

March 2021



What's the “Plus” in One Choice® Blend+ Portfolios?

The addition of One Choice® Blend+ to the American Century Investments® family of target-date solutions expands our qualified default investment alternatives (ODIA) options to meet the needs of a wider range of retirement plans and participants.

While typical blend portfolios combine active and passive investments to bring down costs, One Choice Blend+ is different. It delivers lower pricing in a fully active solution.

One Choice Blend+ combines actively managed investments from American Century and broadly diversified, low-cost active strategies from Avantis Investors®. This combination results in a highly competitive fee among both actively managed and blend target-date portfolios.

- + Plus means more choice for retirement plan fiduciaries.
- + Plus means a growth-oriented tilt to a time-tested glide path.
- + Plus means a broader range of investment strategies from American Century and Avantis Investors.
- + Plus means combining the potential benefits of active management with lower fees.

Trends such as one spouse working longer, later social security retirement age, and the growing popularity of “bridge” jobs all suggest that labor income may wind down slowly over time.

+ Plus means more choice for retirement plan fiduciaries.

Not all retirement plans are the same – they vary in plan sponsor goals and objectives, participant demographics, and risk appetite. These variations create differences in QDIA suitability. One Choice Blend+ is designed to meet the needs of more risk-tolerant demographics. For example, a participant population could be more tolerant of taking risk to pursue greater capital growth potential during the accumulation phase to help them reach a savings goal.

In addition, the One Choice Blend+ glide path features a lower and later landing point than One Choice* Target Date Portfolios. Plans with participants that expect later or phased transitions to full retirement may find the longer rolldown suitable for their plan.

+ Plus means a growth-oriented tilt to a time-tested glide path.

Our target-date glide path philosophy seeks to balance the multiple risks that investors face – growth risk, market risk, and

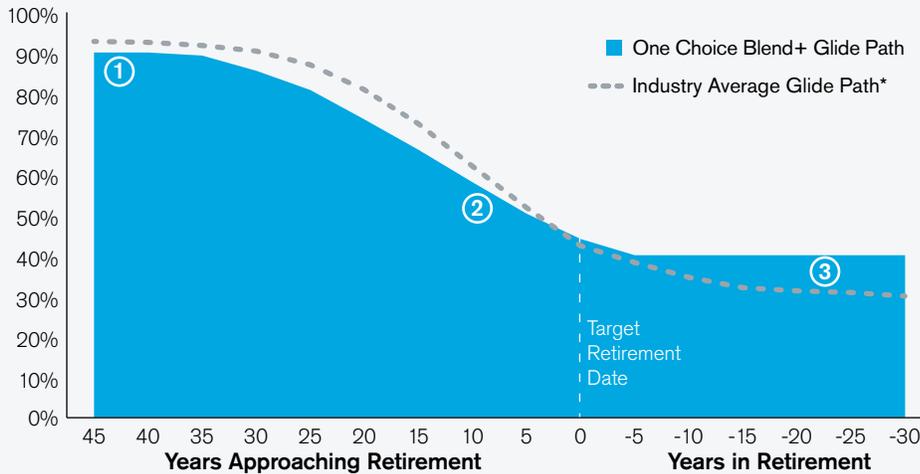
sequence-of-returns risk to name a few. A key component is a flattening glide path in the 15 years leading up to retirement compared with other target-date providers. This flatter and lower equity path differentiates our approach, and we believe it is critical in reducing the sequence-of-returns risk in these all-important years – the time when a large loss can be financially disastrous and more difficult from which to recover.

The One Choice Blend+ glide path maintains this risk-aware philosophy, but is calibrated for populations with a higher tolerance for market risk. Furthermore, its later and lower equity landing point recognizes the possibility of a multi-year transition to retirement rather than a set date at age 65.

- The One Choice Blend+ equity allocation starts at 90% and remains somewhat higher than One Choice Portfolios* until age 65, when both glide paths arrive at 45% equity.
- Starting at age 65, the equity allocation continues to decline for another five years. At age 70, it reaches a final allocation of 40% and remains constant thereafter.

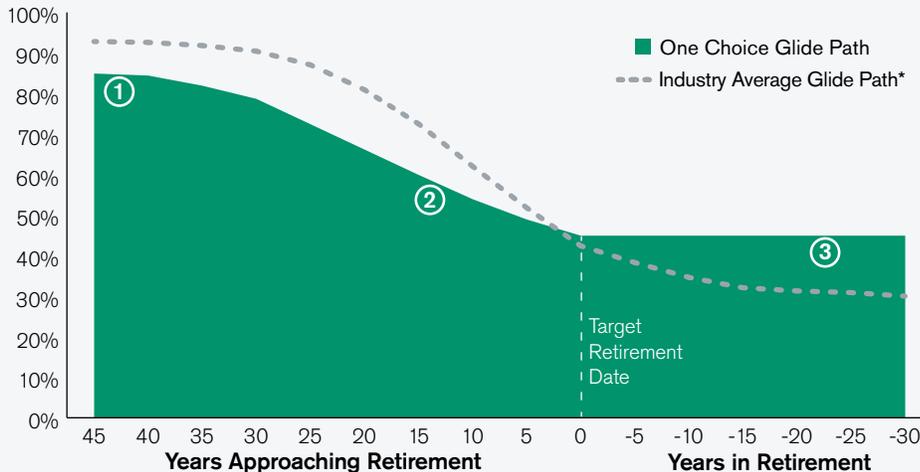
Compare Glide Paths

One Choice Blend+ Portfolios: Growth-Oriented Tilt for a More Risk-Tolerant Demographic



