



# Capital Cities

INSTITUTIONAL INVESTING MADE PERSONAL



**Rhode Island State Investment Commission**  
401(a) Defined Contribution and 457(b) Deferred Compensation Plans  
Annual Program Review

November 2022

---

# 401(a) and 457(b) Annual Program Review

## Summary of Findings

### Investment Menus

- Each Plan's investment menu structure follows best practices by utilizing a proper default option (an age-appropriate Target Date Fund) and offering a broad range of diversified investment alternatives.

### Manager Due Diligence

- Most of the Plans' investment options are in good standing, per the Investment Policy Statements' qualitative and quantitative investment manager guidelines.
- **Voya 457(b) Plan Recommendation: Eliminate Voya Small Company given qualitative concerns and map assets to Boston Trust Walden SMID Cap (pending the Fund being added to Voya's platform).**
- **Fidelity 457(b) Recommendation: Remove Invesco Diversified Dividend from Watchlist; however, continue monitoring short- and long-term performance (last three- and five-year time periods).**

### Fees

- Investment management fees are competitively priced and appropriate share classes/vehicles are utilized.
- Equitable fee structures are in place for the recordkeeper/administrative fee charges.

Note: Bolded recommendations require SIC votes.

# 401(a) and 457(b) Annual Program Review

## Summary of Findings

### Defined Contribution Trends: Retirement Income

- Retirement Income products have taken center stage, with the passage of the SECURE Act and the desire to find solutions for decumulation (when participants spend down their retirement savings).
- Capital Cities is seeking feedback from the State Investment Commission regarding their interest in and preferences for a Retirement Income product.
- Operational considerations (e.g., the Request for Proposal process, Retirement Income choices are dependent on recordkeeping platform, etc.) should also be discussed.

### Investment Policy Statements






- The Plans' Investment Policy Statements were reviewed.
- No amendments are required; however, updates were made to the Appendices, including market values and Target Date options.
- **Recommendation: Approve the Investment Policy Statements.**

Note: Bolded recommendations require SIC votes.

# Investment Structure Framework

## Confirming the Current Investment Structure




### ***Is the Plan's investment menu:***

-  Designed to meet ERISA 404(c) and Qualified Default Investment Alternative (QDIA) regulations?\*
-  Providing an investment solution for each type of participant?
-  Offering an appropriate number of investments that provides sufficient diversification opportunity while minimizing participant confusion?
-  Appropriate in light of the current industry trends, regulations and Department of Labor guidance?
-  Meeting the SIC's unique objectives?

\*While Rhode Island is not subject to ERISA, Capital Cities utilizes ERISA guidelines as a framework for best practices.

# 401(a) and 457(b) Annual Review

## Investment Menus Overview

Plan	TIAA 401(a)	TIAA 457(b)	Voya 457(b)	Fidelity 457(b)
September 30, 2022 Market Value	\$1,400,918,308	\$48,702,561	\$202,871,839	\$164,811,751
Target Date Suite (Default Option)	88% of Plan Assets	19% of Plan Assets	4% of Plan Assets	28% of Plan Assets
Target Date Approach	 Passive		 Blend	 Active
Core & Additional Options	12% of Plan Assets	81% of Plan Assets	96% of Plan Assets	62% of Plan Assets
	<ul style="list-style-type: none"> <li>7 options</li> <li>Primarily low-cost passive options</li> </ul>	<ul style="list-style-type: none"> <li>10 options</li> <li>6 passive options and 4 active options</li> </ul>	<ul style="list-style-type: none"> <li>16 options</li> <li>Active and passive track offered in major asset classes</li> </ul>	<ul style="list-style-type: none"> <li>12 options</li> <li>Active and passive track offered in major asset classes</li> </ul>
Self-Directed Brokerage	N/A	0% of Plan Assets	0% of Plan Assets	10% of Plan Assets

# Defined Contribution Program TIAA 401(a) Plan

---

# TIAA 401(a) Plan

## Asset Breakdown as of September 30, 2022

Investment Option	Style	Market Value	% of Plan Assets	# of Participants
Vanguard Target Retirement 2070	Target Date	\$44,891	0.0%	18
Vanguard Target Retirement 2065	Target Date	\$2,417,594	0.2%	833
Vanguard Target Retirement 2060	Target Date	\$17,608,331	1.3%	2,599
Vanguard Target Retirement 2055	Target Date	\$48,729,602	3.5%	3,611
Vanguard Target Retirement 2050	Target Date	\$95,418,262	6.8%	4,118
Vanguard Target Retirement 2045	Target Date	\$149,226,330	10.7%	4,611
Vanguard Target Retirement 2040	Target Date	\$189,493,579	13.5%	4,814
Vanguard Target Retirement 2035	Target Date	\$229,407,030	16.4%	5,870
Vanguard Target Retirement 2030	Target Date	\$193,815,145	13.8%	6,139
Vanguard Target Retirement 2025	Target Date	\$161,702,753	11.5%	5,578
Vanguard Target Retirement 2020	Target Date	\$103,786,612	7.4%	3,736
Vanguard Target Retirement Income	Target Date	\$44,096,758	3.1%	2,117
		\$1,235,746,887	88.2%	
State Street S&P 500 Index	Large Cap Core	\$53,188,813	3.8%	2,709
Vanguard FTSE Social Index	Large Cap Broad	\$9,280,918	0.7%	695
State Street Russell Small-Mid Index	SMID Broad	\$34,222,955	2.4%	2,498
State Street Global All Cap ex-US Index	Non-US Equity	\$19,133,366	1.4%	1,991
PIMCO Real Return	TIPS	\$9,680,723	0.7%	1,300
State Street US Bond Index	Core Bond	\$9,878,873	0.7%	1,255
TIAA Stable Value	Stable Value	\$29,785,775	2.1%	1,578
		\$165,171,421	11.8%	
		<b>\$1,400,918,308</b>	<b>100.0%</b>	

# TIAA 401(a) Plan Investment Menu

## Investment Menu Structure Overview

Investment Menu			
Risk Spectrum	Tier I. Target Date Options	Tier II. Core Options	Tier III. Additional Options
Conservative	Vanguard Target Retire Income Trust Plus	TIAA Stable Value	PIMCO Real Return
	Vanguard Target Retire 2020 Trust Plus	State Street US Bond Index	Vanguard FTSE Social Index
	Vanguard Target Retire 2025 Trust Plus	State Street S&P 500 Index	
	Vanguard Target Retire 2030 Trust Plus	State Street Global All Cap Ex-US Index	
	Vanguard Target Retire 2035 Trust Plus	State Street Russell Small-Mid Cap Index	
	Vanguard Target Retire 2040 Trust Plus		
	Vanguard Target Retire 2045 Trust Plus		
	Vanguard Target Retire 2050 Trust Plus		
	Vanguard Target Retire 2055 Trust Plus		
	Vanguard Target Retire 2060 Trust Plus		
	Vanguard Target Retire 2065 Trust Plus		
Aggressive	Vanguard Target Retire 2070 Trust Plus		

The TIAA 401(a) Plan's investment menu structure follows best practices by utilizing a proper default option (an age-appropriate Target Date Fund) and offering a broad range of diversified investment alternatives.



# Tier I: Target Date Funds

## Vanguard Target Retirement Trusts' Review

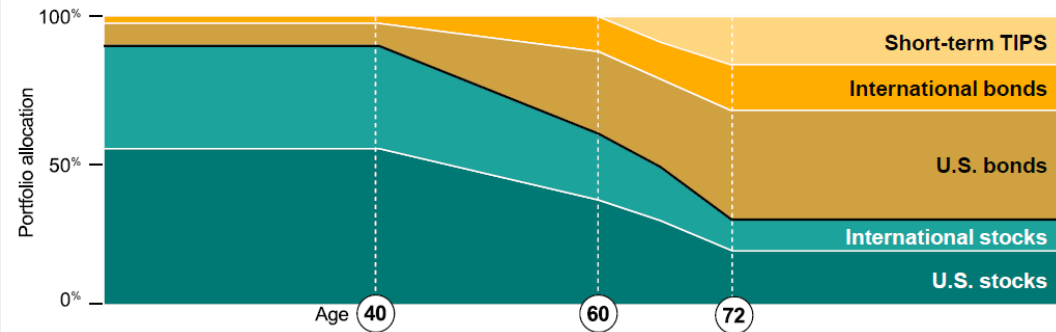


**Vanguard**

### Vanguard Target Retirement Trusts:

- Passive approach with simplistic and strategic construction
- Managed through retirement—lands seven years post-retirement
- Near Morningstar industry-average asset allocation, but deviates with a higher equity allocation near retirement
- Performance closely tied to the Trusts' benchmarks and ranks favorably relative to peers

### Glide Path & Portfolio Construction:



The utilization and monitoring of the Vanguard Target Retirement Trusts, as the 401(a) Plan's default option, position the Plan well.

Target Date Fund Glide Path Source: Vanguard, as of June 30, 2022.

# Tier II Core and Tier III Additional Options

## Core and Additional Options' Review

	Style:	TIAA 401(a) Investment Option(s):	% of Plan Assets:	
Fixed Income	Capital Preservation	TIAA Stable Value	2.1%	
	Core Fixed Income	State Street US Bond Index	0.7%	
	Real Return/TIPS	PIMCO Real Return	0.7%	
Equity	Large Cap Equity	State Street S&P 500 Index	3.8%	
	Socially Responsible Equity	Vanguard FTSE Social Index	0.7%	
	International Equity	State Street Global All Cap ex-US Index	1.4%	
	Small/Mid Cap Equity	State Street Russell Small-Mid Index	2.4%	

<b>Legend:</b>
Tier II Core Options
Tier III Additional Options

- The 401(a) Plan's Tiers II and III Options offer exposure to each major asset class, allowing participants to build their own broadly diversified portfolios.
- The Tiers II and III Options represent a small portion (12%) of the Plan assets, as most assets (88%) reside in the Plan's default option (Vanguard Target Retirement Trusts).

# TIAA 401(a) Plan's Manager Due Diligence

## Stoplight Grid Summary

Criteria	Vanguard Tgt Retirement Trusts	State Street S&P 500 Index	Vanguard FTSE Social Index	State Street Russell Small-Mid Cap Index	State Street Global All Cap ex-US Index	PIMCO Real Return	State Street US Bond Index	TIAA Stable Value
Qualitative Review	●	●	●	●	●	●	●	●
Long Term Performance (5-Yr)	●	●	●	●	●	●	●	●
Short-Term Performance (3-Yr)	●	●	●	●	●	●	●	●

Legend	
●	Everything is good to excellent in this area
●	Caution is warranted but action is not required at this time
WL	Watchlist Status
●	Action is required or is being taken
	White background indicates a Change in Status

The 401(a) Plan's investment options are in good standing, per the Investment Policy Statement's qualitative and quantitative investment manager guidelines.

# TIAA 401(a) Plan Fee Analysis

## Monitoring of Investment Management Fees

Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level
SSgA S&P 500 Index	Large Cap Core	0.01%	Low
Vanguard FTSE Social Index	Large Cap Broad	0.12%	Low
SSgA Russell Small-Mid Cap Index	SMID Broad	0.02%	Low
SSgA Global All Cap ex-US Index	Non-US Equity	0.045%	Low
Vanguard Target Retirement Trusts Plus	Target Date	0.055%	Low
PIMCO Real Return	TIPS	0.47%	Average
SSgA US Bond Index	Core Bond	0.02%	Low
TIAA Stable Value	Stable Value	0.24%	N/A

- The TIAA 401(a) Plan's investment management fees are competitively priced relative to peers.
- The Plan offers the least expensive share class/vehicle of each investment option (based on investment minimums).

Note: A CIT version of PIMCO Real Return is available; however, the CIT's allowable investments are materially different than the mutual fund version.

# TIAA 401(a) Plan Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	6/30/2022	Inv Mgmt Fees	Inv Mgmt Fees	Revenue-Sharing	Revenue-Sharing
		Market Value	(%)	(\$)	(%)	(\$)
SSgA S&P 500 Index	Large Cap Core	\$54,983,258	0.01%	\$5,498	0.00%	\$0
Vanguard FTSE Social Index	Large Cap Broad	\$9,809,345	0.12%	\$11,771	0.00%	\$0
SSgA Russell Small-Mid Cap Index	SMID Broad	\$34,356,929	0.02%	\$6,871	0.00%	\$0
SSgA Global All Cap ex-US Index	Non-US Equity	\$20,813,328	0.045%	\$9,366	0.00%	\$0
Vanguard Target Retirement 2070	Target Date	\$0	0.055%	\$0	0.00%	\$0
Vanguard Target Retirement 2065	Target Date	\$2,292,875	0.055%	\$1,261	0.00%	\$0
Vanguard Target Retirement 2060	Target Date	\$17,621,488	0.055%	\$9,692	0.00%	\$0
Vanguard Target Retirement 2055	Target Date	\$50,322,307	0.055%	\$27,677	0.00%	\$0
Vanguard Target Retirement 2050	Target Date	\$99,976,093	0.055%	\$54,987	0.00%	\$0
Vanguard Target Retirement 2045	Target Date	\$156,867,556	0.055%	\$86,277	0.00%	\$0
Vanguard Target Retirement 2040	Target Date	\$198,941,646	0.055%	\$109,418	0.00%	\$0
Vanguard Target Retirement 2035	Target Date	\$241,156,489	0.055%	\$132,636	0.00%	\$0
Vanguard Target Retirement 2030	Target Date	\$203,898,370	0.055%	\$112,144	0.00%	\$0
Vanguard Target Retirement 2025	Target Date	\$172,104,391	0.055%	\$94,657	0.00%	\$0
Vanguard Target Retirement 2020	Target Date	\$111,925,095	0.055%	\$61,559	0.00%	\$0
Vanguard Target Retirement 2015	Target Date	\$37,476,736	0.055%	\$20,612	0.00%	\$0
Vanguard Target Retirement Income	Target Date	\$10,268,710	0.055%	\$5,648	0.00%	\$0
PIMCO Real Return	TIPS	\$10,419,979	0.47%	\$48,974	0.00%	\$0
SSgA US Bond Index	Core Bond	\$10,034,457	0.02%	\$2,007	0.00%	\$0
TIAA Stable Value	Stable Value	\$26,926,530	0.24%	\$64,624	0.00%	\$0
		<b>\$1,470,195,581</b>	<b>0.06%</b>	<b>\$865,680</b>	<b>0.00%</b>	<b>\$0</b>

- The TIAA 401(a) annual administrative fee of \$40 is charged to participants with salaries greater than \$35,000/year.\*
- The annual administrative fee equates to ~\$1,591,787/year, of which TIAA collects ~\$1,213,326, while Rhode Island retains ~\$378,462 to pay for Plan-related expenses.\*\*
- The total average fee per participant (avg. investment mgmt expense + administrative fee) is ~17 basis points.
- The current agreement with TIAA for the 401(a) and 457(b) Plans is in effect until September 30, 2023, with four additional one-year term options (subject to termination provisions).

