

Key Facts - Fund

PLAN SPONSOR: City and County of San Francisco Retirement Board
FUND CATEGORY: Balanced-Target Date
PRIMARY BENCHMARK: SFDCP 2040 Benchmark
NET ASSETS: \$58.9 Million
INCEPTION DATE: 04/27/2012
NET EXPENSE RATIO (After Contract Charges): 0.46%

DESCRIPTION/OBJECTIVE

The SFDCP Target Date 2040 Fund (the "Fund") seeks to provide capital growth and income consistent with its current asset allocation, which will change over time, with an increasing allocation to fixed income funds. Aims to achieve its objective by investing in a broadly diversified fund of funds with approximately 92.00% equity funds and 8.00% fixed income funds as of March 2018. To help meet participants increasing need to preserve their savings as retirement approaches, the percentage of equity funds will gradually decrease and the percentage of fixed income funds will gradually increase until fixed at 39% equity funds and 61% fixed income funds in the year 2040. After reaching the target date of 2040, investments will be moved to the Retirement Fund with a 39% allocation to equity funds and a 61% allocation to fixed income funds that will not change.

There is no assurance the objectives will be met.

The target date is the approximate date when investors plan to start withdrawing their money. The asset allocation of the target date funds will become more conservative as the target date approaches by lessening your equity exposure and increasing your exposure in fixed income type investments. The stated asset allocation may be subject to change. The principal value of an investment in a target date fund is not guaranteed at any time, including the target date, and there is no guarantee that the funds will provide adequate retirement income. A target date fund should not be selected based solely on age or retirement date. It is possible to lose money by investing in securities, including losses near and following retirement.

City and County of San Francisco Retirement Board is solely responsible for: (1) the selection of the Fund and its underlying funds (including the selection of the asset allocation percentages for each underlying fund); (2) decisions to allocate plan assets to the Fund; and (3) the selection, monitoring and replacement of the Fund and its underlying funds, and if applicable, the Fund's investment advisor(s).

Performance(%)

As of 12/31/2018

	Cumulative Returns		Average Annual Total Returns				
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Fund	-12.39	-9.85	-9.85	6.37	3.97	---	6.33
Primary Benchmark	-11.45	-8.70	-8.70	6.71	3.91	---	---

Fund Fees Reflected in Performance. All performance results are net of the management fee for this Fund of 0.38%. **"Actual" Fund performance is also net of other Fund operating expenses of 0.11% and a Hosting Fee of 0.03% for the prior calendar year. Such operating expenses may reflect the benefit of a commission recapture program. Fee waivers of -0.05% are in place for this Fund. Actual performance shown reflects the imposition of the foregoing expenses and the benefit of any fee waivers and commission recaptures. The gross total expense ratio is the highest expense ratio a shareholder could pay annually for investment operating expenses and management fees. Participants in the Plan will actually pay the net expense ratio, which is the actual annual expense after any applicable waivers and reimbursements have been deducted from the gross expense ratio. Please note the breakdown of fees could be impacted by rounding as this report only displays two decimal places.**

Fund Structure. Your retirement plan makes available certain plan investments structured as "Fund of funds" (investments that invest in one or more underlying funds). These investments are neither mutual funds nor separate accounts offered by Prudential Retirement Insurance and Annuity Company ("PRIAC"). Rather, PRIAC acts solely as a record keeper in providing administrative and valuation services in connection with these plan investments. Management of these plan investments is the sole responsibility of your plan sponsor and/or a third party whom the plan sponsor has hired to provide investment management services.

Possibility of Contract Charges. Your retirement plan may have agreed to contract charges. If so, these would reduce the performance shown above. Any contract charges are included in the expense ratio shown in your statement and in the performance shown in your statement. The Fund fees and contract charges compensate us for the distribution and servicing associated with your plan. Other plan investment options may generate more or less revenue for us than the fees associated with this Fund. If the aggregate revenue from your plan exceeds our associated costs, we earn a profit. Otherwise, we incur a loss.

Performance Risks. Before investing, investors should carefully consider the investment objectives, risks, charges and expenses of this Fund and other plan investment options. The performance quoted represents past performance. The investment value and return will fluctuate so that an investment, when redeemed, may be worth more or less than original cost. Past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted. For performance data current to the most recent month end, please call 1-888-SFDCP-4U (1-888-733-2748) or go to www.sfdcp.org. It is possible to lose money investing in securities.

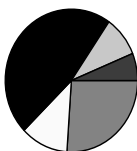
Miscellaneous. Frequent exchanging of investment options may harm long-term investors. Your plan and/or the Fund may have policies to detect and deter potentially abusive exchanges. The policies may require us to modify or terminate investment exchange privileges. Benchmarks are unmanaged and cannot be invested in directly. See User Guide for benchmark definitions and refer to the section entitled "Separate Account or Custom Plan Investment Options" for a description of PRIAC's role related to the type of fund described in this Fact Sheet.

SFDCP 2040 Benchmark: The target date benchmarks are based on the target allocations and are created by combining the primary benchmarks of the underlying funds. The benchmark is currently comprised of the following components: 26.50% S&P 500 Index, 13.00% Russell 2500™ Index, 21.50% MSCI All-Country World Index Ex US - Net, 14.50% MSCI All-Country World Index - Net, 7.50% MSCI Emerging Markets Index - Net, 2.50% FTSE EPRA/NAREIT Developed Real Estate Index - Net, 3.50% Bloomberg Commodity Index Total Return, 3.00% S&P Global Infrastructure Index, 1.00% Bloomberg Barclays US High-Yield 2% Issuer Capped Bond Index and 7.00% Bloomberg Barclays US Aggregate Bond Index.

For more information, go to www.sfdcp.org or call toll-free 1-888-SFDCP-4U (1-888-733-2748).

© 2018 Prudential Financial, Inc. and its related entities. Prudential, the Prudential logo, the Rock symbol and Bring Your Challenges are service marks of Prudential Financial, Inc., and its related entities, registered in many jurisdictions worldwide.

Target Fund Allocation As of 12/31/2018



- LARGE CAP STOCK 26.50%
 SFDCP Large Cap Equity- S&P 500 Index Fund 26.50%
- SMALL CAP STOCK 13.00%
 SFDCP Small-Mid Cap Equity Fund 13.00%
- INTERNATIONAL STOCK 46.50%
 SFDCP International Equity Fund 21.50%
 SFDCP TDF Emerging Mkts Equity 7.50%
 SFDCP TDF Gbl Infrastructure 3.00%
 SFDCP TDF Global Equity 14.50%
- FIXED INCOME 8.00%
 SFDCP Core Bond Fund 7.00%
 SFDCP TDF High Yield Bonds 1.00%
- OTHER 6.00%
 SFDCP TDF Commodity 3.50%
 SFDCP TDF Global Real Estate 2.50%

Annual Performance

	Fund	Primary Benchmark
2018	-9.85%	-8.70%
2017	22.30%	21.01%
2016	9.15%	9.97%
2015	-2.82%	-4.00%
2014	3.91%	3.87%