



Capital Cities

INSTITUTIONAL INVESTING MADE PERSONAL



Rhode Island State Investment Commission
Annual Program Review

August 25, 2021

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

Summary of Findings

Investment Menus

- The Plans' investment menus follow best practices by: utilizing a proper default option (an age-appropriate Target Date Fund), offering a broad range of investment alternatives, and allowing participants to exercise control over their assets.
- The utilization and monitoring of the current Target Retirement Funds (Vanguard, Voya and Fidelity) position the Plans well relative to peers and within the context of the DOL's guidance.
- The Plans offer investment options that provide exposure to each major asset class, which allow participants to build their own diversified portfolios.

Manager Due Diligence

- The vast majority of the investment options rank good to excellent, per the Investment Policy Statement guidelines.
- Capital Cities is currently closely monitoring the Invesco Diversified Dividend Fund on Watchlist status, within the Fidelity 457(b) Plan.

Investment Policy Statements

- The Plans' Investment Policy Statements were reviewed.
- No amendments are required.
- Updates were made to the Appendices, including market values and Target Date options.

Note: There are no SIC votes required within this presentation.

Fiduciary Responsibilities

Today's Focus: Diversify Plan Assets & Review IPS



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 investor?



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.

Defined Contribution Program TIAA 401 (a) Plan



TIAA 401(a) Plan

Asset Breakdown as of June 30, 2021

Investment Option	Style	Market Value	% of Plan		# of Participants
			Assets	Expense Ratio	
Vanguard Target Retirement 2065	Target Date	\$1,645,824	0.1%	0.055%	293
Vanguard Target Retirement 2060	Target Date	\$15,391,032	1.0%	0.055%	1,822
Vanguard Target Retirement 2055	Target Date	\$51,893,245	3.2%	0.055%	3,098
Vanguard Target Retirement 2050	Target Date	\$107,445,530	6.6%	0.055%	3,751
Vanguard Target Retirement 2045	Target Date	\$171,794,486	10.6%	0.055%	4,256
Vanguard Target Retirement 2040	Target Date	\$217,085,338	13.4%	0.055%	4,567
Vanguard Target Retirement 2035	Target Date	\$261,699,333	16.2%	0.055%	5,670
Vanguard Target Retirement 2030	Target Date	\$224,722,777	13.9%	0.055%	6,066
Vanguard Target Retirement 2025	Target Date	\$193,741,151	12.0%	0.055%	5,819
Vanguard Target Retirement 2020	Target Date	\$134,461,018	8.3%	0.055%	4,146
Vanguard Target Retirement 2015	Target Date	\$45,323,228	2.8%	0.055%	1,821
Vanguard Target Retirement Income	Target Date	\$12,313,203	0.8%	0.055%	680
		\$1,437,516,164	89.0%		
State Street S&P 500 Index	Large Cap Core	\$57,798,766	3.6%	0.01%	2,511
Vanguard FTSE Social Index	Large Cap Broad	\$10,015,252	0.6%	0.14%	639
State Street Russell Small-Mid Index	SMID Broad	\$45,967,950	2.8%	0.02%	2,369
State Street Global All Cap ex-US Index	Non-US Equity	\$22,670,164	1.4%	0.045%	1,858
PIMCO Real Return	TIPS	\$10,316,419	0.6%	0.53%	1,235
State Street US Bond Index	Core Bond	\$10,305,664	0.6%	0.02%	1,176
TIAA Stable Value	Stable Value	\$21,134,619	1.3%	0.43%	1,390
		\$178,208,835	11.0%		
		\$1,615,724,999	100.0%		

TIAA 401(a) Plan Investment Menu

Investment Menu 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 2015 Trust Plus	State Street US Bond Index	Vanguard FTSE Social Index
	Vanguard Target Retire 2020 Trust Plus	State Street S&P 500 Index	
	Vanguard Target Retire 2025 Trust Plus	State Street Global All Cap Ex-US Index	
	Vanguard Target Retire 2030 Trust Plus	State Street Russell Small-Mid Cap Index	
	Vanguard Target Retire 2035 Trust Plus		
	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		
Aggressive	Vanguard Target Retire 2065 Trust Plus		

The TIAA 401(a) Plan's investment menu follows best practices by: utilizing a proper default option (an age-appropriate Target Date Fund), offering a broad range of investment alternatives, and allowing participants to exercise control over their assets.

Tier I: Target Date Funds

Vanguard Target Retirement Trusts' Review

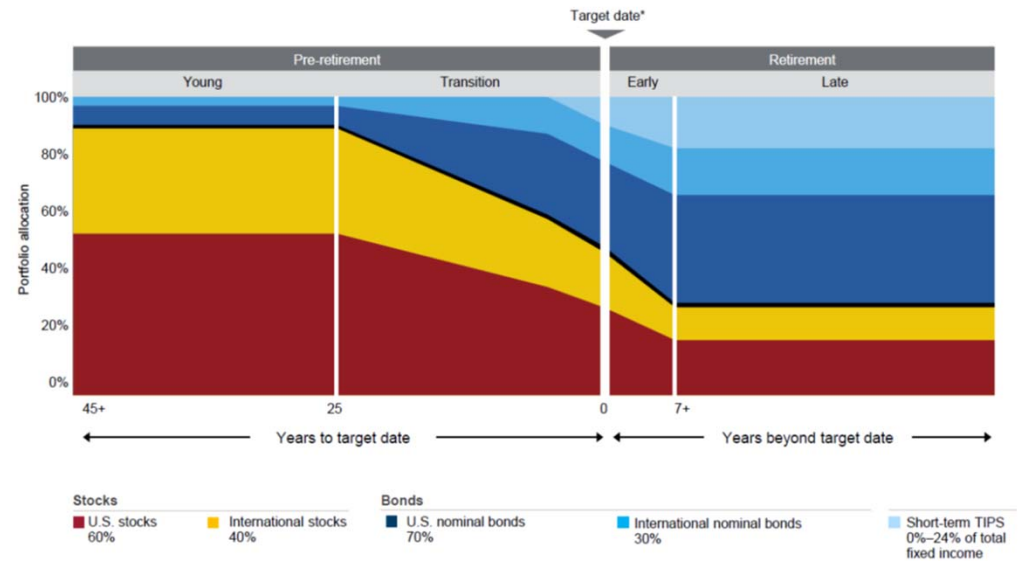


Vanguard

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
- Offered in five-year increments
- Performance closely tied to the Trusts' benchmarks and ranks favorably relative to peers

Glide Path & Portfolio Construction:



- The Vanguard Target Retirement Trusts serve as the 401(a) Plan's default option, meaning that Rhode Island invests a participant's assets in an age-appropriate Target Date Fund in the absence of investment direction from a participant.
- The utilization and monitoring of the Vanguard Target Retirement Trusts position the 401(a) Plan well relative to peers and within the context of the DOL's guidance.

* Assumes retirement age of 65, source: Vanguard

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	1.3%	
	Core Fixed Income	State Street US Bond Index	0.6%	
	Real Return/TIPS	PIMCO Real Return	0.6%	
Equity	Large Cap Equity	State Street S&P 500 Index	3.6%	
	Socially Responsible Equity	Vanguard FTSE Social Index	0.6%	
	International Equity	State Street Global All Cap ex-US Index	1.4%	
	Small/Mid Cap Equity	State Street Russell Small-Mid Index	2.8%	
				Legend:
				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 or express a particular bias within their portfolios.
- The Tiers II and III Options represent a small portion (11%) of the overall Plan assets.

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 recommended or is being taken (as applicable)

- All of the investment options rank good to excellent, from both a qualitative and performance standpoint, per the Investment Policy Statement guidelines.

