



## BenchmarkDC Executive Summary

for

North Carolina Supplemental Retirement Plans  
(for the 5 years ending December 31, 2020)

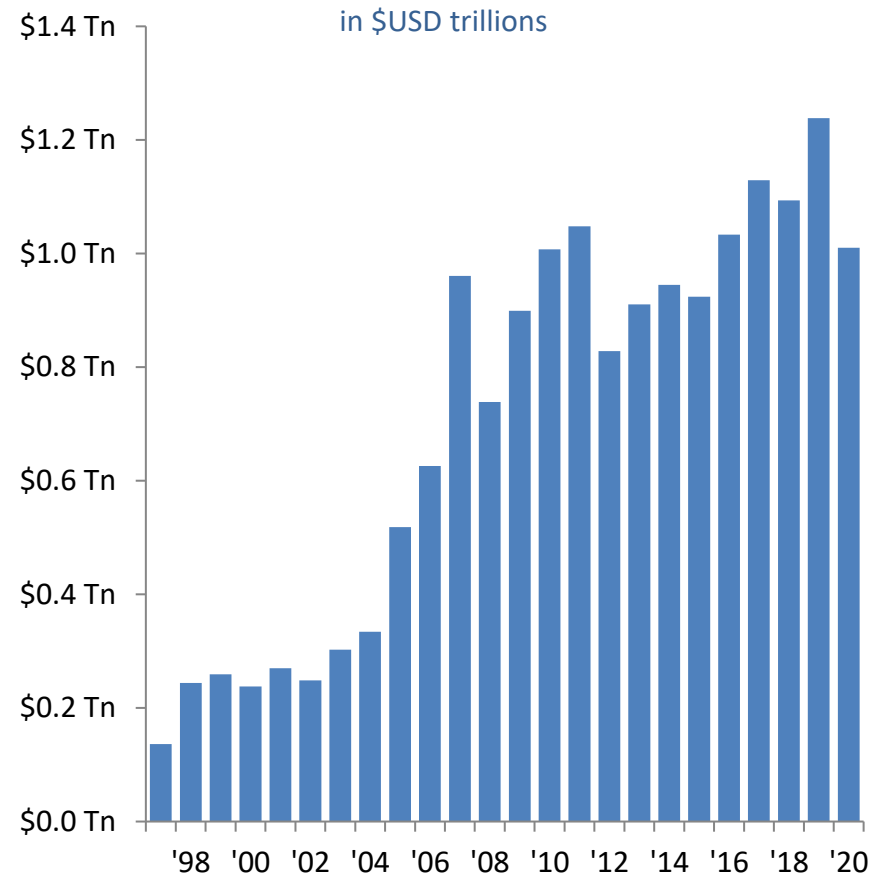


## CEM has been helping plan sponsors understand their unique DC plans since 1997.

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

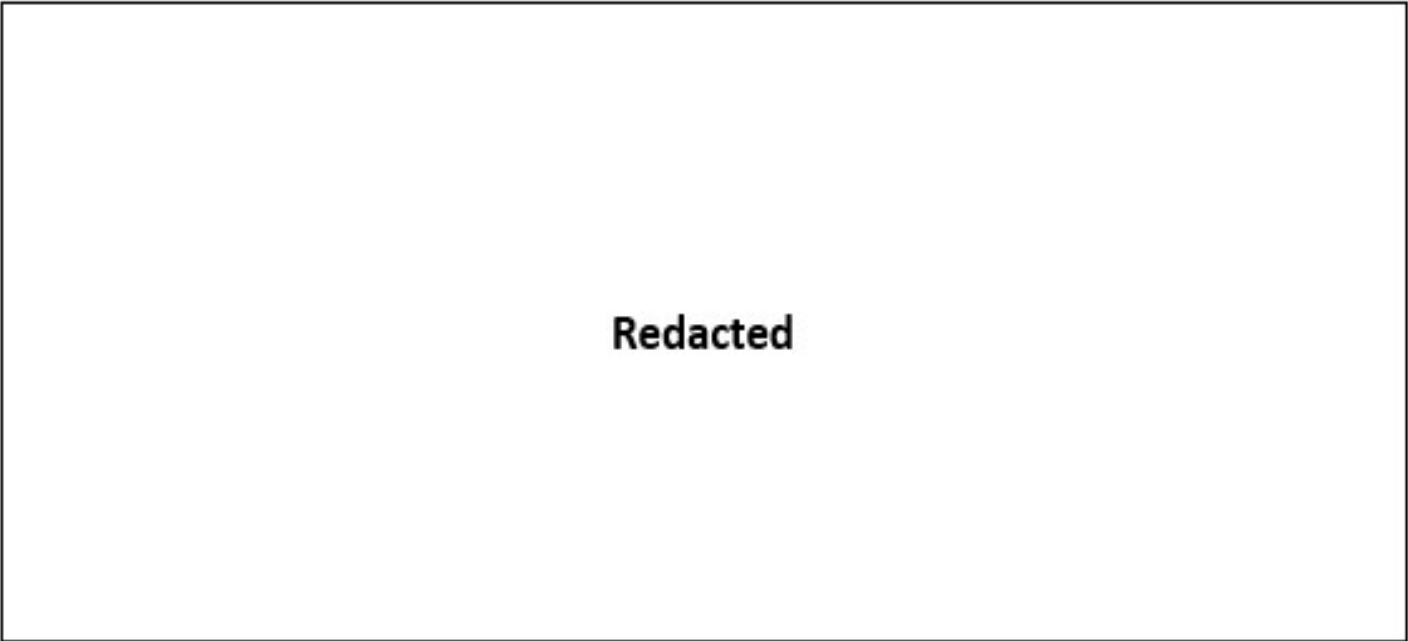
CEM's 2020 DC database consists of 103 U.S. large, blue chip corporate and government plans representing \$1,010 billion in assets and 8.1 million participants.

### Participating Defined Contribution Benchmarking Assets



**Your peer group is comprised of 13 DC plans. Their assets ranged from \$3.8 billion to \$18.2 billion versus your \$14.6 billion. Your peer group is used to benchmark your costs.**

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



The names of the above fund sponsors in your peer group are confidential and may not be disclosed to third parties. All other information in this report is confidential and may not be disclosed to third parties without the express written mutual consent of CEM Benchmarking Inc. and North Carolina Supplemental Retirement Plans.

**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                   | 103                  |
| Plan assets                                |           |                      |                      |
| - Smallest to largest                      | \$14.6 BN | \$3.8 BN - \$18.2 BN | \$72 mil - \$68.7 BN |
| - Median                                   | \$14.6 BN | \$11.4 BN            | \$6.8 BN             |
| Account balance of average participant     |           |                      |                      |
| - Median                                   | \$45,000  | \$56,000             | \$170,000            |
| % retired or separated with assets in plan | 26%       | 33%                  | 34%                  |
| Average % of assets indexed                | 44%       | 59%                  | 65%                  |
| Average # of investment options            | 12        | 14                   | 15                   |
| Corporate, Public                          | Public    | 0 Corp, 13 Public    | 80 Corp, 23 Public   |

## Your investment line up compared to your peer group average and the universe average.

You have 12 investment options compared to a peer average of 13.8 and a U.S. universe average of 15.0. 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 especially important because participants often both opt for, and remain in, the default investment option. Your default option is Target Date\* (GoalMaker service), specifically the moderate risk GoalMaker asset allocation based on the number of years to retirement (at age 62). Target date funds are the default option for 92% of your peers and 86% 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.

