

State of Wisconsin Deferred Compensation Plan

Investment Option Benchmarking Analysis

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Data Summary

The following slides were created from an extensive study of data collected from Empower Retirement's largest government recordkeeping clients, using data as of September 30, 2023. The study leverages Empower Retirement's position as the largest recordkeeper for government retirement plans in the country. This study encompasses data from a variety of government entities, including state, city, and county retirement plans.

All plans included in this report have total plan assets of \$1 billion or more and include the following statistics:

State Plans	28	Largest Plan	\$16.3 billion
County Plans	4	Smallest Plan	\$1.04 billion
Municipal Plans	2	Average	\$3.8 billion
Other Entities	3		

The Wisconsin Deferred Compensation Plan was not included in the above universe of plans.

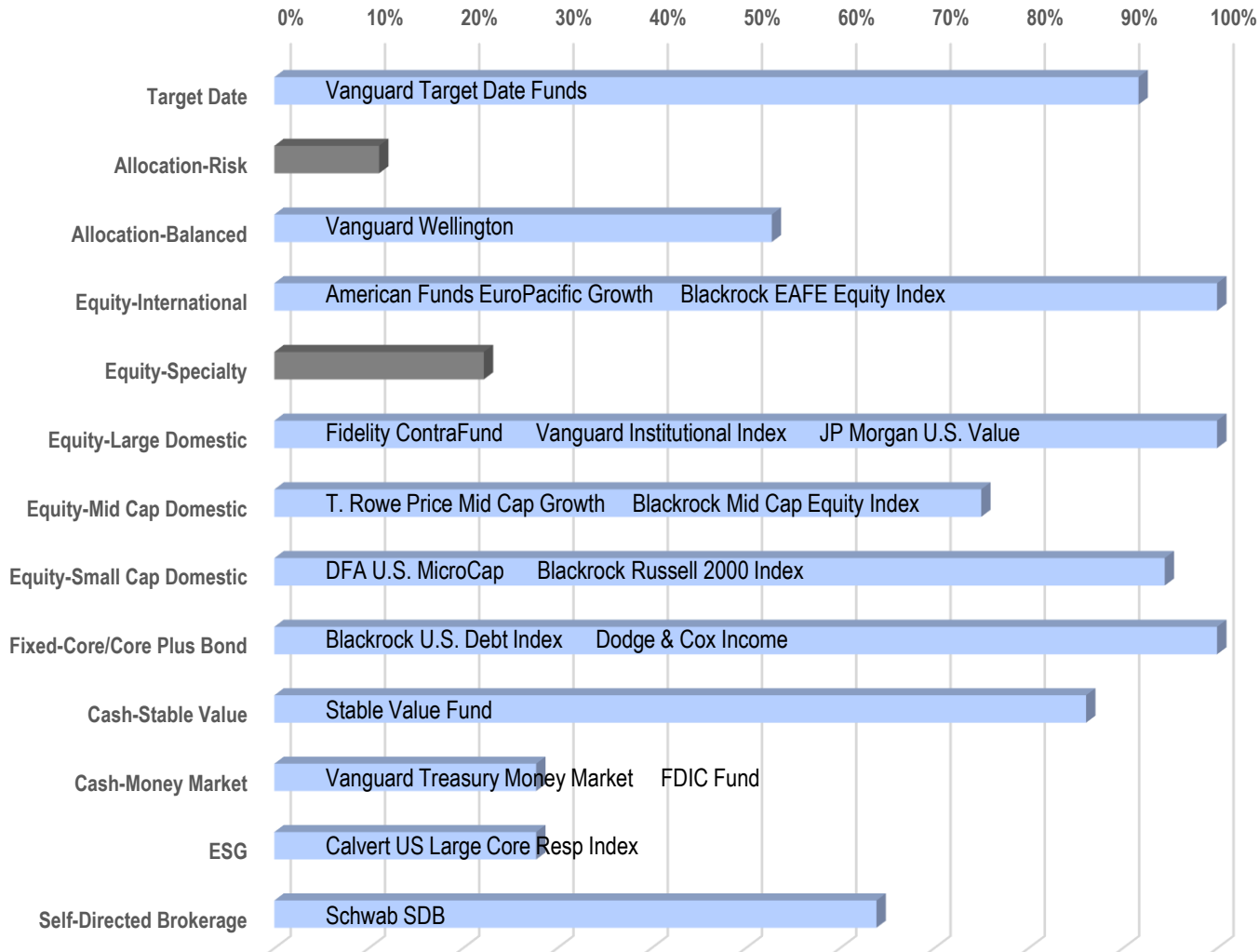
Expense Summary

PLAN SIZE	WEIGHTED AVG EXPENSE RATIO
All Plans (36)	0.24%
Plans Between \$1 billion & \$2.99 billion (21)	0.26%
Plans Between \$3 billion & \$4.99 Billion (8)	0.17%
Plans Over \$5 Billion (7)	0.27%
State of Wisconsin	0.20%

Although somewhat counterintuitive, weighted average expense doesn't necessarily decrease as asset size increases. The inclusion, and participant use, of passively-managed investment options is a driving force of average expenses.

** Note: The chart excludes funds that typically do not have explicit expense ratios. Assets held in self-directed brokerage, FDIC-insured cash savings funds, and general account products were not included.*