Deferred Compensation Program TIAA 457(b) Plan



TIAA 457(b) Plan

Asset Breakdown as of June 30, 2021

Investment Option	Style	Market Value	% of Plan Assets	Expense Ratio	# of Participants
Vanguard Target Retirement 2065	Target Date	\$16,462	0.0%	0.055%	3
Vanguard Target Retirement 2060	Target Date	\$178,670	0.3%	0.055%	39
Vanguard Target Retirement 2055	Target Date	\$297,355	0.6%	0.055%	54
Vanguard Target Retirement 2050	Target Date	\$339,800	0.6%	0.055%	56
Vanguard Target Retirement 2045	Target Date	\$345,645	0.6%	0.055%	49
Vanguard Target Retirement 2040	Target Date	\$370,106	0.7%	0.055%	52
Vanguard Target Retirement 2035	Target Date	\$1,020,190	1.9%	0.055%	70
Vanguard Target Retirement 2030	Target Date	\$2,618,981	4.9%	0.055%	106
Vanguard Target Retirement 2025	Target Date	\$1,301,525	2.4%	0.055%	60
Vanguard Target Retirement 2020	Target Date	\$885,979	1.7%	0.055%	40
Vanguard Target Retirement 2015	Target Date	\$652,657	1.2%	0.055%	13
Vanguard Target Retirement Income	Target Date	\$37,453	0.1%	0.055%	8
		\$8,064,824	15.1%		
State Street S&P 500 Index	Large Cap Core	\$13,607,031	25.5%	0.01%	437
Vanguard FTSE Social Index	Large Cap Broad	\$1,207,961	2.3%	0.14%	72
Vanguard Mid Cap Index	Mid Cap Core	\$6,888,066	12.9%	0.04%	354
Vanguard Small Cap Index	Small Cap Core	\$3,924,790	7.4%	0.04%	264
State Street Global All Cap ex-US Index	Non-US Equity	\$615,045	1.2%	0.045%	47
American Funds EuroPacific Growth	Non-US Equity	\$2,597,161	4.9%	0.46%	213
American Century Inflation Adjusted	TIPS	\$1,505,376	2.8%	0.22%	153
PIMCO Total Return	Core Plus	\$927,344	1.7%	0.70%	103
State Street US Bond Index	Core Bond	\$650,061	1.2%	0.02%	44
TIAA Traditional	Capital Preservation	\$11,463,440	21.5%	0.45%	473
VALIC Fixed 1.5%	Capital Preservation	\$9,301	0.0%		28
VALIC Fixed 3.0%	Capital Preservation	\$1,863,381	3.5%		339
Self Directed	Brokerage	\$1,808	0.0%		1
		\$45,258,956	84.9%		
		\$53,323,781	100.0%		

Notes: The fifth and final distribution from VALIC should occur on or about 10/10/2021. Revenue-sharing is detailed within the Fee Analysis presentation.

TIAA 457(b) Plan Investment Menu

Investment Menu 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 2015 Trust Plus	State Street US Bond Index	PIMCO Total Return	
	Vanguard Target Retire 2020 Trust Plus	State Street S&P 500 Index	Vanguard FTSE Social Index	
	Vanguard Target Retire 2025 Trust Plus	State Street Global All Cap ex-US Index	American Funds EuroPacific Growth	
	Vanguard Target Retire 2030 Trust Plus	Vanguard Mid Cap Index		
	Vanguard Target Retire 2035 Trust Plus	Vanguard Small-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			
Aggressive	Vanguard Target Retire 2065 Trust Plus			

The TIAA 457(b) Plan’s investment menu follows best practices by: utilizing a proper default option (an age-appropriate Target Date Fund), offering a broad range of investment alternatives, and allowing participants to exercise control over their assets.

Tier I: Target Date Funds

Vanguard Target Retirement Funds' Review

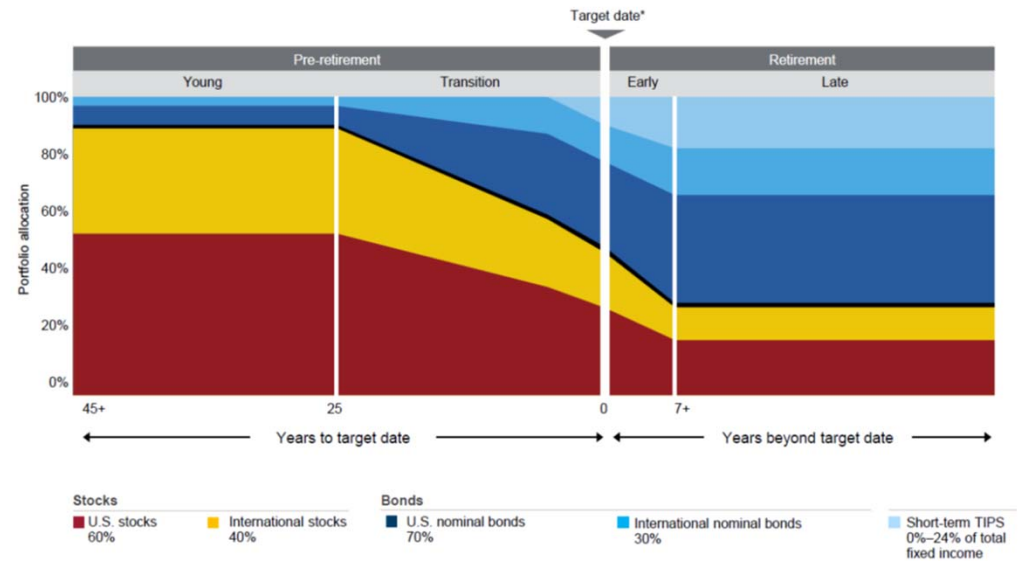


Vanguard

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
- Offered in five-year increments
- 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 position the TIAA 457(b) Plan well relative to peers and within the context of the DOL's guidance.

* Assumes retirement age of 65, source: Vanguard

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	21.5%
	Core Fixed Income	State Street US Bond Index	1.2%
	Core Plus Fixed Income	PIMCO Total Return	1.7%
	Real Return/TIPS	American Century Infl Adjusted Bond	2.8%
Equity	Large Cap Equity	State Street S&P 500 Index	25.5%
	Socially Responsible Equity	Vanguard FTSE Social Index	2.3%
	International Equity	State Street Global All Cap Eq ex-US Index	1.2%
		American Funds EuroPacific Growth	4.9%
	Small/Mid Cap Equity	Vanguard Mid Cap Index	12.9%
		Vanguard Small Cap Index	7.4%

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 nearly 85% 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 SDBA Overview:

- Mutual Fund Only Window
- Transaction Fee Funds: \$35 for buys and sells. Recurring contributions do not get charged.
- No Transaction Fee Funds: \$0 for buys and sells if held for more than three months. \$50 fee if sold within three months of buying.

- The TIAA SDBA allows participants to invest outside of the 457(b) Plan's investment menu.
- There is currently one participant, representing \$1,808 (0.0%) in assets, utilizing TIAA's SDBA option.

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 Inflation-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 recommended or is being taken (as applicable)

- All of the investment options rank good to excellent, from both a qualitative and performance standpoint, per the Investment Policy Statement guidelines.

