

KP Retirement Path 2035 Fund

DECEMBER 31, 2019

Fund Information

Fund Advisor: Callan LLC

Fund Administrator: SEI Investments Global Funds Services

Fund Inception: January 10, 2014

Ticker: KPSEX

Gross Expense Ratio: 0.42%

Net Expense Ratio¹: 0.42%

Investment Description

The KP Retirement Path 2035 Fund provides an all-in-one investment strategy for retirement savings. The fund is designed for investors who turn 65 within 5 years of the year 2035.

The fund invests in a diversified mix of asset classes and strategies, and employs an asset allocation that automatically adjusts to become increasingly conservative over time. It is designed to help you achieve the appropriate balance between long-term capital growth, inflation protection, and current income for each stage of your savings career.

Investment Strategy

The KP Retirement Path 2035 Fund pursues its investment objective by investing in a diversified combination of underlying mutual funds. Because it invests in other mutual funds, it is considered a “fund of funds.”

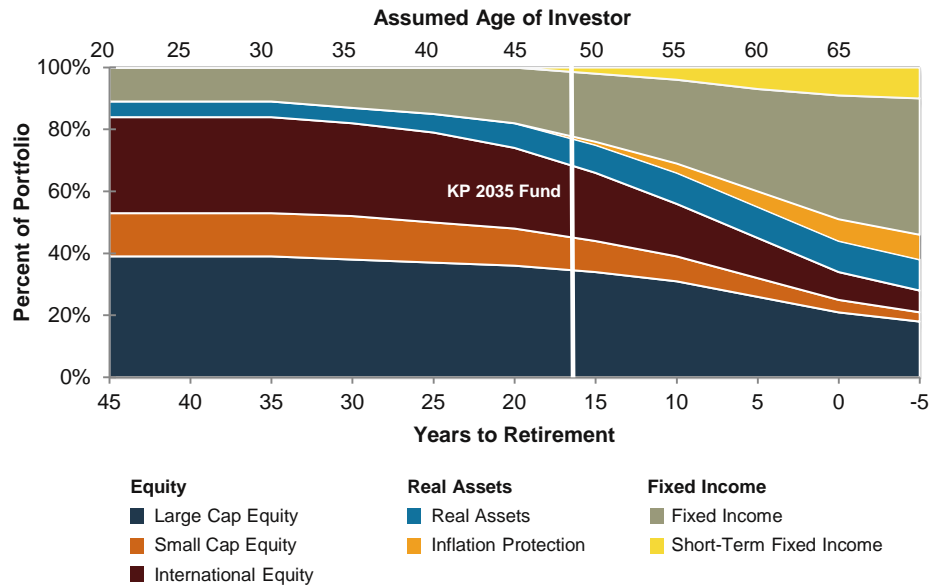
The underlying mutual funds are invested in a wide range of asset classes including stocks, bonds, real assets, and short-term investments. The funds are also diversified across a wide range of strategies managed by a total of 21 different sub-advisors — all selected by the advisor for the KP Retirement Path 2035 Fund.

Finally, the advisor automatically adjusts the fund's asset allocation over time to achieve a balance between long-term growth, inflation protection, and current income.

¹ The Net Expense Ratio represents the expense ratio actually paid by participants.

The Glidepath – Asset Allocation Over Time

Your KP Retirement Path Fund helps you maintain a sensible asset allocation all the way through retirement by changing its asset allocation over time. The way that the fund changes its asset allocation is known as the “glidepath.” In short, the glidepath is the specific way the fund will shift its asset allocation over time.



Investment Performance (Periods Ended December 31, 2019)

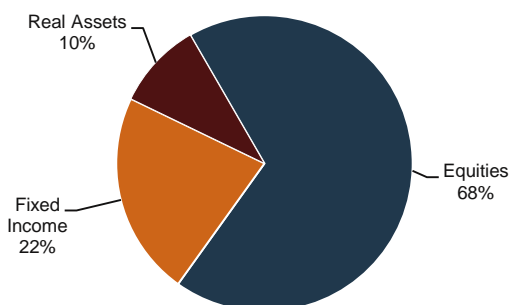
The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth less than their original cost and current performance may be lower than the performance quoted. Returns greater than one year are average annual total returns. For performance data current to the most recent month end, please call 855-4-KPFNDS.

