



Emory's 403(b) Retirement Plan

New Investment Options



EMORY
UNIVERSITY

EMORY
HEALTHCARE

2021

New Investment Options for Your Emory Retirement Plan

With generous basic and matching contributions, Emory's retirement plan is a great way to help you prepare for retirement. Now, Emory is making changes to make it easier to choose your investments. You should become familiar with these changes so you can make the decisions that are right for you.

In March of 2020, Emory announced plans to make changes to the investment options for your Emory retirement plan. However, due to the COVID-19 pandemic and the market volatility that was occurring at that time, the decision was made to put the changes on hold. After a thorough review of Emory's investment options, the Emory Pension Board is once again moving forward with these changes this fall.

You will soon have the option to invest your retirement contributions in a new, streamlined selection of funds, or to set up a self-directed brokerage account to invest in your choice of thousands of mutual funds. The new fund lineup will replace most of Emory's existing investment options. Fidelity, TIAA and Vanguard will continue to be Emory's retirement vendors.

The new funds will become available on **October 1, 2021**, allowing you to make changes to your retirement savings portfolio to invest in the new funds. You will have until **October 31, 2021** to move your funds. Then, many of the current fund choices will be eliminated, and any accumulated balances you have in these funds will be automatically "mapped" (transferred) to one of the new funds, based on similar characteristics. If you are happy with the new fund lineup and the planned movement of your current investments, you do not need to do anything; everything will occur without any action on your part. If you want to make changes, you can do so at any time, before or after the mapping happens.

To better understand the new fund lineups and how your existing funds will be mapped to these new funds, you can visit the website at: www.hr.emory.edu/403bchanges or text

"403bchanges" to 343898. You can also make an appointment to meet with your retirement vendor; all three retirement vendors offer free, one-on-one counseling sessions for Emory employees.

Before **October 31, 2021**, be sure to take some time to:

- **Understand the new investment lineups and how your current investments may be affected.**
- **Carefully review the actions you may need to take and the key dates.**

You should always continue to closely monitor your overall financial plan. If you have any questions about the upcoming changes, please contact your retirement plan vendor (contact information can be found on page 7).

For more information about the new investment options, go to www.hr.emory.edu/403bchanges or text "403bchanges" to 343898.

About the Changes

What is not changing?

- Emory's basic and matching contributions, the plan design and rules will not change.
- Fidelity, TIAA and Vanguard will continue as the retirement vendors for your plan. Your current enrollment with one, two or all will not change.
- Distributions all remain the same.

What is changing?

- On October 1, 2021 new investment options will be added in place of your current investment options.
- After November 1, 2021, most of the current investment options with Fidelity, TIAA and Vanguard will no longer be available in Emory's new retirement fund lineup. However, most of those current investment options, as well as hundreds more, will be available through a self-directed brokerage account with your retirement vendor of choice. More details about the self-directed brokerage can be found online at www.hr.emory.edu/403bchanges.
- The fund lineup changes will apply to Emory's 403(b) Savings Plans and 457(b) Deferred Compensation Plans.

- All three vendors can now administer most Emory retirement funds in the new lineup. For example, Fidelity and TIAA can now administer Vanguard funds, so the Fidelity and TIAA lineups now include selected Vanguard funds (see page 5). In addition, the lineup now offers funds from other fund families, such as Harbor Capital and John Hancock.
- Plan administrative fees will change to align with the new fund lineup (see page 6). These changes are designed to keep the costs for your retirement plans reasonable and competitive.

Why is Emory making changes?

- The changes help make the selection of your investment choices easier. They provide you a more simplified decision-making process with consistent investment choices across the three vendors.
- Many of the changes will result in lower costs to you as a participant, which may mean improved retirement savings in your accounts.
- These changes have been under development for two years with the objective of modernizing the retirement plans' approach to investments. In addition, they are aligned with the result of a recently settled class action lawsuit involving the Emory University and Emory Healthcare Retirement Plans.

How were the new investment options selected?

The new investment funds are the result of an extensive project to review and update the retirement plan. The Emory Pension Board (a group of administrators appointed by the Board of Trustees to provide fiduciary oversight to the retirement plans) engaged CAPTRUST Financial Advisors, an independent investment consultant, to assess our current retirement vendors; analyze our current fund lineup, investment and administrative fees; and compare our plan with current trends. The project resulted in a new fund lineup that has been reviewed by numerous campus groups as well as the executive leadership of Emory University, Emory Healthcare and The Emory Clinic. The project also resulted in a new approach to administrative fees.

