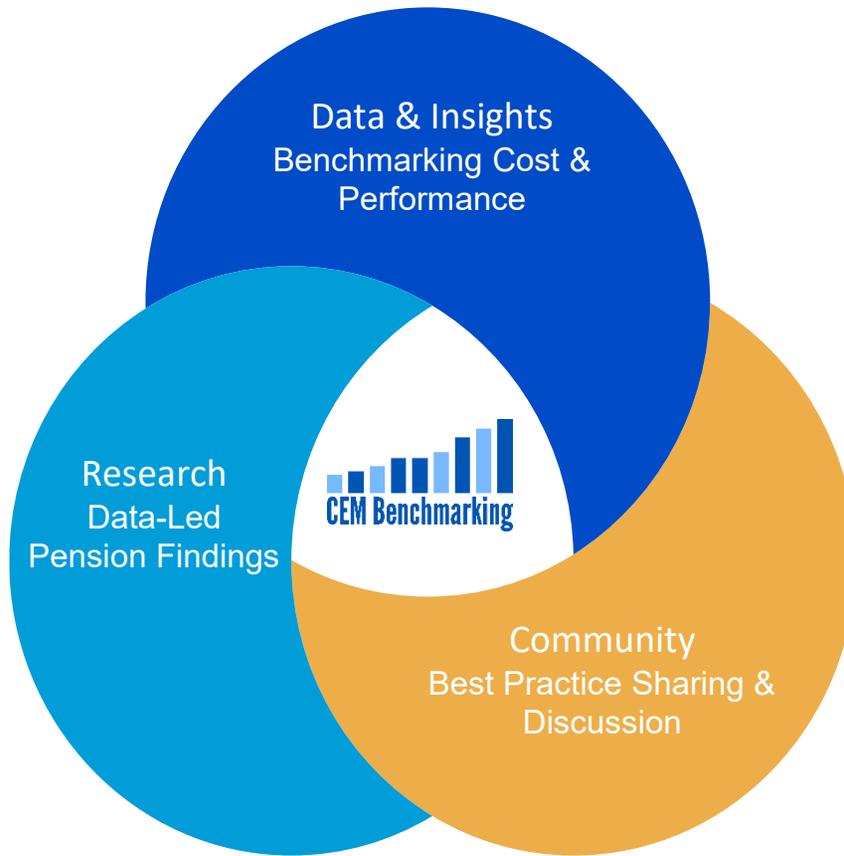North Carolina Supplemental Retirement Plans

CEM Investment Benchmarking Report DC - 2024

February 26, 2026

CEM provides actionable insights for institutional investors.

Our Mission
We aspire to meaningfully improve the lives of pensioners globally

Data & Insights
Benchmarking Cost & Performance

Research
Data-Led Pension Findings

CEM Benchmarking

Community
Best Practice Sharing & Discussion

34 Years

20+ Countries

500 Institutional Investors

150 Of The World's Top 300 Funds

$14T In AUM

50M Members And Pensioners

CEM has been helping plan sponsors understand their unique DC plans since 1997.

Our standardized metrics allow you to compare your DC plan offerings to other DC plans, monitor your investment options and understand your differences.

CEM's 2024 DC database currently consists of 121 U.S. large, blue chip corporate and government plans representing $2,511 billion in assets and 18.4 million participants.