All of your GoalMaker portfolios have been included in this report as target date options for benchmarking purposes. Target date families are treated as one option. You have 27 target date options compared to a peer average of 11.8 and a universe average of 10.3.

### Type and number of investment options

|                                 | Your Plan | Peer Average | Universe Average |
|---------------------------------|-----------|--------------|------------------|
| Stock Employer                  |           | 0.0          | 0.6              |
| Stock U.S.                      | 4         | 4.8          | 5.1              |
| Stock Non U.S. & Global         | 2         | 1.8          | 2.4              |
| Bonds                           | 3         | 2.6          | 2.7              |
| Stable Value & GIC              | 1         | 0.8          | 0.7              |
| Cash, Money Market              |           | 0.7          | 0.6              |
| Target Date (GoalMaker service) | 1         | 1.0          | 0.9              |
| Balanced                        |           | 0.6          | 0.7              |
| Mutual Fund Window              |           | 0.5          | 0.1              |
| Participant Brokerage Account   |           | 0.5          | 0.4              |
| Real, Hedge, Other ex. Loans    | 1         | 0.5          | 0.8              |
| <b>Total*</b>                   | <b>12</b> | <b>13.8</b>  | <b>15.0</b>      |

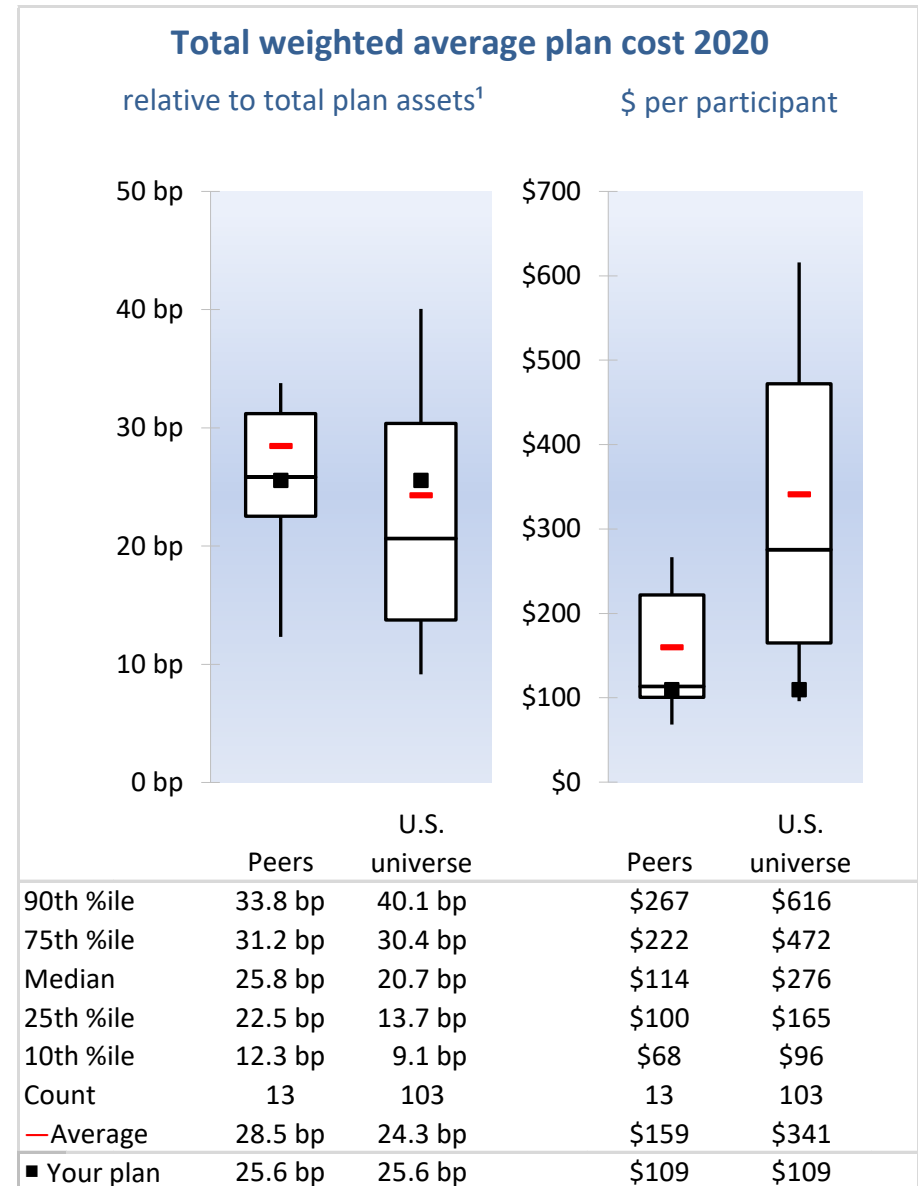
Target date families are treated as one option. You have 27 target date options compared to a peer average of 11.8 and a universe average of 10.3.

### Default option

|                                 | Your Plan | Peer Average | Universe Average |
|---------------------------------|-----------|--------------|------------------|
| Balanced                        |           | 0%           | 4%               |
| Target Date (GoalMaker service) | Yes       | 92%          | 86%              |
| Managed account                 |           | 0%           | 4%               |
| Stable Value                    |           | 0%           | 0%               |
| Money Market                    |           | 0%           | 0%               |
| Other                           |           | 0%           | 1%               |
| No default option               |           | 8%           | 5%               |
| <b>Total</b>                    |           | <b>100%</b>  | <b>100%</b>      |

## Your participants' weighted average total cost was 25.6 bps of total plan assets or \$109 per participant.

Your peers' weighted average total cost was 28.5 bps (0.285%) 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.



