

BenchmarkDC

for

North Carolina Supplemental Retirement Plans

(for the 5 years ending December 31, 2022)



CEM has been helping plan sponsors understand their unique DC plans since 1997.

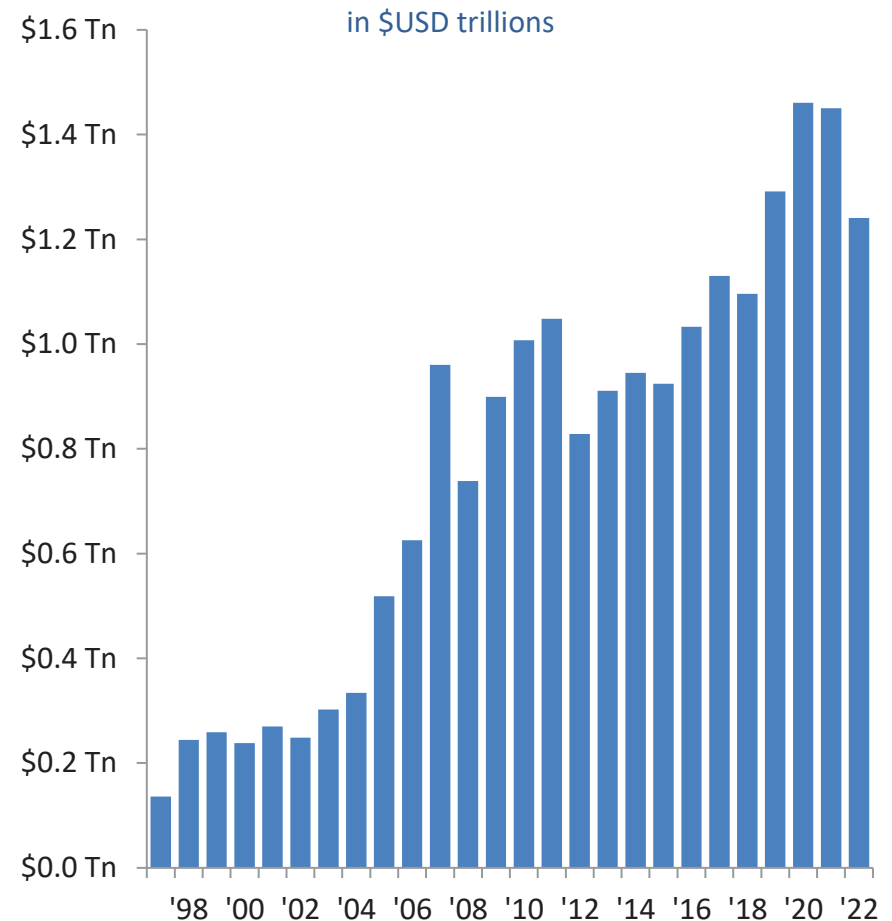
Our standardized metrics allow you to compare your DC plan offerings to other DC plans, monitor your investment options and understand your differences.

CEM's 2022 DC database currently consists of 121 U.S. large, blue chip corporate and government plans representing \$1,241 billion in assets and 10.5 million participants.

The graph on this page shows a lower AUM for 2022 than for previous years, this is explained by two factors:

- (i) Market conditions: Investment returns were negative for most plans. See page 14 for details.
- (ii) Timing: We have improved the timeliness of your report. We are still finalizing data for a number of plans in the universe.

Participating Defined Contribution Benchmarking Assets



By design, your peers are similar to your plan in assets and average account balance because these factors impact costs.

Comparison of plan characteristics

	Your plan	Peers	U.S. universe
# of plan sponsors	1	13	121
Plan assets			
- Smallest to largest	\$13.9 BN	\$3.7 BN - \$18.2 BN	\$114 mil - \$63.2 BN
- Median	\$13.9 BN	\$11.6 BN	\$6.9 BN
Account balance of average participant			
- Median	\$34,000	\$49,000	\$157,000
% retired or separated with assets in plan	25%	36%	38%
Average % of assets indexed	39%	61%	69%
Average # of investment options	12	14	15
Corporate, Public	Public	0 Corp, 13 Public	95 Corp, 26 Public

Your investment line up compared to your peer average and the universe average is shown below.

You have 12 investment options compared to a peer average of 13.8 and a U.S. universe average of 14.5. Asset mix is a primary driver of long term returns. Asset mix depends on participant choices and the investment options available.

The default option is where contributions are placed when participants do not make an active selection. Your default option is Target Date (GoalMaker service). It is the default option for 92% of your peers and 88% of U.S. universe plans.

GoalMaker is an asset allocation service that is provided to participants at no additional cost. A participant can utilize a profiling tool to be placed in one of GoalMaker's three risk profiles. The glidepath for each risk profile has nine age categories that move to and through retirement. A participant also can independently select one of GoalMaker's portfolios. Assets in each portfolio are rebalanced quarterly.

For more detailed analysis of your fund line up compared to peers and the universe, refer to page 28.

Type and number of investment options

	Your Plan	Peer Average	Universe Average**
Stock U.S.	4	4.9	4.8
Stock Non U.S. & Global	2	1.8	2.5
Bonds	3	2.6	2.6
Stable Value & GIC	1	0.8	0.7
Cash, Money Market		0.6	0.7
Target Date (GoalMaker service)*	1	1.0	0.9
Balanced		0.6	0.4
Mutual Fund Window		0.5	0.1
Participant Brokerage Account		0.5	0.4
Real, Hedge, Other ex. Loans	1	0.5	0.8
Total*	12	13.8	14.5

*Target date families are treated as one option. You have 27 target date options compared to a peer average of 11.7 and a universe average of 10.4.