Participating Defined Contribution Benchmarking Assets

in $USD trillions
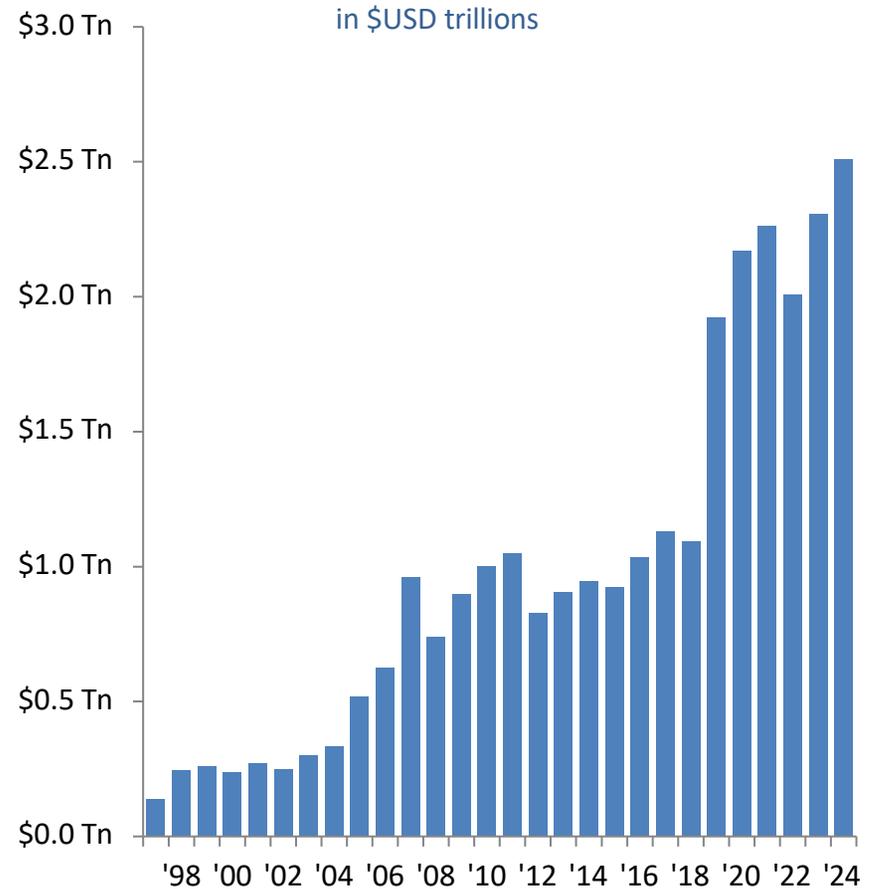
Your peer group is comprised of 12 DC plans. Their assets ranged from $4.9 billion to $21.8 billion versus your $17.7 billion. Your peer group is used to benchmark your costs.

By design, your peers are similar to your plan in assets and average account balance because these factors impact costs.

Peers	
County of Los Angeles (457)	Utah RS
ERS of Texas	Virginia RS
Federal Reserve OEB	
Florida State Board of Administration	
Harvard University	
Indiana Public RS	
Michigan Office of Retirement Services	
North Carolina Supplemental Retirement Plans	
Ohio Public Employees Def. Comp.	
State of Tennessee	

By design, your peers are similar to your plan in assets and average account balance because these factors impact costs.

Comparison of plan characteristics

	Your plan	Peers	U.S. universe
# of plan sponsors	1	12	121
Plan assets			
- Smallest to largest	$17.7 BN	$4.9 BN - $21.8 BN	$158 mil - $962.7 BN
- Median	$17.7 BN	$12.9 BN	$8.5 BN
Account balance of average participant			
- Median	$49,000	$52,000	$201,000
% retired or separated with assets in plan	31%	39%	37%
Average % of assets indexed	46%	66%	72%
Average # of investment options*	11	13	14
Corporate, Public	Public	0 Corp, 12 Public	97 Corp, 24 Public

*US TIPS option exists but is excluded from counts and analytics due to zero NAV after GoalMaker allocations.

Your investment line up compared to your peer average and the universe average is shown below.

You have 11 investment options compared to a peer average of 12.9 and a U.S. universe average of 14.2. Asset mix is a primary driver of long term returns. Asset mix depends on participant choices and the investment options available.

The default option is where contributions are placed when participants do not make an active selection. Your default option is Target Date. It is the default option for 92% of your peers and 87% of U.S. universe plans.

GoalMaker is an asset allocation service that is provided to participants at no additional cost. A participant can utilize a profiling tool to be placed into one of GoalMaker's three risk profiles. The glidepath for each risk profile has nine age categories that move to and through retirement. A participant can also independently select one of GoalMaker's portfolios. Assets in each portfolio are rebalanced quarterly.

For more detailed analysis of your fund line up compared to peers and the universe, refer to page 29.

Type and number of investment options

	Your Plan	Peer Average	Universe Average***
Stock U.S.	4	4.3	4.7
Stock Non U.S. & Global	2	1.8	2.3
Bonds*	2	2.4	2.5
Stable Value & GIC	1	0.8	0.8
Cash, Money Market		0.7	0.6
Target Date**	1	1.0	1.0
Balanced		0.4	0.4
Mutual Fund Window		0.3	0.1
Participant Brokerage Account		0.6	0.5
Real, Hedge, Other ex. Loans	1	0.8	0.7
Total*	11	12.9	14.2

*US TIPS option exists but is excluded from counts and analytics due to zero NAV after GoalMaker allocations.

*Target date families are treated as one option. You have 27 target date options compared to a peer average of 12.3 and a universe average of 10.6.