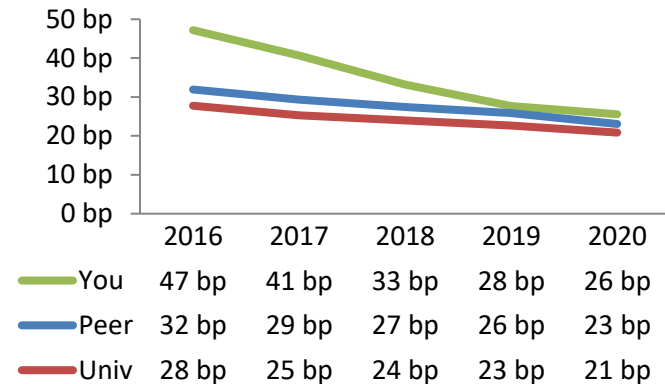
1. One basis point (bp) is equal to 1/100th of 1%, or 0.01%

# Your participants' weighted average total costs decreased from 47.2 bps of plan assets in 2016 to 25.6 bps in 2020.

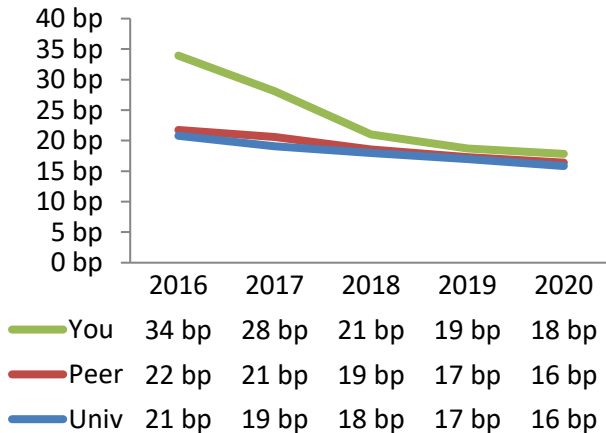
Your costs decreased primarily because your participants increased their holdings of indexed assets from 29% in 2016 to 44% in 2020.

During the same period, total plan costs decreased for the U.S. universe, from 27.8 bps of plan assets in 2016 to 20.9 bps in 2020. The primary reason for the decline is that indexed assets increased from 60% of total 'indexable assets' in 2016 to 66% in 2020.

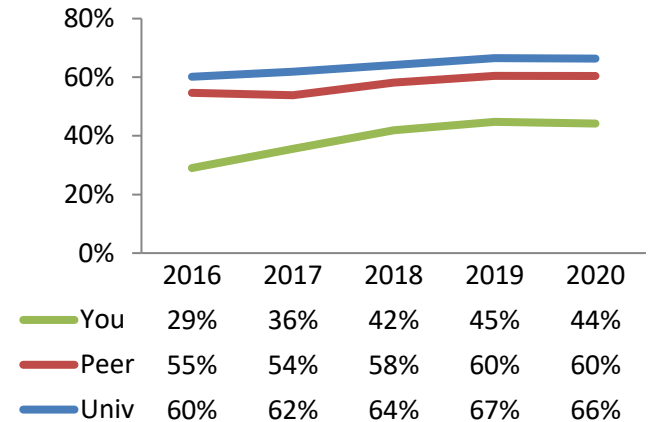
Trend in total plan costs - % of assets



Average investment costs as a % of plan assets



Indexed options as a % of indexable\* assets



\* Indexable option types are those where both indexed and active management styles exist. Thus stable value funds are excluded from the calculation for the purpose of this comparison.

Trend analyses on this page are based on the 73 universe funds and 9 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. To compare target date funds, which include your GoalMaker service\*, the custom benchmark cost is adjusted for the asset mix of these options.

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

### Your participants' weighted average

|                                  | \$000's  | bps     |
|----------------------------------|----------|---------|
| Total actual cost                | \$35,194 | 25.6 bp |
| Custom peer-based benchmark cost | \$38,704 | 28.1 bp |
| Difference                       | -\$3,510 | -2.5 bp |

### Reasons for differences in actual vs. benchmark cost

| Cumulative impact of differences in:  | \$000's  | bps     |
|---|----------|---------|
| Fees paid for similar options   | -\$4,184 | -3.0 bp |
| Participants' allocation in indexed vs active options<br>(your participants' 44% indexed vs peers' 59%) | \$4,990  | 3.6 bp  |
| Fees paid for administrative services<br>(your 7.7 bps of plan assets vs 10.7 bps for your peers)       | -\$4,141 | -3.0 bp |
| Assets in mutual fund windows   | -\$176   | -0.1 bp |
| Total explained   | -\$3,510 | -2.5 bp |

\* 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.



## Your target date funds were all below their benchmark costs. To benchmark the cost of each target date fund, we adjust for its unique asset mix and implementation style.

It is done in a two step process: The first step calculates a cost based on each Target Date's asset mix and implementation style using standard costs. The second step adjusts for your economies of scale using peer data.

### Example of the benchmark cost calculation using your Pre Retirement AGG 21-25 - 2040 option

| Asset Class  | You              |                  | Standard Costs |                | Benchmark Cost, bps                     |                     |
|--|------------------|------------------|----------------|----------------|---|---------------------|
|  | % Holding<br>(A) | % Passive<br>(B) | Active<br>(C)  | Indexed<br>(D) | Cost<br>$E=(1-B) \times C + B \times D$ | Total Cost<br>A x E |
| Stock U.S., broad/large cap                              | 34%              | 100%             | 42 bp          | 3 bp           | 3 bp                                    | 1.0 bp              |
| Stock U.S., mid/small cap                                | 14%              | 29%              | 62 bp          | 4 bp           | 45 bp                                   | 6.3 bp              |
| Stock non-U.S.   | 31%              | 0%               | 56 bp          | 6 bp           | 56 bp                                   | 17.2 bp             |
| Stock emerging   | 9%               | 0%               | 85 bp          | 10 bp          | 85 bp                                   | 7.8 bp              |
| Bonds core   | 2%               | 0%               | 31 bp          | 3 bp           | 31 bp                                   | 0.6 bp              |
| TIPS   | 3%               | 100%             | 15 bp          | 3 bp           | 3 bp                                    | 0.1 bp              |
| Stable value   | 0%               | --               | 30 bp          | --             | --                                      | --                  |
| Cash   | 0%               | --               | 10 bp          | --             | --                                      | --                  |
| Fixed income other                                       | 0%               | --               | 46 bp          | 9 bp           | --                                      | --                  |
| Commodities  | 3%               | 100%             | 75 bp          | 11 bp          | 11 bp                                   | 0.4 bp              |
| REITs  | 3%               | 100%             | 54 bp          | 9 bp           | 9 bp                                    | 0.3 bp              |
| Real estate  | 0%               | --               | 112 bp         | --             | --                                      | --                  |
| Private equity   | 0%               | --               | 195 bp         | --             | --                                      | --                  |
| Risk parity  | 0%               | --               | 43 bp          | --             | --                                      | --                  |
| Other  | 0%               | --               | 64 bp          | 17 bp          | --                                      | --                  |
| First step benchmark cost (sum of total cost column)     |                  |                  |                |                |   | 33.8 bp             |
| Peer group based multiplier (adjusts for size economies) |                  |                  |                |                |   | 0.68                |
| Benchmark cost = First step estimate cost x multiplier   |                  |                  |                |                |   | 23.0 bp             |
| Your actual cost   |                  |                  |                |                |   | 17.9 bp             |
| Cost difference  |                  |                  |                |                |   | -5.1 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 55.