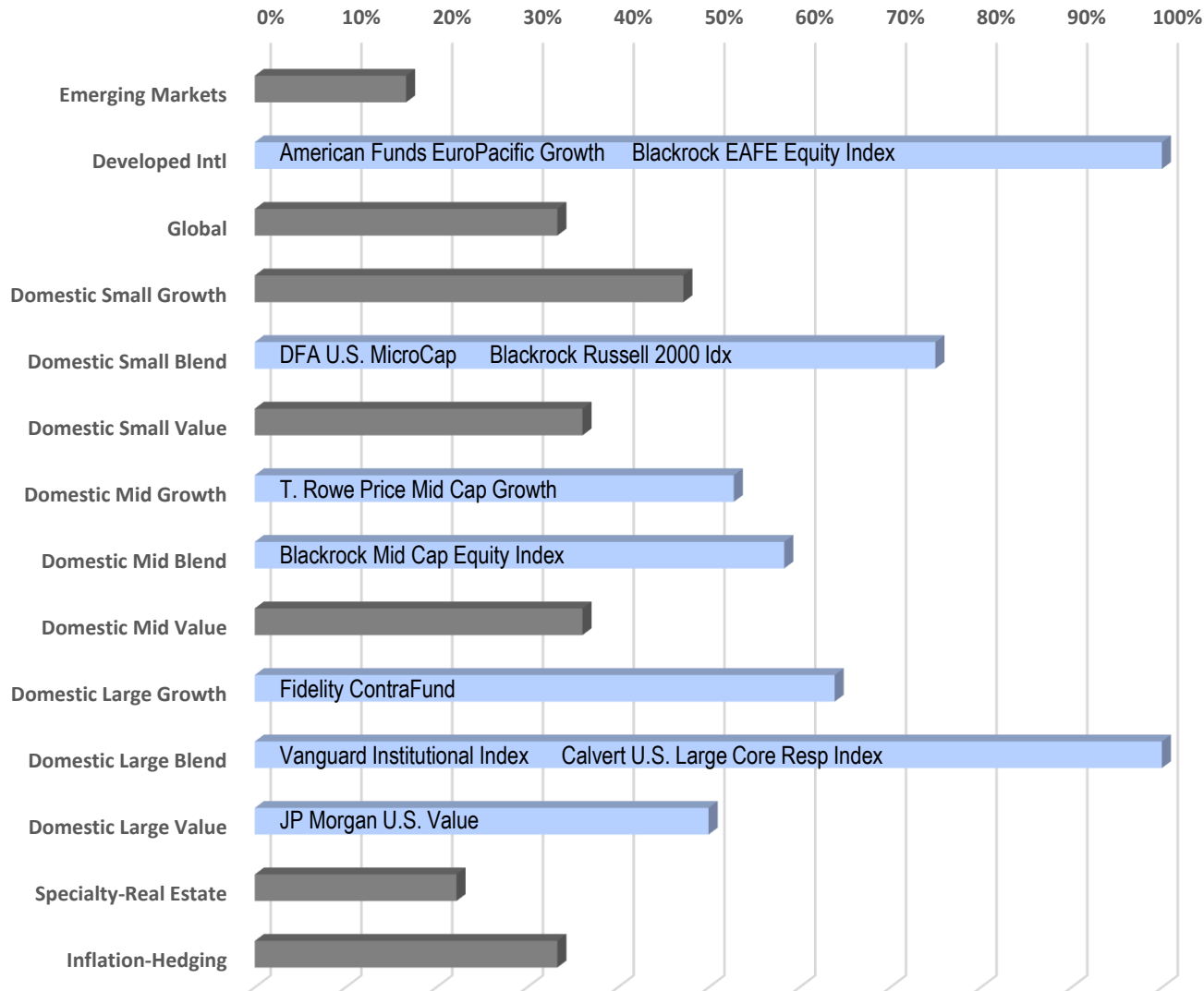
Broad Asset Class Usage



Looking at the broader asset classes, the WDC provides exposure to all of the major categories.

■ Indicates fund type available in Wisconsin Deferred Compensation Program