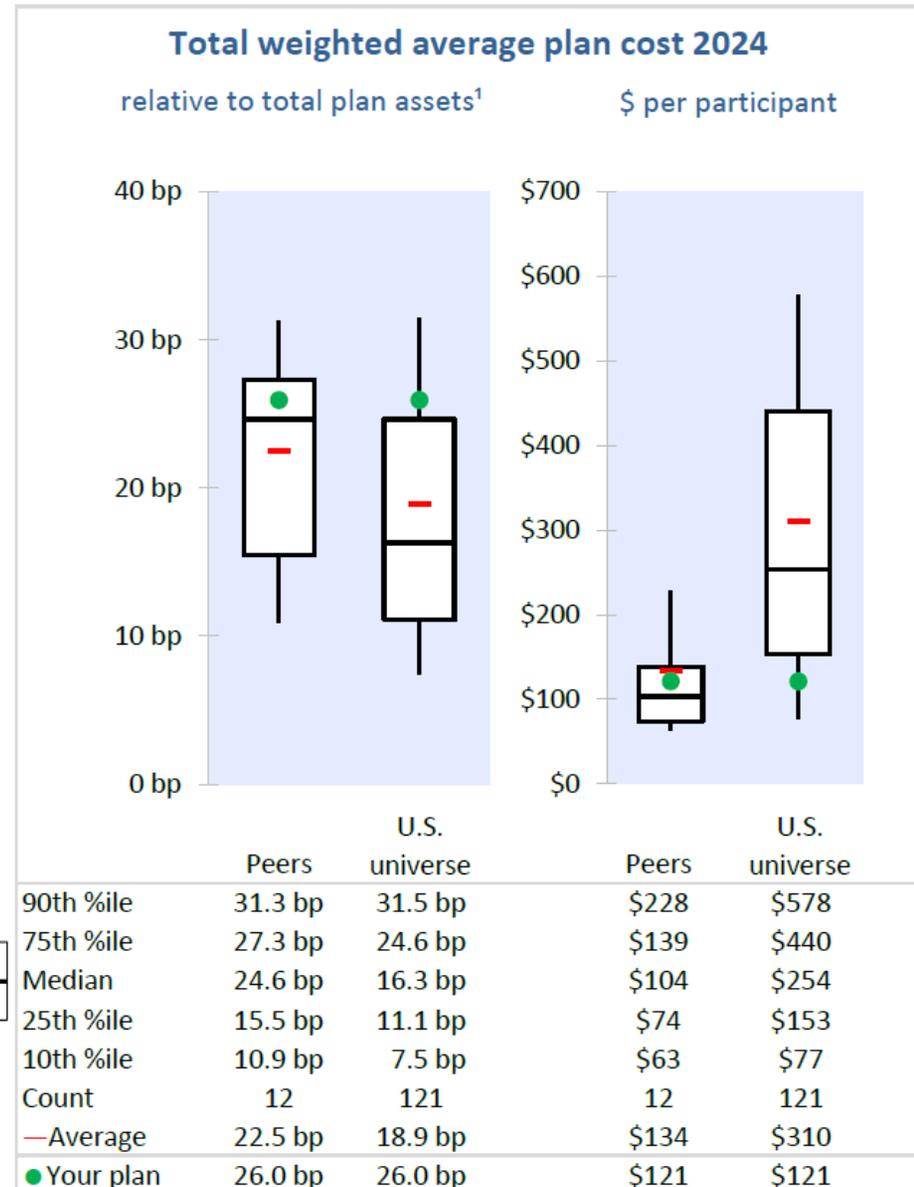**Total may not add due to the removal of employer stock, which is not applicable to your plan.

Default option

	Your Plan	Peer Average	Universe Average**
Balanced		0%	3%
Target Date	Yes	92%	87%
Managed account		0%	3%
Stable Value		0%	0%
Money Market		0%	0%
Other		0%	1%
No default option		8%	6%
Total		100%	100%

Your participants' weighted average total cost was 26.0 bps of total plan assets or $121 per participant.

Your peers' weighted average total cost was 22.5 bps (0.225%) of total plan assets or $134 per participant. Differences in costs are often caused by differences in participants' fund allocation and percentage of indexed assets. A better comparison is to our custom, peer based benchmark cost, which adjusts for these factors. Refer to page 9 for this comparison.