| Investment Option*                   | Cost 2020 |         |            |               |      | Net Return 2020 |          |               |      | Net Return 5-year |          |               |      | Net Value Added 2020 |          |               |      | Net Value Added 5-year |          |               |      | Risk 2020 |          |               |      |
|--------------------------------------|-----------|---------|------------|---------------|------|-----------------|----------|---------------|------|-------------------|----------|---------------|------|----------------------|----------|---------------|------|------------------------|----------|---------------|------|-----------|----------|---------------|------|
|                                      | Your Cost | BM Cost | Cost diff. | Rank vs. Peer |      | Univ Your       | Univ Med | Rank vs. Univ |      | Univ Your         | Univ Med | Rank vs. Univ |      | Univ Your            | Univ Med | Rank vs. Univ |      | Univ Your              | Univ Med | Rank vs. Univ |      | Univ Your | Univ Med | Rank vs. Univ |      |
|                                      |           |         |            | Low           | High |                 |          | Low           | High |                   |          | Low           | High |                      |          | Low           | High |                        |          | Low           | High |           |          | Low           | High |
| BR - NC Large Cap Passive            | 0.5 bp    | 1.3 bp  | -0.8 bp    | ■             | ■    | 18.4%           | 18.4%    | ■             | ■    | 15.2%             | 15.2%    | ■             | ■    | 0.0%                 | 0.0%     | ■             | ■    | 0.0%                   | 0.0%     | ■             | ■    | --        | --       | ■             | ■    |
| MM - NC Large Cap Core               | 28.1 bp   | 27.7 bp | 0.4 bp     | ■             | ■    | 25.2%           | 24.6%    | ■             | ■    | n/a               | 16.0%    | ■             | ■    | 4.2%                 | 1.7%     | ■             | ■    | n/a                    | -0.3%    | ■             | ■    | --        | --       | ■             | ■    |
| BR - NC SMID Cap Passive             | 0.5 bp    | 3.0 bp  | -2.5 bp    | ■             | ■    | 19.8%           | 32.1%    | ■             | ■    | 13.5%             | 13.7%    | ■             | ■    | -0.2%                | -0.1%    | ■             | ■    | -0.1%                  | 0.0%     | ■             | ■    | --        | --       | ■             | ■    |
| Multi-Manager - NC SMID Cap Core     | 31.0 bp   | 42.8 bp | -11.8 bp   | ■             | ■    | 19.2%           | 18.5%    | ■             | ■    | n/a               | 12.3%    | ■             | ■    | -0.8%                | -0.8%    | ■             | ■    | n/a                    | 0.2%     | ■             | ■    | --        | --       | ■             | ■    |
| BR - NC International Passive fund   | 2.1 bp    | 5.0 bp  | -2.9 bp    | ■             | ■    | 10.8%           | 11.2%    | ■             | ■    | 9.3%              | 9.1%     | ■             | ■    | 0.2%                 | 0.2%     | ■             | ■    | 0.0%                   | 0.3%     | ■             | ■    | --        | --       | ■             | ■    |
| MM - NC International Equity         | 32.1 bp   | 46.0 bp | -13.9 bp   | ■             | ■    | 14.2%           | 16.9%    | ■             | ■    | 10.8%             | 10.2%    | ■             | ■    | 3.5%                 | 6.3%     | ■             | ■    | 1.6%                   | 1.8%     | ■             | ■    | --        | --       | ■             | ■    |
| BR - NC Fixed Income Passive fund    | 2.0 bp    | 3.6 bp  | -1.0 bp    | ■             | ■    | 7.4%            | 7.6%     | ■             | ■    | 4.3%              | 4.4%     | ■             | ■    | -0.1%                | 0.0%     | ■             | ■    | -0.1%                  | 0.0%     | ■             | ■    | --        | --       | ■             | ■    |
| MM - NC Fixed Income                 | 12.4 bp   | 19.0 bp | -6.6 bp    | ■             | ■    | 9.5%            | 8.9%     | ■             | ■    | 5.7%              | 5.3%     | ■             | ■    | 2.0%                 | 1.4%     | ■             | ■    | 1.2%                   | 0.7%     | ■             | ■    | --        | --       | ■             | ■    |
| BR - NC TIPS                         | 2.5 bp    | 2.8 bp  | -0.3 bp    | ■             | ■    | 8.4%            | 11.0%    | ■             | ■    | n/a               | 5.0%     | ■             | ■    | 0.0%                 | 0.0%     | ■             | ■    | n/a                    | 0.0%     | ■             | ■    | --        | --       | ■             | ■    |
| Galliard - NC Stable Value           | 27.3 bp   | 25.0 bp | 2.3 bp     | ■             | ■    | 2.4%            | 2.2%     | ■             | ■    | 2.2%              | 2.2%     | ■             | ■    | 2.0%                 | 1.2%     | ■             | ■    | 0.4%                   | 0.6%     | ■             | ■    | --        | --       | ■             | ■    |
| BR - NC Inflation Sensitive          | 9.0 bp    | 17.0 bp | -8.0 bp    | ■             | ■    | 2.5%            | 2.5%     | ■             | ■    | n/a               | 4.5%     | ■             | ■    | 0.2%                 | 0.2%     | ■             | ■    | n/a                    | 0.0%     | ■             | ■    | --        | --       | ■             | ■    |
| GM - Pre Retirement - 0-5 CON 2020   | 15.2 bp   | 18.0 bp | -2.8 bp    | ■             | ■    | 11.3%           | 12.1%    | ■             | ■    | n/a               | 9.0%     | ■             | ■    | 1.4%                 | -0.2%    | ■             | ■    | n/a                    | -0.1%    | ■             | ■    | 5.4%      | 7.8%     | ■             | ■    |
| GM - Pre Retirement - 6-10 CON 2025  | 15.8 bp   | 20.9 bp | -5.1 bp    | ■             | ■    | 12.3%           | 13.3%    | ■             | ■    | n/a               | 9.9%     | ■             | ■    | 1.4%                 | 0.1%     | ■             | ■    | n/a                    | 0.1%     | ■             | ■    | 6.4%      | 9.0%     | ■             | ■    |
