UPENN Retirement Program Update

February/March 2021

CONFIDENTIAL
Retirement Plan Changes – What is changing

- Move from multi vendor environment (Vanguard and TIAA) to single recordkeeper platform - TIAA
  - Consolidation reduces recordkeeping and investment fees
  - One statement
  - Once source for retirement planning

- Streamlined Fund Line Up
  - Simplify selection of investment
  - Best in class – low cost funds
  - Low cost target date fund
Single Recordkeeper – what this means

- The technology exists so a recordkeeper can put funds from other vendors on their platform.
- The funds retained for the core line-up will be largely Vanguard funds, a few TIAA annuities and a Blackrock Fund.
- Consolidated statement – from TIAA
- One set of fee disclosure statements.
- Streamlined advice and administration.
- Reduced administrative expense, $40 per participant per year.
## New Investment Menu

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<td>Vanguard Small Cap Index</td>
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*Indicates the proposed Qualified Default Investment Alternative (QDIA)

The plans also offer a self-directed brokerage window.

Green: Annuities
Blue: Mutual Funds
Bold: funds are currently offered in the plan
### Funds Being Discontinued (TIAA)
- CREF Money Market R3*
- TIAA-CREF Bond Index Institutional
- CREF Bond Market R3*
- CREF Inflation-Linked Bond R3*
- TIAA-CREF High Yield Institutional
- CREF Equity Index R3*
- CREF Stock R3*
- CREF Growth R3*
- TIAA-CREF Small Cap Equity Institutional
- TIAA-CREF International Equity Index Institutional
- TIAA-CREF International Equity Institutional
- CREF Global Equities R3*
- TIAA-CREF Lifecycle Index Funds

### Funds Being Discontinued (Vanguard)
- Vanguard Short-Term Investment Grade Inv
- Vanguard Intermediate Term Bond Index Inv
- Vanguard Long-Term Bond Index Adm
- Vanguard Long-Term Treasury Inv
- Vanguard Long-Term Investment Grade Inv
- Vanguard High Yield Corporate Inv
- Vanguard Wellesley Income Inv
- **Vanguard Wellington Adm**
- Vanguard Windsor II Adm
- Vanguard Windsor Adm
- Vanguard Total Stock Market Index Instl Plus

### Funds Being Discontinued (Vanguard) cont’d
- Vanguard PRIMECAP Adm
- Vanguard U.S. Growth Inv
- Vanguard Capital Opportunity Adm
- Vanguard Selected Value Inv
- Vanguard Extended Market Index Inv
- Vanguard Mid-Cap Growth Inv
- Vanguard Small-Cap Value Index Inv
- Vanguard Small-Cap Growth Index Inv
- Vanguard Explorer Inv
- Vanguard Global Equity Inv
- Vanguard International Value Inv
- Vanguard International Growth Adm

*Mutual funds not on core line-up are available through the self-directed brokerage window.

*Are not available in the brokerage window.*
What do participants need to know?

- Regardless if you are currently a Vanguard or a TIAA investor (or both) a new accounts will be established at TIAA for you. Former Vanguard only participants will need to go in and register to access your new account starting Feb 16, 2021.

- **You will need to re-enter your beneficiary information.** If you have a spousal waiver you will need to get a new one. Default will apply if you do not enter your info. Default is: 50% spouse, 50% estate. If no spouse 100% estate.

- Review the new investment line up and select new investments for your personal retirement needs between Feb 16th and March 31, 2021. If you make new selections your current account balances and your future contributions will be transferred to TIAA to the new investments you selected (as of April 2021).

- If you do not make any changes (and you may not need to) the investments in your account and your future contributions will be transferred to the TIAA platform and invested in the Vanguard Target Date Retirement fund based upon your age.
Beginning February 16, 2021

- Review your investment options
- Change investments
- Update beneficiaries
Example of different accounts - TIAA

SUPPLEMENTAL RETIREMENT ANNUITY PLAN OF THE UNIVERSITY OF PENN

GSRA (TIAA L5) (CREF M5)  
Beneficiary info will display
Updated 02/19/2018

SUPPLEMENTAL RETIREMENT ANNUITY PLAN OF THE UNIVERSITY OF PENN

RCP (TIAA F5) (CREF H)  
No Beneficiary info will display
Updated 01/01/2021

THE UNIVERSITY OF PENNSYLVANIA MATCHING PLAN

GRA (TIAA) (CREF 4)  
Updated 02/19/2018

THE UNIVERSITY OF PENNSYLVANIA MATCHING PLAN

RC (TIAA F6) (CREF H2)  
Updated 02/16/2021

THE UNIVERSITY OF PENNSYLVANIA BASIC PLAN

GRA (TIAA (CREF 41)  
Updated 02/19/2018

THE UNIVERSITY OF PENNSYLVANIA BASIC PLAN

RC (TIAA F) (CREF H)  
Updated 01/01/2021
Vanguard Brokerage participants will have Brokerage accounts opened at TIAA and the funds will be transferred in kind (if the fund is available).

Brokerage window only has mutual funds that are currently open to new participants. No ETF’s.

Legacy TIAA annuities (such as TIAA traditional) will not be transferred to new accounts. So participants who wish to keep TIAA traditional will have a legacy account, and the new money will go into the new account.

A blackout period is expected to last from April 6, 2021 at 4 p.m. (ET) to April 23, 2021:
- No transactions or changes to affected Plan balances
- Payroll contributions to the Plans will continue to be deducted
- Only applies to Plan balances being transferred from Vanguard
- Funds will be parked in a money market fund during reconciliation.
Upcoming communication

- Webinar information sessions
  - February 18, 2021, 2:00 – 3:00 PM
  - February 22, 2021, 12:00 – 1:00 PM
  - February 24, 2021, 10:00 – 11:00 AM
  - February 26, 2021, 2:00 – 3:00 PM
  - March 1, 2021, 12:00 – 1:00 PM
  - March 3, 2021, 10:00 – 11:00 AM

- Follow up to transition guide “slim guide” (March 2021)
- Individual investment advice sessions (ongoing)
- **Beneficiary follow up – beginning week of Feb 22nd.**
- Participants will have the opportunity to meet with representatives from TIAA call 800-732-8353 to make an appointment with a counselor.
- Questions? **Call 877 736 6738** or visit TIAA.org/upenn

¹ Not intended to be an exhaustive list of employee communications and touchpoints that will occur throughout the transition. Dates are subject to change.