\* Salary is indexed.

\*\* TIAA's revenue of ~\$1,213,326 includes an annual fee of \$24/participant (~\$53,088/year) for those participants (2,212 participants) with salaries less than \$35,000/year.

Notes: Total participants: 41,356. June 30, 2022 data is utilized given the available fee disclosure reports from TIAA.

# Deferred Compensation Program TIAA 457(b) Plan

---

# TIAA 457(b) Plan

## Asset Breakdown as of September 30, 2022

Investment Option	Style	Market Value	% of Plan Assets	# of Participants
Vanguard Target Retirement 2070	Target Date	\$0	0.0%	0
Vanguard Target Retirement 2065	Target Date	\$25,841	0.1%	9
Vanguard Target Retirement 2060	Target Date	\$199,879	0.4%	49
Vanguard Target Retirement 2055	Target Date	\$396,177	0.8%	74
Vanguard Target Retirement 2050	Target Date	\$512,786	1.1%	74
Vanguard Target Retirement 2045	Target Date	\$558,295	1.1%	64
Vanguard Target Retirement 2040	Target Date	\$473,552	1.0%	64
Vanguard Target Retirement 2035	Target Date	\$1,160,679	2.4%	92
Vanguard Target Retirement 2030	Target Date	\$2,673,631	5.5%	133
Vanguard Target Retirement 2025	Target Date	\$1,713,650	3.5%	83
Vanguard Target Retirement 2020	Target Date	\$715,487	1.5%	36
Vanguard Target Retirement Income	Target Date	\$702,814	1.4%	23
		<b>\$9,132,791</b>	<b>18.8%</b>	
State Street S&P 500 Index	Large Cap Core	\$11,520,332	23.7%	450
Vanguard FTSE Social Index	Large Cap Broad	\$1,106,926	2.3%	81
Vanguard Mid Cap Index	Mid Cap Core	\$5,524,815	11.3%	370
Vanguard Small Cap Index	Small Cap Core	\$3,147,539	6.5%	278
State Street Global All Cap ex-US Index	Non-US Equity	\$532,665	1.1%	71
American Funds EuroPacific Growth	Non-US Equity	\$1,721,606	3.5%	216
American Century Inflation Adjusted	TIPS	\$727,186	1.5%	160
PIMCO Total Return	Core Plus	\$689,866	1.4%	97
State Street US Bond Index	Core Bond	\$571,577	1.2%	57
TIAA Traditional	Capital Preservation	\$13,989,346	28.7%	488
Self Directed	Brokerage	\$37,911	0.1%	2
		<b>\$39,569,770</b>	<b>81.2%</b>	
		<b>\$48,702,561</b>	<b>100.0%</b>	

# TIAA 457(b) Plan Investment Menu

## Investment Menu Structure Overview

Investment Menu				
Risk Spectrum	Tier I. Target Date Options	Tier II. Core Options	Tier III. Additional Options	Tier IV. Self-Directed Brokerage Account
Conservative	Vanguard Target Retire Income Trust Plus	TIAA Traditional	American Century Inf-Adjusted Bond	SDBA Mutual Fund Only Window
	Vanguard Target Retire 2020 Trust Plus	State Street US Bond Index	PIMCO Total Return	
	Vanguard Target Retire 2025 Trust Plus	State Street S&P 500 Index	Vanguard FTSE Social Index	
	Vanguard Target Retire 2030 Trust Plus	State Street Global All Cap ex-US Index	American Funds EuroPacific Growth	
	Vanguard Target Retire 2035 Trust Plus	Vanguard Mid Cap Index		
	Vanguard Target Retire 2040 Trust Plus	Vanguard Small-Cap Index		
	Vanguard Target Retire 2045 Trust Plus			
	Vanguard Target Retire 2050 Trust Plus			
	Vanguard Target Retire 2055 Trust Plus			
	Vanguard Target Retire 2060 Trust Plus			
	Vanguard Target Retire 2065 Trust Plus			
Aggressive	Vanguard Target Retire 2070 Trust Plus			

The TIAA 457(b) Plan's investment menu structure follows best practices by utilizing a proper default option (an age-appropriate Target Date Fund) and offering a broad range of diversified investment alternatives.



# Tier I: Target Date Funds

## Vanguard Target Retirement Trusts' Review

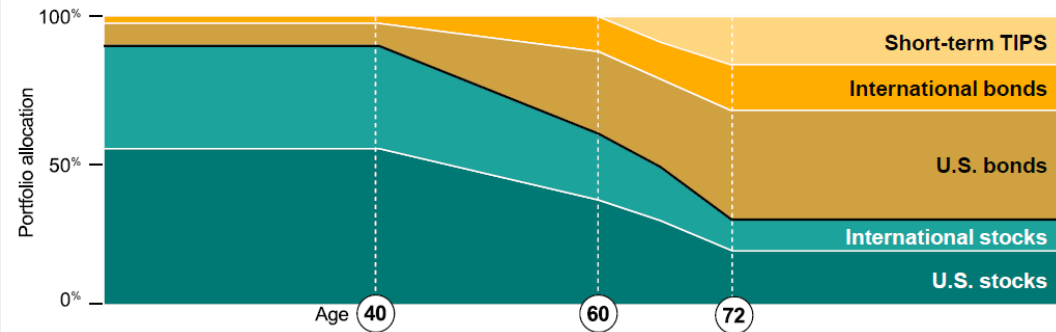


**Vanguard**

### Vanguard Target Retirement Trusts:

- Passive approach with simplistic and strategic construction
- Managed through retirement—lands seven years post-retirement
- Near Morningstar industry-average asset allocation, but deviates with a higher equity allocation near retirement
- Performance closely tied to the Trusts' benchmarks and ranks favorably relative to peers

### Glide Path & Portfolio Construction:



The utilization and monitoring of the Vanguard Target Retirement Trusts, as the TIAA 457(b) Plan's default option, position the Plan well.

Target Date Fund Glide Path Source: Vanguard, as of June 30, 2022.

# Tier II Core and Tier III Additional Options

## Core and Additional Options' Review

	Style:	TIAA 457(b) Investment Option(s):	% of Plan Assets:
Fixed Income	Capital Preservation	TIAA Traditional	28.7%
	Core Fixed Income	State Street US Bond Index	1.2%
	Core Plus Fixed Income	PIMCO Total Return	1.4%
	Real Return/TIPS	American Century Infl Adjusted Bond	1.5%
Equity	Large Cap Equity	State Street S&P 500 Index	23.7%
	Socially Responsible Equity	Vanguard FTSE Social Index	2.3%
	International Equity	State Street Global All Cap Eq ex-US Index	1.1%
		American Funds EuroPacific Growth	3.5%
	Small/Mid Cap Equity	Vanguard Mid Cap Index	11.3%
		Vanguard Small Cap Index	6.5%

**Legend:**

Tier II Core Options

Tier III Additional Options

- The TIAA 457(b) Plan's Tier II Core Options offer exposure to each major asset class, primarily through passive investment management, allowing participants to build their own diversified portfolios.
- The Plan's Tier III Additional Options are appropriate offerings that provide further diversification opportunities with actively managed options (Core Plus Fixed Income, Real Return/TIPS and International Equity), along with a passively managed Socially Responsible Equity Fund (Vanguard FTSE Social Index).
- The Tiers II and III Options represent 81% of the Plan's assets.

# Tier IV: Self-Directed Brokerage

## Self-Directed Brokerage Accounts (SDBA) Considerations

### Evaluating Factors for Plan Sponsors:



Is the proposed provider qualified to offer the brokerage window service?



What is the quality of the provider's service?



Are the fees reasonable?

### TIAA Mutual Fund Only Window:

- Transaction Fee Funds: \$35 for buys and sells for participants receiving a financial planning solution from their wealth management advisor; otherwise, \$50 per trade. Recurring contributions do not get charged (minimum transaction is \$100).
- No Transaction Fee Funds: \$0 for buys and sells if held for more than six months. \$50 fee if sold within six months of buying.

- The TIAA SDBA allows participants to invest in mutual funds outside of the 457(b) Plan's investment menu.
- There is currently only two participants, representing \$37,911 (0.1%) in assets, utilizing TIAA's SDBA option.

Note: Not inclusive of all SDBA fees that can be charged.

# TIAA 457(b) Plan's Manager Due Diligence

## Stoplight Grid Summary

Criteria	Vanguard Tgt Retirement Trusts	State Street S&P 500 Index	Vanguard FTSE Social Index	Vanguard Mid Cap Index	Vanguard Small Cap Index	State Street Global All Cap ex-US Index	American Funds EuroPacific Growth	American Century Infl-Adjusted Bond	PIMCO Total Return	State Street US Bond Index	TIAA Traditional
Qualitative Review	●	●	●	●	●	●	●	●	●	●	●
Long Term Performance (5-Yr)	●	●	●	●	●	●	●	●	●	●	●
Short-Term Performance (3-Yr)	●	●	●	●	●	●	●	●	●	●	●

Legend	
●	Everything is good to excellent in this area
●	Caution is warranted but action is not required at this time
WL	Watchlist Status
●	Action is required or is being taken
	White background indicates a Change in Status

The TIAA 457(b) Plan's investment options are in good standing, per the Investment Policy Statement's qualitative and quantitative investment manager guidelines.

# TIAA 457(b) Plan Fee Analysis

## Monitoring of Investment Management Fees

Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level
State Street S&P 500 Index	Large Cap Core	0.01%	Low
Vanguard FTSE Social Index	Large Cap Broad	0.12%	Low
Vanguard Mid Cap Index	Mid Cap Core	0.04%	Low
Vanguard Small Cap Index	Small Cap Core	0.04%	Low
American Funds EuroPacific Growth	Non-US Equity	0.46%	Low
State Street Global All Cap ex-US Index	Non-US Equity	0.045%	Low
Vanguard Target Retirement Trusts Plus	Target Date	0.055%	Low
American Century Inflation Adjusted	TIPS	0.21%	Low
PIMCO Total Return	Core Plus	0.46%	Average
State Street US Bond Index	Core Bond	0.02%	Low
TIAA Traditional	Stable Value	0.00% (0.15% rev-share)	N/A

- The TIAA 457(b) Plan's investment management fees are competitively priced relative to peers.
- The Plan offers the least expensive share class/vehicle of each investment option (based on investment minimums), except PIMCO Total Return (see following page).
- Vanguard may require the Plan to conduct a share class exchange for the Vanguard Small Cap Index Fund, moving from the Institutional share class to the Admiral share class, as the Plan no longer meets the \$5 million minimum for the Institutional share class. The Fund's expense would increase from 0.04% to 0.05%.
- TIAA is now disclosing TIAA Traditional as a 0.00% stated expense.

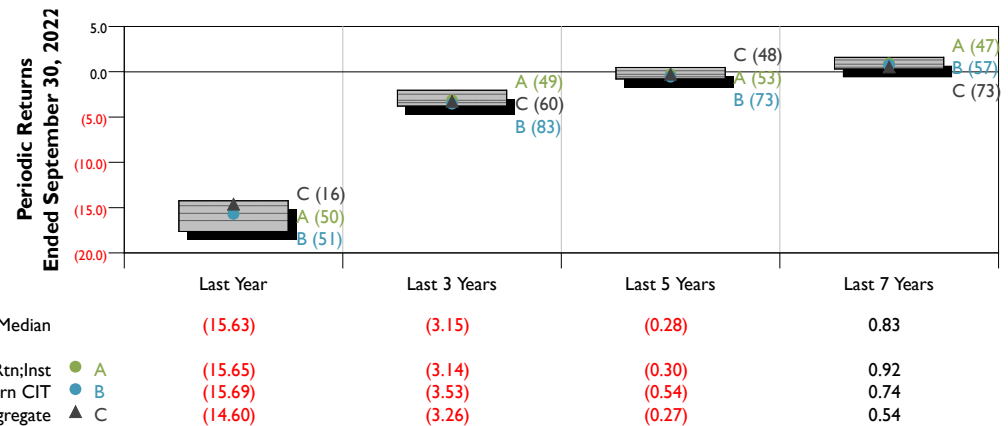
# TIAA 457(b) Plan Fee Analysis

## PIMCO Total Return—Share Class & Vehicle Comparison

- The Plan currently offers the Institutional share class of the PIMCO Total Return mutual fund.
- The Plan is eligible for a less expensive (on a net cost basis) A share class, but the annual estimated savings is relatively small (~\$430), and the fees for these share classes can fluctuate.
- The Plan is also eligible for the collective investment trust vehicle of the Fund (annual savings: ~\$71); however, the Institutional share class has historically outperformed the collective investment trust vehicle (net of fees) over most time periods.
- Maintaining the current Institutional share class, within the TIAA 457(b) Plan, is appropriate based on current considerations.