| GM - Pre Retirement - 11-15 CON 2030 | 15.8 bp   | 20.8 bp | -5.0 bp    | ■             | ■    | 11.8%           | 14.1%    | ■             | ■    | n/a               | 10.5%    | ■             | ■    | -1.4%                | 0.1%     | ■             | ■    | n/a                    | 0.0%     | ■             | ■    | 7.4%      | 10.3%    | ■             | ■    |
| GM - Pre Retirement - 16-20 CON 2035 | 16.4 bp   | 22.9 bp | -6.5 bp    | ■             | ■    | 14.0%           | 14.8%    | ■             | ■    | n/a               | 11.1%    | ■             | ■    | 1.4%                 | 0.1%     | ■             | ■    | n/a                    | 0.1%     | ■             | ■    | 8.9%      | 11.3%    | ■             | ■    |
| GM - Pre Retirement - 21-25 CON 2040 | 16.2 bp   | 22.4 bp | -6.2 bp    | ■             | ■    | 14.8%           | 15.5%    | ■             | ■    | n/a               | 11.6%    | ■             | ■    | 1.2%                 | 0.0%     | ■             | ■    | n/a                    | 0.0%     | ■             | ■    | 10.2%     | 12.5%    | ■             | ■    |
| GM - Pre Retirement - 26+ CON 2050   | 16.9 bp   | 22.7 bp | -5.8 bp    | ■             | ■    | 15.2%           | 16.3%    | ■             | ■    | n/a               | 12.1%    | ■             | ■    | 1.2%                 | 0.0%     | ■             | ■    | n/a                    | 0.1%     | ■             | ■    | 11.6%     | 13.6%    | ■             | ■    |
| GM - Pre Retirement - 0-5 MOD 2020   | 15.5 bp   | 19.2 bp | -3.7 bp    | ■             | ■    | 13.0%           | 12.1%    | ■             | ■    | n/a               | 9.0%     | ■             | ■    | 1.3%                 | -0.2%    | ■             | ■    | n/a                    | -0.1%    | ■             | ■    | 7.4%      | 7.8%     | ■             | ■    |
| GM - Pre Retirement - 6-10 MOD 2025  | 16.2 bp   | 22.0 bp | -5.8 bp    | ■             | ■    | 13.8%           | 13.3%    | ■             | ■    | n/a               | 9.9%     | ■             | ■    | 1.3%                 | 0.1%     | ■             | ■    | n/a                    | 0.1%     | ■             | ■    | 8.8%      | 9.0%     | ■             | ■    |
| GM - Pre Retirement - 11-15 MOD 2030 | 16.7 bp   | 22.1 bp | -5.4 bp    | ■             | ■    | 14.6%           | 14.1%    | ■             | ■    | n/a               | 10.5%    | ■             | ■    | 1.3%                 | 0.1%     | ■             | ■    | n/a                    | 0.0%     | ■             | ■    | 10.2%     | 10.3%    | ■             | ■    |
| GM - Pre Retirement - 16-20 MOD 2035 | 16.9 bp   | 23.1 bp | -6.2 bp    | ■             | ■    | 15.2%           | 14.8%    | ■             | ■    | n/a               | 11.1%    | ■             | ■    | 1.2%                 | 0.1%     | ■             | ■    | n/a                    | 0.1%     | ■             | ■    | 11.6%     | 11.3%    | ■             | ■    |
| GM - Pre Retirement - 21-25 MOD 2040 | 17.3 bp   | 22.9 bp | -5.6 bp    | ■             | ■    | 15.2%           | 15.5%    | ■             | ■    | n/a               | 11.6%    | ■             | ■    | 1.2%                 | 0.0%     | ■             | ■    | n/a                    | 0.0%     | ■             | ■    | 12.7%     | 12.5%    | ■             | ■    |
| GM - Pre Retirement - 26+ MOD 2050   | 17.7 bp   | 22.9 bp | -5.2 bp    | ■             | ■    | 15.6%           | 16.3%    | ■             | ■    | n/a               | 12.1%    | ■             | ■    | 1.3%                 | 0.0%     | ■             | ■    | n/a                    | 0.1%     | ■             | ■    | 13.7%     | 13.6%    | ■             | ■    |
| GM - Pre Retirement AGG 0-5 - 2020   | 15.3 bp   | 18.3 bp | -3.0 bp    | ■             | ■    | 18.4%           | 12.1%    | ■             | ■    | n/a               | 9.0%     | ■             | ■    | 4.8%                 | -0.2%    | ■             | ■    | n/a                    | -0.1%    | ■             | ■    | 8.7%      | 7.8%     | ■             | ■    |
| GM - Pre Retirement AGG 6-10 2025    | 16.6 bp   | 22.7 bp | -6.1 bp    | ■             | ■    | 17.5%           | 13.3%    | ■             | ■    | n/a               | 9.9%     | ■             | ■    | 3.8%                 | 0.1%     | ■             | ■    | n/a                    | 0.1%     | ■             | ■    | 11.3%     | 9.0%     | ■             | ■    |
| GM - Pre Retirement AGG 11-15 2030   | 17.3 bp   | 22.6 bp | -5.3 bp    | ■             | ■    | 16.5%           | 14.1%    | ■             | ■    | n/a               | 10.5%    | ■             | ■    | 2.5%                 | 0.1%     | ■             | ■    | n/a                    | 0.0%     | ■             | ■    | 12.7%     | 10.3%    | ■             | ■    |
| GM - Pre Retirement AGG 16-20 2035   | 17.8 bp   | 23.5 bp | -5.7 bp    | ■             | ■    | 15.9%           | 14.8%    | ■             | ■    | n/a               | 11.1%    | ■             | ■    | 1.7%                 | 0.1%     | ■             | ■    | n/a                    | 0.1%     | ■             | ■    | 13.6%     | 11.3%    | ■             | ■    |
| GM - Pre Retirement AGG 21-25 - 2040 | 17.9 bp   | 23.0 bp | -5.1 bp    | ■             | ■    | 15.3%           | 15.5%    | ■             | ■    | n/a               | 11.6%    | ■             | ■    | 1.2%                 | 0.0%     | ■             | ■    | n/a                    | 0.0%     | ■             | ■    | 14.2%     | 12.5%    | ■             | ■    |
| GM - Pre Retirement AGG 26+ 2050     | 17.9 bp   | 22.9 bp | -5.0 bp    | ■             | ■    | 15.3%           | 16.3%    | ■             | ■    | n/a               | 12.1%    | ■             | ■    | 1.2%                 | 0.0%     | ■             | ■    | n/a                    | 0.1%     | ■             | ■    | 14.2%     | 13.6%    | ■             | ■    |

