



# Brandywine Asset Management Enhanced Target Date Strategies

## BRANDYWINE TARGET 2040

A Smarter Way to Invest

The Brandywine Target Date Strategies are the *only* target date strategies that employ downside protection against significant market losses. Because risk is reduced:

- Brandywine Target 2040 can maintain higher equity exposure across the entire glide path, and
- With bear markets mitigated, recoveries can start from higher levels.

The result: Potentially greater returns and more money in retirement.

### Portfolio Manager

**Michael P. Dever**

Portfolio Manager with Brandywine Since 1982

### Strategy Performance—Hypothetical<sup>(1)</sup>

Strategy & Benchmark	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Brandywine Target 2040	-1.83%	11.36%	11.36%	5.20%	10.05%	10.19%	11.74%
S&P TD 2040	-1.77%	12.87%	12.87%	4.04%	8.27%	8.19%	9.08%

Performance shown contains both actual and tested performance and is net of fees and expenses.

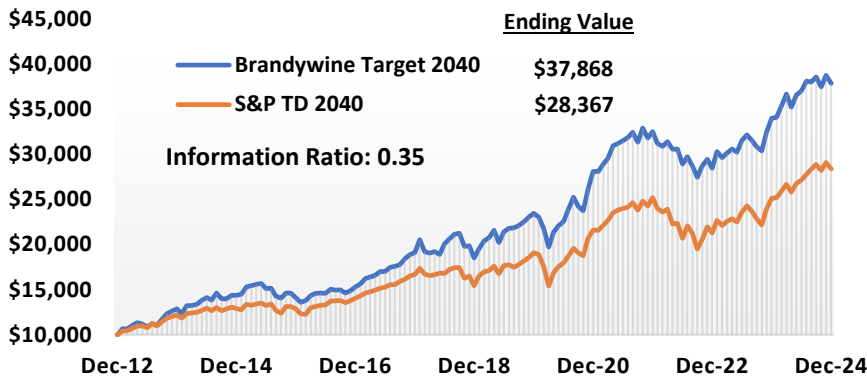
Please read all footnotes and disclaimers on the last page.

Since Inception performance is from the start of the verified performance period in January 2013

### Calendar Year Returns

	Brandywine Target 2040	S&P TD 2040
2024	11.36%	12.87%
2023	19.57%	18.16%
2022	-12.55%	-15.56%
2021	15.81%	16.55%
2020	19.68%	13.37%
2019	26.90%	23.37%
2018	-3.21%	-7.40%
2017	25.03%	18.86%
2016	8.62%	9.22%
2015	-1.97%	-0.40%

### Value of a \$10,000 Investment<sup>(2)</sup>

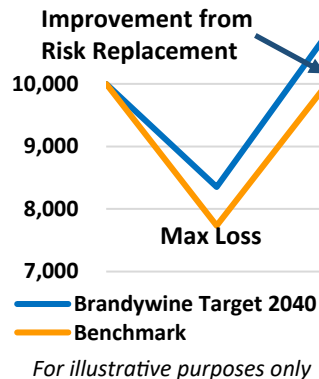


### Brandywine’s Innovation of “Risk Replacement”

Brandywine’s Risk Replacement approach:

- Holds equity and fixed income positions,
- offsets the high risk of those investments with the purchase of put options, then
- seeks to pay for the cost of the option protection by investing in a lower risk proprietary Return Driver Diversifier.<sup>(3)</sup>

That’s it. 100% investment exposure is maintained, while the high *risk* of an underlying investment is *replaced* by the lower risk of Brandywine’s Return Driver Diversifier.



### About Brandywine

Brandywine Asset Management has a 40 year legacy of investment research, trading and innovation. Brandywine’s founder and CEO is a featured subject in three books and wrote a best-selling book describing Brandywine’s Return Driver based investment approach. This is a key element of Brandywine’s Risk Replacement strategy, which powers the performance of the Brandywine Target Date Strategies.

### Contact Information

For investment related questions please contact the investment manager: Michael Dever: 610.361.1000 x111 or mike@brandywine.com. Related CUSIP: 10532X822.