Investment Option	Share Class/Vehicle	Expense Ratio	Revenue-Sharing	
			Revenue-Sharing	Net Cost
PIMCO Total Return (PTTRX)	Instl	0.46%	0.00%	0.46%
PIMCO Total Return (PTTAX)	A	0.80%	0.40%	0.40%
PIMCO Total Return	CIT	0.45%	0.00%	0.45%

Legend
Current
Alternative



# TIAA 457(b) Plan Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	6/30/2022 Market Value	Inv Mgmt Fees (%)	Est. Inv Mgmt Fees (\$)	Revenue-Sharing (%)	Revenue-Sharing (\$)
SSgA S&P 500 Index	Large Cap Core	\$12,099,535	0.01%	\$1,210	0.00%	\$0
Vanguard FTSE Social Index	Large Cap Broad	\$1,137,240	0.12%	\$1,365	0.00%	\$0
Vanguard Mid Cap Index	Mid Cap Core	\$5,734,208	0.04%	\$2,294	0.00%	\$0
Vanguard Small Cap Index	Small Cap Core	\$3,236,603	0.04%	\$1,295	0.00%	\$0
SSgA Global All Cap ex-US Index	Non-US Equity	\$546,024	0.045%	\$246	0.00%	\$0
American Funds EuroPacific Growth	Non-US Equity	\$1,896,154	0.46%	\$8,722	0.00%	\$0
Vanguard Target Retirement 2070	Target Date	\$0	0.055%	\$0	0.00%	\$0
Vanguard Target Retirement 2065	Target Date	\$24,236	0.055%	\$13	0.00%	\$0
Vanguard Target Retirement 2060	Target Date	\$189,053	0.055%	\$104	0.00%	\$0
Vanguard Target Retirement 2055	Target Date	\$387,003	0.055%	\$213	0.00%	\$0
Vanguard Target Retirement 2050	Target Date	\$494,524	0.055%	\$272	0.00%	\$0
Vanguard Target Retirement 2045	Target Date	\$516,465	0.055%	\$284	0.00%	\$0
Vanguard Target Retirement 2040	Target Date	\$420,517	0.055%	\$231	0.00%	\$0
Vanguard Target Retirement 2035	Target Date	\$1,148,115	0.055%	\$631	0.00%	\$0
Vanguard Target Retirement 2030	Target Date	\$2,721,918	0.055%	\$1,497	0.00%	\$0
Vanguard Target Retirement 2025	Target Date	\$1,749,710	0.055%	\$962	0.00%	\$0
Vanguard Target Retirement 2020	Target Date	\$745,167	0.055%	\$410	0.00%	\$0
Vanguard Target Retirement 2015	Target Date	\$663,810	0.055%	\$365	0.00%	\$0
Vanguard Target Retirement Income	Target Date	\$44,346	0.055%	\$24	0.00%	\$0
American Century Inflation Adjusted	TIPS	\$766,511	0.21%	\$1,610	0.00%	\$0
PIMCO Total Return	Core Plus	\$716,541	0.46%	\$3,296	0.00%	\$0
SSgA US Bond Index	Core Bond	\$591,806	0.02%	\$118	0.00%	\$0
TIAA Traditional	Stable Value	\$13,677,594	0.00%	\$0	0.15%	\$20,516
Self-Directed	Brokerage	\$36,981	0.00%	\$0	0.00%	\$0
		<b>\$49,544,062</b>	<b>0.05%</b>	<b>\$25,163</b>	<b>0.04%</b>	<b>\$20,516</b>

- No administrative fee is charged to TIAA 457(b) participants with an annual salary greater than \$35,000 (given the 401(a) fee that is already assessed), while participants with salaries less than \$35,000 are charged a fee of \$32/year (given their 401(a) fee is waived).\*
- The total administrative fee equates to ~\$9,624 annually.\*\*
- The total average fee per participant (avg. investment management expense + administrative fee) is ~3 basis points.

\* Salary is indexed.

\*\*Based on TIAA's quarterly fee disclosures.

Note: June 30, 2022 data is utilized given the available fee disclosure reports from TIAA.

# Managed Account Services

## Fee Comparison



	TIAA 457(b)	Voya 457(b)	Fidelity 457(b)
<b>9/30/2022 Market Value</b>	\$649,597	\$1,840,924	\$6,354,118
<b>9/30/2022 Participants</b>	22	51	168
<b>Managed Accounts Fee</b>	30 basis points	50 basis points	50 basis points on first \$100,000; 45 basis points on next \$150,000; 30 basis points \$250,000+

- Managed Account Services are a discretionary solution for participants, including ongoing management, monitoring and rebalancing of their portfolios, based on their unique situation and retirement needs (e.g., risk tolerance, outside assets, etc.).
- Managed Account Services are only charged to participants in the 457(b) Plans who elect to utilize the product.
- Fees appear reasonable based on Capital Cities' due diligence.
- Managed Account Services continue to represent minimal revenue to the Rhode Island recordkeepers, given the low utilization among participants.
- Capital Cities will continue to closely monitor the Managed Account Services' utilization and fees.



# Voya 457(b) Plan



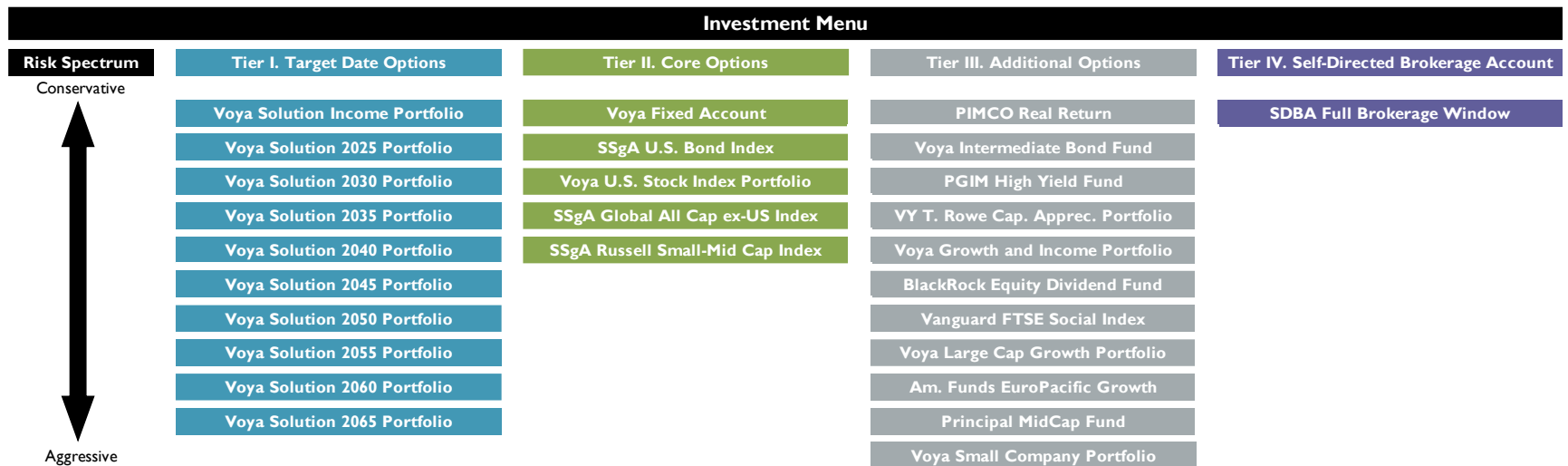
# Voya 457(b) Plan

## Asset Breakdown as of September 30, 2022

Fund	Style	Market Value	% of Plan Assets	# of Participants
Voya Solution 2065 Portfolio	Target Date	\$51,953	0.0%	15
Voya Solution 2060 Portfolio	Target Date	\$231,052	0.1%	79
Voya Solution 2055 Portfolio	Target Date	\$906,849	0.4%	159
Voya Solution 2050 Portfolio	Target Date	\$174,046	0.1%	76
Voya Solution 2045 Portfolio	Target Date	\$1,700,096	0.8%	169
Voya Solution 2040 Portfolio	Target Date	\$136,804	0.1%	45
Voya Solution 2035 Portfolio	Target Date	\$1,748,826	0.9%	144
Voya Solution 2030 Portfolio	Target Date	\$368,233	0.2%	35
Voya Solution 2025 Portfolio	Target Date	\$1,676,394	0.8%	55
Voya Solution Income Portfolio	Target Date	\$180,087	0.1%	8
		\$7,174,339	3.5%	
Voya U.S. Stock Index	Large Cap Core	\$15,535,806	7.7%	1,999
Vanguard FTSE Social Index	Large Cap Broad	\$606,113	0.3%	105
Voya Growth and Income	Large Cap Broad	\$29,165,122	14.4%	1,820
BlackRock Equity Dividend	Large Cap Value	\$4,468,463	2.2%	898
Voya Large Cap Growth	Large Cap Growth	\$12,766,993	6.3%	1,748
Principal Mid Cap Fund	Mid Cap Broad	\$11,408,528	5.6%	1,330
SSgA Russell Small-Mid Cap Index	SMID Broad	\$3,328,066	1.6%	714
Voya Small Company	Small Cap Broad	\$7,008,789	3.5%	1,253
SSgA Global All Cap ex-US Index	Non-US Equity	\$3,522,063	1.7%	1,678
American Funds EuroPacific Growth	Non-US Equity	\$5,980,269	2.9%	1,775
VY T Rowe Price Capital Appreciation	Balanced	\$12,497,656	6.2%	359
PGIM High Yield Fund	High Yield	\$548,243	0.3%	91
PIMCO Real Return	TIPS	\$880,306	0.4%	167
Voya Intermediate Bond	Core Plus Bond	\$7,578,777	3.7%	1,590
SSgA US Bond Index	Core Bond	\$692,464	0.3%	141
Voya Fixed Account	Guaranteed	\$60,283,791	29.7%	2,311
Voya Fixed Account - 457/ 401 II A	Guaranteed	\$19,400,401	9.6%	1,816
Voya Long-Term Accumulation	Guaranteed	\$25,650	0.0%	7
		\$195,697,500	96.5%	
		\$202,871,839	100.0%	

# Voya 457(b) Plan Investment Menu

## Investment Menu Structure Overview



The Voya 457(b) Plan's investment menu structure follows best practices by utilizing a proper default option (an age-appropriate Target Date Fund) and offering a broad range of diversified investment alternatives.

# Tier I: Target Date Funds

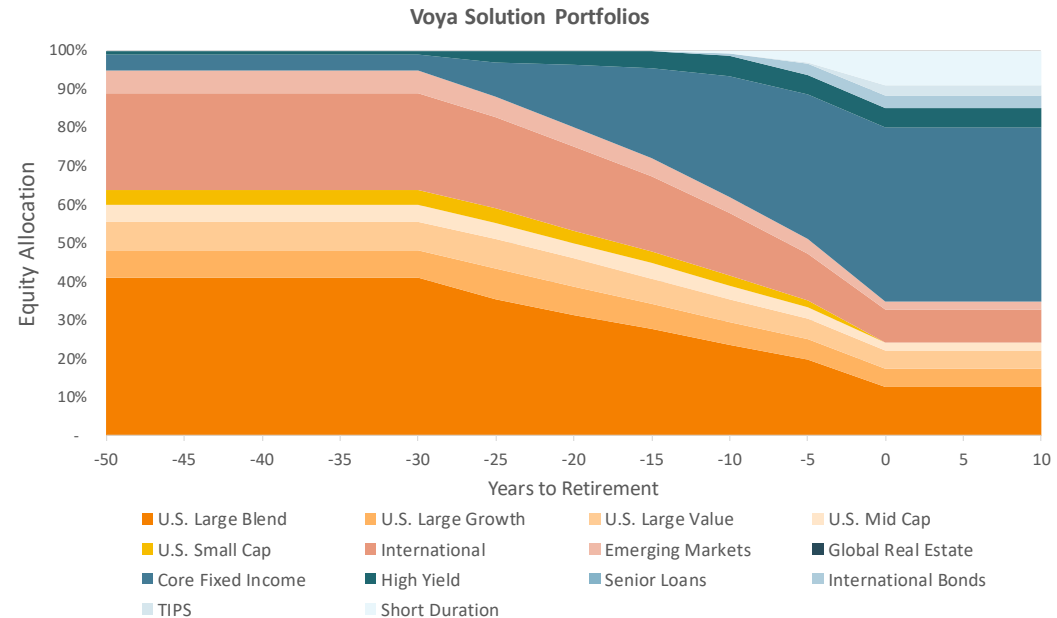
## Voya Solution Portfolios' Review



### Voya Solution Portfolios:

- Blended approach with active (~70%) and passive (~30%) broad market exposure to major asset classes
- Flexible asset allocation within reasonable guardrails
- Multi-manager construction (~30% proprietary and ~70% non-proprietary funds)
- Automatically becomes more conservative over time until landing at a static asset allocation at retirement
- Asset allocation is slightly more aggressive than peers
- Performance can deviate relative to the Funds' strategic indexes

### Glide Path & Portfolio Construction:



The utilization and monitoring of the Voya Solution Portfolios, as the Voya 457(b) Plan's default option, position the Plan well.

# Tier II Core and Tier III Additional Options

## Core and Additional Options' Review

	Passive:	% of Plan Assets:	Active:	% of Plan Assets:	
Fixed Income	Capital Preservation		Voya Fixed Accounts	39.3%	
	Core/Core Plus Fixed Income	SSgA US Bond Index	0.3%	Voya Intermediate Bond	3.7%
	Real Return/TIPS		PIMCO Real Return	0.4%	
	High Yield		PGIM High Yield	0.3%	
Equity	Large Cap Equity	Voya U.S. Stock Index	7.7%	Voya Growth & Income	14.4%
	Balanced		BlackRock Equity Dividend	2.2%	
	Socially Responsible Equity	Vanguard FTSE Social Index	0.3%	Voya Large Cap Growth	6.3%
	International Equity	SSgA Global All Cap ex-US Index	1.7%	VY T Rowe Price Capital Appr	6.2%
	Small/Mid Cap Equity	SSgA Small-Mid Cap Index	1.6%	American Funds EuroPacific Gr	2.9%
				Principal Mid Cap	5.6%
			Voya Small Company	3.5%	

**Legend:**

- Tier II Core Options
- Tier III Additional Options

- The Voya 457(b) Plan's Tiers II and III Options offer exposure to each major asset class, allowing participants to build their own broadly diversified portfolios or express a particular bias within their portfolios.
  - An active and passive track is offered in appropriate asset classes, which provides a greater opportunity to meet participants' needs.
- The majority of the Plan's assets (97%) are within the Tiers II and III Options.

# Tier IV: Self-Directed Brokerage

## Self-Directed Brokerage Accounts (SDBA) Considerations

### Evaluating Factors for Plan Sponsors:



Is the proposed provider qualified to offer the brokerage window service?