Voya 457(b) Plan



Voya 457(b) Plan

Asset Breakdown as of June 30, 2021

Fund	Style	Market Value	% of Plan Assets	Expense Ratio	# of Participants
Voya Solution 2065 Portfolio	Target Date	\$25,169	0.0%	0.80%	6
Voya Solution 2060 Portfolio	Target Date	\$171,751	0.1%	0.80%	65
Voya Solution 2055 Portfolio	Target Date	\$930,449	0.4%	0.80%	153
Voya Solution 2050 Portfolio	Target Date	\$109,259	0.0%	0.80%	51
Voya Solution 2045 Portfolio	Target Date	\$1,567,085	0.7%	0.80%	154
Voya Solution 2040 Portfolio	Target Date	\$114,519	0.0%	0.77%	32
Voya Solution 2035 Portfolio	Target Date	\$1,934,402	0.8%	0.77%	120
Voya Solution 2030 Portfolio	Target Date	\$208,068	0.1%	0.74%	19
Voya Solution 2025 Portfolio	Target Date	\$2,187,949	0.9%	0.74%	59
Voya Solution Income Portfolio	Target Date	\$203,448	0.1%	0.68%	8
		\$7,452,099	3.1%		
Voya U.S. Stock Index	Large Cap Core	\$18,186,820	7.7%	0.27%	2,042
Vanguard FTSE Social Index	Large Cap Broad	\$510,256	0.2%	0.14%	91
Voya Growth and Income	Large Cap Broad	\$36,937,526	15.6%	0.62%	1,924
BlackRock Equity Dividend	Large Cap Value	\$5,273,881	2.2%	0.71%	919
Voya Large Cap Growth	Large Cap Growth	\$18,242,654	7.7%	0.67%	1,820
Principal Mid Cap Fund	Mid Cap Broad	\$15,192,517	6.4%	0.60%	1,380
SSgA Russell Small-Mid Cap Index	SMID Broad	\$4,905,011	2.1%	0.02%	728
Voya Small Company	Small Cap Broad	\$9,604,606	4.0%	0.91%	1,288
SSgA Global All Cap ex-US Index	Non-US Equity	\$4,934,182	2.1%	0.045%	1,750
American Funds EuroPacific Growth	Non-US Equity	\$8,972,372	3.8%	0.81%	1,841
VY T Rowe Price Capital Appreciation	Balanced	\$14,173,081	6.0%	0.64%	317
PGIM High Yield Fund	High Yield	\$697,809	0.3%	0.54%	106
PIMCO Real Return	TIPS	\$752,942	0.3%	0.53%	157
Voya Intermediate Bond	Core Plus Bond	\$8,903,119	3.8%	0.36%	1,672
SSgA US Bond Index	Core Bond	\$799,053	0.3%	0.02%	155
Voya Fixed Account	Guaranteed	\$65,721,410	27.7%	0.00%	2,445
Voya Fixed Account - 457/ 401 II A	Guaranteed	\$15,889,187	6.7%	0.00%	1,894
Voya Long-Term Accumulation	Guaranteed	\$25,808	0.0%	0.00%	8
		\$229,722,234	96.9%		
		\$237,174,333	100.0%		

Note: Revenue-sharing is detailed within the Fee Analysis presentation.

Voya 457(b) Plan Investment Menu

Investment Menu 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	Voya Solution Income Portfolio	Voya Fixed Account	PIMCO Real Return	SDBA Full Brokerage Window
	Voya Solution 2025 Portfolio	SSgA U.S. Bond Index	Voya Intermediate Bond Fund	
	Voya Solution 2030 Portfolio	Voya U.S. Stock Index Portfolio	PGIM High Yield Fund	
	Voya Solution 2035 Portfolio	SSgA Global All Cap ex-US Index	VY T. Rowe Cap. Apprec. Portfolio	
	Voya Solution 2040 Portfolio	SSgA Russell Small-Mid Cap Index	Voya Growth and Income Portfolio	
	Voya Solution 2045 Portfolio		BlackRock Equity Dividend Fund	
	Voya Solution 2050 Portfolio		Vanguard FTSE Social Index	
	Voya Solution 2055 Portfolio		Voya Large Cap Growth Portfolio	
	Voya Solution 2060 Portfolio		Am. Funds EuroPacific Growth	
	Voya Solution 2065 Portfolio		Principal MidCap Fund	
			Voya Small Company Portfolio	
Aggressive				

- The Voya 457(b) Plan's investment menu offers a broad range of investment options and allows participants to exercise control over their assets.

Tier I: Target Date Funds

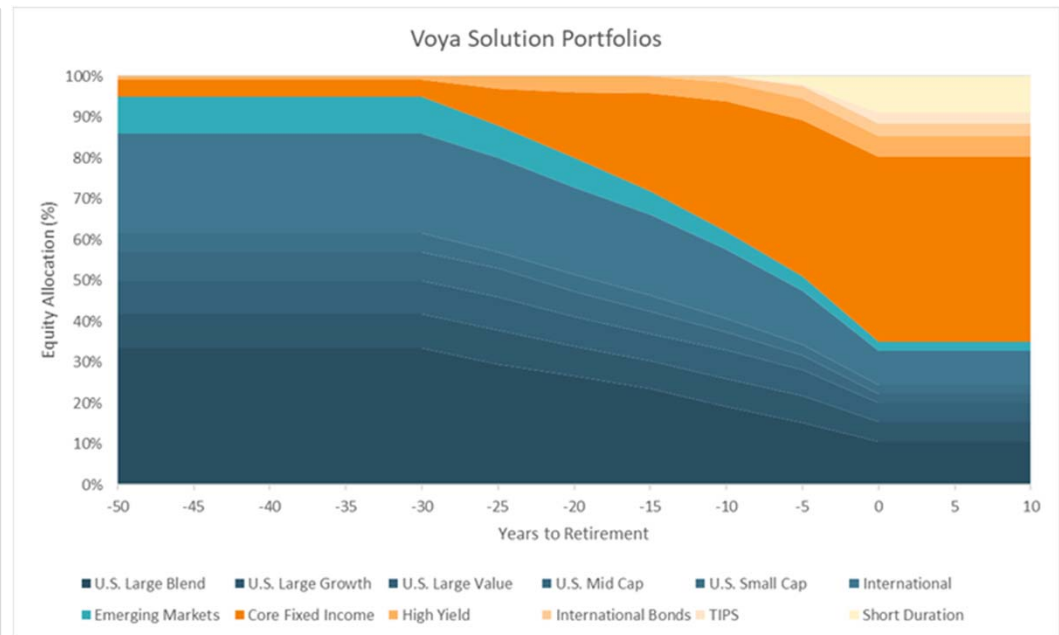
Voya Solution Portfolios' Review



Voya Solution Portfolios:

- Blended approach with active and passive broad market exposure to major asset classes
- Flexible asset allocation within reasonable guardrails
- Multi-manager construction (proprietary and 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, with the exception at retirement (more conservative)
- Offered in five-year increments
- Performance can deviate relative to the Funds' strategic indexes

Glide Path & Portfolio Construction:



The utilization and monitoring of the Voya Solution Portfolios position the 457(b) Plan well relative to peers and within the context of the DOL's guidance.

Tier II Core and Tier III Additional Options

Core and Additional Options' Review

Style:		Voya 457(b) Investment Option(s):			
		Passive:	% of Plan Assets:	Active:	% of Plan Assets:
Fixed Income	Capital Preservation			Voya Fixed Accounts	34.4%
	Core/Core Plus Fixed Income	SSgA US Bond Index	0.3%	Voya Intermediate Bond	3.8%
	Real Return/TIPS			PIMCO Real Return	0.3%
	High Yield			PGIM High Yield	0.3%
Equity	Large Cap Equity	Voya U.S. Stock Index	7.7%	Voya Growth & Income BlackRock Equity Dividend Voya Large Cap Growth	15.6% 2.2% 7.7%
	Balanced			VY T Rowe Price Capital Appr	6.0%
	Socially Responsible Equity	Vanguard FTSE Social Index	0.2%		
	International Equity	SSgA Global All Cap ex-US Index	2.1%	American Funds EuroPacific Gr	3.8%
	Small/Mid Cap Equity	SSgA Small-Mid Cap Index	2.1%	Principal Mid Cap Voya Small Company	6.4% 4.0%

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, \$6.95/online Equities and ETFs trades, etc.

- 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.