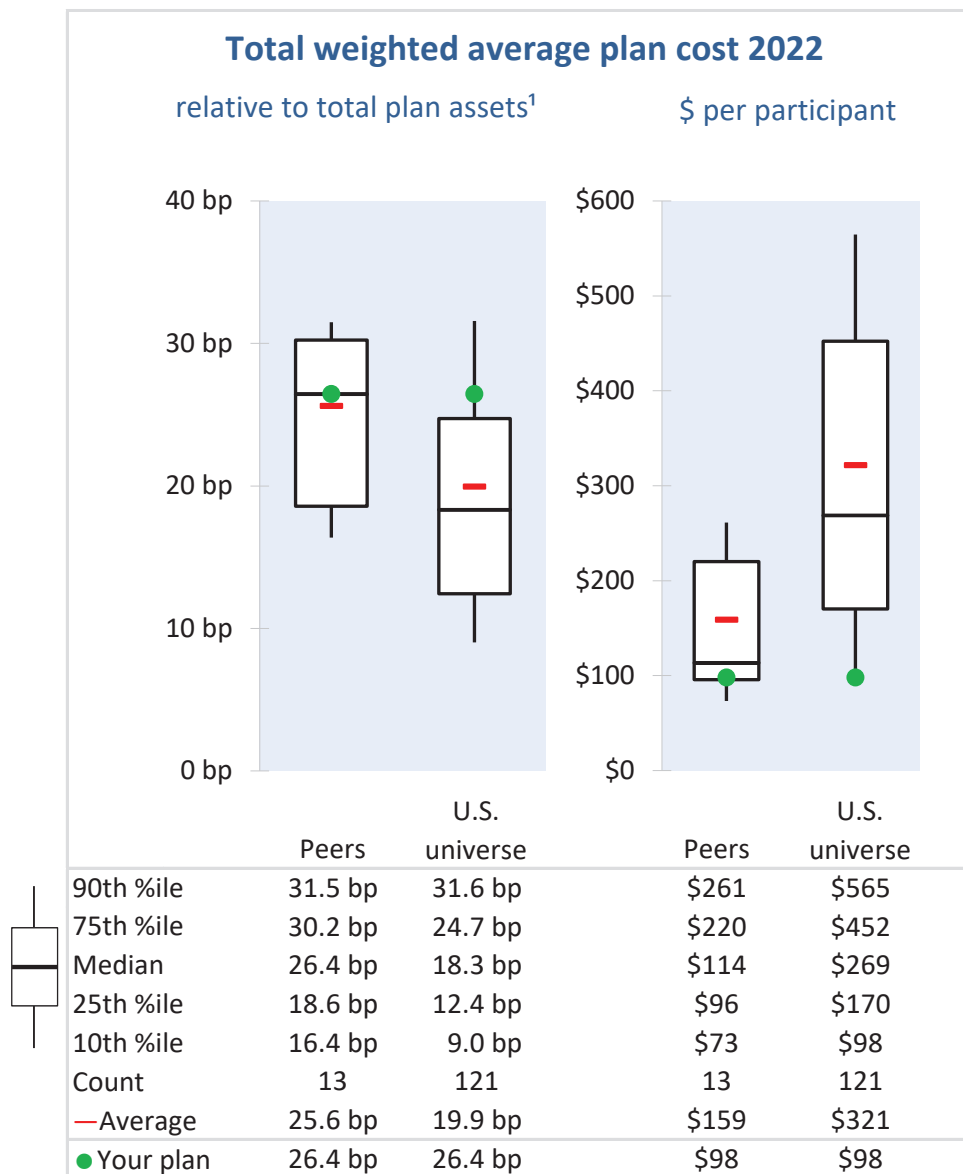
** Total may not add due to the removal of Employer stock which is not applicable for your plan.

Default option

	Your Plan	Peer Average	Universe Average
Balanced		0%	3%
Target Date (GoalMaker service)	Yes	92%	88%
Managed account		0%	2%
Stable Value		0%	0%
Money Market		0%	0%
Other		0%	2%
No default option		8%	4%
Total		100%	100%

Your participants' weighted average total cost was 26.4 bps of total plan assets or \$98 per participant.

Your peers' weighted average total cost was 25.6 bps (0.256%) of total plan assets or \$159 per participant. Differences in costs are often caused by differences in participants' fund allocation and percentage of indexed assets. A better comparison is to our custom, peer based benchmark cost, which adjusts for these factors. Refer to page 9 for this comparison.



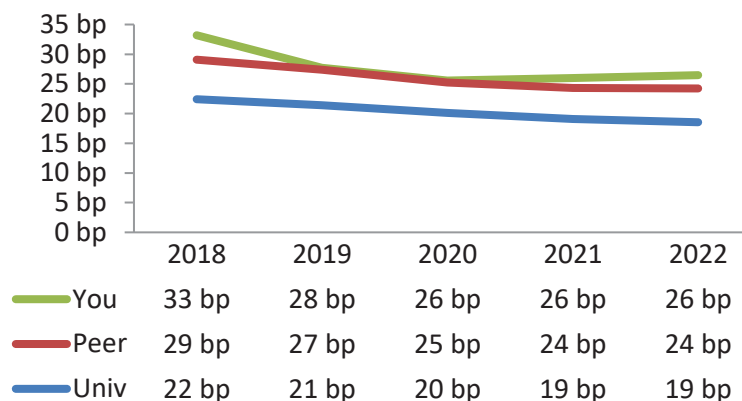
1. One basis point (bp) is equal to 1/100th of 1%, or 0.01%

Your participants' weighted average total costs decreased from 33.2 bps of plan assets in 2018 to 26.4 bps in 2022.