What is the quality of the provider's service?



Are the fees reasonable?

### Voya SDBA Overview:

- Full Brokerage Window (Mutual Funds, Common Stock and Bonds)
- Annual Fee: \$50
- Trade fees vary depending on type. Examples: No-Transaction Fee Mutual Funds, no transaction fee for online/mobile Equity and ETF trades, \$5.00 fee for Interactive Voice Response trades, and \$24.99 for Broker-Assisted trades.

- The Voya SDBA option offers a full brokerage window (mutual funds, common stock and bonds), in which participants are allowed to invest outside of the Plan's investment menu.
- There are currently no participants enrolled in Voya's SDBA.

Note: Not inclusive of all SDBA fees that can be charged.

# Voya 457(b) Plan's Manager Due Diligence

## Stoplight Grid Summary

Criteria	Voya Solution Portfolios	Voya U.S. Stock Index	Vanguard FTSE Social Index	Voya Growth and Income	BlackRock Equity Dividend	Voya Large Cap Growth	Principal Mid Cap Fund	State Street Russell Small/Mid Cap Index	Voya Small Company
Qualitative Review	●	●	●	●	●	●	●	●	●
Long Term Performance (5-Yr)	●	●	●	●	●	●	●	●	●
Short Term Performance (3-Yr)	●	●	●	●	●	●	●	●	●

Criteria	State Street Global All Cap ex-US Index	American Funds EuroPacific Growth	VY T Rowe Price Capital Appreciation	PGIM High Yield	PIMCO Real Return	Voya Intermediate Bond	State Street US Bond Index	Voya Fixed Account
Qualitative Review	●	●	●	●	●	●	●	●
Long Term Performance (5-Yr)	●	●	●	●	●	●	●	●
Short Term Performance (3-Yr)	●	●	●	●	●	●	●	●

Legend	
●	Everything is good to excellent in this area
●	Caution is warranted but action is not required at this time
WL	Watchlist Status
●	Action is required or is being taken
	White background indicates a Change in Status

- Most of the Voya 457(b) Plan's investment options are in good standing, per the Investment Policy Statement's qualitative and quantitative investment manager guidelines.
  - Capital Cities is currently monitoring Voya Large Cap Growth's short- and long-term performance; however, relative underperformance is within expectations given the market environment and the Fund's philosophy/process.
  - Capital Cities recommends action being taken against Voya Small Company (see following pages).

# Voya 457(b) Plan's Manager Due Diligence

## Voya Small Company Watchlist Summary

- Voya Small Company was placed on Watchlist status in August 2022, given James Hasso was removed as the Fund's portfolio manager and a new portfolio construction process was announced.
- The change in the Fund's personnel and portfolio construction process was a result of Voya acquiring the technology and hiring the founding team of G Squared Capital LLP, a London-based team.
- The G Squared Capital LLP members form a new Machine Intelligence group within Voya Equities.
- The Voya Small Company Portfolio now applies machine learning models to evaluate financial, fundamental and ESG characteristics of stocks, with Gareth Shepherd serving as Co-Head of Equity Machine Intelligence and Portfolio Manager of the Fund.
- The new Small Cap Strategy has a limited track record with Voya seeding it in January 2021.
- **Recommendation: Replace Voya Small Company given material changes in personnel and philosophy/process.**



# Manager Search Process

## Search Process Overview

- The Small and SMID space is marked by capacity constraints, as successful products often close to new investors/plans in order to ensure the continued ability of the portfolio managers to source investment opportunities.
- Capital Cities applied a performance screen, evaluating only open products within the Small and SMID Cap space.
- Interviews were conducted with semi-finalists, analyzing the managers for qualitative and quantitative factors.
- Boston Trust Walden SMID was selected as the recommended finalist; however, the Strategy is currently in the process of being added to Voya's platform (generally a 60 to 90-day process).



# Small/Mid Cap Equity Search

## Elimination Matrix

	Name of firm	Product	Notes
1	AMG Funds	River Road Small-Mid Cap Value	Price (0.97%); Product (\$239 million in MF AUM)
2	AMG Funds	River Road Small Cap Value	Price (1.00%)
3	Bernzott Capital Advisors	US Small Cap Value	Product (\$96 million in MF AUM)
4	BlackRock	Advantage Small Cap	Philosophy/Process (Quantitative)
5	BlackRock	Advantage SMID Cap	Philosophy/Process (Quantitative)
6	Boston Trust Walden	SMID Cap	
7	Calvert	Small Cap	Philosophy/Process (ESG)
8	Federated Hermes	MDT Small Cap Core	Philosophy/Process (Quantitative)
9	Fidelity	Adv Stock Selector Small Cap	People (Upcoming Lead Portfolio Manager Change)
10	Fuller & Thaler	Behavioral Small-Cap Equity	Product (\$6.5 billion in Strategy; Soft Closed to Retail)
11	John Hancock	Small Cap Core	
12	JPMorgan	SMID Cap Equity	Product (Previously JPMorgan Intrepid Mid Cap Fund until November 2020)
13	Kinetics	Small Cap Opportunities	Philosophy/Process (Growth Bias); Product (\$264 million in MF AUM)
14	Neuberger Berman	Intrinsic Value	Philosophy/Process (Value)
15	North Square	Dynamic Small Cap	Product (\$73 million in MF AUM)
16	Nuveen	Small Cap Select	Price (0.87%); Product (\$113 million in MF AUM)
17	Paradigm Capital Management	Select	Product (Concentrated); Product (\$110 million in MF AUM)
18	Paradigm Capital Management	Value	Product (\$49 million in MF AUM)
19	TETON Advisors	Westwood SmallCap Equity	Product (\$53 million in MF AUM)
20	Virtus	Small-Cap	People (Recent Portfolio Manager Change); Product (\$141 million in MF AUM)

### Legend:

Semi-Finalist

Finalist

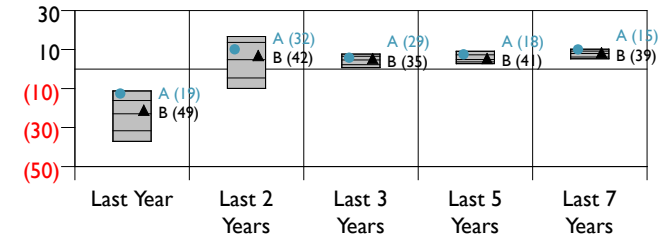
Note: Based on July/August 2022 data.

# Active SMID Cap Equity Recommendation

## Boston Trust Walden

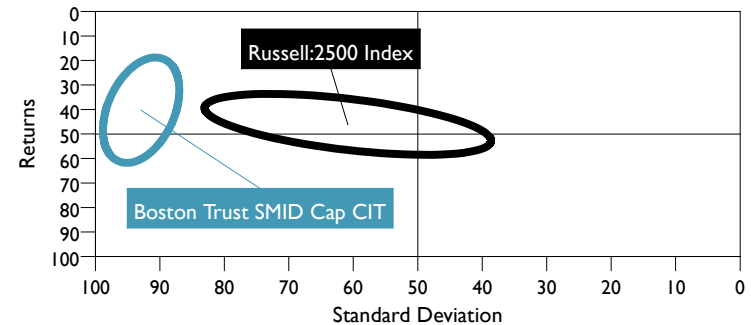
Organization	Boston Trust Walden
Product Name	SMID Cap
Product Inception Date	Jan-2010
Ownership Structure	100% employee-owned. 51/83 total employees have equity ownership.
Firm Information	Located in Boston, MA. Founded in 1974. Firm AUM: \$12.7 billion
Investment Philosophy	Actively managed and broadly diversified SMID cap strategy investing in reasonably valued stocks of higher quality companies with sustainable business models that will have an inherent reason to exist in the future and continue their path of success.
Stock Selection	Boston Trust Walden seeks to construct a SMID portfolio with ~80 names where risk can be mitigated through a disciplined approach to valuation and diversification. Boston Trust Walden's core fundamental analysis includes the financial quality, business model sustainability, valuation, and ESG integration. ESG integration includes evaluating any inherent risks that could compromise the financial vitality of each name. The portfolio has broad exposure across sectors, diversified individual holdings, and a superior quality and valuation profile relative to the Index.
# of holdings	~80 holdings
% in Top Ten	17%
Turnover	36%
Benchmark Awareness	Benchmark aware. Sectors are +/- 5% of Russell 2500 Index. Maximum position size 2.5%. Cash position is kept <1%.
Wtd. Avg. Market Cap	\$10.0 billion
Key Professionals	Kenneth Scott, PM; Leanne Moore, PM; Richard Williams, PM
Assets in Strategy	\$2 billion in Strategy; \$222 million in CIT assets
Vehicle/Ticker	Collective Investment Trust
Fees	CIT: 0.60%

Returns for Periods Ended September 30, 2022  
Group: Callan Small/MidCap Broad Mutual Funds



	Median	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
Boston Trust SMID Cap CIT (A)	(22.86)	(12.50)	10.16	5.83	7.62	10.09
Russell:2500 Index (B)	(21.11)	(21.11)	6.97	5.36	5.45	8.39

Rolling 12 Quarter Scatter Chart  
for 5 Years Ended September 30, 2022  
Ranked against Callan Small/MidCap Broad Mutual Funds



**Recommendation: Eliminate Voya Small Company given qualitative concerns and map assets to Boston Trust Walden SMID Cap (pending the Fund being added to Voya's platform).**

# Voya 457(b) Plan Fee Analysis

## Monitoring of Investment Management Fees

Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level
Voya U.S. Stock Index	Large Cap Core	0.27% (0.28% rev share*)	Low
Vanguard FTSE Social Index	Large Cap Broad	0.14%	Low
Voya Growth and Income	Large Cap Broad	0.66% (0.30% rev share)	Average
Blackrock Equity Dividend	Large Cap Value	0.68% (0.25% rev share)	Average
Voya Large Cap Growth	Large Cap Growth	0.67% (0.30% rev share)	Average
Principal Mid Cap Fund	Mid Cap Broad	0.59%	Low
SSgA Russell Small-Mid Index	SMID Broad	0.02%	Low
Voya Small Company	Small Cap Broad	0.90% (0.30% rev share)	Below Average
SSgA Global All Cap ex-US Index	Non-US Equity	0.045%	Low

**Legend:**

Fund exhibits higher fee than peer group

Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level
American Funds EuroPacific Growth	Non-US Equity	0.81% (0.35% rev share)	Low
VY T Rowe Price Capital Appreciation	Balanced	0.64% (0.28% rev share)	Below Average
Voya Solutions Portfolios	Target Date	0.68%-0.78% (0.32% rev share)	High
PGIM High Yield Fund	High Yield	0.50% (0.25% rev share)	Low
PIMCO Real Return	TIPS	0.47%	Average
Voya Intermediate Bond	Core Plus Bond	0.34% (0.17% rev share)	Low
SSgA U.S. Bond Index	Core Bond	0.02%	Low
Voya Fixed Account/ 457/401a Account	Guaranteed	0.00%	NA

- The Voya 457(b) Plan's investment management fees are competitively priced relative to peers.
  - Voya Solutions Portfolio's "high" fee rating is due to the revenue-sharing arrangement not being reflected in the peer group.
- The Plan offers the least expensive share class/vehicle of each investment option (based on investment minimums and revenue-sharing arrangements).

\* Provides a revenue-sharing amount higher than the stated expense ratio based on the selling agreement with Voya Investment Management.

Note: A CIT version of PIMCO Real Return is available; however, the CIT's allowable investments are materially different than the mutual fund version.