Equity Style Usage



■ Indicates style used by the Wisconsin Deferred Compensation Program

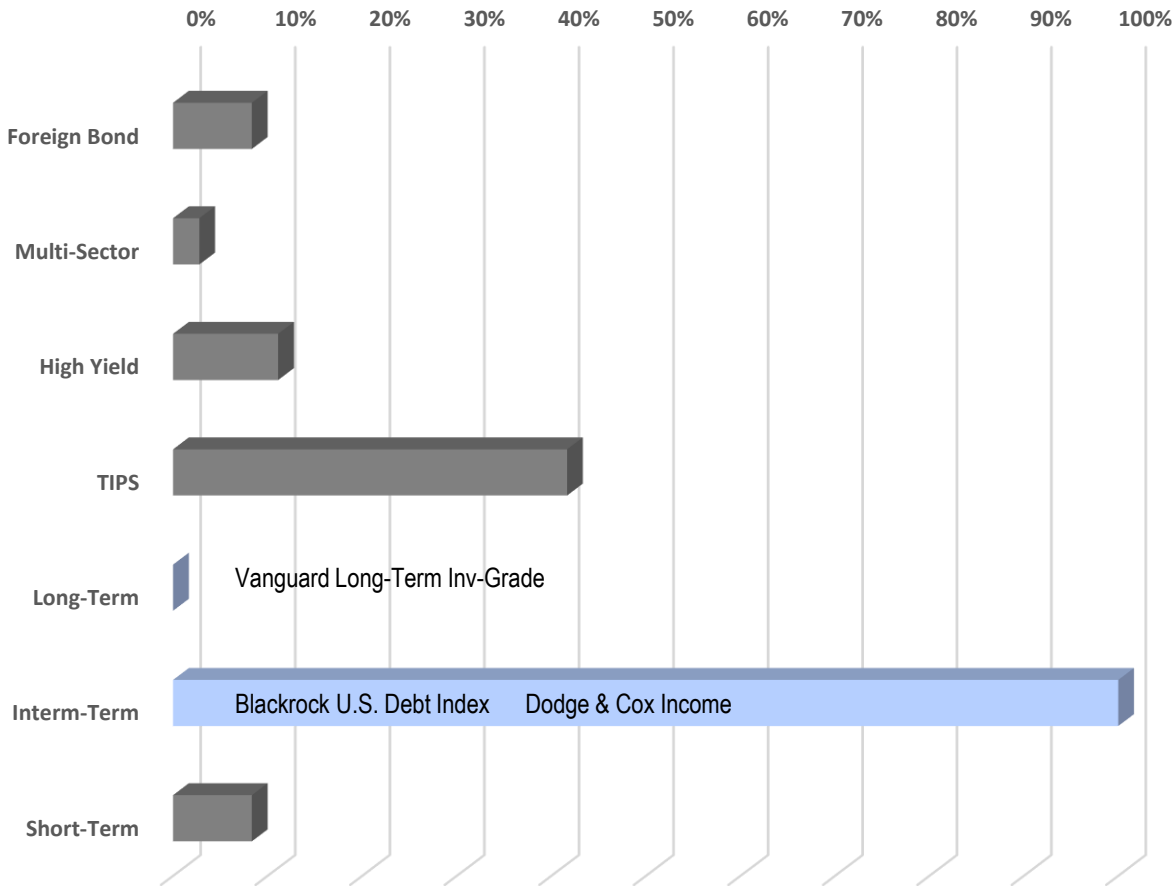
Investments in the different equity styles are classified according to their Morningstar category.