continued on following page..

BR = BlackRock; MM = MultiManager, NC = North Carolina, GM = GoalMaker

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.

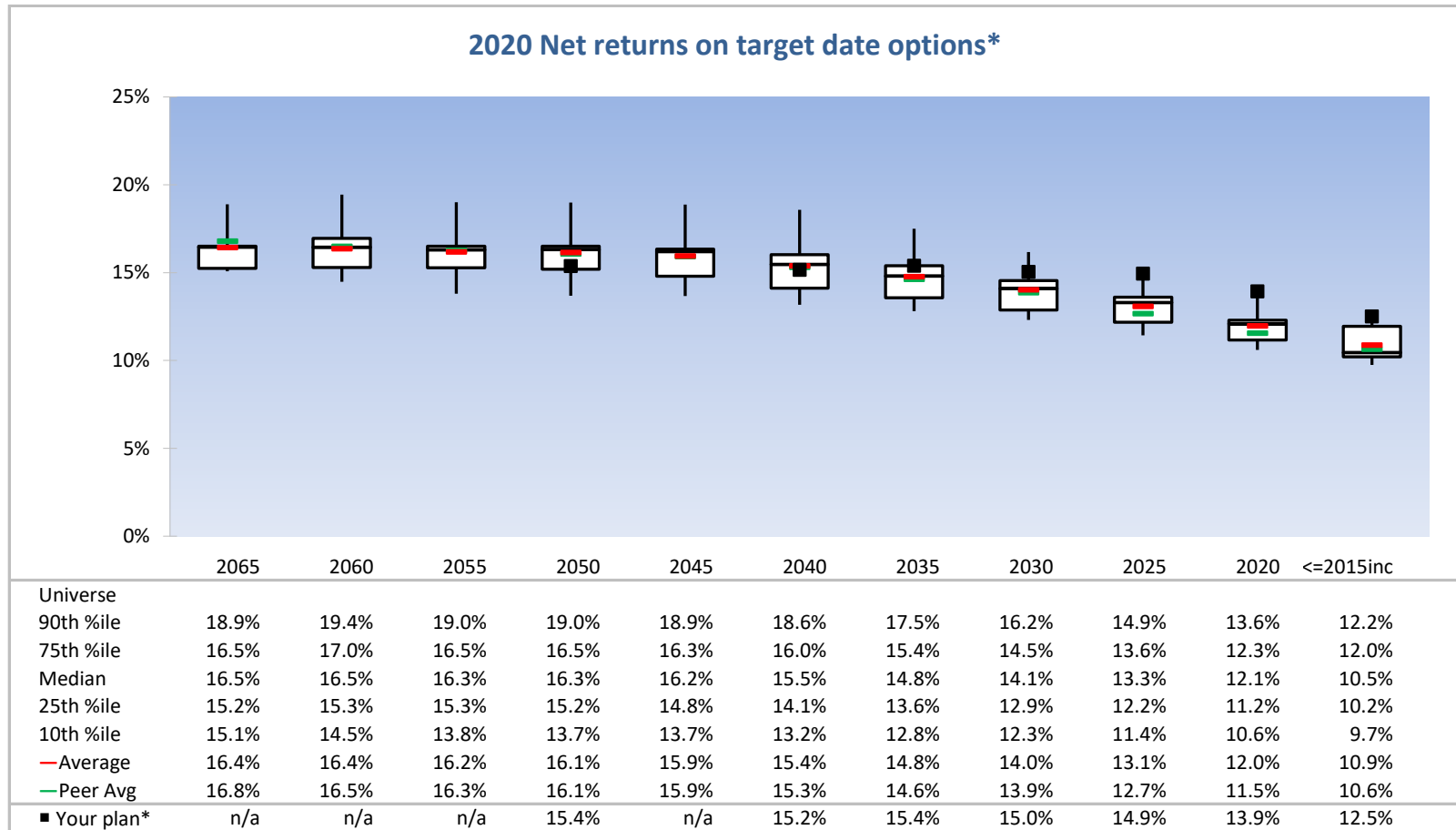
# Continued - Comparisons of investment option cost, performance and risk

| Investment Option                     | Cost 2020 |         |         |               |      | Net Return 2020 |     |               |      | Net Return 5-year |       |               |      | Net Value Added 2020 |     |               |      | Net Value Added 5-yr |     |               |      | Risk 2020 |     |               |       |   |   |   |   |   |     |       |   |   |   |   |   |      |      |   |   |   |   |   |
|---------------------------------------|-----------|---------|---------|---------------|------|-----------------|-----|---------------|------|-------------------|-------|---------------|------|----------------------|-----|---------------|------|----------------------|-----|---------------|------|-----------|-----|---------------|-------|---|---|---|---|---|-----|-------|---|---|---|---|---|------|------|---|---|---|---|---|
|                                       | 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  |   |   |   |   |   |     |       |   |   |   |   |   |      |      |   |   |   |   |   |
| GM - Post Retirement - 0-5 CON 2015   | 15.1 bp   | 17.7 bp | -2.6 bp | ■             | ■    | ■               | ■   | ■             | ■    | 10.4%             | 10.4% | ■             | ■    | ■                    | ■   | ■             | n/a  | 7.9%                 | ■   | ■             | ■    | ■         | ■   | 1.4%          | -0.3% | ■ | ■ | ■ | ■ | ■ | n/a | -0.2% | ■ | ■ | ■ | ■ | ■ | 4.7% | 6.1% | ■ | ■ | ■ | ■ | ■ |
| GM - Post Retirement - 6-10 CON 2005  | 15.0 bp   | 17.4 bp | -2.4 bp | ■             | ■    | ■               | ■   | ■             | ■    | 9.8%              | 10.2% | ■             | ■    | ■                    | ■   | ■             | n/a  | 7.5%                 | ■   | ■             | ■    | ■         | ■   | 1.4%          | 0.1%  | ■ | ■ | ■ | ■ | ■ | n/a | 0.0%  | ■ | ■ | ■ | ■ | ■ | 4.3% | 5.8% | ■ | ■ | ■ | ■ | ■ |
| GM - Post Retirement - 11+ CON Income | 14.6 bp   | 16.4 bp | -1.8 bp | ■             | ■    | ■               | ■   | ■             | ■    | 9.5%              | 10.2% | ■             | ■    | ■                    | ■   | ■             | n/a  | 7.5%                 | ■   | ■             | ■    | ■         | ■   | 1.3%          | 0.1%  | ■ | ■ | ■ | ■ | ■ | n/a | 0.0%  | ■ | ■ | ■ | ■ | ■ | 4.1% | 5.8% | ■ | ■ | ■ | ■ | ■ |
| GM - Post Retirement 0-5 MOD 2015     | 15.1 bp   | 18.9 bp | -3.8 bp | ■             | ■    | ■               | ■   | ■             | ■    | 12.4%             | 10.4% | ■             | ■    | ■                    | ■   | ■             | n/a  | 7.9%                 | ■   | ■             | ■    | ■         | ■   | 1.3%          | -0.3% | ■ | ■ | ■ | ■ | ■ | n/a | -0.2% | ■ | ■ | ■ | ■ | ■ | 6.6% | 6.1% | ■ | ■ | ■ | ■ | ■ |
| GM - Post Retirement 6-10 MOD 2005    | 14.6 bp   | 17.9 bp | -3.3 bp | ■             | ■    | ■               | ■   | ■             | ■    | 11.4%             | 10.2% | ■             | ■    | ■                    | ■   | ■             | n/a  | 7.5%                 | ■   | ■             | ■    | ■         | ■   | 0.8%          | 0.1%  | ■ | ■ | ■ | ■ | ■ | n/a | 0.0%  | ■ | ■ | ■ | ■ | ■ | 5.9% | 5.8% | ■ | ■ | ■ | ■ | ■ |
| GM - Post Retirement 11+ MOD Income   | 14.6 bp   | 16.8 bp | -2.2 bp | ■             | ■    | ■               | ■   | ■             | ■    | 10.9%             | 10.2% | ■             | ■    | ■                    | ■   | ■             | n/a  | 7.5%                 | ■   | ■             | ■    | ■         | ■   | 1.2%          | 0.1%  | ■ | ■ | ■ | ■ | ■ | n/a | 0.0%  | ■ | ■ | ■ | ■ | ■ | 5.4% | 5.8% | ■ | ■ | ■ | ■ | ■ |
| GM - Post Retirement AGG 0-5 2015     | 15.0 bp   | 20.4 bp | -5.4 bp | ■             | ■    | ■               | ■   | ■             | ■    | 18.4%             | 10.4% | ■             | ■    | ■                    | ■   | ■             | n/a  | 7.9%                 | ■   | ■             | ■    | ■         | ■   | 5.6%          | -0.3% | ■ | ■ | ■ | ■ | ■ | n/a | -0.2% | ■ | ■ | ■ | ■ | ■ | 9.9% | 6.1% | ■ | ■ | ■ | ■ | ■ |
| GM - Post Retirement AGG 6-10 2005    | 15.0 bp   | 18.4 bp | -3.4 bp | ■             | ■    | ■               | ■   | ■             | ■    | 17.8%             | 10.2% | ■             | ■    | ■                    | ■   | ■             | n/a  | 7.5%                 | ■   | ■             | ■    | ■         | ■   | 5.8%          | 0.1%  | ■ | ■ | ■ | ■ | ■ | n/a | 0.0%  | ■ | ■ | ■ | ■ | ■ | 8.0% | 5.8% | ■ | ■ | ■ | ■ | ■ |
| GM - Post Retirement AGG 11+ Income   | 14.9 bp   | 17.7 bp | -2.8 bp | ■             | ■    | ■               | ■   | ■             | ■    | 17.3%             | 10.2% | ■             | ■    | ■                    | ■   | ■             | n/a  | 7.5%                 | ■   | ■             | ■    | ■         | ■   | 5.9%          | 0.1%  | ■ | ■ | ■ | ■ | ■ | n/a | 0.0%  | ■ | ■ | ■ | ■ | ■ | 7.2% | 5.8% | ■ | ■ | ■ | ■ | ■ |