# Voya 457(b) Plan Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	9/30/2022	Inv Mgmt Fees	Inv Mgmt Fees	Revenue-	Revenue-	Voya	Voya	Total Expense	Total Expense
			(%)	(\$)	Sharing (%)	Sharing (\$)	Admin/Service Fee (%)	Admin/Service Fee (\$)	(%)	(\$)
Voya U.S. Stock Index	Large Cap Core	\$15,535,806	0.27%	\$41,947	0.28%	\$43,500	0.16%	\$24,857	0.43%	\$66,804
Vanguard FTSE Social Index	Large Cap Broad	\$606,113	0.14%	\$849	0.00%	\$0	0.44%	\$2,667	0.58%	\$3,515
Voya Growth and Income	Large Cap Broad	\$29,165,122	0.66%	\$192,490	0.30%	\$87,495	0.14%	\$40,831	0.80%	\$233,321
BlackRock Equity Dividend	Large Cap Value	\$4,468,463	0.68%	\$30,386	0.25%	\$11,171	0.19%	\$8,490	0.87%	\$38,876
Voya Large Cap Growth	Large Cap Growth	\$12,766,993	0.67%	\$85,539	0.30%	\$38,301	0.14%	\$17,874	0.81%	\$103,413
Principal Mid Cap Fund	Mid Cap Broad	\$11,408,528	0.59%	\$67,310	0.00%	\$0	0.44%	\$50,198	1.03%	\$117,508
State Street Russell Small-Mid Index	SMID Broad	\$3,328,066	0.02%	\$666	0.00%	\$0	0.44%	\$14,643	0.46%	\$15,309
Voya Small Company	Small Cap Broad	\$7,008,789	0.90%	\$63,079	0.30%	\$21,026	0.14%	\$9,812	1.04%	\$72,891
State Street Global All Cap ex-US Index	International	\$3,522,063	0.045%	\$1,585	0.00%	\$0	0.44%	\$15,497	0.49%	\$17,082
American Funds EuroPacific Growth	Non-US Equity	\$5,980,269	0.81%	\$48,440	0.35%	\$20,931	0.09%	\$5,382	0.90%	\$53,822
VY T Rowe Price Capital Appreciation	Balanced	\$12,497,656	0.64%	\$79,985	0.28%	\$34,993	0.16%	\$19,996	0.80%	\$99,981
Voya Solution 2065 Portfolio	Target Date	\$51,953	0.78%	\$405	0.32%	\$166	0.12%	\$62	0.90%	\$468
Voya Solution 2060 Portfolio	Target Date	\$231,052	0.78%	\$1,802	0.32%	\$739	0.12%	\$277	0.90%	\$2,079
Voya Solution 2055 Portfolio	Target Date	\$906,849	0.78%	\$7,073	0.32%	\$2,902	0.12%	\$1,088	0.90%	\$8,162
Voya Solution 2050 Portfolio	Target Date	\$174,046	0.76%	\$1,323	0.32%	\$557	0.12%	\$209	0.88%	\$1,532
Voya Solution 2045 Portfolio	Target Date	\$1,700,096	0.75%	\$12,751	0.32%	\$5,440	0.12%	\$2,040	0.87%	\$14,791
Voya Solution 2040 Portfolio	Target Date	\$136,804	0.73%	\$999	0.32%	\$438	0.12%	\$164	0.85%	\$1,163
Voya Solution 2035 Portfolio	Target Date	\$1,748,826	0.73%	\$12,766	0.32%	\$5,596	0.12%	\$2,099	0.85%	\$14,865
Voya Solution 2030 Portfolio	Target Date	\$368,233	0.72%	\$2,651	0.32%	\$1,178	0.12%	\$442	0.84%	\$3,093
Voya Solution 2025 Portfolio	Target Date	\$1,676,394	0.72%	\$12,070	0.32%	\$5,364	0.12%	\$2,012	0.84%	\$14,082
Voya Solution Income Portfolio	Target Date	\$180,087	0.68%	\$1,225	0.32%	\$576	0.12%	\$216	0.80%	\$1,441
PGIM High Yield Fund	High Yield	\$548,243	0.50%	\$2,741	0.25%	\$1,371	0.19%	\$1,042	0.69%	\$3,783
PIMCO Real Return	TIPS	\$880,306	0.47%	\$4,137	0.00%	\$0	0.44%	\$3,873	0.91%	\$8,011
Voya Intermediate Bond	Core Plus Bond	\$7,578,777	0.34%	\$25,768	0.17%	\$12,884	0.27%	\$20,463	0.61%	\$46,231
State Street US Bond Index	Core Bond	\$692,464	0.02%	\$138	0.00%	\$0	0.44%	\$3,047	0.46%	\$3,185
Voya Fixed Account	Guaranteed	\$60,283,791	0.00%	\$0	0.00%	\$0	0.34%	\$204,965	0.34%	\$204,965
Voya Fixed Account 457/401 II A	Guaranteed	\$19,400,401	0.00%	\$0	0.00%	\$0	0.34%	\$65,961	0.34%	\$65,961
Voya Long-Term Guaranteed Accumulation	Guaranteed	\$25,650	0.00%	\$0	0.00%	\$0	0.34%	\$87	0.34%	\$87
		\$202,871,839	0.34%	\$698,125	0.15%	\$294,631	0.26%	\$518,295	0.60%	\$1,216,420

- Voya's compensation requirement is 0.44% (excluding Fixed Account assets), which includes a custom combination of the administration fee and revenue-sharing.
- The total average fee per participant (avg. investment management expense + administrative fee) is ~60 basis points (~47 bps if Fixed Account assets are excluded)\*

Notes: 4,314 total participants. The Voya Fixed Account's service fee is not an explicit fee.

# Managed Account Services

## Fee Comparison



	TIAA 457(b)	Voya 457(b)	Fidelity 457(b)
<b>9/30/2022 Market Value</b>	\$649,597	\$1,840,924	\$6,354,118
<b>9/30/2022 Participants</b>	22	51	168
<b>Managed Accounts Fee</b>	30 basis points	50 basis points	50 basis points on first \$100,000; 45 basis points on next \$150,000; 30 basis points \$250,000+

- Managed Account Services are a discretionary solution for participants, including ongoing management, monitoring and rebalancing of their portfolios, based on their unique situation and retirement needs (e.g., risk tolerance, outside assets, etc.).
- Managed Account Services are only charged to participants in the 457(b) Plans who elect to utilize the product.
- Fees appear reasonable based on Capital Cities' due diligence.
- Managed Account Services continue to represent minimal revenue to the Rhode Island recordkeepers, given the low utilization among participants.
- Capital Cities will continue to closely monitor the Managed Account Services' utilization and fees.

# Fidelity 457(b) Plan

---



# Fidelity 457(b) Plan

Asset Breakdown as of September 30, 2022

Investment Option	Style	Market Value	% of Plan Assets	# of Participants
Fidelity Freedom 2065	Target Date	\$7,625	0.0%	8
Fidelity Freedom 2060	Target Date	\$262,902	0.2%	50
Fidelity Freedom 2055	Target Date	\$1,346,737	0.8%	80
Fidelity Freedom 2050	Target Date	\$671,191	0.4%	99
Fidelity Freedom 2045	Target Date	\$1,818,962	1.1%	84
Fidelity Freedom 2040	Target Date	\$2,224,315	1.3%	85
Fidelity Freedom 2035	Target Date	\$3,159,061	1.9%	109
Fidelity Freedom 2030	Target Date	\$15,088,518	9.2%	264
Fidelity Freedom 2025	Target Date	\$5,010,841	3.0%	111
Fidelity Freedom 2020	Target Date	\$11,635,091	7.1%	176
Fidelity Freedom 2015	Target Date	\$1,691,056	1.0%	44
Fidelity Freedom 2010	Target Date	\$2,227,546	1.4%	64
Fidelity Freedom 2005	Target Date	\$593,024	0.4%	11
Fidelity Freedom Income	Target Date	\$921,098	0.6%	39
		\$46,657,965	28.3%	
State Street S&P 500 Index	Large Cap Core	\$16,779,636	10.2%	534
Fidelity Large Cap Stock	Large Cap Broad	\$8,511,491	5.2%	413
Vanguard FTSE Social Index	Large Cap Broad	\$1,570,638	1.0%	95
Invesco Diversified Dividend	Large Cap Value	\$2,380,721	1.4%	101
Fidelity Contrafund	Large Cap Growth	\$33,981,136	20.6%	737
State Street Russell Small-Mid Index	SMID Cap Broad	\$3,573,585	2.2%	345
Fidelity Low-Priced Stock	Total Equity	\$9,290,935	5.6%	312
State Street GI All Cap Eq ex-US Index	Non-US Equity	\$3,166,072	1.9%	280
American Funds EuroPacific Gr	Non-US Equity	\$2,951,941	1.8%	250
PIMCO Total Return	Core Plus Bond	\$5,692,707	3.5%	349
State Street US Bond Index	Core Bond	\$3,548,516	2.2%	278
T Rowe Price Stable Value	Stable Value	\$10,908,638	6.6%	434
Brokerage Link		\$15,797,769	9.6%	127
		\$118,153,786	71.7%	
		\$164,811,751	100.0%	



# Fidelity 457(b) Plan Investment Menu

## Investment Menu Structure Overview

Investment Menu				
Risk Spectrum	Tier I. Target Date Options	Tier II. Core Options	Tier III. Additional Options	Tier IV. Self-Directed Brokerage Account
Conservative	Fidelity Freedom Income	T Rowe Price Stable Value	PIMCO Total Return	SDBA Full Brokerage Window
	Fidelity Freedom 2005	State Street US Bond Index	Fidelity Large Cap Stock	
	Fidelity Freedom 2010	State Street S&P 500 Index	Vanguard FTSE Social Index	
	Fidelity Freedom 2015	State Street Global ex-US Index	Invesco Diversified Dividend	
	Fidelity Freedom 2020	State Street Small-Mid Cap Index	Fidelity Contrafund	
	Fidelity Freedom 2025		American Funds EuroPacific Growth	
	Fidelity Freedom 2030		Fidelity Low-Priced Stock	
	Fidelity Freedom 2035			
	Fidelity Freedom 2040			
	Fidelity Freedom 2045			
	Fidelity Freedom 2050			
	Fidelity Freedom 2055			
	Fidelity Freedom 2060			
	Fidelity Freedom 2065			
Aggressive				

The Fidelity 457(b) Plan's investment menu structure follows best practices by utilizing a proper default option (an age-appropriate Target Date Fund) and offering a broad range of diversified investment alternatives.

# Tier I: Target Date Funds

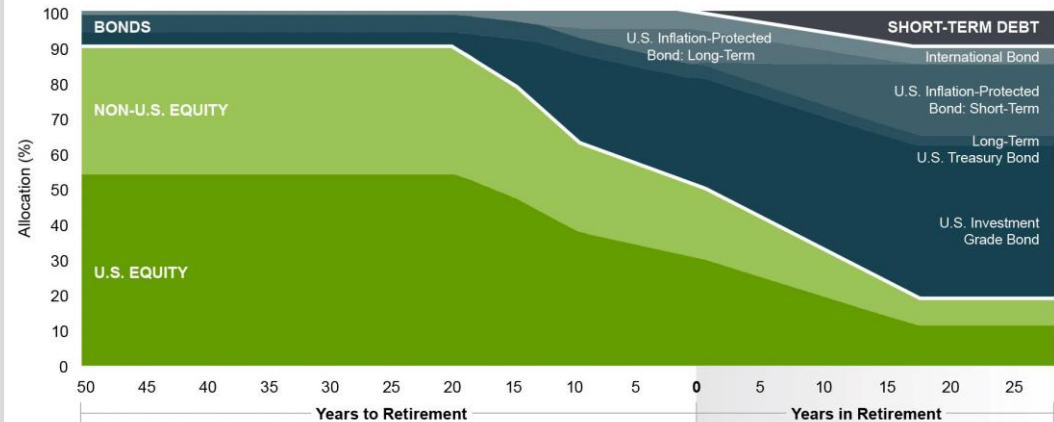
## Fidelity Freedom Funds' Review



### Fidelity Freedom Funds:

- Active approach with broad market exposure to major asset classes
- Flexible asset allocation within reasonable guardrails
- Automatically becomes more conservative over time until landing at a static asset allocation 19 years post-retirement
- Asset allocation is generally comparable to peers throughout the glide path until becoming more conservative approximately 15 years post-retirement
- Performance can deviate relative to the Funds' strategic indexes

### Glide Path & Portfolio Construction:



The utilization and monitoring of the Fidelity Freedom Funds, as the Fidelity 457(b) Plan's default option, position the Plan well.

# Tier II Core and Tier III Additional Options

## Core and Additional Options' Review

Style:		Fidelity 457(b) Investment Option(s):			
		Passive:	% of Plan Assets:	Active:	% of Plan Assets:
Fixed Income	Capital Preservation			T. Rowe Price Stable Value	6.6%
	Core/Core Plus Fixed Income	State Street US Bond Index	2.2%	PIMCO Total Return	3.5%
Equity	Large Cap Equity	State Street S&P 500 Index	10.2%	Fidelity Large Cap Stock Invesco Diversified Dividend Fidelity Contrafund	5.2% 1.4% 20.6%
	Socially Responsible Equity	Vanguard FTSE Social Index	1.0%		
	International Equity	State Street Global ex-US Index	1.9%	American Funds EuroPacific	1.8%
	Small/Mid Cap Equity	State Street Small-Mid Index	2.2%	Fidelity Low-Priced Stock	5.6%

**Legend:**  
Tier II Core Options  
Tier III Additional Options

- The Fidelity 457(b) Plan's Tiers II and III Options offer exposure to each major asset class, allowing participants to build their own broadly diversified portfolios or express a particular bias within their portfolios.
  - An active and passive track is offered in appropriate asset classes, which provides a greater opportunity to meet participants' needs.
- 62% of the Plan's assets are within the Tiers II and III Options.

# Tier IV: Self-Directed Brokerage

## Self-Directed Brokerage Accounts (SDBA) Considerations

### Evaluating Factors for Plan Sponsors:



Is the proposed provider qualified to offer the brokerage window service?



What is the quality of the provider's service?



Are the fees reasonable?

### Fidelity SDBA Overview:

- Full Brokerage Window (Mutual Funds, Common Stock and Bonds)
- Fidelity Funds: No transaction fees
- FundsNetwork Funds: Fees vary based on investment type. Examples: Transaction Fee Funds: \$49.95 or \$75/online purchase; Stocks/ETFs: \$0/trade (online), etc.

- The Fidelity SDBA option offers a full brokerage window (mutual funds, common stock and bonds), in which participants are allowed to invest outside of the Plan's investment menu.
- There are 127 participants, representing \$15.8 million (9.6%) in assets, utilizing Fidelity's SDBA option.

Note: Not inclusive of all SDBA fees that can be charged.

# Fidelity 457(b) Plan's Manager Due Diligence

## Stoplight Grid Summary

Criteria	Fidelity Freedom Funds	State Street S&P 500 Index	Fidelity Large Cap Stock	Vanguard FTSE Social Index	Invesco Diversified Dividend	Fidelity Contrafund	State Street Russell Small-Mid Cap Index
Qualitative Review	●	●	●	●	●	●	●
Long Term Performance (5-Yr)	●	●	●	●	●	●	●
Short-Term Performance (3-Yr)	●	●	●	●	●	●	●

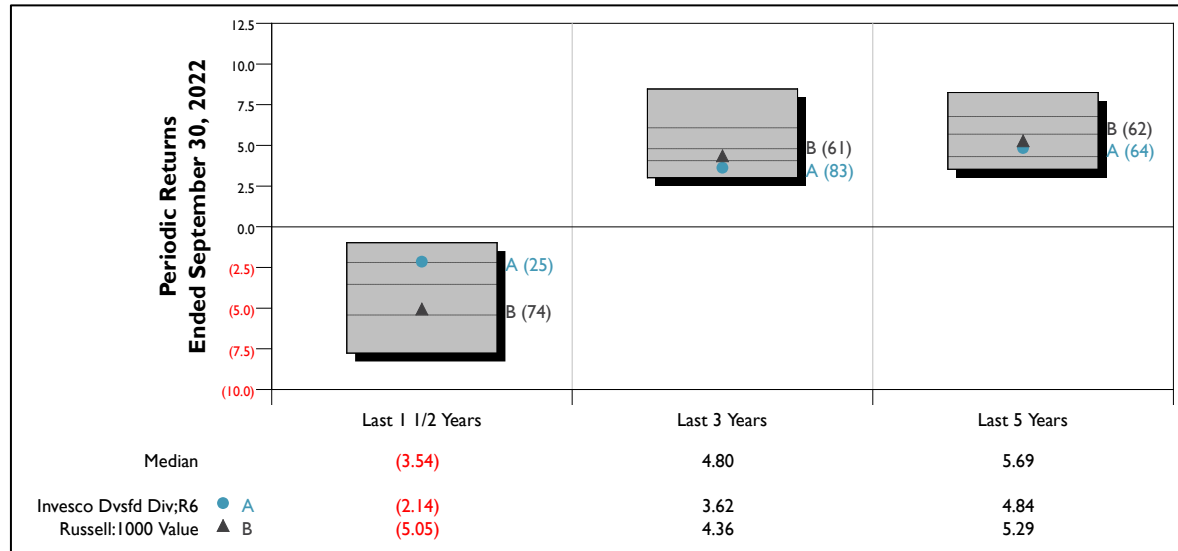
Criteria	Fidelity Low-Priced Stock	State Street Global All Cap ex-US Index	American Funds EuroPacific Growth	PIMCO Total Return	State Street US Bond Index	T Rowe Price Stable Value
Qualitative Review	●	●	●	●	●	●
Long Term Performance (5-Yr)	●	●	●	●	●	●
Short-Term Performance (3-Yr)	●	●	●	●	●	●

Legend	
●	Everything is good to excellent in this area
●	Caution is warranted but action is not required at this time
WL	Watchlist Status
●	Action is required or is being taken
	White background indicates a Change in Status

- Most of the Fidelity 457(b) Plan's investment options are in good standing, per the Investment Policy Statement's qualitative and quantitative investment manager guidelines.
  - Long-term performance (last five-year time period) is currently being monitored for Fidelity Large Cap Stock, but is within expectations given the Fund's philosophy/process.
  - See following page for details regarding Invesco Diversified Dividend due diligence.