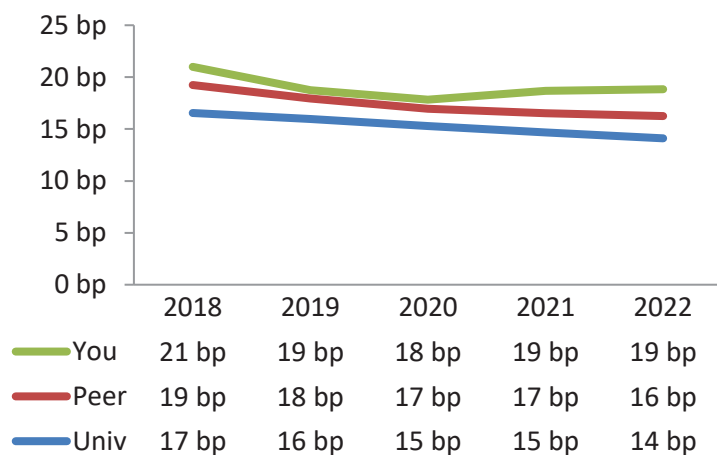
Your costs decreased primarily because your administration and recordkeeping costs declined from 12 bps in 2018 to 8 bps in 2022. Along with a slight decline in option fees.

During the same period, total plan costs decreased for the U.S. universe, from 22.4 bps in 2018 to 18.5 bps in 2022. The primary reason for the decline is that indexed assets increased from 65% of total 'indexable assets' in 2018 to 71% in 2022.

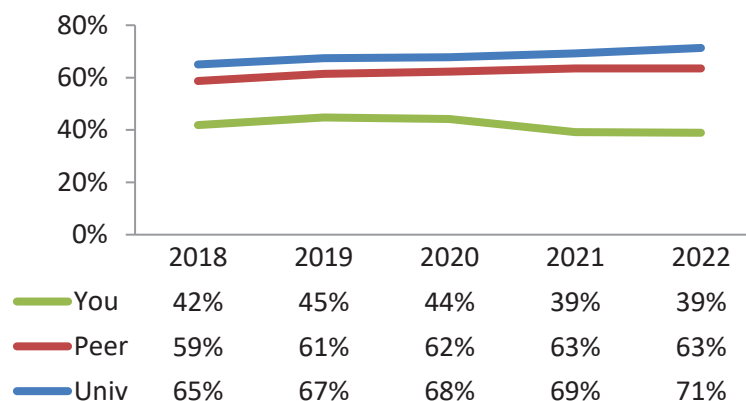
Trend in total plan costs - % of assets



Average investment costs as a % of plan assets



Indexed options as a % of indexable assets



Trend analysis is based on the 90 universe funds and 11 peers with 5 consecutive years of data.

Your peer-based benchmark cost allows you to understand why your costs are different.

CEM calculates a benchmark cost for your plan based on the median cost your peers pay for similar options. For target date funds, the custom benchmark cost is also based on the asset mix of each of your target date funds. Your participants' weighted average cost was 26.4 bp.

Reasons for differences in actual vs. benchmark cost are summarized on the table on the right.

For a detailed analysis, refer to page 41.

Your participants' weighted average

	\$000's	bp
Total actual cost	\$39,961	26.4 bp
Custom peer-based benchmark cost	\$39,552	26.2 bp
Difference	\$409	0.3 bp

Reasons for differences in actual vs. benchmark cost

Cumulative impact of differences in:	\$000's	bp
Fees paid for similar options	-\$2,899	-1.9 bp
Participants' allocation in indexed vs active options (your 39% indexed vs peer 61%)	\$7,482	5.0 bp
Fees paid for administrative services (your 7.6 bps of plan assets vs 10.2 bps for peers)	-\$3,976	-2.6 bp
Assets in mutual fund windows	-\$197	-0.1 bp
Total explained	\$409	0.3 bp

The table below compares your investment options relative to your peers for cost, and the U.S. universe for performance and risk.

For more detailed analysis, refer to page 52.