BR = BlackRock; MM = MultiManager, NC = North Carolina, GM = GoalMaker

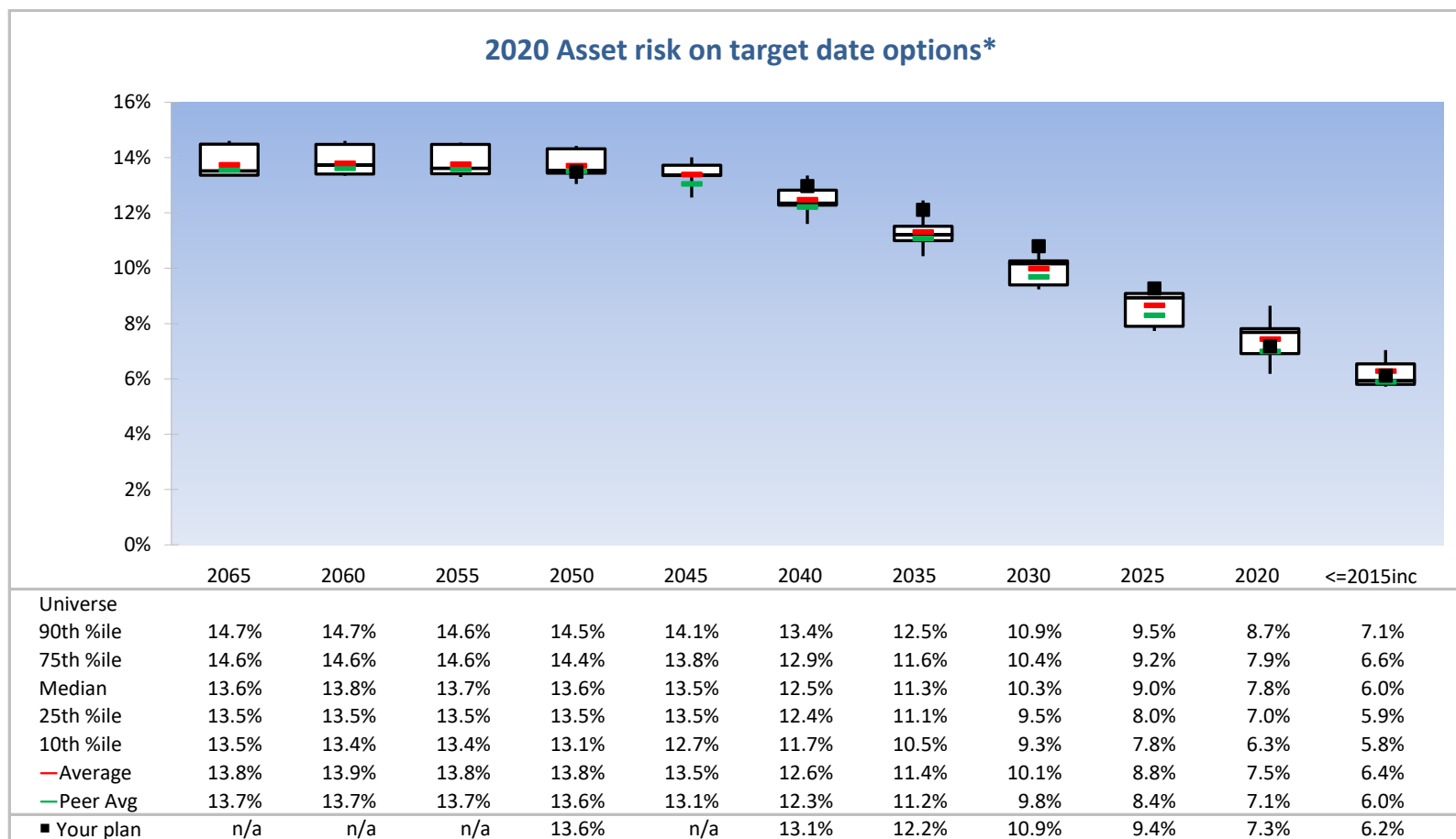
In the 'Rank' graphic, one colored square (Low) is a percentile ranking of 0% to 10%, two squares is 10.1% to 25%, three squares is 25.1% to 75%, 4 squares is 75.1% to 90%, and 5 squares (High) is 90.1% to 100%. Highlighting is not applied if there are fewer than 5 observations.

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



\*Your GoalMaker options have been assigned target date equivalent years based on the estimated term of the option. For example, GoalMaker options with 21-25 year horizons have been assigned 2040 for comparison purposes.