# Fidelity 457(b) Plan's Manager Due Diligence

## Invesco Diversified Dividend Watchlist Summary



- The Fund was previously placed on Watchlist status, given performance concerns and then subsequently a personnel change.
- The portfolio construction process was enhanced under Peter Santoro's leadership (since March 2021) to address the Fund's previous underperformance.
- Performance has improved during Mr. Santoro's tenure (the last six-quarter time period).
- **Recommendation: Remove Invesco Diversified Dividend from Watchlist; however, continue monitoring short- and long-term performance (last three- and five-year time periods).**

# Fidelity 457(b) Plan Fee Analysis

## Monitoring of Investment Management Fees

- The Fidelity 457(b) Plan's investment management fees are competitively priced relative to peers.
  - Revenue-sharing arrangements are not reflected in the peer groups for Fidelity Freedom Funds and PIMCO Total Return.
- The Plan offers the least expensive share class/vehicle of each investment option (based on investment minimums and revenue-sharing arrangements), except Fidelity Low-Priced Stock (see following page).

Investment Option	Peer Group	Expense Ratio	Morningstar Fee Level
State Street S&P 500 Index	Large Cap Core	0.01%	Low
Fidelity Large Cap Stock	Large Cap Broad	0.54% (0.35% rev share)	Below Average
Vanguard FTSE Social Index	Large Cap Broad	0.14%	Low
Invesco Diversified Dividend	Large Cap Value	0.52% (0.35% rev share)	Below Average
Fidelity Contrafund	Large Cap Growth	0.45%	Low
State Street Small-Mid Cap Index	SMID Broad	0.02%	Low
Fidelity Low-Priced Stock	Total Domestic Equity	0.56% (0.20% rev share)	Low
State Street Global ex-US Index	Non-US Equity	0.045%	Low
American Funds EuroPacific Growth	Non-US Equity	0.46%	Low
Fidelity Freedom Funds	Target Date	0.47%-0.75% (0.35% rev share)	Range From High to Above Avg
PIMCO Total Return	Core Plus Bond	0.80% (0.45% rev share)	Above Average
State Street US Bond Index	Core Bond	0.02%	Low
T Rowe Price Stable Value	Stable Value	0.30%	N/A

**Legend:**  
Fund exhibits higher fee than peer group

# Fidelity 457(b) Plan Fee Analysis

## Fidelity Low-Priced Stock—Share Class Comparison

Fidelity Low-Priced Stock			
Historical	K Net Expense	Retail Net Expense	K6 Net Expense
2017	0.38%	0.33%	0.50%
2018	0.33%	0.27%	0.50%
2019	0.23%	0.17%	0.50%
2020	0.49%	0.43%	0.50%
2021	0.36%	0.30%	0.50%
<b>Current</b>	<b>0.36%</b>	<b>0.30%</b>	<b>0.50%</b>
<b>Average</b>	<b>0.36%</b>	<b>0.30%</b>	<b>0.50%</b>

Legend
Current
Alternative

- Fidelity Low-Priced Stock offers an alternative share class (Retail) that could potentially reduce participants' net investment management expense, while still providing the same strategy.
- Fluctuations are expected in the K and Retail share classes, given the performance-based fee component.
- Capital Cities will continue monitoring the fee differences; however, maintaining the current share class is still appropriate given the fluctuating expense ratios and relatively low annual savings (~\$5.6k).

Notes: Year-end expense is used for 2017-2021. June 30, 2022 fee data is used for the current expense. Net expense = investment management fee minus revenue-sharing.



# Fidelity 457(b) Plan Fee Analysis

## Monitoring of Investment Management and Recordkeeper Fees

Manager	Style	9/30/2022 Market Value	Inv Mgmt Fees (%)	Inv Mgmt Fees (\$)	Revenue- Sharing (%)	Revenue- Sharing (\$)	Fidelity	Fidelity	Total Expense (%)	Total Expense (\$)
							Administration Fee (%)	Administration Fee (\$)		
SSgA S&P 500 Index	Large Cap Core	\$16,779,636	0.01%	\$1,678	0.00%	\$0	0.10%	\$16,780	0.11%	\$18,458
Fidelity Large Cap Stock	Large Cap Broad	\$8,511,491	0.54%	\$45,962	0.35%	\$29,790	0.10%	\$8,511	0.29%	\$24,683
Vanguard FTSE Social Index	Large Cap Broad	\$1,570,638	0.14%	\$2,199	0.00%	\$0	0.10%	\$1,571	0.24%	\$3,770
Invesco Diversified Dividend	Large Cap Value	\$2,380,721	0.52%	\$12,380	0.35%	\$8,333	0.10%	\$2,381	0.27%	\$6,428
Fidelity Contrafund	Large Cap Growth	\$33,981,136	0.45%	\$152,915	0.00%	\$0	0.10%	\$33,981	0.55%	\$186,896
SSgA Russell Small-Mid Index	SMID Broad	\$3,573,585	0.02%	\$715	0.00%	\$0	0.10%	\$3,574	0.12%	\$4,288
Fidelity Low Priced Stock	Total Equity	\$9,290,935	0.56%	\$52,029	0.20%	\$18,582	0.10%	\$9,291	0.46%	\$42,738
SSgA Global ex-US Index	International	\$3,166,072	0.045%	\$1,425	0.00%	\$0	0.10%	\$3,166	0.15%	\$4,591
American Funds EuroPac	International	\$2,951,941	0.46%	\$13,579	0.00%	\$0	0.10%	\$2,952	0.56%	\$16,531
Fidelity Freedom 2065	Target Date	\$7,625	0.75%	\$57	0.35%	\$27	0.10%	\$8	0.50%	\$38
Fidelity Freedom 2060	Target Date	\$262,902	0.75%	\$1,972	0.35%	\$920	0.10%	\$263	0.50%	\$1,315
Fidelity Freedom 2055	Target Date	\$1,346,737	0.75%	\$10,101	0.35%	\$4,714	0.10%	\$1,347	0.50%	\$6,734
Fidelity Freedom 2050	Target Date	\$671,191	0.75%	\$5,034	0.35%	\$2,349	0.10%	\$671	0.50%	\$3,356
Fidelity Freedom 2045	Target Date	\$1,818,962	0.75%	\$13,642	0.35%	\$6,366	0.10%	\$1,819	0.50%	\$9,095
Fidelity Freedom 2040	Target Date	\$2,224,315	0.75%	\$16,682	0.35%	\$7,785	0.10%	\$2,224	0.50%	\$11,122
Fidelity Freedom 2035	Target Date	\$3,159,061	0.71%	\$22,429	0.35%	\$11,057	0.10%	\$3,159	0.46%	\$14,532
Fidelity Freedom 2030	Target Date	\$15,088,518	0.66%	\$99,584	0.35%	\$52,810	0.10%	\$15,089	0.41%	\$61,863
Fidelity Freedom 2025	Target Date	\$5,010,841	0.62%	\$31,067	0.35%	\$17,538	0.10%	\$5,011	0.37%	\$18,540
Fidelity Freedom 2020	Target Date	\$11,635,091	0.58%	\$67,484	0.35%	\$40,723	0.10%	\$11,635	0.33%	\$38,396
Fidelity Freedom 2015	Target Date	\$1,691,056	0.54%	\$9,132	0.35%	\$5,919	0.10%	\$1,691	0.29%	\$4,904
Fidelity Freedom 2010	Target Date	\$2,227,546	0.49%	\$10,915	0.35%	\$7,796	0.10%	\$2,228	0.24%	\$5,346
Fidelity Freedom 2005	Target Date	\$593,024	0.47%	\$2,787	0.35%	\$2,076	0.10%	\$593	0.22%	\$1,305
Fidelity Freedom Income	Target Date	\$921,098	0.47%	\$4,329	0.35%	\$3,224	0.10%	\$921	0.22%	\$2,026
PIMCO Total Return	Core Plus Bond	\$5,692,707	0.80%	\$45,542	0.45%	\$25,617	0.10%	\$5,693	0.45%	\$25,617
SSgA US Bond Index	Core Bond	\$3,548,516	0.02%	\$710	0.00%	\$0	0.10%	\$3,549	0.12%	\$4,258
T Rowe Price Stable Value	Stable Value	\$10,908,638	0.30%	\$32,726	0.00%	\$0	0.10%	\$10,909	0.40%	\$43,635
Brokerage Link	NA	\$15,797,769	0.00%	\$0	0.00%	\$0	0.10%	\$15,798	0.10%	\$15,798
		<b>\$164,811,751</b>	<b>0.40%</b>	<b>\$657,074</b>	<b>0.15%</b>	<b>\$245,625</b>	<b>0.10%</b>	<b>\$164,812</b>	<b>0.35%</b>	<b>\$576,261</b>

- Fidelity charges a 10 bps explicit administration fee (~\$164,812 annually), as detailed in the table above.
- Revenue sharing is being rebated to individual participants who generate it (“fee leveling”) to align with best practices.
- The total average fee per participant (avg. investment management expense + administrative fee) is ~35 basis points.

Note: 1,786 total participants

# Managed Account Services

## Fee Comparison



	TIAA 457(b)	Voya 457(b)	Fidelity 457(b)
<b>9/30/2022 Market Value</b>	\$649,597	\$1,840,924	\$6,354,118
<b>9/30/2022 Participants</b>	22	51	168
<b>Managed Accounts Fee</b>	30 basis points	50 basis points	50 basis points on first \$100,000; 45 basis points on next \$150,000; 30 basis points \$250,000+

- Managed Account Services are a discretionary solution for participants, including ongoing management, monitoring and rebalancing of their portfolios, based on their unique situation and retirement needs (e.g., risk tolerance, outside assets, etc.).
- Managed Account Services are only charged to participants in the 457(b) Plans who elect to utilize the product.
- Fees appear reasonable based on Capital Cities' due diligence.
- Managed Account Services continue to represent minimal revenue to the Rhode Island recordkeepers, given the low utilization among participants.
- Capital Cities will continue to closely monitor the Managed Account Services' utilization and fees.

# Defined Contribution Trends: Retirement Income

---

# Retirement Income Overview

## Finding a Solution for Decumulation



### **Demand**

There is a growing trend among plan sponsors to support a more complete retirement solution for participants, as retirees are increasingly keeping a defined contribution plan balance at retirement (as opposed to moving assets) and are becoming more reliant on their defined contribution savings (as defined benefit plans are less prevalent).



### **Decumulation**

The most significant risk to retirees is outliving their savings. Finding a solution for decumulation (when participants spend down their retirement savings), has historically been challenging as regulation was not in plan sponsors' favor, products were limited, and complexity/fees posed issues.



### **Policy**

The passage of the SECURE Act modified the fiduciary safe harbor for selecting an annuity provider and enabled portability of lifetime income products, which has allowed Retirement Income products to now take center stage in the defined contribution industry.

# Retirement Income Considerations

## Key Risks and Income Preferences

Retirement Income products attempt to provide participants with a decumulation solution; however, risks and income preferences must first be considered.

The Retirement Income solution needs to address participants' key risks.

Income preferences also drive the Retirement Income solution decision.

### Key Risks

Longevity Risk

Investment Risk

Liquidity Risk

Utilization Risk

### Income Preferences

Income Yield

Income Duration

Income Volatility

Asset Liquidity

Asset Preservation

# Retirement Income

## Types of Approaches



### Systematic Withdrawal:

- + Fully liquid and completely flexible
- + No product decision by the plan sponsor
- Participants assume all risk
- No guarantees

### Managed Payout:

- + Fully liquid and inexpensive
- + Can provide a consistent income stream
- No guarantees
- Asset preservation unique to each participant

### Managed Accounts:

- + Fully liquid and flexible
- + Personalized accumulation and drawdown advice
- No guarantees
- Participants must be engaged in providing personal inputs

### Annuity:

- + Income yield, duration and volatility are known
- + Security
- Poses fiduciary, complexity and portability considerations
- Can be expensive

There are Retirement Income products, particularly **Managed Payout Strategies** and **Annuities**, that attempt to provide participants with a decumulation solution beyond just traditional systematic withdrawals and managed accounts. Many providers have recently layered their Target Date Fund offerings with a Retirement Income component (Managed Payout or Annuity) in order to gain scale and assets.