Fund	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Since 1/31/14 ²	Since Inception
KP Retirement Path 2035 Fund	6.39%	21.31%	10.59%	7.71%	7.65%	7.09%
S&P 500 Index ³	9.07%	31.49%	15.27%	11.70%	12.88%	12.14%
2035 Fund Benchmark ³	6.48%	21.79%	10.11%	7.36%	7.56%	7.04%

² Participants in the Kaiser Permanente retirement plans could invest in the Fund beginning on January 31, 2014. The Fund's performance before January 31, 2014 did not impact those participants.

³ The S&P 500 Index is a free float-adjusted capitalization-weighted index comprised of equity securities issued by 500 of the largest U.S. companies. The 2035 Fund Benchmark is a weighted-average of the returns for various market indices appropriate for each asset class in the KP Retirement Path 2035 Fund. The weight of each of these indices is equal to the currently targeted weight for the corresponding asset class in the fund.

Current Allocation (as of December 31, 2019)



Underlying Fund	Ticker	Percentage	Asset Class
KP Large Cap Equity Fund	KPLCX	34.7%	Large Cap Equity
KP Small Cap Equity Fund	KPSCX	10.4%	Small Cap Equity
KP International Equity Fund	KPIEX	23.1%	International Equity
KP Fixed Income Fund	KPFI	20.7%	Fixed Income
DFA International Real Estate Securities Fund	DFITX	0.9%	Real Assets
DFA Real Estate Securities Fund	DFREX	1.7%	Real Assets
Lazard Global Listed Infrastructure Fund	GLIFX	0.9%	Real Assets
T. Rowe Price New Era Fund	TRNEX	0.9%	Real Assets
DFA Commodity Strategy Fund	DCMSX	0.9%	Real Assets
T. Rowe Price Institutional Floating Rate Fund	RPIFX	0.9%	Real Assets
Vanguard Inflation-Protected Securities Fund	VIPIX	2.6%	Real Assets
Vanguard Short-Term Bond Index Fund	VBIPX	1.6%	Short-Term Fixed Income
Vanguard Short-Term Inflation-Protected Securities	VTSPX	0.8%	Inflation Protection

Fund Legal Structure

The KP Retirement Path 2035 Fund is a mutual fund. It is part of The KP Funds Series Trust, an open-end management investment company that offers shares of diversified portfolios. The fund is advised by Callan LLC, a registered investment advisor. It is administered by SEI Investments Global Funds Services and distributed by SEI Investments Distribution Co., which are not affiliated with Callan LLC.

Only participants in the Kaiser Permanente defined contribution plans and 403(b) plans can invest in the fund.

Fund Risks

To determine if this fund is an appropriate investment for you, carefully consider the fund's investment objectives, risk factors, charges, and expenses before investing. This and other information may be found in the fund's summary and full prospectuses, which may be obtained by calling (855) 4-KPFNDS or by visiting the website at www.kp-funds.com. Please read the prospectus carefully before investing.

There can be no assurance that the fund will achieve its stated objectives. An investor may experience losses, at any time, including near, at, or after the fund's target retirement year. In addition, there is no guarantee that an investor's investment in the fund will provide any income at or through the years following the fund's target retirement year in amounts adequate to meet the investor's goals or retirement needs.

