PNC INSTITUTIONAL ASSET MANAGEMENT

## Recruit, Reward, Retain: The Benefits of a Competitive Retirement Plan

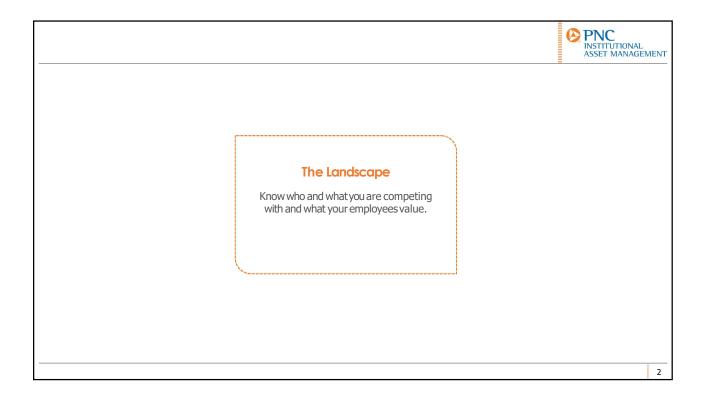
September 11, 2023

Chris Dall, CFA

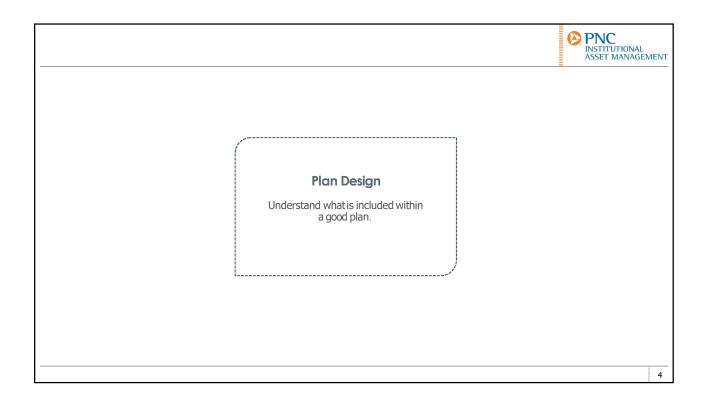
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Staying Competitive Key Themes		EXAMPLE CONTRACTOR OF CONTRACT
<b>The Landscape</b> Know who and what you are competing with and what your employees value.	<b>Plan Design</b> Understand what is included within a good plan.	
<b>Retention &amp; Recruitment</b> Utilize all the features education, wellness programs and benefits.	Participation & Engagement Take advantage of your resources.	
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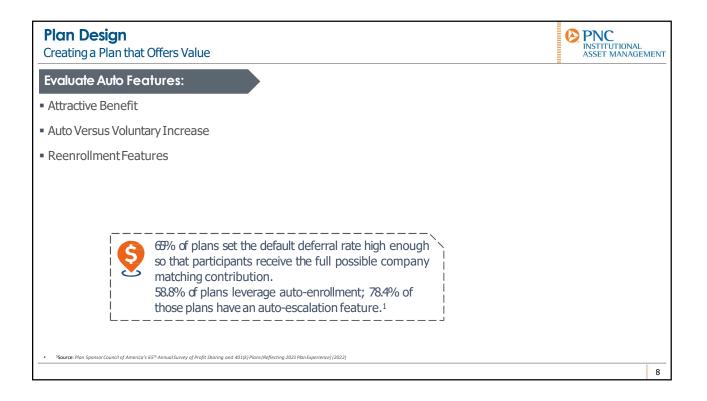


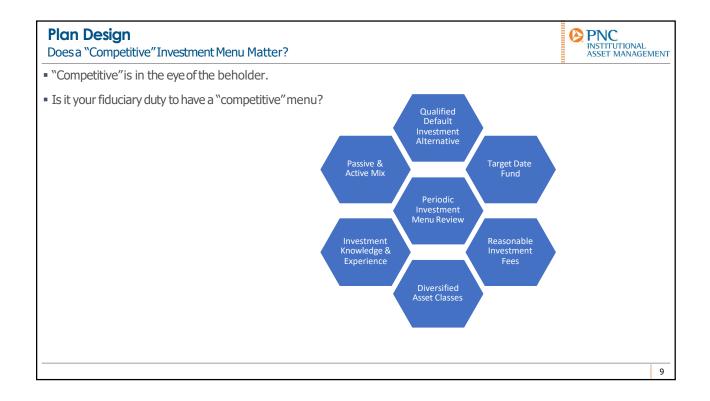
The Landscape Knowing the Compe	e ition and Employee Priorities	EXPRO INSTITUTIONAL ASSET MANAGEMENT
Do Your Research:		
<ul> <li>Your Provider Can Se</li> <li>– Recordkeeper</li> <li>– Advisor</li> </ul>	erve as a Resource	
<ul> <li>Direct Peer Insight         <ul> <li>Benefits websites</li> <li>efast.dol.gov/550</li> </ul> </li> </ul>	Dsearch	
Ş	In 2022 1 in 3 employees were considering leaving their job. 77% of employees felt their employer's retirement plan is either an extremely or very important benefit to consider when making that decision. <sup>1</sup>	
<sup>1</sup> https:// <u>www.tiaa.org/public/pdf/tiaa_2022_em</u>	loyee_retention_survey_executive_summary.pdf	3