# Retirement Income Examples

## Annuity vs. Managed Payout

Option Type	Target Date Funds with Annuity Option	Target Date Funds with Fixed Deferred Annuity	Target Date Funds with Guaranteed Lifetime Withdrawal Benefit	Managed Payout Target Date Funds
<b>General Description</b>	The Target Date Fund suite allocates a portion of the underlying fixed income assets to a product that allows participants to purchase an immediate annuity at retirement. The remaining assets within the Target Date Funds are fully liquid.	The Target Date Fund suite allocates a portion of the underlying fixed income assets to a product that allows participants to purchase a deferred annuity at retirement. The guaranteed payments start at age 80, while the remaining assets within the Target Date Funds are fully liquid.	The Target Date Fund suite is combined with a guaranteed withdrawal benefit at retirement that generates lifetime income. There is potential that a participant's income base (the annual high-water mark of the asset value) can grow. The insurance protection continues paying income if a participant's account assets run out.	Managed Payout Target Date Funds are offered alongside a Plan's Target Date Fund suite. The Managed Payout Target Date Funds are fully liquid and provide suggested income withdrawal rates. Income is not guaranteed.

- Capital Cities has conducted due diligence with a variety of providers to gain insight into the different approaches to Annuity and Managed Payout Retirement Income solutions (some examples are listed above).
- There is no silver bullet to the Retirement Income space, given the unique preferences among plan sponsors and participants and the ongoing development of products.
- **Capital Cities is seeking feedback from the State Investment Commission regarding their interest in and preferences for a Retirement Income product. Operational considerations (e.g., the Request for Proposal process, choices are dependent on recordkeeping platform, etc.) should also be discussed.**

# APPENDIX

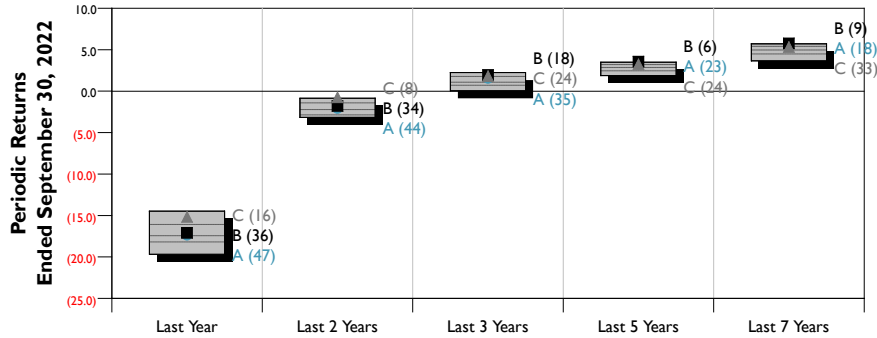
---



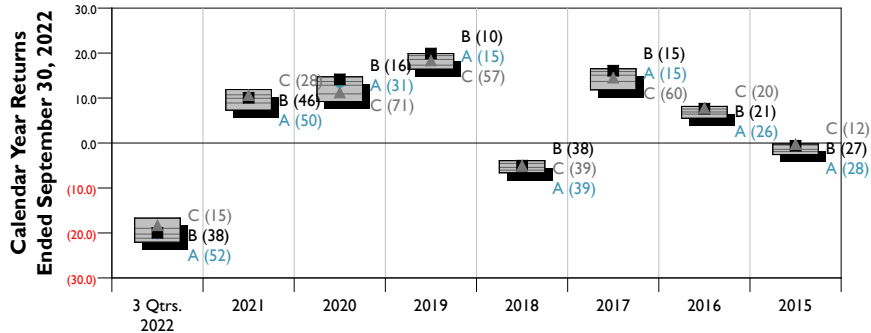


# Target Date Funds' Comparison

## 2025 Fund Performance and Risk Comparison

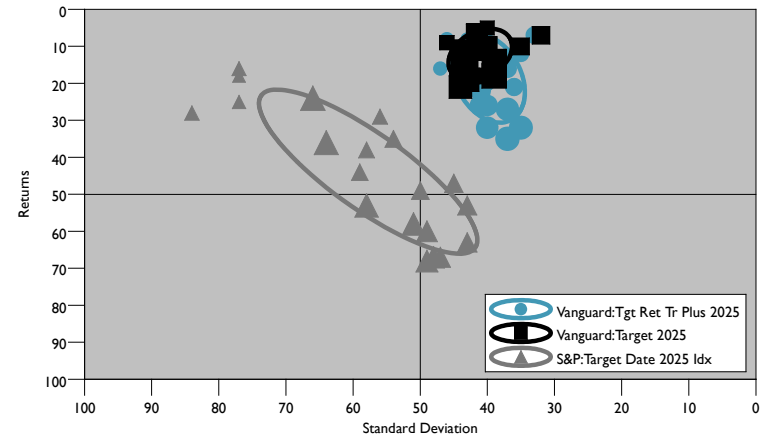


Period	Median	Vanguard:Tgt Ret Tr Plus 2025 (A)	Vanguard:Target 2025 (B)	S&P:Target Date 2025 Idx (C)
Last Year	(17.43)	(17.38)	(17.09)	(15.16)
Last 2 Years	(2.22)	(2.08)	(1.79)	(0.73)
Last 3 Years	1.08	1.53	1.97	1.82
Last 5 Years	2.86	3.27	3.58	3.24
Last 7 Years	4.96	5.50	5.78	5.33



Period	Median	Vanguard:Tgt Ret Tr Plus 2025 (A)	Vanguard:Target 2025 (B)	S&P:Target Date 2025 Idx (C)
3 Qtrs. 2022	(20.24)	(20.27)	(19.95)	(18.31)
2021	9.95	9.93	10.09	10.67
2020	12.84	13.42	14.19	11.22
2019	18.58	19.78	19.93	18.38
2018	(5.42)	(5.05)	(5.00)	(5.02)
2017	15.07	16.04	16.08	14.55
2016	6.89	7.53	7.67	7.82
2015	(1.40)	(0.70)	(0.59)	(0.25)

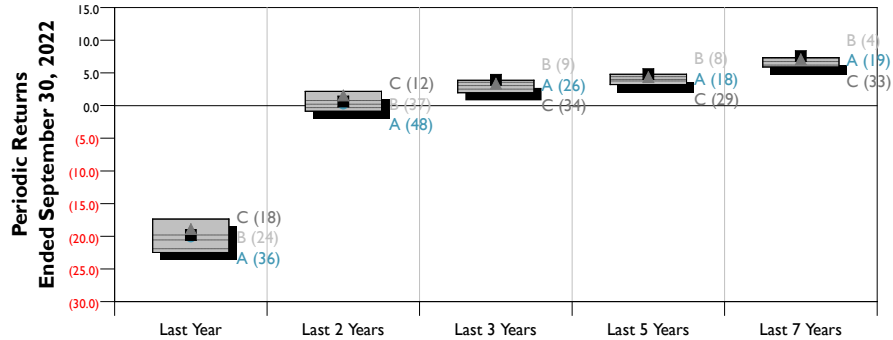
Rolling 12 Quarter Scatter Chart for 5 Years Ended September 30, 2022



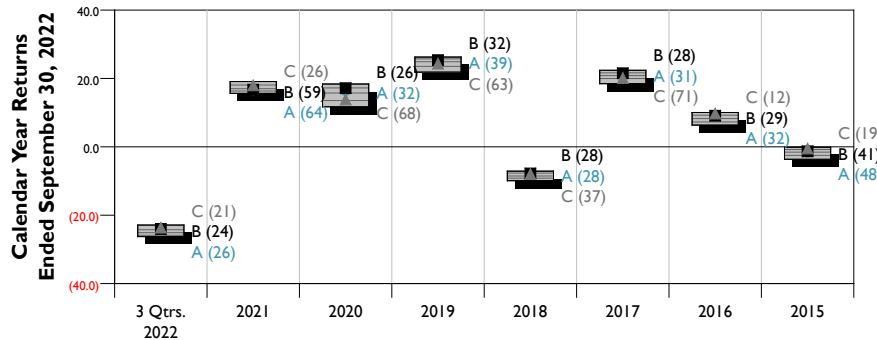
Vanguard 2025 has provided higher returns, while taking slightly more risk, relative to its peers.

# Target Date Funds' Comparison

## 2050 Fund Performance and Risk Comparison

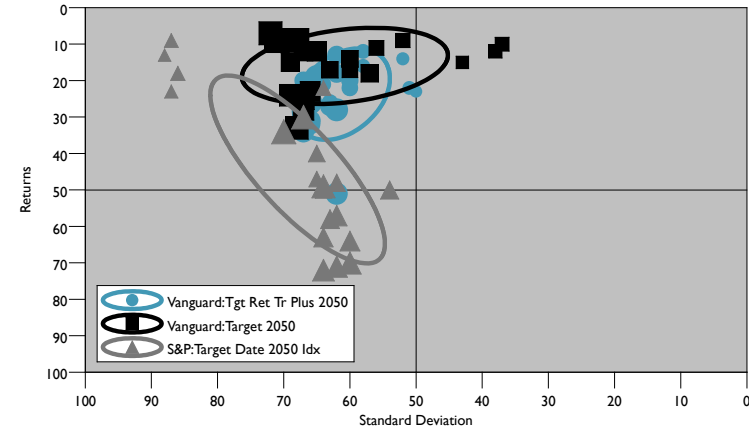


	Median	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
Vanguard:Tgt Ret Tr Plus 2050	● A	(20.56)	0.20	3.07	4.01	6.74
Vanguard:Target 2050	■ B	(19.81)	0.63	3.97	4.84	7.59
S&P:Target Date 2050 Idx	▲ C	(18.88)	1.54	3.38	4.35	7.10



	Median	3 Qtrs. 2022	2021	2020	2019	2018	2017	2016	2015
Vanguard:Tgt Ret Tr Plus 2050	● A	(25.12)	17.01	15.74	24.89	(8.55)	20.82	8.27	(1.58)
Vanguard:Target 2050	■ B	(24.42)	16.62	16.47	25.08	(7.82)	21.51	8.96	(1.54)
S&P:Target Date 2050 Idx	▲ C	(23.62)	18.00	13.87	24.35	(7.94)	20.17	9.74	(0.46)

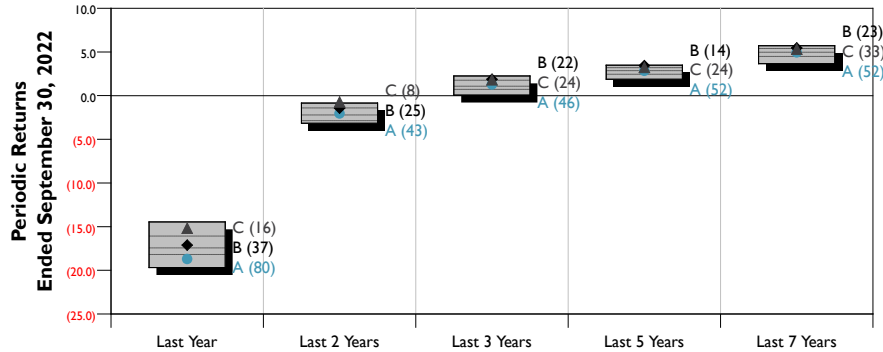
Rolling 12 Quarter Scatter Chart for 5 Years Ended September 30, 2022



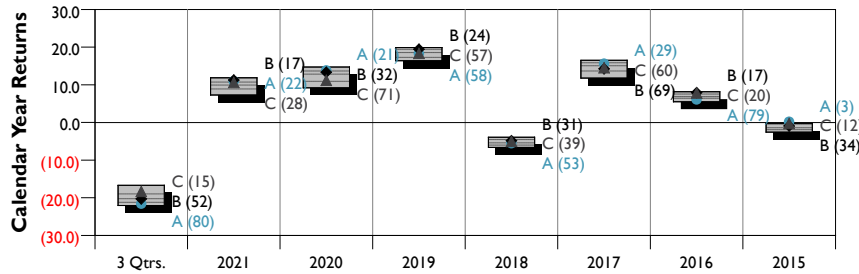
Vanguard 2050 has posted stronger returns, while generally taking lower risk, than its peers.

# Target Date Funds' Comparison

## 2025 Fund Performance and Risk Comparison

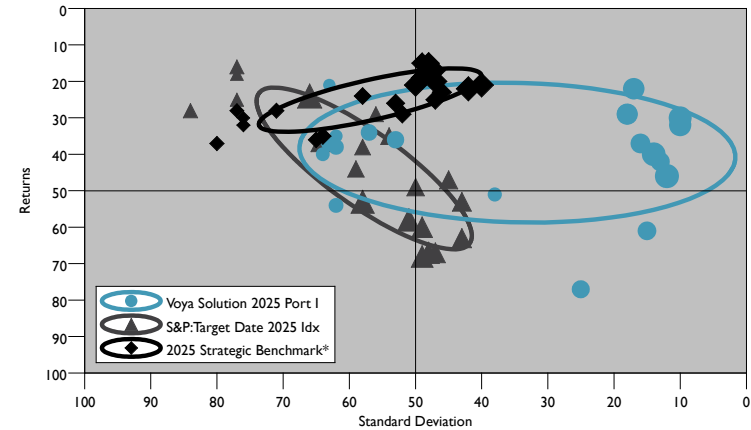


Median	(17.43)	(2.22)	1.08	2.86	4.96
Voya Solution 2025 Port I	A (18.70)	(2.04)	1.29	2.85	4.95
2025 Strategic Benchmark*	B (17.10)	(1.42)	1.88	3.44	5.47
S&P:Target Date 2025 Idx	C (15.16)	(0.73)	1.82	3.24	5.33



Median	(20.24)	9.95	12.84	18.58	(5.42)	15.07	6.89	(1.40)
Voya Solution 2025 Port I	A (21.54)	10.96	13.85	18.32	(5.48)	15.62	6.13	0.19
2025 Strategic Benchmark*	B (20.29)	11.29	13.36	19.50	(4.81)	14.28	7.97	(0.92)
S&P:Target Date 2025 Idx	C (18.31)	10.67	11.22	18.38	(5.02)	14.55	7.82	(0.25)

Rolling 12 Quarter Scatter Chart for 5 Years Ended September 30, 2022

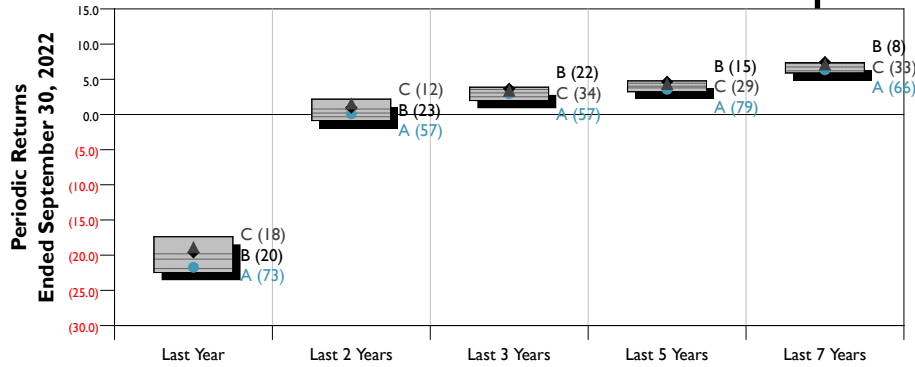


Voya Solution 2025 Portfolio's risk/return profile has been mixed over various time periods.