Investment Option	Cost 2022				Net Return 2022				Net Return 5-year				Net Value Added 2022				Net Value Added 5-yr.				Risk* 2022				
	Your	BM	Cost	Rank vs. Peer	Univ		Rank vs. Univ		Univ		Rank vs. Univ		Univ		Rank vs. Univ		Univ		Rank vs. Univ		Univ		Rank vs. Univ		
	Cost	Cost	diff.	Low	High	Your	Med	Low	High	Your	Med	Low	High	Your	Med	Low	High	Your	Med	Low	High	Your	Med	Low	High
BlackRock - North Carolina Large Cap Passive Fund	0.5 bp	1.2 bp	-0.7 bp	■		-18.2%	-18.1%	■	■	9.4%	9.4%	■	■	0.0%	0.0%	■	■	0.0%	0.0%	■	■	--	--		
Multi-Manager - North Carolina Large Cap Core Fund	29.0 bp	35.0 bp	-6.0 bp	■	■	-21.5%	-21.2%	■	■	8.3%	8.6%	■	■	-2.4%	-2.2%	■	■	-0.8%	-0.7%	■	■	--	--		
BlackRock - North Carolina SMID Cap Passive Fund	0.5 bp	2.0 bp	-1.5 bp			-18.5%	-25.5%	■	■	5.8%	5.3%	■	■	-0.1%	0.1%	■		-0.1%	0.0%	■		--	--		
Multi-Manager - North Carolina SMID Cap Core Fund	38.0 bp	58.0 bp	-20.0 bp			-15.7%	-18.6%	■	■	4.7%	6.3%	■		2.7%	0.4%	■	■	-1.2%	0.9%	■		--	--		
BlackRock - North Carolina International Passive fund	2.1 bp	5.0 bp	-2.9 bp	■		-16.1%	-15.9%	■	■	0.2%	1.1%	■		-0.6%	0.3%	■		-0.8%	0.2%	■		--	--		
Multi-Mgr - North Carolina International Equity Fund	38.0 bp	43.0 bp	-5.0 bp	■		-21.2%	-19.7%	■	■	-1.1%	1.6%	■		-5.6%	-3.2%	■	■	-2.2%	0.7%	■		--	--		
BlackRock - North Carolina Fixed Income Passive fund	2.0 bp	3.0 bp	-1.0 bp	■		-13.1%	-13.1%	■	■	-0.4%	0.0%	■		-0.1%	-0.1%	■	■	-0.4%	0.0%	■		--	--		
Multi-Mgr - North Carolina Fixed Income Fund	12.0 bp	19.5 bp	-7.5 bp	■	■	-14.4%	-13.5%	■	■	0.2%	0.2%	■	■	-1.4%	-0.4%	■	■	0.2%	0.2%	■	■	--	--		
BlackRock - North Carolina TIPS Fund	3.0 bp	3.0 bp	0.0 bp			-7.4%	-11.9%	■	■	n/a	2.1%			0.0%	-0.1%	■	■	n/a	-0.1%			--	--		
Galliard - North Carolina Stable Value Fund	26.1 bp	24.0 bp	2.1 bp	■	■	1.9%	1.8%	■	■	2.2%	2.1%	■	■	-1.3%	0.2%	■	■	0.1%	0.6%	■	■	--	--		
BlackRock - North Carolina Inflation Responsive Fund	9.0 bp	10.8 bp	-1.8 bp			-12.1%	-11.3%	■	■	2.6%	3.7%	■		-0.5%	-0.1%	■	■	1.4%	0.1%	■	■	--	--		
GM - Pre Retirement - 0-5 CON 2025	16.0 bp	16.8 bp	-0.8 bp	■	■	-12.2%	-15.2%	■	■	2.9%	3.7%	■		-1.3%	-0.3%	■		0.2%	0.0%	■	■	5.4%	8.3%	■	
GM - Pre Retirement - 6-10 CON 2030	17.1 bp	18.1 bp	-1.1 bp	■	■	-13.5%	-16.0%	■	■	3.1%	4.0%	■		-1.4%	-0.2%	■		0.1%	0.0%	■	■	6.4%	9.7%	■	
GM - Pre Retirement - 11-15 CON 2035	17.4 bp	18.4 bp	-1.0 bp	■	■	-14.6%	-16.6%	■	■	3.2%	4.5%	■		-1.4%	-0.1%	■		-0.4%	0.0%	■		7.4%	10.6%	■	
GM - Pre Retirement - 16-20 CON 2040	18.5 bp	19.6 bp	-1.1 bp	■	■	-16.0%	-17.2%	■	■	3.7%	4.8%	■		-1.7%	-0.2%	■		0.0%	0.0%	■	■	8.9%	12.1%	■	
GM - Pre Retirement - 21-25 CON 2045	18.8 bp	20.2 bp	-1.4 bp	■	■	-17.0%	-17.5%	■	■	n/a	5.2%			-1.6%	-0.1%	■		n/a	0.0%			10.2%	13.2%	■	
GM - Pre Retirement - 26+ CON 2055	19.9 bp	20.8 bp	-0.9 bp	■	■	-17.4%	-17.8%	■	■	n/a	5.3%			-1.7%	0.0%	■		n/a	0.1%			11.6%	13.9%	■	
GM - Pre Retirement - 0-5 MOD 2025	17.0 bp	18.3 bp	-1.3 bp	■	■	-14.3%	-15.2%	■	■	3.5%	3.7%	■	■	-1.5%	-0.3%	■		0.1%	0.0%	■	■	7.5%	8.3%	■	■
GM - Pre Retirement - 6-10 MOD 2030	18.3 bp	19.5 bp	-1.3 bp	■	■	-15.5%	-16.0%	■	■	3.8%	4.0%	■	■	-1.6%	-0.2%	■		0.0%	0.0%	■	■	8.8%	9.7%	■	■
GM - Pre Retirement - 11-15 MOD 2035	19.2 bp	20.1 bp	-0.9 bp	■	■	-16.5%	-16.6%	■	■	4.0%	4.5%	■		-1.6%	-0.1%	■		0.0%	0.0%	■	■	10.2%	10.6%	■	
GM - Pre Retirement - 16-20 MOD 2040	19.9 bp	20.7 bp	-0.7 bp	■	■	-17.4%	-17.2%	■	■	4.4%	4.8%	■		-1.7%	-0.2%	■		-0.1%	0.0%	■	■	11.6%	12.1%	■	■
GM - Pre Retirement - 21-25 MOD 2045	20.6 bp	21.2 bp	-0.6 bp	■	■	-17.7%	-17.5%	■	■	n/a	5.2%			-1.7%	-0.1%	■		n/a	0.0%			12.7%	13.2%	■	■
GM - Pre Retirement - 26+ MOD 2055	21.3 bp	21.5 bp	-0.3 bp	■	■	-18.1%	-17.8%	■	■	n/a	5.3%			-1.7%	0.0%	■		n/a	0.1%			13.7%	13.9%	■	■