Plan Design Creating a Plan that Offers Value	E PNC INSTITUTIONAL ASSET MANAGEMENT
Assess Eligibility:	
Immediate Eligibility	
Entry	
<ul> <li>Participation</li> </ul>	
67.4% of companies allow employees to begin contributing to the plan within three months of hire. 51.4% of plans have no service requirement for employee contributions; 47.5% of plans have no service requirement for matching contributions. <sup>1</sup>	
<ul> <li>*Source: Plan Sponsor/Council of America's 65<sup>th</sup> Annual Survey of Profit Sharing and 401(k) Plans (Reflecting 2021 Plan Experience) (2022)</li> </ul>	
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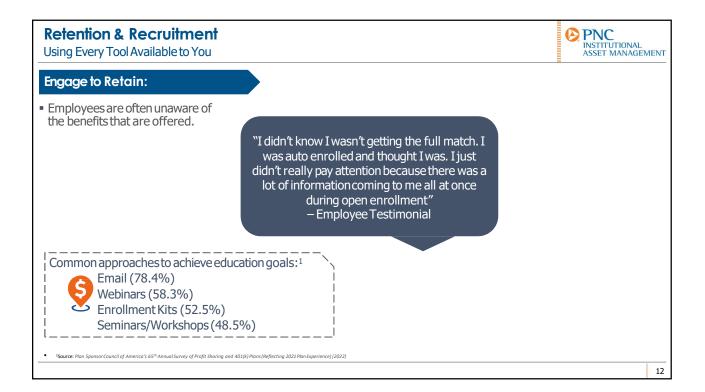
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	Plan A	Plan B	Plan C	Consistency Across Plans A, B & Cfor Active Asset Classes vs Passive Asset Classes
Active Funds	10	12	11	No
Passive Funds	4	7	5	No
Strategies Not Offered by at Least One Other Plan	<ul> <li>Global Target Date Funds</li> <li>High Yield Bond</li> </ul>	<ul> <li>Real Estate Investment Trusts</li> <li>Developed Markets (foreign)</li> <li>Emerging Markets</li> <li>Moderately Conservative Asset Allocation</li> </ul>	<ul> <li>Two Active Large Cap Growth Funds</li> <li>Foreign Large Value</li> </ul>	No
Self Directed Brokerage Account	Yes	Yes	Yes	N/A



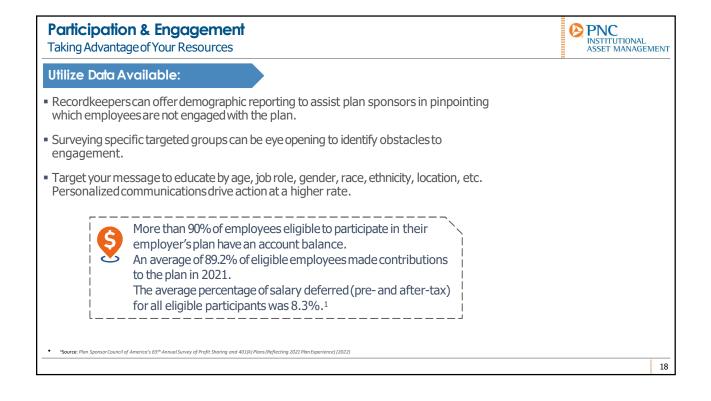


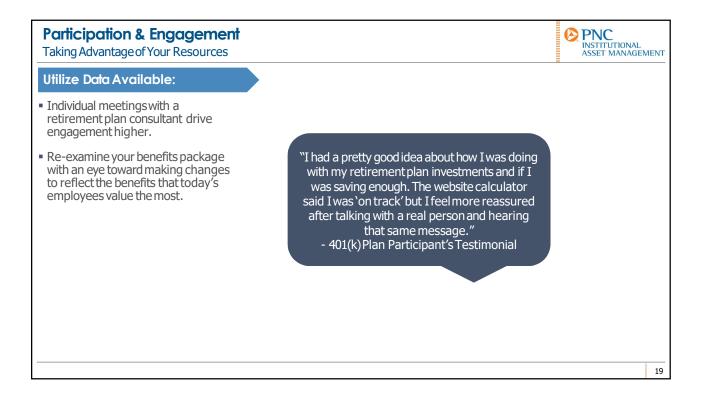
Retention & Recruitment Using Every Tool Available to You	ENC INSTITUTIONAL ASSET MANAGEMENT
Engage to Retain:	
<ul> <li>Increase communication and adapt your education team.</li> <li>Various mediums at various times</li> </ul>	
<ul> <li>To have impact, participants must receive and understand the information on the 401(k) plan details.</li> </ul>	
<ul> <li>Your employee education and communications should be customized to the needs of your participants.</li> </ul>	
<ul> <li>Promote automation. Your employees do not need to be investment experts. Automatic features can assist them on their path and benefit them long-term.</li> </ul>	
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Retention & Recruitment Using Every Tool Available to You	EXPRC INSTITUTIONAL ASSET MANAGEMENT
Educate to Recruit:	
<ul> <li>Equip your recruiters and managers with the tools they need to tell your story and explain why a prospective employee would want to join your organization.</li> </ul>	
<ul> <li>Arm the human resources department with script they need to describe the quality and value of your benefits package when conducting interviews.</li> </ul>	
<ul> <li>Common reasons for providing plan education:1         Increase overall financial literacy (77.4%)         Increase appreciation for the plan (73.5%)         Increase participation (70.7%)         Increase deferrals 67.6%)     </li> </ul>	
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	EXAMPLE CONTRACTION AL ASSET MANAGEMENT
Participation & Engagement	
Take advantage of your resources.	
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