While most major equity styles have a fund specifically targeted to that style in the WDC, there are a few categories not represented. However, this seems to be in line with most of the plans in the universe.

Passive exposure makes up the majority of “blend” fund options:

- Large Cap 94%
- Mid Cap 90%
- Small Cap 81%

Fixed Income Style Usage



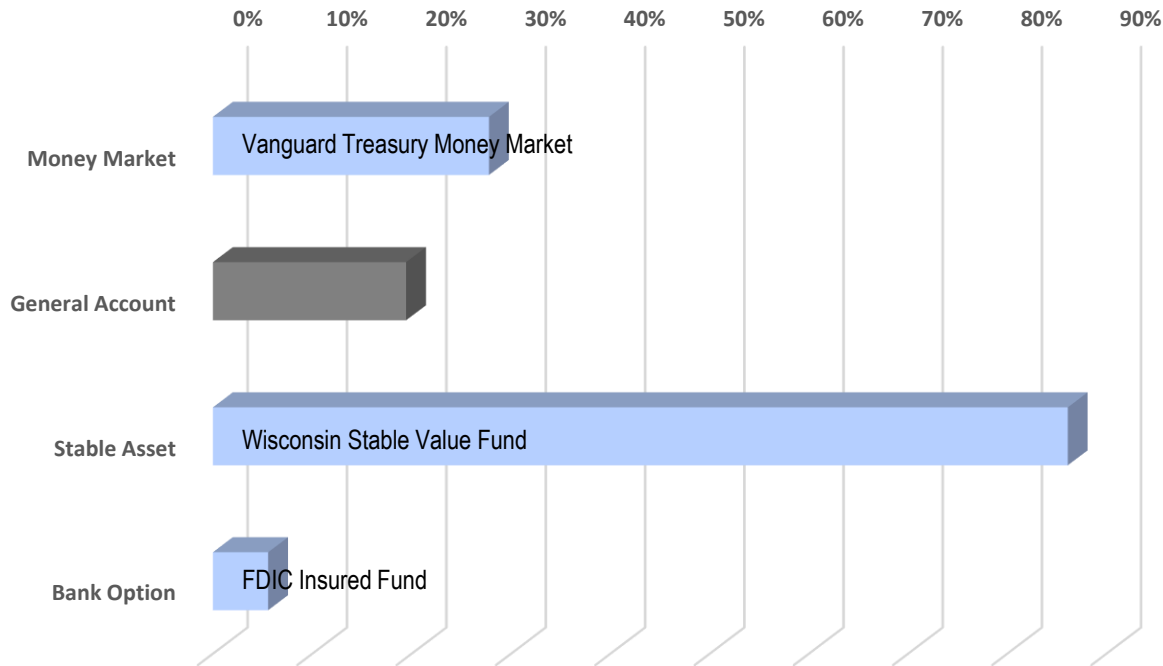
■ Indicates style or asset class used by the Wisconsin Deferred Compensation Program

Of the 36 plans in the survey, 19 offer 1-2 bond funds, while 16 plans offer 3-4 choices. One plan offers 5 bond choices.

The Intermediate-term bond category is represented in every plan. This category is comprised mainly of Core and Core-Plus bond funds. Of the 36 plans in the survey, 30 offer a passive core fixed income option.

The WDC is the only plan to offer a long-term bond option.

Capital Preservation Usage



■ Indicates style or asset class used by the Wisconsin Deferred Compensation Program