In the 'Rank' graphic, one colored square (Low) is a percentile ranking of 0% to 10%, two squares is 10.1% to 25%, three squares is 25.1% to 75%, 4 squares is 75.1% to 90%, and 5 squares (High) is 90.1% to 100%. Highlighting is not applied if there are fewer than 5 observations.

*Asset Risk is calculated for target date and balanced options. It is based on the expected volatility of an option given the reported asset mix. This approach allows comparison of your fund to peers and the universe using a consistent risk metric.

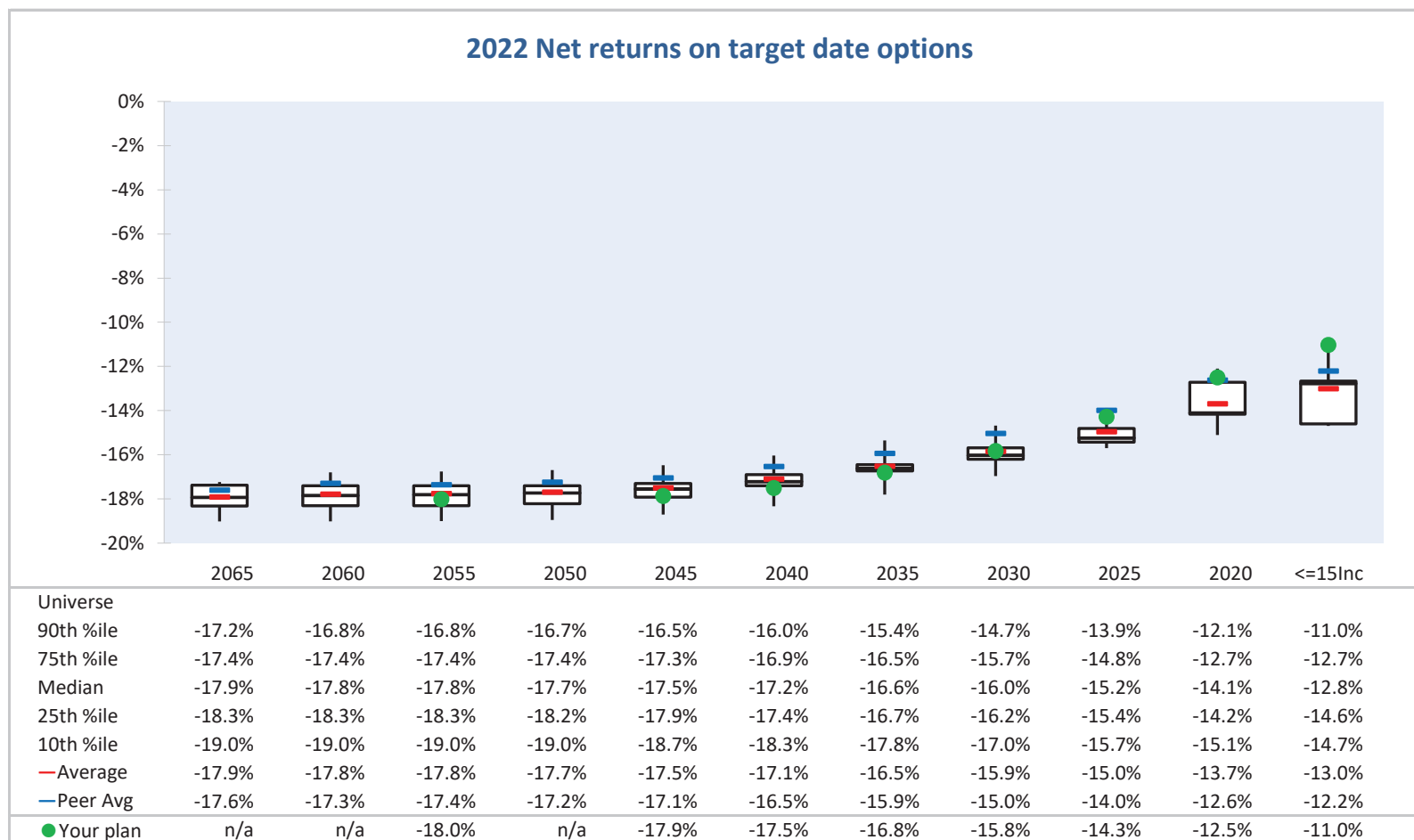
Continued - Comparisons of investment option cost, performance and risk