What do you need to do?

Nothing. If you are happy with the new fund lineups and the movement of your current investments into the new lineups, everything will occur without any action on your part. The new funds will be available on October 1, 2021. Then, on November 1, 2021, many of the current funds will be eliminated and those accumulated balances will be mapped to one of the new funds. If you wish to make changes on your own, instructions for how to move your money can be found at www.hr.emory.edu/403bchanges.

Your Investment Options

The new investment lineup will be available starting on October 1, 2021. At that time, you may choose to include the new options in your investment mix for your current account balance. With several types of investment choices within Fidelity, TIAA and Vanguard's investment lineups, you can easily create an investment mix to help you meet your goals, investing style and needs.

In the new fund lineup, most investment choices are the same for all three vendors. There are four funds only available at TIAA because of contractual restrictions, and four funds that are only available at Fidelity/Vanguard.

Target Date Funds

These funds offer an all-in-one approach to simplify investing. The Vanguard Target Date Funds are designed for investors expecting to retire around the year indicated in each fund's name. The funds are managed to gradually become more conservative over time as you get closer to retirement.

Passive and Active Funds

If you want to select from passive and active funds that are monitored by Emory, the plan offers a number of passively and actively managed funds for your asset allocation.

The funds have been selected for Emory by CAPTRUST, a leading investment consulting firm, with consideration of performance, fund management, fees and other important characteristics.

The investments include funds across several asset classes, such as domestic and international equities, as well as fixed and guaranteed income investments. It's up to you to decide how much risk you want in your portfolio and how to allocate your assets among the funds. Each of the vendors offer tools and guidance to help you. As a rule, you should periodically evaluate your investments and retirement portfolio based on your goals, risk tolerance and time horizon.

Passively Managed Index Funds: A passively managed fund, or index fund, strives to deliver the return of a specific market index, such as small blend stocks. The lineup offers passive funds across several major asset classes. These funds are offered at a relatively low cost.

Actively Managed Funds: An actively managed fund strives to deliver returns that are better than the related market index, through active selection of stocks and other investments by a professional fund manager. The cost of actively managed funds may be higher than passively managed funds.

Self-Directed Brokerage Account

A self-directed brokerage account combines the convenience of your retirement plan with the additional flexibility of an individual brokerage account. It gives you a wide array of mutual fund investment choices beyond those in your plan's lineup. Emory does not evaluate or monitor the investments available through a self-directed brokerage account. It is your responsibility to ensure that the investments you select are suitable for your situation, including your goals, time horizon and risk tolerance. If you decide that a self-directed brokerage account is right for you, contact your retirement vendor for details on how to open a separate brokerage account within your current plan.

Market Volatility

All funds are subject to the volatility of the financial markets, including the volatility of equity and fixed-income investments in the United States and abroad, and may be subject to risks associated with investing in high-yield, small-cap, commodity-related, and foreign securities. Principal invested is not guaranteed at any time.

Emory's New Retirement Investment Options

	NEW FIDELITY & VANGUARD OPTIONS	NEW TIAA OPTIONS
ALLOCATION FUNDS		
Target Date Series	Vanguard Institutional Series	Vanguard Institutional Series
Allocation--50% to 70% Equity	--	CREF Social Choice
World Allocation	--	CREF Stock
PASSIVE FUNDS		
Intermediate-Term Bond	Vanguard Total Bond Market Index I	Vanguard Total Bond Market Index I
Large Blend	Vanguard Institutional Index Instl Pl Vanguard FTSE Social Index Admiral	Vanguard Institutional Index Instl Pl Vanguard FTSE Social Index Admiral*
Mid-Cap Blend	Vanguard Mid Cap Index Institutional	Vanguard Mid Cap Index Institutional
Foreign Large Blend	Vanguard Total Intl Stock Index I	Vanguard Total Intl Stock Index I
Small Blend	Vanguard Small Cap Index I	Vanguard Small Cap Index I
Real Estate	Vanguard Real Estate Index Admiral	Vanguard Real Estate Index Admiral*
ACTIVE FUNDS		
Money Market	Vanguard Treasury Money Market Fund Investor	Vanguard Treasury Money Market Fund Investor CREF Money Market
Capital Preservation	Prudential Guaranteed Income Fund	TIAA Guaranteed Account**
Intermediate-Term Bond	PGIM Total Return Bond R6	PGIM Total Return Bond R6
Large Value	John Hancock Disciplined Value R6	John Hancock Disciplined Value R6
Large Growth	Harbor Capital Appreciation Fidelity Contrafund K6	Harbor Capital Appreciation
Large Blend	Vanguard PRIMECAP Adm	Vanguard PRIMECAP Adm
Mid-Cap Value	MFS Mid Cap Value R6*	MFS Mid Cap Value R6*
Mid-Cap Growth	BlackRock Mid-Cap Growth Equity K*	BlackRock Mid-Cap Growth Equity K*
Foreign Large Blend	American EuroPacific Growth R6	American EuroPacific Growth R6
Small Value	Goldman Sachs Small Cap Value R6	Goldman Sachs Small Cap Value R6
Small Growth	Loomis Sayles Small Cap Growth Fund N	Loomis Sayles Small Cap Growth Fund N
Real Estate	--	TIAA Real Estate