Total weighted average plan cost 2024

relative to total plan assets[1]　　　$ per participant

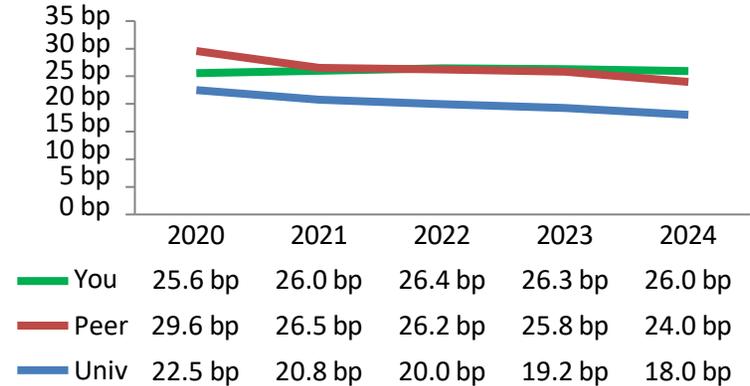|	Peers	U.S. universe	Peers	U.S. universe
90th %ile	31.3 bp	31.5 bp	$228	$578
75th %ile	27.3 bp	24.6 bp	$139	$440
Median	24.6 bp	16.3 bp	$104	$254
25th %ile	15.5 bp	11.1 bp	$74	$153
10th %ile	10.9 bp	7.5 bp	$63	$77
Count	12	121	12	121
—Average	22.5 bp	18.9 bp	$134	$310
● Your plan	26.0 bp	26.0 bp	$121	$121

1. One basis point (bp) is equal to 1/100th of 1%, or 0.01%

Your participants' weighted average total costs increased from 25.6 bps of plan assets in 2020 to 26.0 bps in 2024.
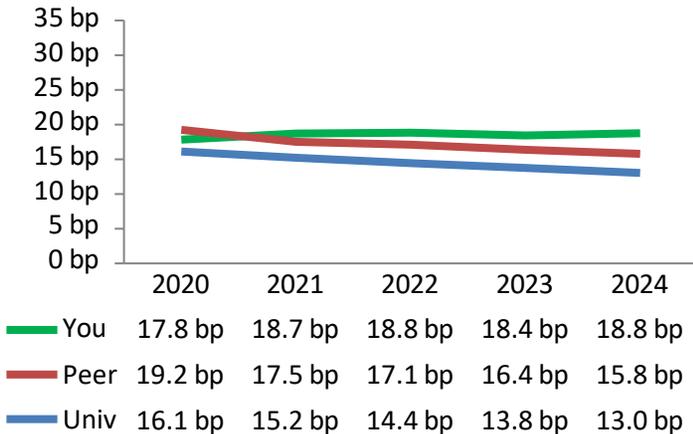
Your costs increased primarily because your participants increased their holdings of target date funds, which was offset by a reduction in admin expenses.

During the same period, total plan costs decreased for the U.S. universe, from 22.5 bps in 2020 to 18.0 bps in 2024. The primary reason for the decline is that indexed assets increased from 67% of total 'indexable assets' in 2020 to 72% in 2024.
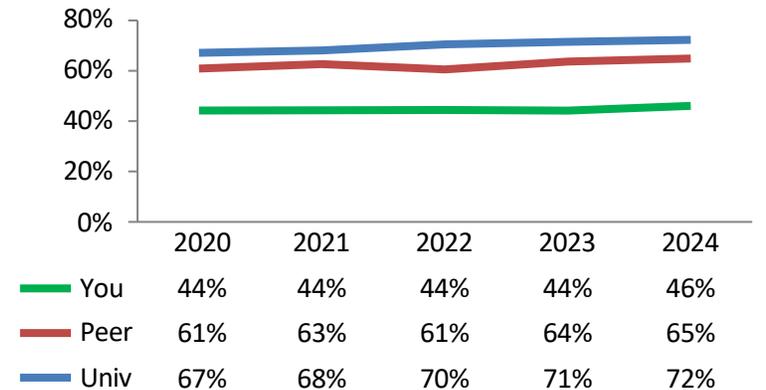
Trend in total plan costs - % of assets

	2020	2021	2022	2023	2024
You	25.6 bp	26.0 bp	26.4 bp	26.3 bp	26.0 bp
Peer	29.6 bp	26.5 bp	26.2 bp	25.8 bp	24.0 bp
Univ	22.5 bp	20.8 bp	20.0 bp	19.2 bp	18.0 bp

Average investment costs as a % of plan assets

	2020	2021	2022	2023	2024
You	17.8 bp	18.7 bp	18.8 bp	18.4 bp	18.8 bp
Peer	19.2 bp	17.5 bp	17.1 bp	16.4 bp	15.8 bp
Univ	16.1 bp	15.2 bp	14.4 bp	13.8 bp	13.0 bp

Indexed options as a % of indexable assets

	2020	2021	2022	2023	2024
You	44%	44%	44%	44%	46%
Peer	61%	63%	61%	64%	65%
Univ	67%	68%	70%	71%	72%

Trend analysis is based on the 96 universe funds and 10 peers with 5 consecutive years of data.