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 recommended or is being taken (as applicable)

- The majority of the investment options rank good to excellent, from both a qualitative and performance standpoint, per the Investment Policy Statement guidelines.
 - Capital Cities is currently monitoring short- and long-term performance for Voya Large Cap Growth and Voya Small Company.
 - Relative underperformance is within expectations given the market environment and each Fund's philosophy/process.

Fidelity 457(b) Plan



Fidelity 457(b) Plan

Asset Breakdown as of June 30, 2021

Investment Option	Style	Market Value	% of Plan Assets	Expense Ratio	# of Participants
Fidelity Freedom 2065	Target Date	\$13,147	0.0%	0.75%	4
Fidelity Freedom 2060	Target Date	\$288,263	0.1%	0.75%	39
Fidelity Freedom 2055	Target Date	\$1,382,764	0.7%	0.75%	62
Fidelity Freedom 2050	Target Date	\$580,008	0.3%	0.75%	76
Fidelity Freedom 2045	Target Date	\$2,237,585	1.1%	0.75%	75
Fidelity Freedom 2040	Target Date	\$2,822,376	1.3%	0.75%	78
Fidelity Freedom 2035	Target Date	\$4,027,283	1.9%	0.72%	96
Fidelity Freedom 2030	Target Date	\$18,145,098	8.6%	0.68%	263
Fidelity Freedom 2025	Target Date	\$5,802,264	2.7%	0.64%	111
Fidelity Freedom 2020	Target Date	\$17,015,858	8.0%	0.60%	203
Fidelity Freedom 2015	Target Date	\$2,138,672	1.0%	0.55%	45
Fidelity Freedom 2010	Target Date	\$2,734,385	1.3%	0.51%	64
Fidelity Freedom 2005	Target Date	\$396,046	0.2%	0.47%	8
Fidelity Freedom Income	Target Date	\$1,326,402	0.6%	0.47%	44
		\$58,910,151	27.9%		
State Street S&P 500 Index	Large Cap Core	\$17,389,595	8.2%	0.01%	467
Fidelity Large Cap Stock	Large Cap Broad	\$10,879,315	5.1%	0.47%	381
Vanguard FTSE Social Index	Large Cap Broad	\$3,245,729	1.5%	0.14%	213
Invesco Diversified Dividend	Large Cap Value	\$2,555,941	1.2%	0.53%	108
Fidelity Contrafund	Large Cap Growth	\$51,186,812	24.2%	0.45%	751
State Street Russell Small-Mid Index	SMID Cap Broad	\$5,637,046	2.7%	0.02%	326
Fidelity Low-Priced Stock	Total Equity	\$12,503,723	5.9%	0.69%	445
State Street GI All Cap Eq ex-US Index	Non-US Equity	\$3,107,398	1.5%	0.045%	245
American Funds EuroPacific Gr	Non-US Equity	\$6,110,552	2.9%	0.46%	380
PIMCO Total Return	Core Plus Bond	\$7,274,472	3.4%	1.04%	333
State Street US Bond Index	Core Bond	\$4,148,753	2.0%	0.02%	250
T Rowe Price Stable Value	Stable Value	\$10,036,929	4.7%	0.30%	406
Brokerage Link		\$18,460,457	8.7%		123
		\$152,536,723	72.1%		
		\$211,446,874	100.0%		

Note: Revenue-sharing is detailed within the Fee Analysis presentation.

Fidelity 457(b) Plan Investment Menu

Investment Menu 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 follows best practices by: utilizing a proper default option (an age-appropriate Target Date Fund), offering a broad range of investment options, and allowing participants to exercise control over their assets.

Tier I: Target Date Funds

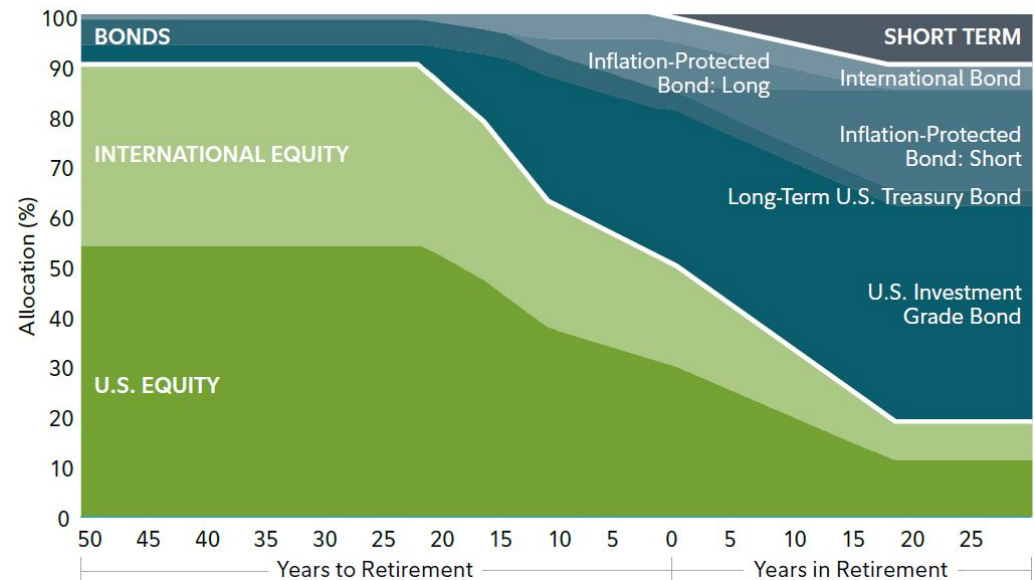
Fidelity Freedom Funds' Review



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 more aggressive than peers throughout the glide path until approximately ten years post retirement
- Offered in five-year increments
- Performance can deviate relative to the Funds' strategic indexes

Glide Path & Portfolio Construction:



The utilization and monitoring of the Fidelity Freedom Funds position the 457(b) Plan well relative to peers and within the context of the DOL's guidance.

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	4.7%
	Core/Core Plus Fixed Income	State Street US Bond Index	2.0%	PIMCO Total Return	3.4%
Equity	Large Cap Equity	State Street S&P 500 Index	8.2%	Fidelity Large Cap Stock Invesco Diversified Dividend Fidelity Contrafund	5.1% 1.2% 24.2%
	Socially Responsible Equity	Vanguard FTSE Social Index	1.5%		
	International Equity	State Street Global ex-US Index	1.5%	American Funds EuroPacific	2.9%
	Small/Mid Cap Equity	State Street Small-Mid Index	2.7%	Fidelity Low-Priced Stock	5.9%

- 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.
- 72% 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 123 participants, representing \$18.5 million (8.7%) in assets, utilizing Fidelity's SDBA option.

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	●	●	●	●	WL	●	●
Long Term Performance (5-Yr)	●	●	●	●	WL	●	●
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 recommended or is being taken (as applicable)

- The majority of the investment options rank good to excellent, from both a qualitative and performance standpoint, per the Investment Policy Statement guidelines.
- Invesco Diversified Dividend is closely monitored on Watchlist status, with quarterly calls with Invesco, given the Fund's long-term underperformance (last five-year time period) and a recent personnel change.
- Short- and long-term performance is currently being monitored for Fidelity Large Cap Stock and Fidelity Low-Priced Stock.
 - Relative underperformance is within expectations given the market environment and each Fund's philosophy/process.

Defined Contribution Trends



Defined Contribution Plan Trends

Exploring Recent Investment Management Trends/Topics

Capital Preservation

- Capital preservation options are being reexamined by many plan sponsors, particularly as Money Market funds are at zero to near-zero rates.
- Stable Value has generally displayed a favorable risk/return profile relative to Money Market and Defensive Fixed Income funds.

Inflation Hedging Strategies

- Inflation hedging strategies continue to be explored, as concerns regarding inflation have increased.
- Capital Cities frequently sees a TIPS option offered on a stand-alone basis, while diversified real return exposure is generally reflected in Target Date Funds' construction.