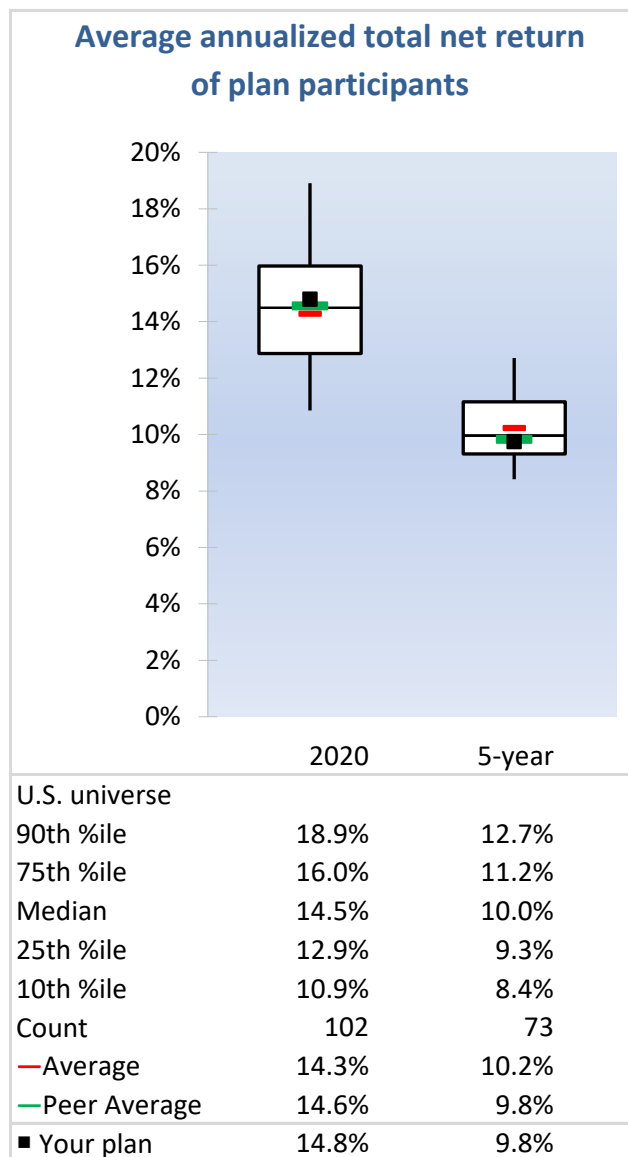
## Comparisons of the asset risk or expected volatility of your target date options\* relative to the peers and the U.S. universe is shown below.



\*Your GoalMaker options have been assigned target date equivalent years based on the estimated term of the option. For example, GoalMaker options with 21-25 year horizons have been assigned 2040 for comparison purposes.

## Your participants' total weighted average 5-year net return was 9.8%. This compares to a U.S. median of 10.0%.

Participants' weighted average total net return measures the change in the average participants' account balance as a result of their collective fund allocations and returns on investment options, net of fees.



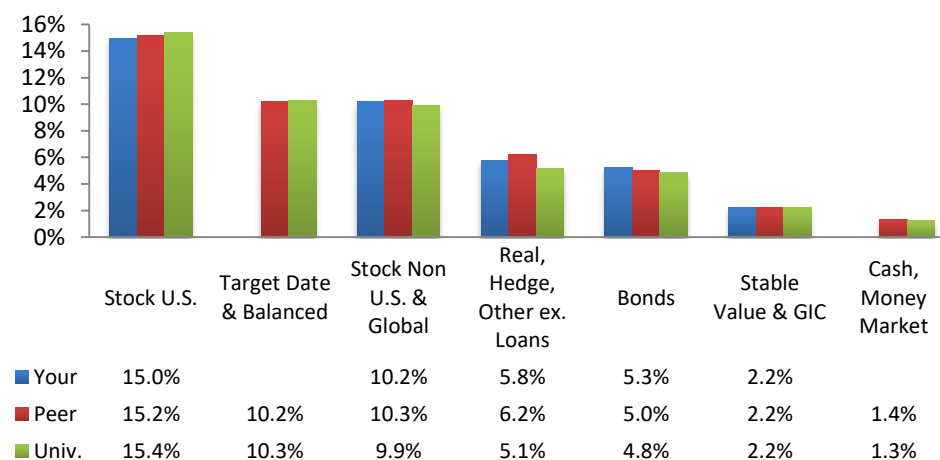
## Differences in participants' weighted average net total return are a result of differences in their collective fund allocation and asset category returns.

The best performing asset category of the past 5 years was Stock U.S., which had an average category return of 15.4%. This compares to the poorest performing asset category return of 1.3%, which were Cash & Money Market assets.

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 net returns by major asset category



Participants' 5-year fund allocation\*\*

|                              | Your Plan   | Peer Average | U.S. Universe |
|------------------------------|-------------|--------------|---------------|
| Stock U.S.                   | 34%         | 36%          | 32%           |
| Target Date & Balanced*      | 24%         | 26%          | 28%           |
| Stock Non U.S. & Global      | 10%         | 7%           | 7%            |
| Stock Employer               | 0%          | 0%           | 10%           |
| Real, Hedge, Other ex. Loans | 2%          | 2%           | 2%            |
| Bonds                        | 8%          | 9%           | 7%            |
| Stable Value & GIC           | 22%         | 18%          | 11%           |
| Cash, Money Market           | 0%          | 2%           | 3%            |
| <b>Total</b>                 | <b>100%</b> | <b>100%</b>  | <b>100%</b>   |

\* The Target Date category includes your GoalMaker options. CEM first asked for the GoalMaker options to be provided separately in 2018 so the average in the table is understated. The GoalMaker portfolios are close to 45% of assets in recent years.

\*\* Excludes self-directed windows

## High participation and high contribution rates result in more retirement assets for more members and are thus also important measures.

### Participation and Contribution rates

|  | Your Plan | Peer Median | Rank vs. Peers |     |     |      |
|--|-----------|-------------|----------------|-----|-----|------|
|  |           |             | %ile           | Low | Avg | High |
| <b>Participation rates</b>                     |           |             |                |     |     |      |
| % of eligible employees that participate       | 33%       | 35%         | 36%            |     |     |      |
| % making voluntary contributions               | 100%      | 72%         | 100%           |     |     |      |
| % receiving maximum employer match             | n/a       | 95%         | n/a            |     |     |      |
| <b>Contribution rates</b>                      |           |             |                |     |     |      |
| Employer contributions per active participant* | \$1,005   | \$1,246     | 40%            |     |     |      |
| Employee contributions per active participant  | \$1,963   | \$3,327     | 25%            |     |     |      |
| Average account balance per participant        | \$45,304  | \$56,464    | 33%            |     |     |      |

\* Law Enforcement Officers receive employer contributions of 5% by state statute. Other local governmental employers may provide a match or contribution.



## Services you provide, particularly education and advice, can improve participant success.

|   | Your Plan | Peer Average | Universe Average |
|---|-----------|--------------|------------------|
| Is individual financial counseling/investment advice available?     | No        | 62% yes      | 74% yes          |
| If yes, is it provided via:   |           |              |                  |
| a. A computer-based model   | n/a       | 0% yes       | 17% yes          |
| b. Investment advisers  | n/a       | 0% yes       | 3% yes           |
| c. Both computer and investment advisers                            | n/a       | 100% yes     | 81% yes          |
| Does your plan offer financial education via:                       |           |              |                  |
| a. Group meetings   | Yes       | 100% yes     | 86% yes          |
| b. Individual meetings  | Yes       | 100% yes     | 74% yes          |
| Do participants receive projections of annual income in retirement: |           |              |                  |
| a. In their participant statements                                  | No        | 54% yes      | 31% yes          |
| b. Online   | Yes       | 100% yes     | 90% yes          |
| c. Via separate communication                                       | No        | 15% yes      | 34% yes          |
| Does your plan have marketing campaigns to:                         |           |              |                  |
| a. Increase employee deferral rates?                                | Yes       | 85% yes      | 81% yes          |
| b. Increase participation by eligible non-participants?             | Yes       | 69% yes      | 79% yes          |
| c. Educate on savers tax credit?                                    | No        | 15% yes      | 25% yes          |