The fund invests in a diversified combination of underlying mutual funds, thus is subject to the risks associated with their underlying funds, although the fund's exposure to a particular risk will be proportionate to its overall asset allocation. In addition, diversification is not guaranteed to protect against market loss. Some of these risks include:

- The prices of common stocks may fall over short or extended periods of time. In particular, growth stocks may be susceptible to rapid price swings, especially during periods of economic uncertainty;
- Small and medium capitalization stocks may be more volatile than those of larger companies;
- Bonds are subject to interest rate risk and will decline in value as interest rates rise;
- Mortgage-backed securities are subject to pre-payment and extension risk and therefore react differently to changes in interest rates than other bonds — small movements in interest rates may quickly and significantly reduce the value of certain mortgage-backed securities;
- Non-investment grade bonds involve greater risks of default and are more volatile than investment grade securities, due to the speculative nature of the investment;
- International investments involve risk of capital loss from differences in generally accepted accounting principles or from social, economic, or political instability in other nations, and these risks are heightened when investing in emerging markets or in a single country;
- International investments are also subject to the risk that foreign currencies will decline in value relative to the U.S. dollar or, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency hedged — in either event, the dollar value of an investment in the underlying fund would be adversely affected;
- The use of leverage by underlying fund managers may accelerate the velocity of potential losses;
- The use of derivatives are often more volatile than other investments and magnify the fund's gains or losses.

Investor Profile

The fund is designed to offer investors a professionally managed investment program that simplifies the investment management of an investor's assets prior to, and continuing after, the investor's retirement or other investment goal. The main component of the investment program of the funds is the ongoing reallocation of the investor's assets among various asset classes, including stocks, bonds, and real assets.

The fund may be suitable for investors who:

- Seek a diversified portfolio of stocks, bonds, and inflation-protecting assets;
- Seek long-term growth of capital;
- Have a long-term investment perspective;
- Are willing to withstand losses over the short and intermediate-term, and;
- Turn 65 within 5 years of the year 2035.

Affiliated Funds

The KP Retirement Path 2035 Fund invests in a combination of underlying mutual funds, including affiliated mutual funds ("KP Asset Class Funds") and other unaffiliated mutual funds. Because the fund invests in other mutual funds, it is considered a "fund of funds."

The tables below reflect the sub-advisors for the four KP Asset Class Funds:

KP Large Cap Equity Fund

Sub-Advisors	Strategy
AQR Capital Management, LLC	Large Cap Broad
MFS Investment Management	Large Cap Value
PanAgora Asset Management	Large Cap Broad
SSGA Funds Management, Inc.	S&P 500 Index
T. Rowe Price Associates, Inc.	Large Cap Growth

KP Small Cap Equity Fund

Sub-Advisors	Strategy
Aristotle Capital Boston	Small Cap Core
CastleArk Management, LLC	Small Cap Growth
Columbus Circle Investors	Small/SMID Cap Growth
DePrince Race & Zollo, Inc.	Small Cap Value
PENN Capital Management, Inc.	Micro Cap Core
SSGA Funds Management, Inc.	S&P 600 Index
Walthausen & Co., LLC	Small/SMID Cap Value

KP International Equity Fund

Sub-Advisors	Strategy
Acadian Asset Management LLC	Emerging Markets Equity
Acadian Asset Management LLC	MSCI EAFE Small Cap Index
Lazard Asset Management	MSCI EAFE Small Cap Index
Marathon Asset Management, LLP	Non-U.S. Equity
MFS Investment Management	Non-U.S. Equity
Sprucegrove Investment Management	Non-U.S. Equity
SSGA Funds Management, Inc.	MSCI World ex-U.S. Index
William Blair Investment Management LLC	Emerging Markets Equity

KP Fixed Income Fund

Sub-Advisors	Strategy
Credit Suisse Asset Management, LLC	Senior Floating Rate Loans
Loomis, Sayles & Company, L.P.	Core Fixed Income
Payden & Rygel	Emerging Markets Debt
SSGA Funds Management, Inc.	Bloomberg Barclays U.S. Aggregate

About the Fund's Advisor

Founded in 1973, Callan is one of the largest independently-owned investment management and consulting firms in the United States. Headquartered in San Francisco, with offices across the country, Callan provides research, education, decision support, and advice to institutional investors representing approximately \$2 trillion in total assets.