Investment Option	Cost 2022					Net Return 2022				Net Return 5-year				Net Value Added 2022				Net Value Added 5-yr				Risk 2022																
	Your Cost	BM Cost	Cost diff.	Rank vs. Peer		Univ		Rank vs. Univ		Univ		Rank vs. Univ		Univ		Rank vs. Univ		Univ		Rank vs. Univ		Univ		Rank vs. Univ														
				Low	High	Your	Med	Low	High	Your	Med	Low	High	Your	Med	Low	High	Your	Med	Low	High	Your	Med	Low	High													
GM - Pre Retirement AGG 0-5 - 2025	17.6 bp	19.2 bp	-1.6 bp	■	■	■	■	■	-16.2%	-15.2%	■	■	■	■	4.9%	3.7%	■	■	■	■	-1.4%	-0.3%	■	■	■	■	0.7%	0.0%	■	■	■	■	9.9%	8.3%	■	■	■	■
GM - Pre Retirement AGG 6-10 2030	19.4 bp	20.7 bp	-1.3 bp	■	■	■	■	■	-17.2%	-16.0%	■	■	■	■	4.7%	4.0%	■	■	■	■	-1.7%	-0.2%	■	■	■	■	0.4%	0.0%	■	■	■	■	11.3%	9.7%	■	■	■	■
GM - Pre Retirement AGG 11-15 2035	20.6 bp	21.1 bp	-0.5 bp	■	■	■	■	■	-17.7%	-16.6%	■	■	■	■	4.8%	4.5%	■	■	■	■	-1.7%	-0.1%	■	■	■	■	0.1%	0.0%	■	■	■	■	12.7%	10.6%	■	■	■	■
GM - Pre Retirement AGG 16-20 2040	21.4 bp	21.5 bp	-0.1 bp	■	■	■	■	■	-18.0%	-17.2%	■	■	■	■	4.9%	4.8%	■	■	■	■	-1.7%	-0.2%	■	■	■	■	0.0%	0.0%	■	■	■	■	13.6%	12.1%	■	■	■	■
GM - Pre Retirement AGG 21-25 - 2045	21.6 bp	21.8 bp	-0.1 bp	■	■	■	■	■	-18.2%	-17.5%	■	■	■	■	n/a	5.2%	■	■	■	■	-1.7%	-0.1%	■	■	■	■	n/a	0.0%	■	■	■	■	14.2%	13.2%	■	■	■	■
GM - Pre Retirement AGG 26+ 2055	21.6 bp	21.7 bp	-0.1 bp	■	■	■	■	■	-18.2%	-17.8%	■	■	■	■	n/a	5.3%	■	■	■	■	-1.7%	0.0%	■	■	■	■	n/a	0.1%	■	■	■	■	14.2%	13.9%	■	■	■	■
GM - Post Retirement - 0-5 CON 2020	15.7 bp	16.1 bp	-0.4 bp	■	■	■	■	■	-10.8%	-14.1%	■	■	■	■	n/a	3.4%	■	■	■	■	-1.2%	-0.4%	■	■	■	■	n/a	-0.2%	■	■	■	■	4.7%	7.0%	■	■	■	■
GM - Post Retirement - 6-10 CON 2010	15.4 bp	15.7 bp	-0.3 bp	■	■	■	■	■	-10.0%	-12.7%	■	■	■	■	n/a	2.7%	■	■	■	■	-1.2%	-0.2%	■	■	■	■	n/a	0.0%	■	■	■	■	4.3%	6.0%	■	■	■	■
GM - Post Retirement - 11+ CON Income	15.0 bp	14.9 bp	0.1 bp	■	■	■	■	■	-9.4%	-12.7%	■	■	■	■	n/a	2.7%	■	■	■	■	-1.1%	-0.2%	■	■	■	■	n/a	0.0%	■	■	■	■	4.1%	6.0%	■	■	■	■
GM - Post Retirement 0-5 MOD 2020	16.3 bp	17.6 bp	-1.2 bp	■	■	■	■	■	-13.1%	-14.1%	■	■	■	■	n/a	3.4%	■	■	■	■	-1.3%	-0.4%	■	■	■	■	n/a	-0.2%	■	■	■	■	6.6%	7.0%	■	■	■	■
GM - Post Retirement 6-10 MOD 2010	15.9 bp	16.6 bp	-0.7 bp	■	■	■	■	■	-11.6%	-12.7%	■	■	■	■	n/a	2.7%	■	■	■	■	-0.9%	-0.2%	■	■	■	■	n/a	0.0%	■	■	■	■	5.9%	6.0%	■	■	■	■
GM - Post Retirement 11+ MOD Income	15.5 bp	15.6 bp	-0.1 bp	■	■	■	■	■	-10.6%	-12.7%	■	■	■	■	n/a	2.7%	■	■	■	■	-1.1%	-0.2%	■	■	■	■	n/a	0.0%	■	■	■	■	5.4%	6.0%	■	■	■	■
GM - Post Retirement AGG 0-5 2020	16.9 bp	18.4 bp	-1.5 bp	■	■	■	■	■	-14.8%	-14.1%	■	■	■	■	n/a	3.4%	■	■	■	■	-1.4%	-0.4%	■	■	■	■	n/a	-0.2%	■	■	■	■	8.7%	7.0%	■	■	■	■
GM - Post Retirement AGG 6-10 2010	16.6 bp	17.5 bp	-1.0 bp	■	■	■	■	■	-13.3%	-12.7%	■	■	■	■	n/a	2.7%	■	■	■	■	-1.3%	-0.2%	■	■	■	■	n/a	0.0%	■	■	■	■	8.0%	6.0%	■	■	■	■
GM - Post Retirement AGG 11+ Income	16.3 bp	16.9 bp	-0.6 bp	■	■	■	■	■	-12.3%	-12.7%	■	■	■	■	n/a	2.7%	■	■	■	■	-1.2%	-0.2%	■	■	■	■	n/a	0.0%	■	■	■	■	7.2%	6.0%	■	■	■	■