Your peer-based benchmark cost allows you to understand why your costs are different.

CEM calculates a benchmark cost for your plan based on the median cost your peers pay for similar options. For target date funds, the custom benchmark cost is also based on the asset mix of each of your target date funds. Your participants' weighted average cost was 26.0 bp.

Reasons for differences in actual vs. benchmark cost are summarized in the table on the right.

For a detailed analysis, refer to page 42.

Your participants' weighted average

	$000's	bp
Total actual cost	$43,742	26.0 bp
Custom peer-based benchmark cost	$39,211	23.3 bp
Difference	$4,532	2.7 bp

Reasons for differences in actual vs. benchmark cost

Cumulative impact of differences in:	$000's	bp
Fees paid for similar options	-$1,366	-0.8 bp
Participants' allocation in indexed vs active options (your 46% indexed vs peer 66%)	$7,678	4.6 bp
Fees paid for administrative services (your 7.2 bps of plan assets vs 8.2 bps for peers)	-$1,781	-1.1 bp
Total explained	$4,532	2.7 bp

The table below compares your investment options relative to your peers for cost, and the U.S. universe for performance and risk.

Investment Option	Cost vs Benchmark 2024 Your Cost	BM Cost	Cost diff.	Net Return 2024 Your	Univ Med	Net Return 5-year Your	Univ Med	Net Value Added 2024 Your*	Univ Med	Net Value Added 5-yr. Your	Univ Med	Risk* 2024 Your	Univ Med
BlackRock - North Carolina Large Cap Passive Fund	0.5 bp	1.0 bp	-0.5 bp	25.0%	25.0%	14.5%	14.5%	0.0%	0.0%	0.0%	0.0%	--	--
Multi-Manager - North Carolina Large Cap Core Fund	27.7 bp	26.3 bp	1.4 bp	21.0%	24.4%	13.2%	14.2%	-3.5%	-0.3%	-1.0%	-0.3%	--	--
BlackRock - North Carolina SMID Cap Passive Fund	0.5 bp	2.0 bp	-1.5 bp	12.0%	16.9%	8.7%	9.9%	0.0%	0.0%	-0.1%	0.1%	--	--
Multi-Manager - North Carolina SMID Cap Core Fund	37.8 bp	56.9 bp	-19.1 bp	6.8%	11.0%	8.1%	8.9%	-5.2%	-1.0%	-0.7%	0.5%	--	--
BlackRock - North Carolina International Passive fund	2.1 bp	4.8 bp	-2.7 bp	5.0%	5.1%	3.9%	4.3%	-0.5%	-0.1%	-0.3%	0.1%	--	--
Multi-Mgr - North Carolina International Equity Fund	37.1 bp	42.0 bp	-4.9 bp	6.1%	5.5%	3.4%	4.7%	0.6%	0.6%	-0.8%	0.6%	--	--
BlackRock - North Carolina Fixed Income Passive fund	2.0 bp	2.5 bp	-0.5 bp	1.3%	1.3%	-0.4%	-0.3%	0.1%	0.1%	0.0%	0.0%	--	--
Multi-Mgr - North Carolina Fixed Income Fund	12.2 bp	20.0 bp	-7.8 bp	2.2%	2.3%	0.3%	0.2%	0.9%	0.8%	0.7%	0.5%	--	--
Galliard - North Carolina Stable Value Fund	25.0 bp	25.0 bp	0.0 bp	3.1%	2.8%	2.3%	2.3%	-1.2%	-1.9%	-0.1%	-0.2%	--	--
BlackRock - North Carolina Inflation Sensitive Fund	9.0 bp	10.6 bp	-1.6 bp	3.0%	4.1%	2.8%	5.9%	0.4%	-0.1%	1.7%	-0.1%	--	--