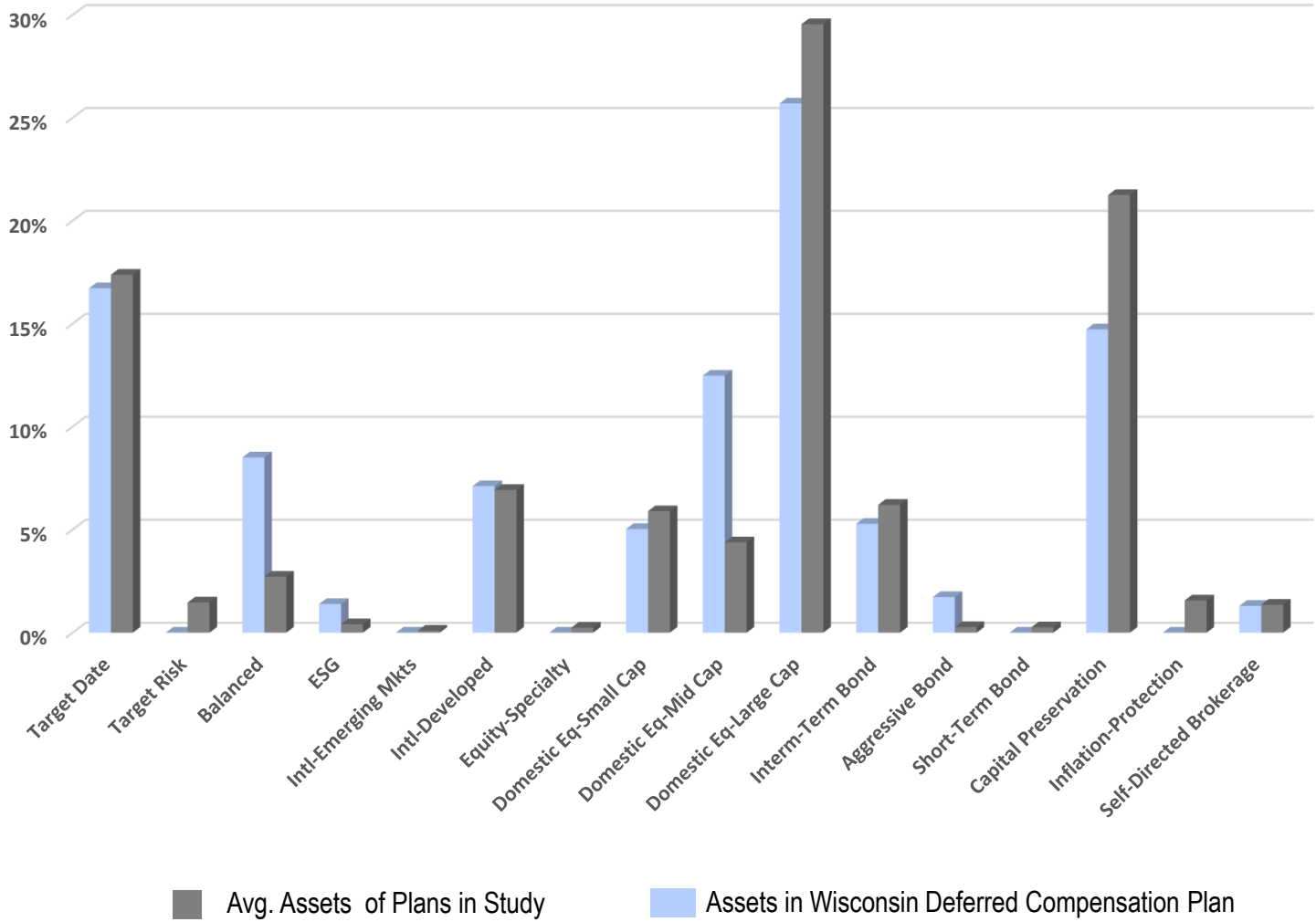
Stable Value funds have the largest presence in the Empower state retirement plans by a 3 to 1 margin over Money Market funds.

Of the 36 plans in the survey, 16 offer 2 capital preservation options, most typically a stable value fund and a money market. The other 20 plans offer a single capital preservation option.