- ① Early/mid-career glide path seeks higher growth for more risk-tolerant populations
- ② Flattening glide path near retirement seeks to reduce sequence-of-returns risk
- ③ Lower and later landing point recognizes a phased transition to full retirement

One Choice Target Date Portfolios: Distinctive, Flatter Glide Path Designed to Balance Multiple Risks



- ① Seeks highest return for asset mix, moving to more defensive allocations near retirement
- ② Places greater emphasis on managing downside risk, especially near retirement
- ③ 45% equity allocation starting at age 65 seeks to sustain long retirements

* Data as of 12/31/2020.
Source: Fund prospectuses and websites, Morningstar.

The underlying fund lineup provides alpha potential across the entire portfolio with the pricing of a “blend” strategy.

+ Plus means the combination of investment strategies from American Century and Avantis Investors.

We've drawn on more than 25 years of manager selection experience to construct the portfolios. Seeking to enhance the potential for outperformance, the team selects strategies for their diversification of style, region, sector and market capitalization – as well as their low correlations among alpha sources.

American Century's time-tested, active mutual funds form the foundation of the portfolios. Enhancing the equity line-up are concentrated equity strategies like American Century® Focused Dynamic Growth and innovative strategies like American Century® Low Volatility ETF. Broadly diversified, low-cost, active strategies from Avantis Investors, which offer the potential for outperformance with the consistency of indexing, round out the portfolios.

- Anchored by time-tested strategies – and enhanced by innovative strategies – from American Century
- Complemented by lower-cost systematic strategies from Avantis Investors, which combine the potential for outperformance with the consistency of indexing

+ Plus means combining the potential benefits of active management with lower fees.

Cost is one factor among many to consider when choosing a QDIA that best suits a plan's demographics, age and wealth profiles, savings levels, and appetite for various risks.

We also believe that lower cost should not have to come at the expense of alpha potential, so One Choice Blend+ Portfolios consist exclusively of actively managed strategies, an approach we believe adds value and offers the greatest potential to improve returns and mitigate risk.

This combination results in a highly competitive fee among both actively managed and blend target-date portfolios.

CONCLUSION

With all our target-date solutions, we believe that success is measured by the greatest number of participants achieving fully-funded retirements. To pursue this objective, we construct our glide paths to seek a more consistent return profile. By focusing on a smoother ride, especially during market downturns, our target-date solutions pursue greater wealth accumulation over a market cycle while seeking less downside risk.

No single glide path or target-date fund offering is perfectly suited to the needs of all plans. On the contrary, we believe firmly that each target-date offering has defining characteristics that make it attractive under different market conditions and to different retirement plans.

We encourage consultants and plan fiduciaries to carefully evaluate a range of target-date fund offerings considering their own plan's unique risks and preferences.

Check out Target-Date Blueprint, an online tool that helps you narrow the target-date universe to focus on only those aligned with a plan's demographics, risk profile and preferences.



A One Choice Blend+ Portfolio's target date is the approximate year when investors plan to retire or start withdrawing their money. The principal value of the investment is not guaranteed at any time, including at the target date.

Each target-date One Choice Blend+ Portfolio seeks the highest total return consistent with American Century Investments' proprietary asset mix. Over time, the asset mix and weightings are adjusted to be more conservative by decreasing the allocation to stocks and increasing the allocation to bonds and short-term investments. The portfolios reach their most conservative allocation approximately five years after the target date.

The performance of the portfolios is dependent on the performance of the underlying American Century funds and will assume the risks associated with those funds. The risks will vary according to each portfolio's asset allocation, and a fund with a later target date is expected to be more volatile than one with an earlier target date.

American Century Low Volatility ETF:

Exchange Traded Funds (ETFs) are bought and sold through exchange trading at market price (not NAV), and are not individually redeemed from the fund. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns.

This fund is an actively managed ETF that does not seek to replicate the performance of a specified index. To determine whether to buy or sell a security, the portfolio managers consider, among other things, various fund requirements and standards, along with economic conditions, alternative investments, interest rates and various credit metrics. If the portfolio manager considerations are inaccurate or misapplied, the fund's performance may suffer.

There is no assurance that the fund will be less volatile than the market over the long term or for any specified period. The fund's strategy of constructing a portfolio that realizes lower volatility than the market may not produce the intended result. A security's volatility can change very quickly, and specific securities in the fund's portfolio may become more volatile than expected. Additionally, low volatility investments may underperform the equity markets during periods of strong, rising or speculative equity markets. The information is not intended as a personalized recommendation or fiduciary advice and should not be relied upon for investment, accounting, legal or tax advice.

You should consider the fund's investment objectives, risks, and charges and expenses carefully before you invest. The fund's prospectus or summary prospectus which can be obtained at americancentury.com, contains this and other information about the fund and should be read carefully before investing.

American Century Investments*

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