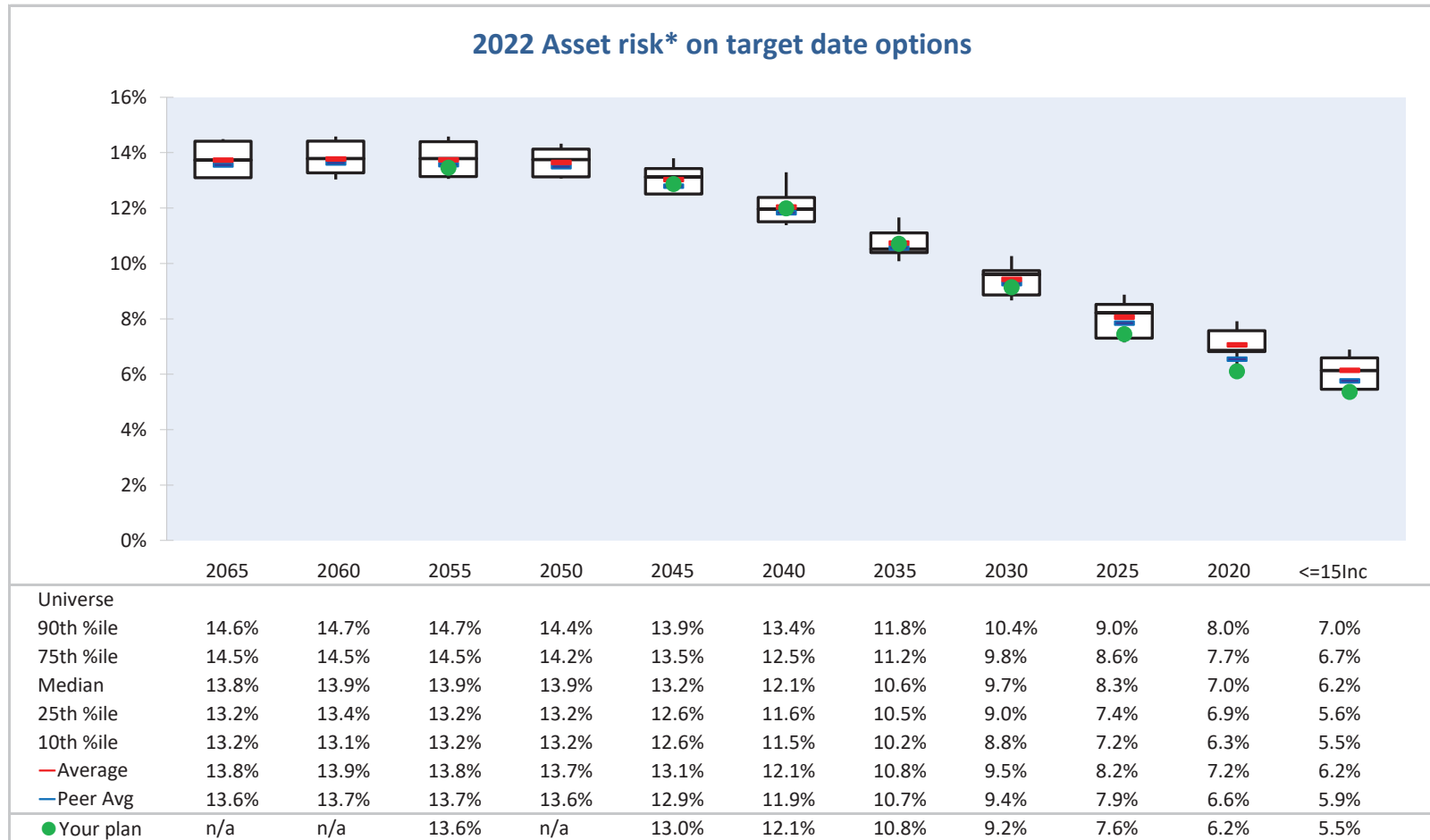
In the 'Rank' graphic, one colored square (Low) is a percentile ranking of 0% to 10%, two squares is 10.1% to 25%, three squares is 25.1% to 75%, 4 squares is 75.1% to 90%, and 5 squares (High) is 90.1% to 100%. Highlighting is not applied if there are fewer than 5 observations.

*Asset Risk is calculated for target date and balanced options. It is based on the expected volatility of an option given the reported asset mix. This approach allows comparison of your fund to peers and the universe using a consistent risk metric.

Comparisons of the net returns of your target date options relative to the peers and the U.S. universe is shown below.



Comparisons of the asset risk or expected volatility of your target date options relative to the peers and the U.S. universe is shown below.