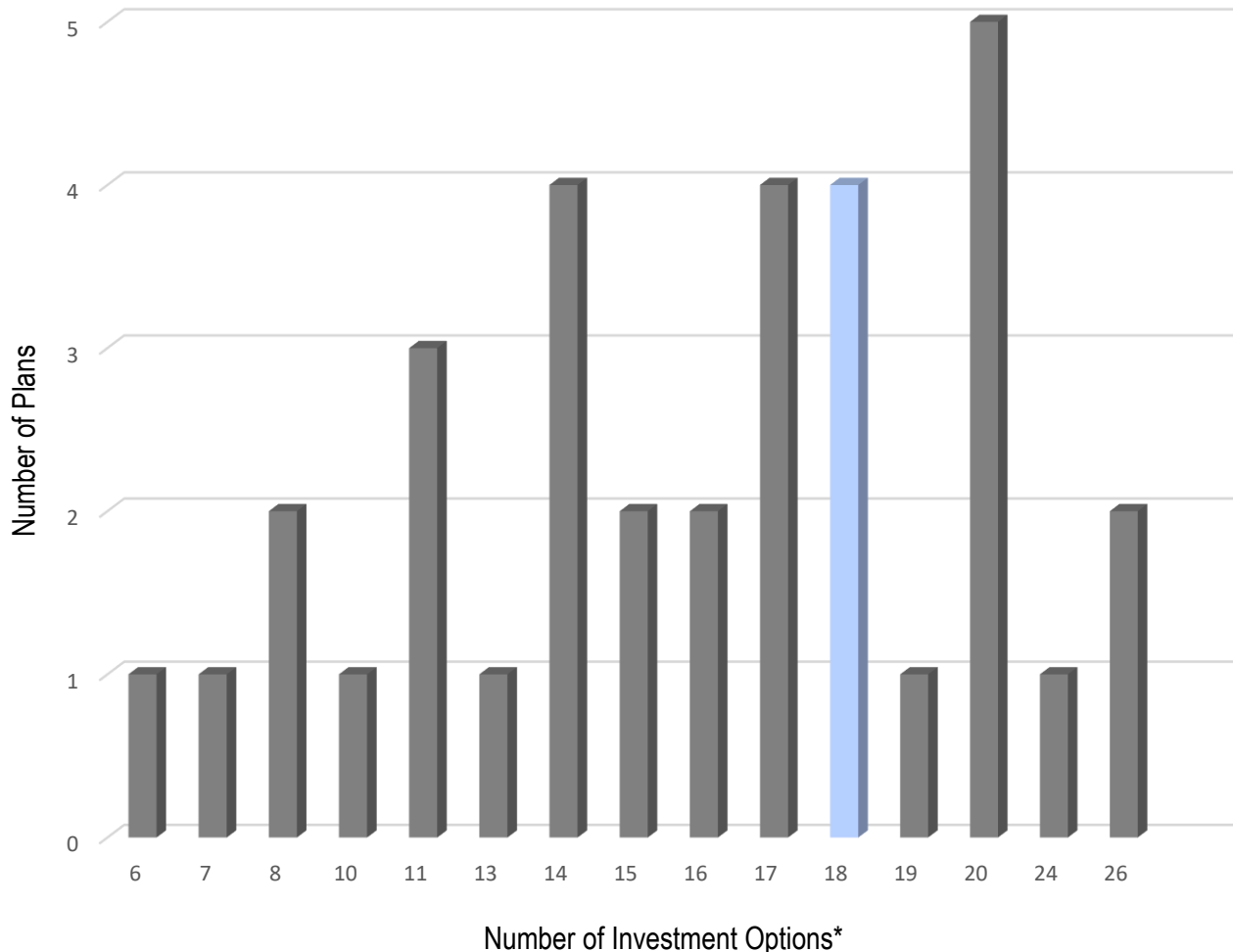
At 3 options, the WDC offers the most of any plan.

One other plan offers an FDIC-insured savings option.

Participant Asset Class Utilization



Distribution of Investment Options



Within the survey, the average number of core investment options offered per plan was 16 when the asset allocation funds are considered as one option. The minimum and maximum number of funds offered were 6 and 26, respectively.

This distribution includes only the core options in each plan. Options such as self-directed brokerage, life insurance, or annuities were not included.

The Wisconsin plan currently offers 18 options, which is highlighted in blue.

** Target Date Funds, when offered, are counted as a single option.*

Additional Information

Investment Vehicles

Of the 36 plans in the survey, only 7 use an investment lineup comprised solely of mutual funds. (excluding a pooled stable value fund or the self-directed brokerage options) All of the other plans employ a commingled investment trust (CIT) for at least one option in the lineup. In addition, 6 plans currently use at least 1 institutional separate account (ISA) as an option in their lineup.

White-Labeling

There are 12 plans that currently white-label their entire investment lineup. Of these, 1 plan uses single manager white-label options, 10 plans use white-label funds with multiple managers, and 1 plan utilizes a mix of single and multiple manager options.