## Risk Analysis 5-Year

## Brandywine Target 2040

### Investment

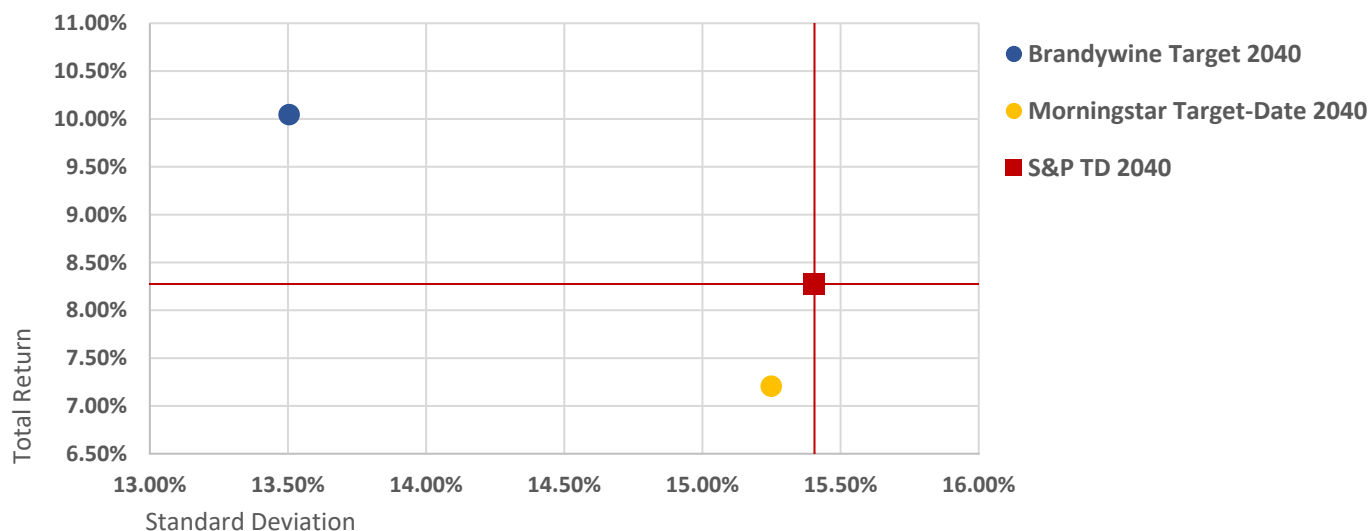
Brandywine Target 2040

### Morningstar Benchmark

Morningstar Target-Date 2040

### Calculation Benchmark

S&P TD 2040



USD | Category: Morningstar Target-Date 2040 | Index: S&P TD 2040 | Return and Standard Deviation as of December 31, 2024

## Risk & Volatility Measures

Trailing	Brandywine Target 2040	Morningstar Target-Date 2040
Alpha	2.40	(0.94)
Beta	0.84	0.99
R <sup>2</sup>	94.86	99.79
Sharpe Ratio	0.56	0.31
Standard Deviation	13.50	15.25

USD | All Measures as of December 31, 2024 | Calculation Benchmark: S&P TD 2040

## Market Volatility Measures

Capture Ratios	Brandywine Target 2040	Morningstar Target-Date 2040
Upside	94	97
Downside	75	104
Drawdown	Brandywine Target 2040 %	Morningstar Target-Date 2040 %
Maximum	-16.50	-23.74
Drawdown Peak Date	Drawdown Valley Date	Max Drawdown Duration
October 2021	September 2022	11 Months

USD | As of December 31, 2024 | Calculation Benchmark: S&P TD 2040 | Drawdown as of December 31, 2024

## Footnotes and Disclaimers

### Footnotes

- (1) The Strategy Performance displayed for the Brandywine Target 2040 strategy has been independently verified by Alpha Performance Verification Services for the period January 2013 through September 2023 and is based on a combination of actual and hypothetical performance, net of all expenses. Performance starting October 2023 is actual performance. Performance throughout the verified and actual period is reduced for the fees and expenses displayed in the table below.

The assumptions used to derive the tested performance are as follows:

- ◇ Glide path followed by the Strategy is similar to the glide path used by the most aggressive target date funds offered by the investment industry.
  - ◇ Actual sub-strategies used to capture the returns for each asset class are the Brandywine Enhanced Strategies. This is the key differentiator of the performance of Brandywine Target 2040, as the Brandywine Enhanced Strategies employ Brandywine’s innovation of Risk Replacement to potentially increase returns by reducing risk, therefore enabling recoveries from losses to begin at higher levels.
- (2) The charts and tables compare the combined hypothetical and actual performance of Brandywine Target 2040 with the S&P Target Date 2040 benchmark. The growth in value chart shows how a hypothetical initial \$10,000 investment would have grown in each over the periods shown.
- (3) A “Return Driver” is the primary underlying condition that drives the price of a market.

### Performance Disclaimers

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE. THERE IS THE RISK OF LOSS AS WELL AS THE OPPORTUNITY FOR GAIN WHEN INVESTING IN THE BRANDYWINE TARGET DATE STRATEGIES.

The effect of material market or economic conditions on the strategy’s performance may result in performance for the strategy that varies from that of its benchmark index. For example, the use of put protection in the sub-strategies invested into by the strategy may result in the strategy losing less when the strategy’s benchmark index falls and in periods of strong benchmark index performance the strategy may underperform if the performance of the underlying strategies do not offset the losses incurred by their put protection.

Potential investors are encouraged to contact Brandywine with any questions related to the actual or backtested performance of the strategy in order to better understand how the risks and limitations of the strategy, to the extent they may not be reflected in the actual and backtested performance, may affect any investment decisions.

Performance prior to the start of actual trading is considered hypothetical and is derived from a combination of actual and hypothetical performance, net of the fees being charged to the Strategy. As a result, the following disclaimer applies.

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

#### Annual Operating Expense

	Annual Percentage Rate
Trustee/Management Expenses	0.00%
Estimated Acquired Fund Fees	0.55%
Estimated Administrative Expenses	0.05%
Total Annual Operating Expense	0.60%

Annual effect on the Fund's operating expense on \$1,000 is \$6.00

Prior year portfolio turnover: 3%

### Contact Information

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