ESG

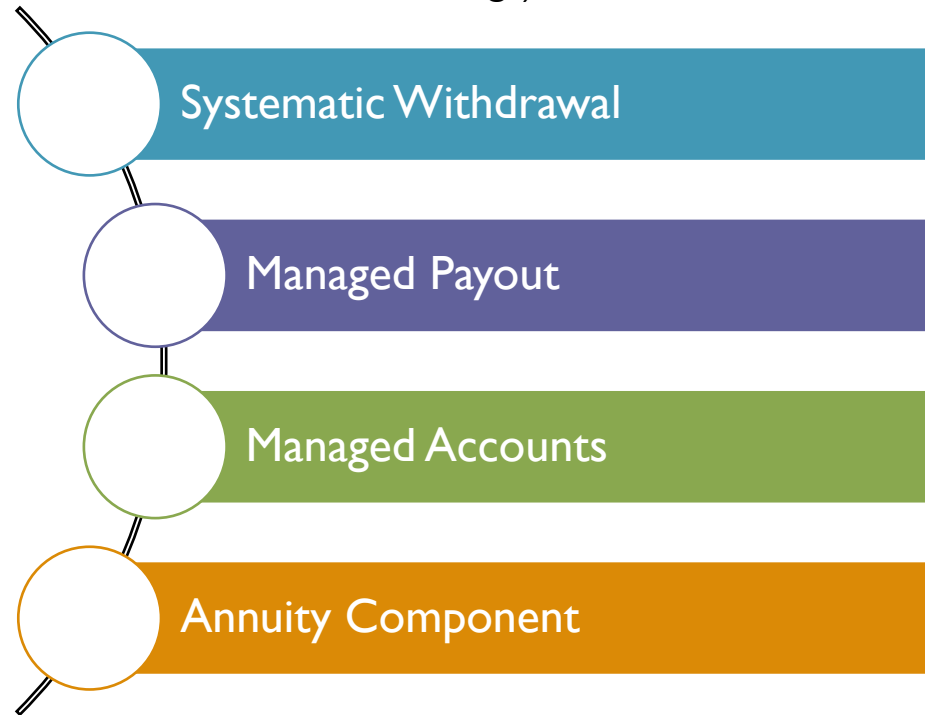
- New ESG products continue to be launched in anticipation of increased demand.
- ESG products are most frequently incorporated into an investment menu as a Tier III Specialty/ Additional-type option.

Defined Contribution Plan Trends

Exploring Retirement Income Products

Retirement Income products attempt to provide participants with a solution for decumulation (when participants spend down their retirement savings).

Types of Retirement Income Approaches



- Capital Cities is closely monitoring the Retirement Income space, as product providers are developing and fine-tuning their offerings, in anticipation of increased interest from plan sponsors and participants.
- Capital Cities is seeking greater adoption and further enhancements, while exploring income preferences and needs, before making a recommendation for change/implementation in the 401(a) and 457(b) Plans.

Defined Contribution Plan Trends

Retirement Income—Types of Approaches



<u>Systematic Withdrawal:</u>	<u>Managed Payout:</u>	<u>Managed Accounts:</u>	<u>Annuity:</u>
<ul style="list-style-type: none"> + Fully liquid and completely flexible + No product decision by the plan sponsor - Participants assume all risk - No guarantees 	<ul style="list-style-type: none"> + Fully liquid and inexpensive + Can provide a consistent income stream - No guarantees - Asset preservation unique to each participant 	<ul style="list-style-type: none"> + Fully liquid and flexible + Personalized accumulation and drawdown advice - No guarantees - Participants must be engaged in providing personal inputs 	<ul style="list-style-type: none"> + 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.

APPENDIX



Managed Account Services

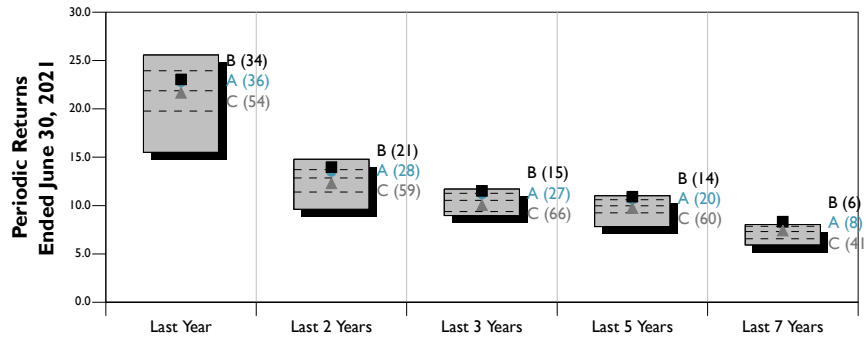
Fee Comparison

	TIAA 457(b)	Voya 457(b)	Fidelity 457(b)
3/31/21 Market Value	\$340,674	\$1,181,982	\$7,657,558
3/31/21 Participants	6	33	125
Managed Accounts Fee	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+

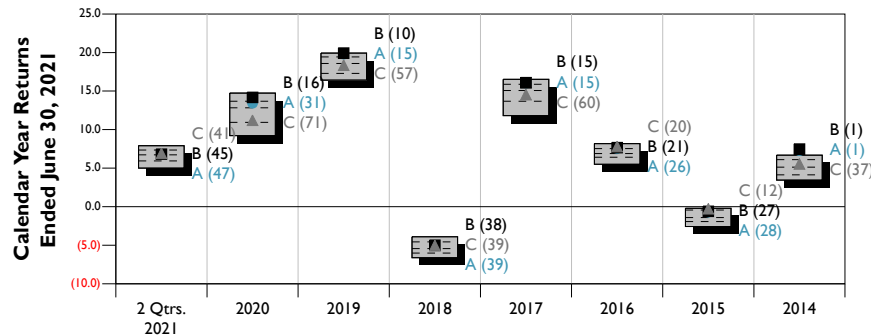
- Managed Account Services are a discretionary solution for participants, including ongoing management, monitoring and rebalancing of their portfolios, based on their unique situation and retirement needs (e.g., risk tolerance, outside assets, etc.).
- Managed Account Services are only charged to participants in the 457(b) Plans who elect to utilize the product.
- Managed Account Services currently 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.

Target Date Funds' Comparison

2025 Fund Performance and Risk Comparison

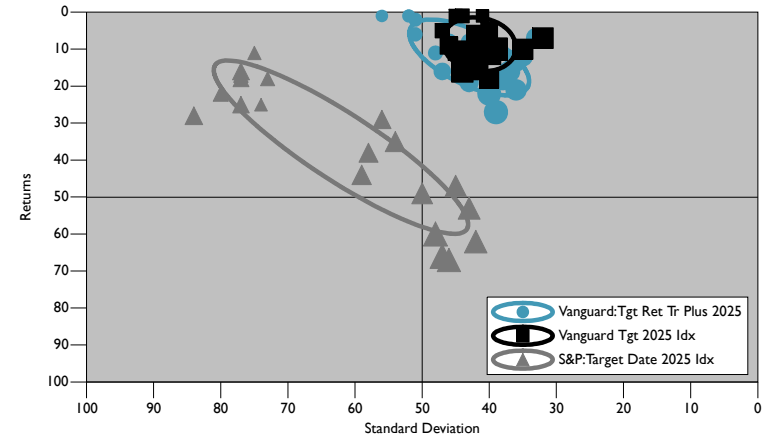


	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
Median	21.88	12.86	10.56	9.99	7.32
Vanguard:Tgt Ret Tr Plus 2025	A (22.83)	A (13.54)	A (11.22)	A (10.66)	A (8.14)
Vanguard Tgt 2025 Idx	B (23.06)	B (13.97)	B (11.52)	B (10.92)	B (8.33)
S&P:Target Date 2025 Idx	C (21.67)	C (12.30)	C (10.06)	C (9.76)	C (7.42)