*Change from the previously approved menu.

**Also known as TIAA Traditional.

New Fee Structure

Fees matter. Being transparent about pricing matters, too. Our fees are designed to keep costs for your retirement plan reasonable and competitive.

All retirement plans charge operating fees to cover services such as daily account valuing, website tools, one-on-one counseling, and other administrative expenses associated with maintaining the plan. Effective October 2021, Emory is changing the way plan fees are paid to align with the plan's new fund lineups.

Currently, your plan's operating fees are being paid as a percentage of your overall retirement plan investments. This can be found in the "expense ratios" for the funds in your account in the annual *Fee Disclosure Statement* you receive.

Rather than charging a percentage-based fee, a flat fee will be deducted quarterly from your accounts to cover the administrative costs. The new fees are shown in the chart below:

VENDOR	QUARTERLY FEE
FIDELITY INVESTMENTS	\$9.75
TIAA	\$9.75
VANGUARD	\$8.50

The change in fees will begin in October, 2021. The exact date the quarterly fee will appear on your statement will vary by vendor.

If you currently have accounts with more than one vendor, you might want to consider moving all of your funds to one vendor to avoid getting charged more than one quarterly fee.

Participant Disclosure Notice

More information on fees and expenses can be found in the *Participant Disclosure Notice* located online at www.hr.emory.edu/403bchanges. This notice provides information about managing your Emory retirement plan accounts, including certain information such as an explanation of the right to direct investments, any Emory retirement plan restrictions, and a description of the types of fees and expenses associated with an Emory retirement plan account. In addition, various details about the investment options, including short-term trading fee information, is provided.

Key Dates

DATE	ACTIVITY
October 1, 2021	<p>New investment options will be added to Fidelity, TIAA and Vanguard.</p> <p>To make investment elections into the new funds, you can log in to your retirement vendor's website beginning on October 1, 2021. Detailed instructions are provided online at www.hr.emory.edu/403bchanges.</p> <p>Note: You can change your investment mix at any time, for any reason and at no cost to you.</p>
November 1, 2021	<p>If you take no action, your existing balances will be directed to the new investment menu as indicated on the mapping chart. This chart is located on the website: www.hr.emory.edu/403bchanges.</p> <p>Note: You can change your investment mix at any time, for any reason and at no cost to you.</p>

Vendor Contacts

VENDOR	WEBSITE	PHONE
FIDELITY INVESTMENTS	www.netbenefits.com	800-343-0860
TIAA	Tiaa.org	800-842-2252
VANGUARD	www.vanguard.com/retirementplans	800-523-1188

Next Steps

- ## 1 Review the New Investments

Review the investments that will be added on October 1, 2021. Detailed information about all of the funds can be found at: www.hr.emory.edu/403bchanges.
- ## 2 Review the Mapping Charts

Review the fund mapping charts to learn how your investment options will automatically change to the new investments on November 1, 2021. If you do not wish to have your funds automatically mapped, you can move them yourself beginning on October 1, 2021. Making changes is entirely optional, but you should do it before 4 p.m. ET, October 31, 2021, or your funds will be mapped. If you wish to make changes later, you can always do so. The mapping charts and the instructions for moving your money can be found on the website.
- ## 3 Learn More

If you need more information about the changes to your investments, you can contact your retirement vendor(s) to schedule a one-on-one retirement counseling session with them (see contact information on the left of this page).

- ## 4 Review your Beneficiary(ies)

Review your beneficiary designations for each plan account and update your beneficiaries as necessary. Instructions can be found on the website.



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HEALTHCARE

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Human Resources
Benefits and Work Life Department
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Emory University and Emory Healthcare are making some important changes to the investment options in your 403(b) Retirement Plan. Find out what changes are being made and what action you may need to take.

