

PSERS Defined Contribution Plan 2023 Summary

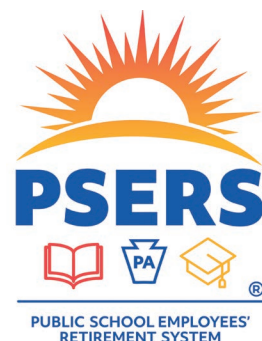
Our commitment to a transparent and cost-efficient retirement savings program

The Public School Employees' Retirement System (PSERS) oversees and manages a Defined Contribution (DC) Plan for PSERS members in Class T-G, Class T-H, and Class DC. Members have the opportunity to select their own investment portfolio or remain in a default target date investment option based on their date of birth. The contributions have the potential to grow based on investment earnings but are not guaranteed against loss in declining investment markets.

PSERS DC Plan's administration and governance is designed to ensure that PSERS members are offered a cost-efficient retirement savings program. In 2023, the annualized record keeping fee paid to Voya® for the operation of the PSERS DC Plan was only \$31.90 per member account and PSERS did not charge the members an administrative fee for its management and operational services.

PSERS is committed to keeping fees transparent, and will continue to provide clear descriptions of the services provided and the costs associated with offering the DC Plan to our members. A Fee Explanation document is maintained and updated quarterly to report investment fees separate from PSERS DC Plan record keeping fees, and to disclose any other special fees. Visit psers.pa.gov and go to *Active Members > Defined Contribution Plan* for more information.

With PSERS, you're on your way!



2023 highlights for the PSERS DC Plan

As of December 31, 2023, highlights included (dollar amounts rounded to the nearest whole dollar):

- 73,102 Participant Accounts with a Balance (up from 56,919 as of December 31, 2022)
- \$262,599,012 Total Plan Balance (up from \$132,122,839 as of December 31, 2022)
- \$129,880,657 Total Member Contributions
- \$104,434,599 Total Employer Contributions

The Total Plan Balance is invested by the participants across the available investment asset classes as follows:

Asset Class	As of December 31, 2023	As of December 31, 2022
Target Date (Asset Allocation)	\$250,441,031	\$125,706,748
Stocks	\$4,308,081	\$1,946,095
Bonds	\$173,517	\$119,743
Stable Value	\$164,175	\$104,512
Balanced	\$168,133	\$101,136
Short Term	\$7,344,075	\$4,144,605

Changes to the investment options in 2023, included:

- Effective January 27, 2023, the Invesco Developing Markets Fund R6 was removed as an investment option in the PSERS DC Plan.
- Effective March 31, 2023, the annual fee for the BlackRock High Yield Bond K increased from 0.49% to 0.51%.
- Effective June 30, 2023, the annual fee for the American Funds Europacific Growth R6 increased from 0.46% to 0.47%.
- Effective September 30, 2023, the gross expense ratio for the PIMCO Total Return Instl increased from 0.46% to 0.49%. The annual fee (net expense ratio*) remained 0.46%. The gross expense ratio for the PIMCO Real Return Instl increased from 0.47% to 0.67%. The annual fee (net expense ratio*) remained 0.45%.

** The net expense ratio represents the portion of fees participants pay directly to PIMCO for investment management. This fee excludes other investment expenses (i.e. interest expense from borrowing) incurred during investment transactions.*



An array of investment options

There are two types of investment options available to participants in the PSERS DC Plan – pre-assembled portfolios known as target date investments and individual investment options across all major asset classes that provide broad exposure to stocks, bonds, and stable value investments.

Target Date

T. Rowe Price Target Date 2020
 T. Rowe Price Target Date 2025
 T. Rowe Price Target Date 2030
 T. Rowe Price Target Date 2035
 T. Rowe Price Target Date 2040
 T. Rowe Price Target Date 2045
 T. Rowe Price Target Date 2050
 T. Rowe Price Target Date 2055
 T. Rowe Price Target Date 2060
 T. Rowe Price Target Date 2065

Stable Value

MissionSquare PLUS Fund R10

Bonds

BlackRock High Yield Bond K
 PIMCO Total Return Instl
 PIMCO Real Return Instl

Balanced

Calvert Balanced R6

Large Cap

Fidelity® 500 Index

Small/Mid/Specialty

Fidelity® Extended Market Index
 Fidelity® Real Estate Index

Global/International

American Funds Europacific Growth R6

Making an investment change








Participants can review and change their investment elections at any time. While the target date investments are diversified, professionally managed, and aligned with a participant's date of birth, they may choose to invest in a different target date investment or create a unique allocation from the other available investment options. For more information on the investment options, performance history, or to make an investment change, participants can visit their PSERS DC account through the PSERS Member Self-Service (MSS) Portal or call 1.833.432.6627 (1.833.4DC.MMBR).



Participant highlights for the PSERS DC Plan

Participants in the PSERS DC Plan manage their current financial needs while also focusing on long-term retirement planning and saving for the future. PSERS encourages its members to take control of their retirement by understanding the unique retirement benefits available through their PSERS membership to help make informed decisions about their future.

As of December 31, 2023, participant highlights in the DC Plan included:

- | | |
|---|--|
|  91 - Age of the Oldest Participant |  10,657 - Total Mobile Logins since January 1, 2023 |
|  15 - Age of the Youngest Participant |  8,884 - Total Participant Calls since January 1, 2023 |
|  \$131,528.03 - Highest Participant Balance |  3,734 - Viewed myOrangeMoney since January 1, 2023 |
|  51,593 - Total Website Logins since January 1, 2023 | |

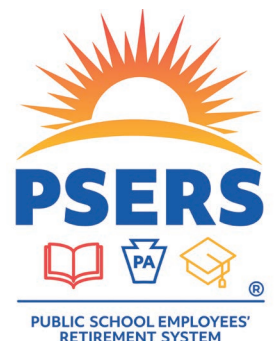
Participant resources are available online

PSERS and Voya Financial® have partnered to offer a number of resources and tools for PSERS DC Plan participants. Visit psers.pa.gov and go to *Active Members > Defined Contribution Plan* for:

- Financial wellness education articles, and pre-recorded presentations about retirement planning concepts and the PSERS DC plan.
- Fee and performance information for each of the investment options available in the PSERS DC Plan.

With PSERS, you're on your way! Visit psers.pa.gov for more information about the PSERS DC Plan and to access your PSERS DC account through the PSERS MSS Portal. Participants with questions about the PSERS DC Plan can call Voya at 1.833.432.6627 (1.833.4DC.MMBR) to speak with a Customer Service Representative weekdays between 8:00 a.m. - 8:00 p.m., excluding stock market holidays.

With PSERS, you're on your way!



Not FDIC/NCUA/NCUSIF Insured • Not a Deposit of a Bank/Credit Union • May Lose Value • Not Bank/Credit Union Guaranteed • Not Insured by Any Federal Government Agency

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