	2 Qtrs. 2021	2020	2019	2018	2017	2016	2015	2014
Median	6.75	12.84	18.58	(5.42)	15.07	6.89	(1.40)	5.15
Vanguard:Tgt Ret Tr Plus 2025	A (6.78)	A (13.42)	A (19.78)	(5.05)	A (16.04)	A (7.53)	(0.70)	A (7.28)
Vanguard Tgt 2025 Idx	B (6.83)	B (14.19)	B (19.93)	(5.00)	B (16.08)	B (7.67)	(0.59)	B (7.48)
S&P:Target Date 2025 Idx	C (6.92)	C (11.22)	C (18.38)	(5.02)	C (14.55)	C (7.82)	(0.25)	C (5.56)

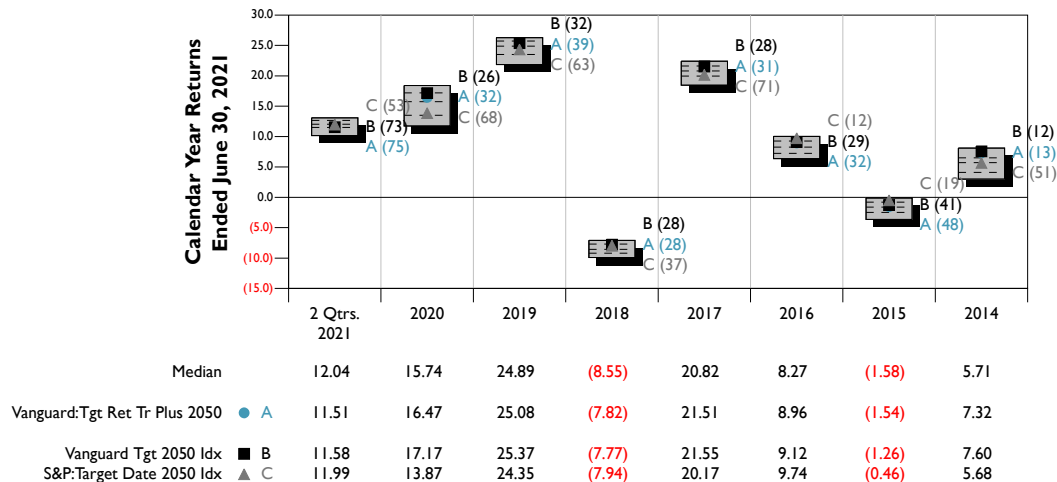
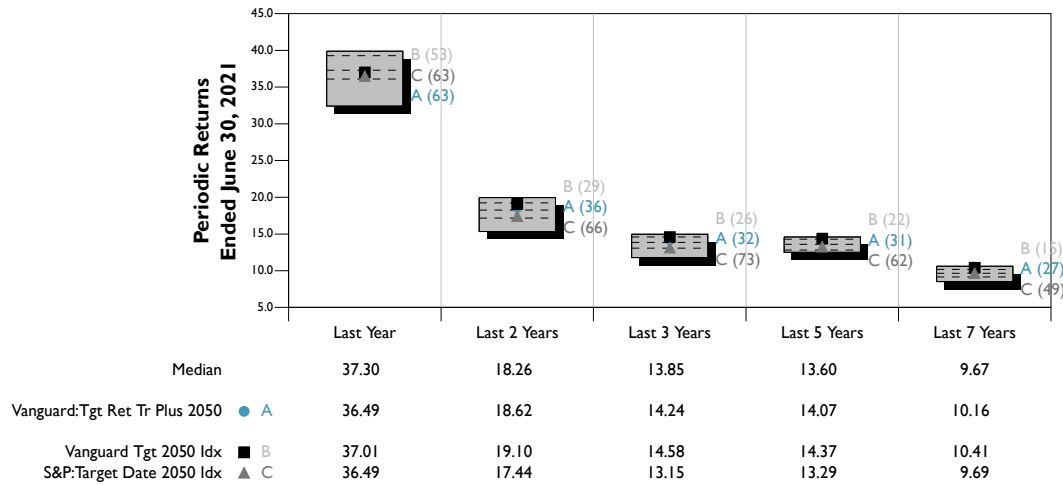
Rolling 12 Quarter Scatter Chart for 5 Years Ended June 30, 2021



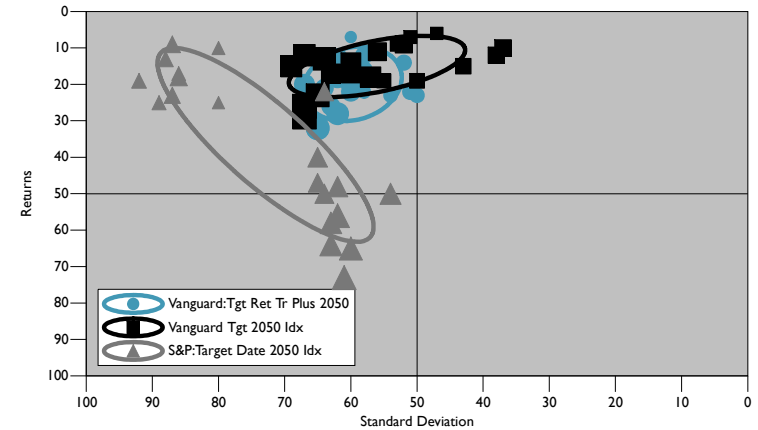
Vanguard 2025 has provided higher returns, while taking slightly more risk, relative to its peers.

Target Date Funds' Comparison

2050 Fund Performance and Risk Comparison



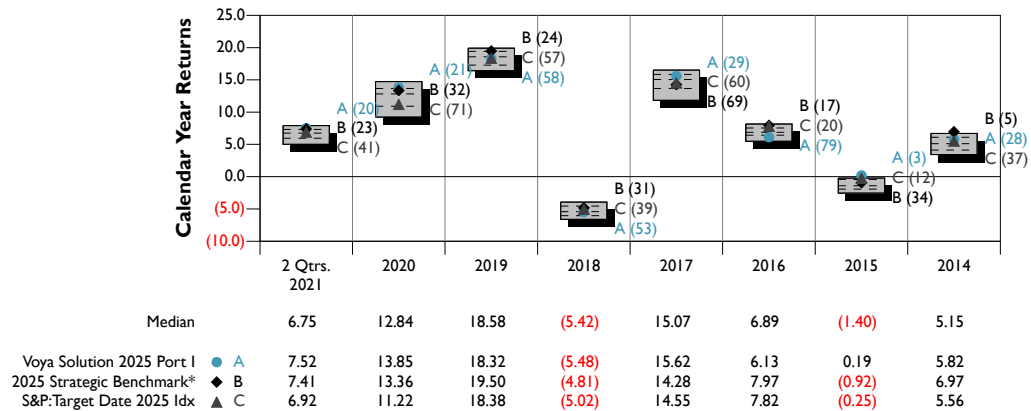
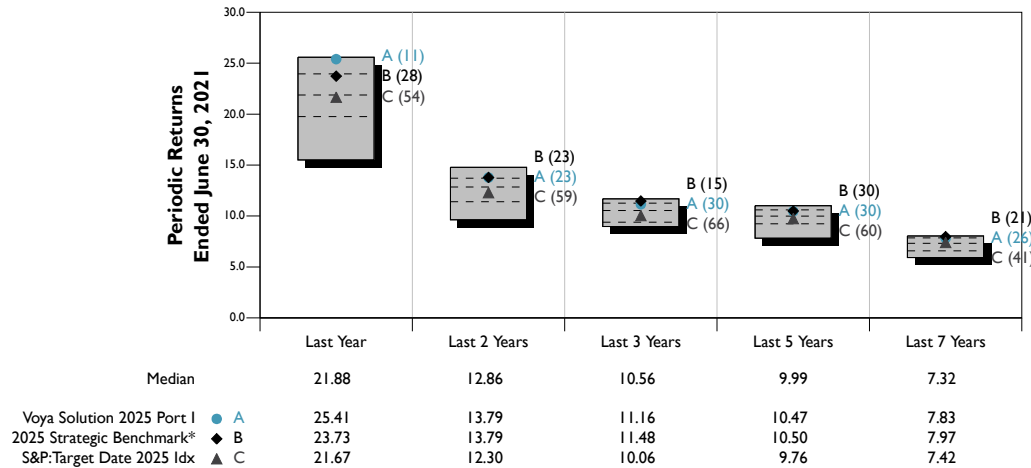
Rolling 12 Quarter Scatter Chart for 5 Years Ended June 30, 2021



