability, and other factors that the Advisor determines to be appropriate, given market conditions. Securities are considered value stocks primarily because a company's shares have a low price in relation to their book value. In assessing value, the Advisor may consider additional factors such as price to cash flow or price to earnings ratios. In assessing profitability, the Advisor may consider different ratios, such as that of earnings or profits from operations relative to book value or assets. The criteria the Advisor uses for assessing value or profitability are subject to change from time to time.

CHARACTERISTICS

	Portfolio	Russell 2000 Value Index
Number of Holdings	1,321	1,486
Weighted Avg. Market Cap (millions)	\$3,943	\$2,531
Median Market Cap (millions)	\$909	\$766
Aggregate Price-to-Book	1.28	1.44
Aggregate P/E	15.01	16.27
Weighted Avg. Dividend-to-Price	1.47	1.65
Weighted Avg. Profitability ₁	0.15	0.11

Number of Companies	Weight
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SECTOR ALLOCATION²

Sector	Number of Companies	Weight
Industrials	255	21.42%
Financials	316	25.03%
Consumer Discretionary	174	13.31%
Information Technology	122	9.19%
Materials	86	8.69%
Energy	99	6.14%
Health Care	95	4.56%
Consumer Staples	49	4.44%
REITs	53	3.65%
Communication Services	56	2.80%
Real Estate	8	0.48%
Utilities	5	0.30%
Other	3	0.01%

TOP TEN HOLDINGS

Company	Weight	Cumulative
Westrock Co	0.62%	0.62%
Mohawk Industries Inc	0.62%	1.24%
Arrow Electronics Inc	0.60%	1.84%
Darling Ingredients Inc	0.58%	2.42%
Athene Holding Ltd	0.57%	2.99%
Reliance Steel & Aluminum Co	0.56%	3.55%
Knight-Swift Transportation Holdings Inc	0.51%	4.06%
Flex Ltd	0.51%	4.57%
Westlake Chemical Corp	0.51%	5.08%
Snap-on Inc	0.50%	5.58%

¹ Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book.

² Sectors defined by MSCI. Numbers may not total 100% due to rounding. Real Estate Investment Trusts (REITs) are shown as a separate category to illustrate their inclusion or exclusion from certain strategies. REITs are classified according to GICS Industry code. GICS was developed by and is the exclusive property of MSCI and S&P Dow Jones Indices LLC, a division of S&P Global.

Holdings are subject to change. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. Indices are not available for direct investment.

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ABOUT DIMENSIONAL

Since 1981, Dimensional Fund Advisors LP has sought to provide better investment outcomes for our clients through a transparent, rules-based approach that combines the knowledge gained from rigorous theoretical and empirical research with thoughtful and effective implementation. Nearly 40 years of practical experience have enabled Dimensional to gain insights about operating in competitive markets, and to hone our ability to manage the tradeoffs that we believe matter for performance.

Dimensional has developed an array of investment solutions across a broad range of asset classes and geographic regions, all based on a single philosophy and implemented through an integrated, process-driven approach. Each adheres to strict parameters designed to enhance returns and reduce costs. Dimensional continuously evaluates its strategies and processes based upon research and advances in technology, while seeking new opportunities to address clients' evolving needs.

PHILOSOPHY

Dimensional's investment philosophy is based on rigorous theoretical and empirical research and nearly 40 years of experience implementing investment solutions to address global investors' needs. The following three beliefs underpin our investment philosophy.

- **Market prices contain reliable information:** Security prices contain reliable information about systematic differences in expected returns among securities. Dimensional uses that information, along with our understanding of asset pricing theory, to identify long-term, short-term, and intra-day drivers of expected returns and to implement strategies pursuing higher expected returns.
- **Diversification is essential:** Diversification helps reduce uncertainty, manage risk, and improve the reliability of outcomes. Furthermore, diversification adds value by providing flexibility, which in turn allows for more effective management and trading of a portfolio.
- **Managing tradeoffs adds value:** Investing involves trading off risks and costs with expected returns. By identifying and focusing on the tradeoffs that matter, we can add value by targeting market premiums efficiently and on a daily basis, reducing the costs associated with turnover, and implementing a flexible trading strategy that enables opportunistic execution and minimizes unnecessary costs.

PORTFOLIO REVIEW

- The New York City Deferred Compensation Plan (gross of fees) returned 33.5%, gross of fees and expenses, for the quarter ending December 31, 2020, outperforming the Russell 2000 Value Index by 0.1%.
- The plan's greater emphasis on low relative price (value) stocks contributed positively to relative performance, as value stocks outperformed growth stocks.
- The plan's greater allocation to mid caps detracted from relative performance, as these stocks underperformed.
- At the sector level, the plan's general exclusion of highly regulated utilities and lesser allocation to REITs also contributed positively to relative performance, as utilities and REITs underperformed the overall index.

Risk Disclosures

Equity Market Risk: Even a long-term investment approach cannot guarantee a profit. Economic, market, political, and issuer-specific conditions and events will cause the value of equity securities, and a portfolio that owns them, to rise or fall. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Small Company Risk: Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

Value Investment Risk: Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause a portfolio to at times underperform equity funds that use other investment strategies.

Real estate investment risks include changes in real estate values and property taxes, interest rates, cash flow of underlying real estate assets, supply and demand, and the management skill and creditworthiness of the issuer.