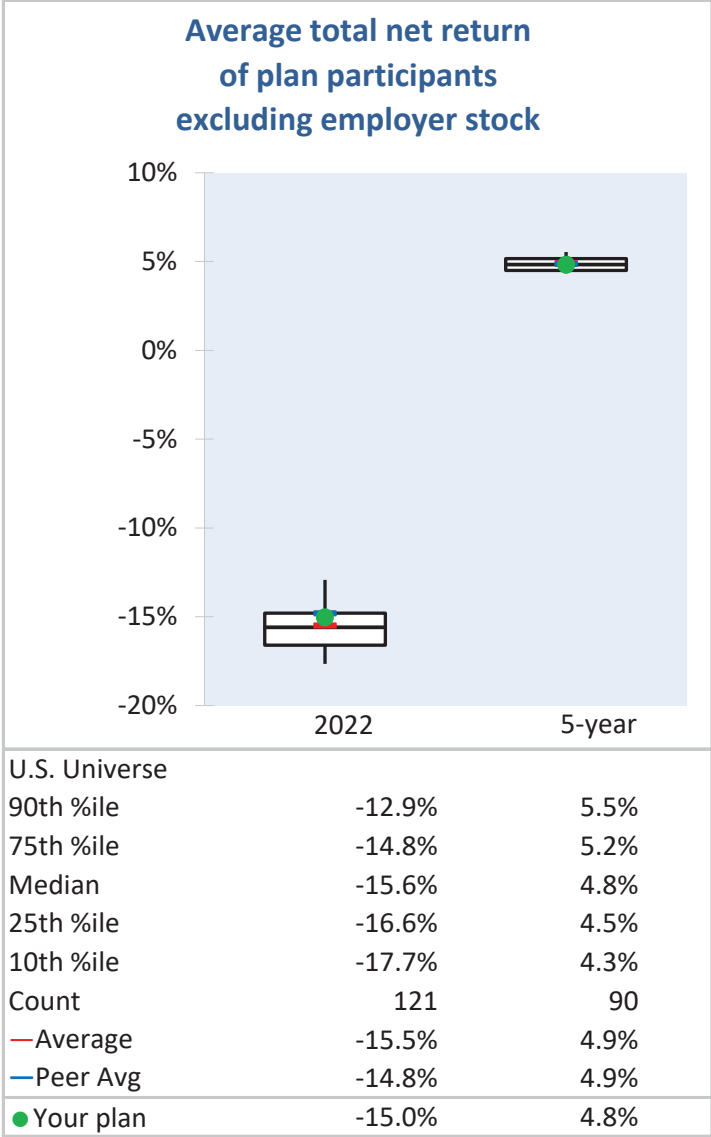


*Asset Risk is calculated for target date and balanced options. It is based on the expected volatility of an option given the reported asset mix. This approach allows comparison of your fund to peers and the universe using a consistent risk metric.

Excluding the impact of employer stock, your participants' weighted average 5-year total net return was 4.8%. This compares to a U.S. median of 4.8%.

Employer stock can have such a large impact on performance and is therefore shown excluding its impact.

In 2022, the average participant in our U.S. universe had 7%.



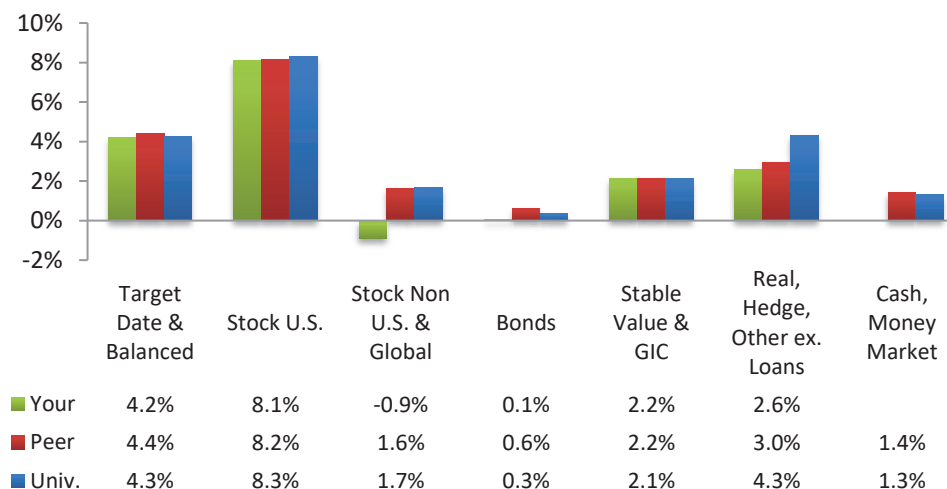
Differences in participants' weighted average net total return are a result of differences in their collective fund allocation and asset category returns.

The best performing asset category of the past 5 years was U.S. Stock, which had an average category return of 8.3%. This compares to the poorest performing asset category return of 0.3%, which was Bonds.

Differences in asset category return reflects both investment option performance and the mix of styles (for example broad, mid cap) in the category.

Your 5-year fund allocation is compared to your peers and the U.S. universe on the table on the right.

Average 5-year net returns by major asset category



Participants' 5-year fund allocation*

	Your Plan	Peer Average	U.S. Universe
Target Date & Balanced	42%	30%	29%
Stock U.S.	34%	37%	33%
Stock Non U.S. & Global	4%	6%	7%
Bonds	4%	7%	7%
Stable Value & GIC	15%	17%	10%
Real, Hedge, Other ex. Loans	1%	1%	1%
Cash, Money Market	0%	1%	2%
Total	100%	100%	90%

* Excludes self-directed windows.

** Total does not add due to the removal of Employer stock which is not applicable for your plan.