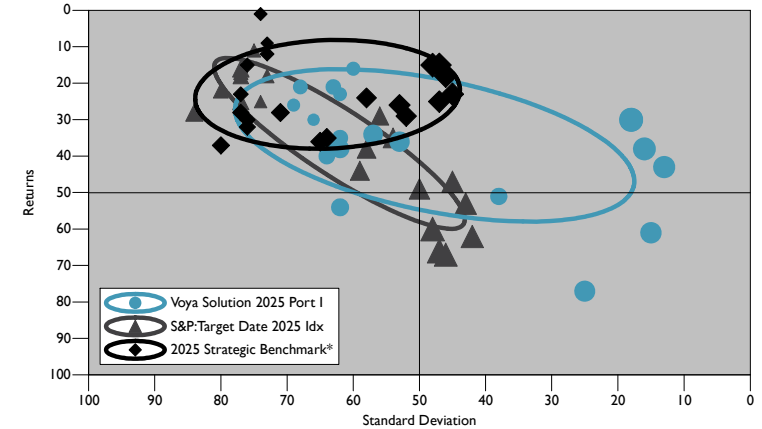
Vanguard 2050 has posted stronger returns, while generally taking lower risk, than its peers.

Target Date Funds' Comparison

2025 Fund Performance and Risk Comparison



Rolling 12 Quarter Scatter Chart for 5 Years Ended June 30, 2021

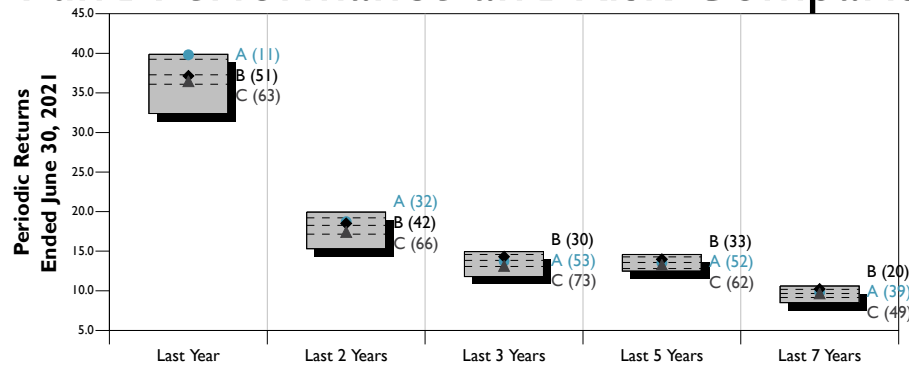


Voya Solution 2025 Portfolio's risk/return profile has been mixed over various time periods.

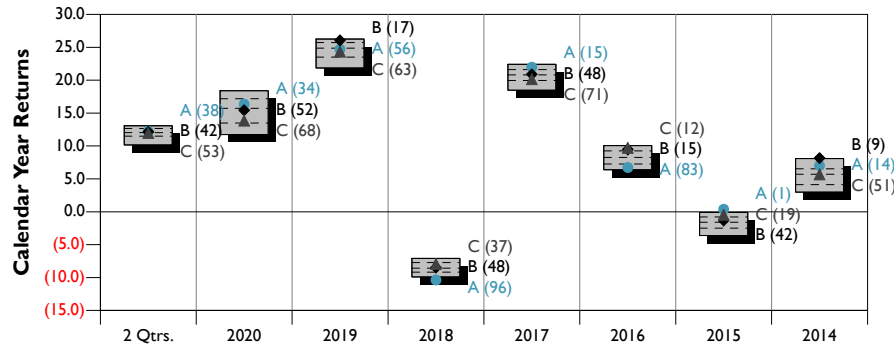
*Strategic Asset Allocation Returns – returns represent Voya's strategic asset allocation weights to asset classes (indices). Each underlying index is weighted at the strategic asset allocation of its respective asset class, which is generally updated on a semi-annual basis.

Target Date Funds' Comparison

2050 Fund Performance and Risk Comparison

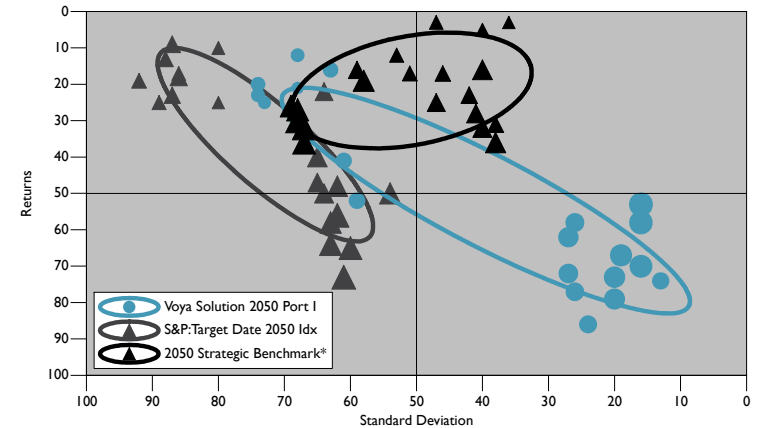


Median	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
Voya Solution 2050 Port I (A)	39.81	18.75	13.76	13.55	9.82
2050 Strategic Benchmark* (B)	37.16	18.52	14.32	13.99	10.24
S&P:Target Date 2050 Idx (C)	36.49	17.44	13.15	13.29	9.69



Median	2 Qtrs. 2021	2020	2019	2018	2017	2016	2015	2014
Voya Solution 2050 Port I (A)	12.27	16.36	24.74	(10.37)	21.99	6.75	0.38	7.04
2050 Strategic Benchmark* (B)	12.16	15.46	26.07	(8.45)	20.92	9.48	(1.32)	8.19
S&P:Target Date 2050 Idx (C)	11.99	13.87	24.35	(7.94)	20.17	9.74	(0.46)	5.68

Rolling 12 Quarter Scatter Chart for 5 Years Ended June 30, 2021

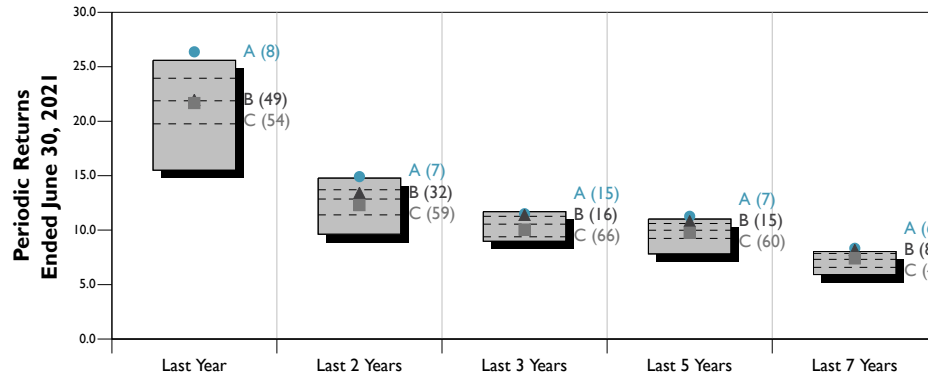


Voya Solution 2050 Portfolio's risk/return profile has been mixed over various time periods.