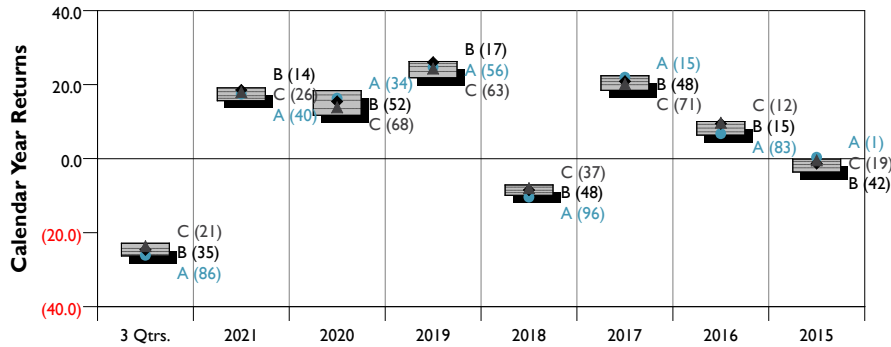
\*Strategic Asset Allocation Returns – returns represent Voya's strategic asset allocation weights to asset classes (indices). Each underlying index is weighted at the strategic asset allocation of its respective asset class, which is generally updated on a semi-annual basis.

# Target Date Funds' Comparison

## 2050 Fund Performance and Risk Comparison

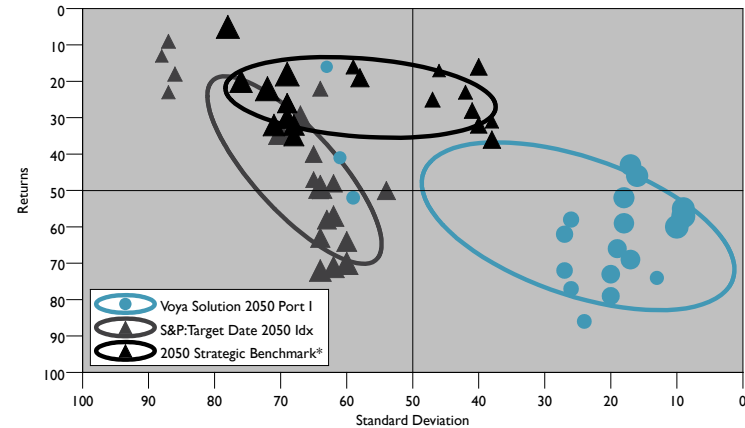


Median	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
Voya Solution 2050 Port I	21.72	0.10	2.96	3.58	6.35
2050 Strategic Benchmark*	19.59	1.00	3.66	4.66	7.44
S&P-Target Date 2050 Idx	18.88	1.54	3.38	4.35	7.10



Median	3 Qtrs. 2022	2021	2020	2019	2018	2017	2016	2015
Voya Solution 2050 Port I	26.10	17.42	16.36	24.74	10.37	21.99	6.75	0.38
2050 Strategic Benchmark*	24.61	18.58	15.46	26.07	8.45	20.92	9.48	1.32
S&P-Target Date 2050 Idx	23.62	18.00	13.87	24.35	7.94	20.17	9.74	0.46

Rolling 12 Quarter Scatter Chart for 5 Years Ended September 30, 2022

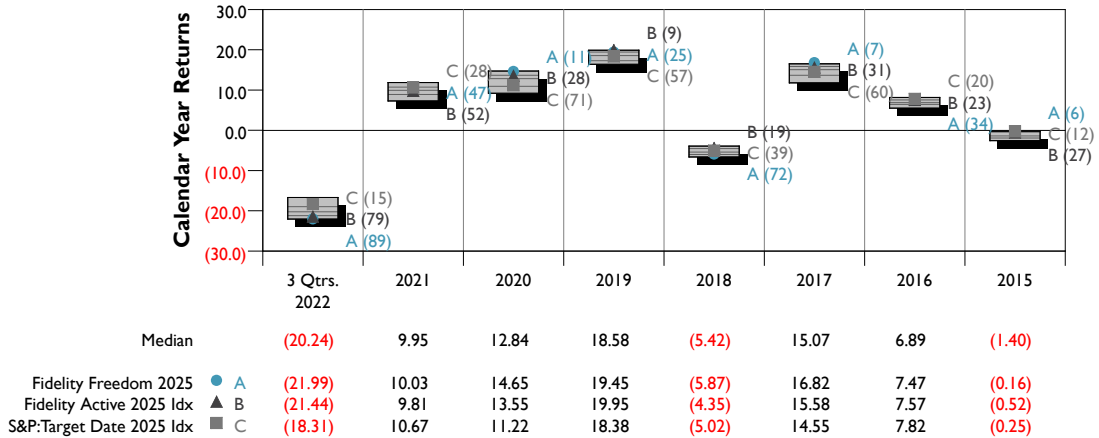
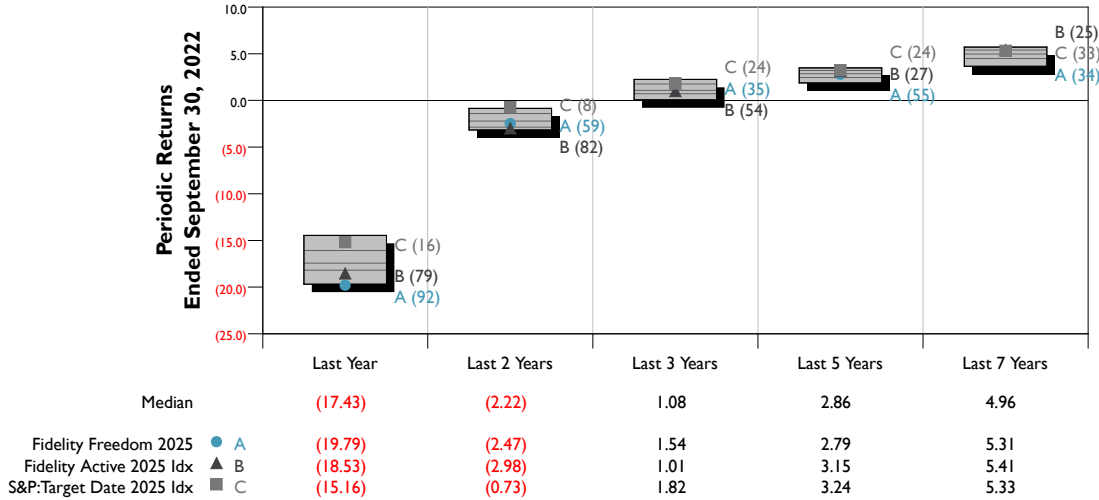


Voya Solution 2050 Portfolio's risk/return profile has been mixed over various time periods.

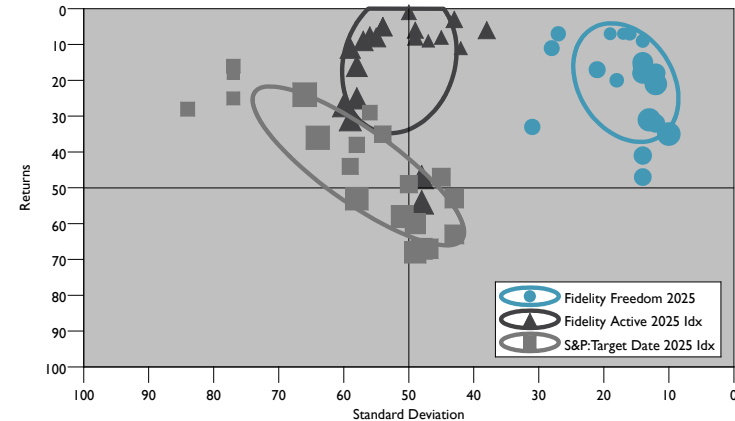
\*Strategic Asset Allocation Returns – returns represent Voya's strategic asset allocation weights to asset classes (indices). Each underlying index is weighted at the strategic asset allocation of its respective asset class, which is generally updated on a semi-annual basis.

# Target Date Funds' Comparison

## 2025 Fund Performance and Risk Comparison



Rolling 12 Quarter Scatter Chart for 5 Years Ended September 30, 2022

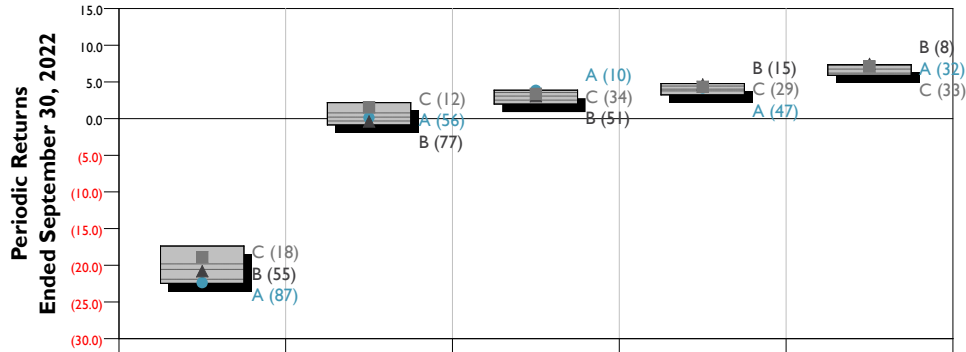


Fidelity Freedom 2025 has generally provided higher returns, while taking more risk, relative to its peers over longer periods of time.

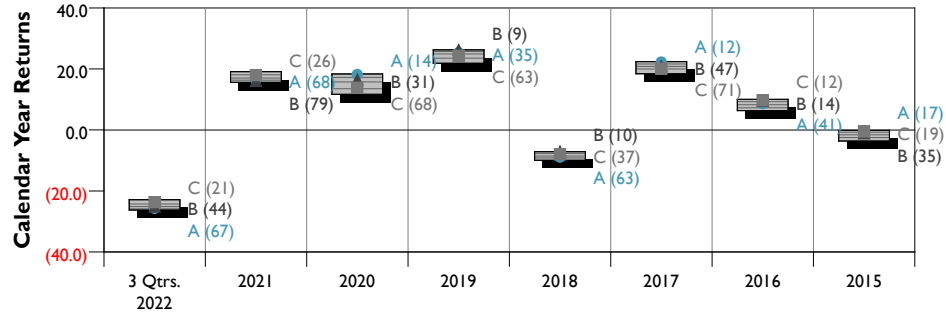
Note: Fidelity Freedom 2025 has 35 bps in revenue-sharing reflected in performance.

# Target Date Funds' Comparison

## 2050 Fund Performance and Risk Comparison

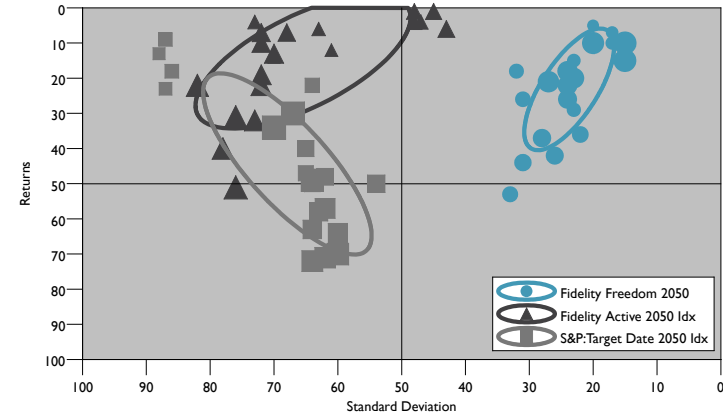


	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
Median	(20.56)	0.20	3.07	4.01	6.74
Fidelity Freedom 2050	● A (22.37)	● A (0.13)	● A (3.87)	● A (4.17)	● A (7.15)
Fidelity Active 2050 Idx	▲ B (20.79)	▲ B (0.39)	▲ B (3.07)	▲ B (4.64)	▲ B (7.45)
S&P:Target Date 2050 Idx	■ C (18.88)	■ C (1.54)	■ C (3.38)	■ C (4.35)	■ C (7.10)



	3 Qtrs. 2022	2021	2020	2019	2018	2017	2016	2015
Median	(25.12)	17.01	15.74	24.89	(8.55)	20.82	8.27	(1.58)
Fidelity Freedom 2050	● A (25.72)	● A (16.50)	● A (18.18)	● A (25.33)	● A (8.92)	● A (22.28)	● A (8.63)	● A (0.24)
Fidelity Active 2050 Idx	▲ B (25.05)	▲ B (16.12)	▲ B (16.53)	▲ B (26.31)	▲ B (7.05)	▲ B (20.96)	▲ B (9.54)	▲ B (1.05)
S&P:Target Date 2050 Idx	■ C (23.62)	■ C (18.00)	■ C (13.87)	■ C (24.35)	■ C (7.94)	■ C (20.17)	■ C (9.74)	■ C (0.46)

Rolling 12 Quarter Scatter Chart for 5 Years Ended September 30, 2022



Fidelity Freedom 2050 has generally provided higher returns, while taking more risk, relative to its peers over longer periods of time.

Note: Fidelity Freedom 2050 has 35 bps in revenue-sharing reflected in performance.