*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.

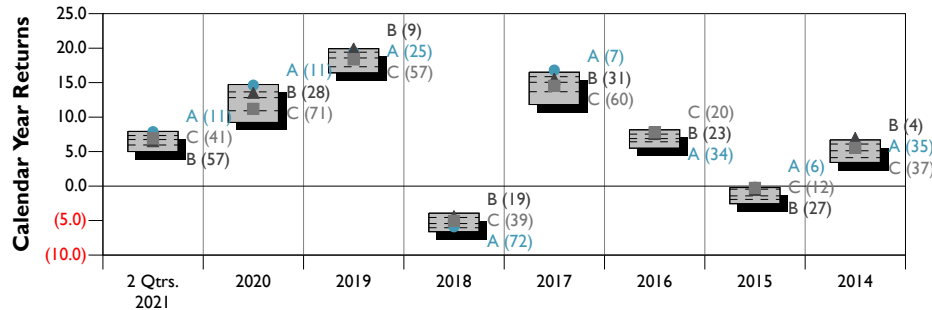
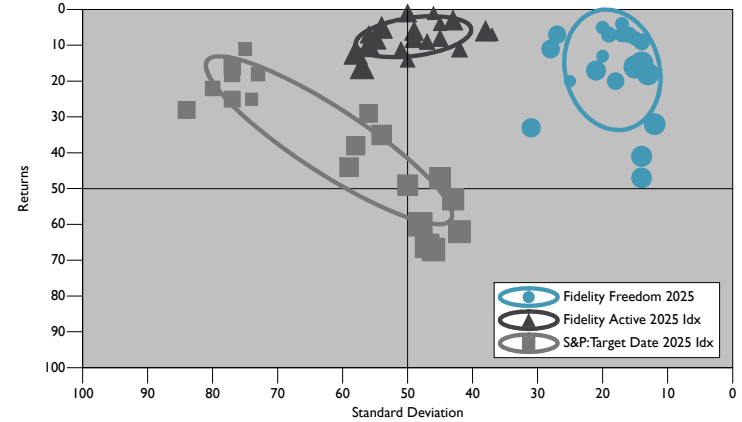
Target Date Funds' Comparison

2025 Fund Performance and Risk Comparison



	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years
Median	21.88	12.86	10.56	9.99	7.32
Fidelity Freedom 2025	26.37	14.92	11.51	11.28	8.34
Fidelity Active 2025 Idx	21.97	13.44	11.40	10.84	8.19
S&P:Target Date 2025 Idx	21.67	12.30	10.06	9.76	7.42

Rolling 12 Quarter Scatter Chart for 5 Years Ended June 30, 2021



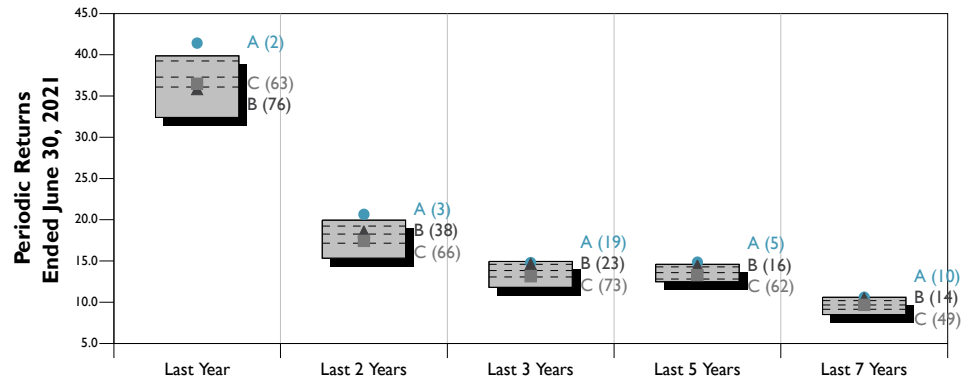
	2 Qtrs. 2021	2020	2019	2018	2017	2016	2015	2014
Median	6.75	12.84	18.58	(5.42)	15.07	6.89	(1.40)	5.15
Fidelity Freedom 2025	7.89	14.65	19.45	(5.87)	16.82	7.47	(0.16)	5.63
Fidelity Active 2025 Idx	6.51	13.55	19.95	(4.35)	15.58	7.57	(0.52)	7.00
S&P:Target Date 2025 Idx	6.92	11.22	18.38	(5.02)	14.55	7.82	(0.25)	5.56

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.

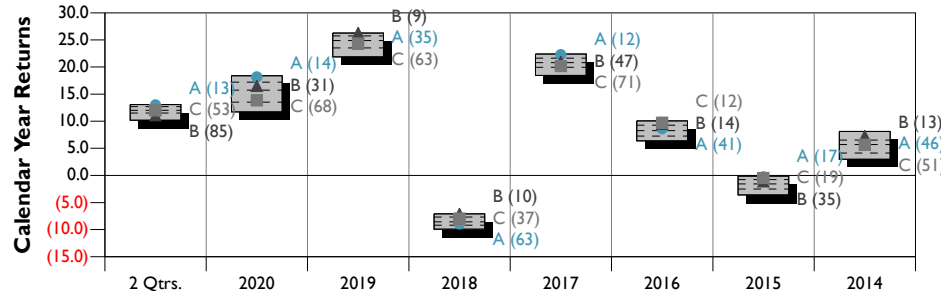
Target Date Funds' Comparison

2050 Fund Performance and Risk Comparison



Median: Last Year (37.30), Last 2 Years (18.26), Last 3 Years (13.85), Last 5 Years (13.60), Last 7 Years (9.67)

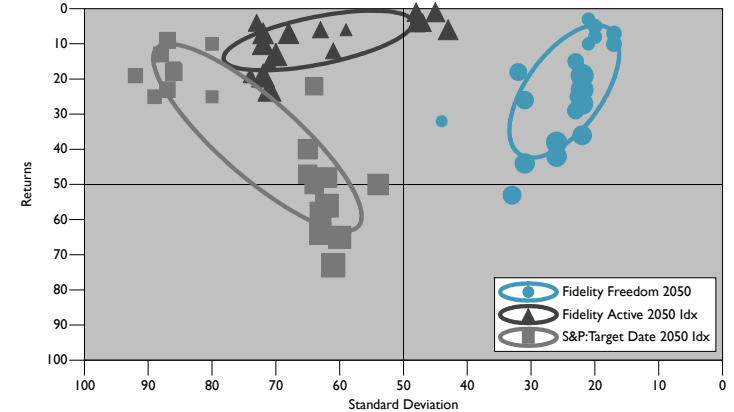
	● A	▲ B	■ C
Fidelity Freedom 2050	41.43	20.66	14.80
Fidelity Active 2050 Idx	35.84	18.59	14.64
S&P:Target Date 2050 Idx	36.49	17.44	13.15



Median: 2 Qtrs. 2021 (12.04), 2020 (15.74), 2019 (24.89), 2018 ((8.55)), 2017 (20.82), 2016 (8.27), 2015 ((1.58)), 2014 (5.71)

	● A	▲ B	■ C
Fidelity Freedom 2050	13.01	18.18	25.33
Fidelity Active 2050 Idx	11.11	16.53	26.31
S&P:Target Date 2050 Idx	11.99	13.87	24.35

Rolling 12 Quarter Scatter Chart for 5 Years Ended June 30, 2021



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.