GM - Pre Retirement - 0-5 CON 2025	17.0 bp	17.5 bp	-0.5 bp	5.7%	9.3%	3.8%	5.8%	0.0%	-0.1%	0.1%	0.0%	5.4%	7.9%
GM - Pre Retirement - 6-10 CON 2030	18.0 bp	19.0 bp	-1.0 bp	6.1%	10.0%	4.1%	6.4%	0.0%	-0.1%	0.1%	0.0%	6.4%	9.2%
GM - Pre Retirement - 11-15 CON 2035	19.0 bp	19.4 bp	-0.4 bp	6.9%	11.1%	4.6%	7.3%	0.0%	-0.1%	-0.2%	0.0%	7.4%	10.2%
GM - Pre Retirement - 16-20 CON 2040	20.0 bp	20.7 bp	-0.7 bp	7.9%	12.7%	5.1%	8.0%	0.0%	-0.1%	0.0%	0.0%	8.9%	11.6%
GM - Pre Retirement - 21-25 CON 2045	16.0 bp	20.6 bp	-4.6 bp	9.0%	13.9%	5.8%	8.8%	0.0%	-0.1%	-0.1%	0.0%	10.2%	12.8%
GM - Pre Retirement - 26+ CON 2050	21.0 bp	21.9 bp	-0.9 bp	10.1%	14.7%	6.5%	9.1%	0.0%	-0.1%	-0.1%	0.0%	11.6%	13.7%
GM - Pre Retirement - 0-5 MOD 2025	18.0 bp	19.0 bp	-1.0 bp	7.4%	9.3%	4.9%	5.8%	0.0%	-0.1%	0.0%	0.0%	7.5%	7.9%
GM - Pre Retirement - 6-10 MOD 2030	20.0 bp	20.3 bp	-0.3 bp	8.1%	10.0%	5.3%	6.4%	0.0%	-0.1%	0.0%	0.0%	8.8%	9.2%
GM - Pre Retirement - 11-15 MOD 2035	20.0 bp	20.9 bp	-0.9 bp	9.1%	11.1%	5.9%	7.3%	0.0%	-0.1%	-0.1%	0.0%	10.2%	10.2%
GM - Pre Retirement - 16-20 MOD 2040	21.0 bp	21.5 bp	-0.5 bp	10.1%	12.7%	6.5%	8.0%	0.0%	-0.1%	-0.1%	0.0%	11.6%	11.6%
GM - Pre Retirement - 21-25 MOD 2045	22.0 bp	21.4 bp	0.6 bp	11.0%	13.9%	7.1%	8.8%	0.0%	-0.1%	-0.2%	0.0%	12.7%	12.8%
GM - Pre Retirement - 26+ MOD 2050	22.0 bp	22.4 bp	-0.4 bp	11.9%	14.7%	7.7%	9.1%	0.0%	-0.1%	-0.2%	0.0%	13.7%	13.7%
GM - Pre Retirement AGG 0-5 - 2025	19.0 bp	19.6 bp	-0.6 bp	9.6%	9.3%	6.9%	5.8%	0.0%	-0.1%	0.6%	0.0%	9.9%	7.9%
GM - Pre Retirement AGG 6-10 2030	21.0 bp	21.2 bp	-0.2 bp	10.2%	10.0%	7.0%	6.4%	0.0%	-0.1%	0.3%	0.0%	11.3%	9.2%
GM - Pre Retirement AGG 11-15 2035	22.0 bp	21.7 bp	0.3 bp	11.0%	11.1%	7.3%	7.3%	0.0%	-0.1%	0.0%	0.0%	12.7%	10.2%
GM - Pre Retirement AGG 16-20 2040	22.0 bp	22.2 bp	-0.2 bp	11.7%	12.7%	7.6%	8.0%	0.0%	-0.1%	-0.1%	0.0%	13.6%	11.6%
GM - Pre Retirement AGG 21-25 - 2045	22.0 bp	21.8 bp	0.2 bp	12.2%	13.9%	7.8%	8.8%	0.0%	-0.1%	-0.3%	0.0%	14.2%	12.8%

In the 'Rank' graphic, one colored square (Low) is a percentile ranking of 0% to 10%, two squares is 10.1% to 25%, three squares is 25.1% to 75%, and 4 squares is 75.1% to 90%, and 5 squares (High) is 90.1% to 100%. Highlighting is not applied if there are fewer than 5 observations.

*Asset Risk is calculated for target date and balanced options. It is based on the expected volatility of an option given the reported asset mix. This approach allows comparison of your fund to peers and the universe using a consistent risk metric.

US TIPS option exists but is excluded from counts and analytics due to zero NAV after GoalMaker allocations.

Continued - Comparions of investment option cost, peformance and risk

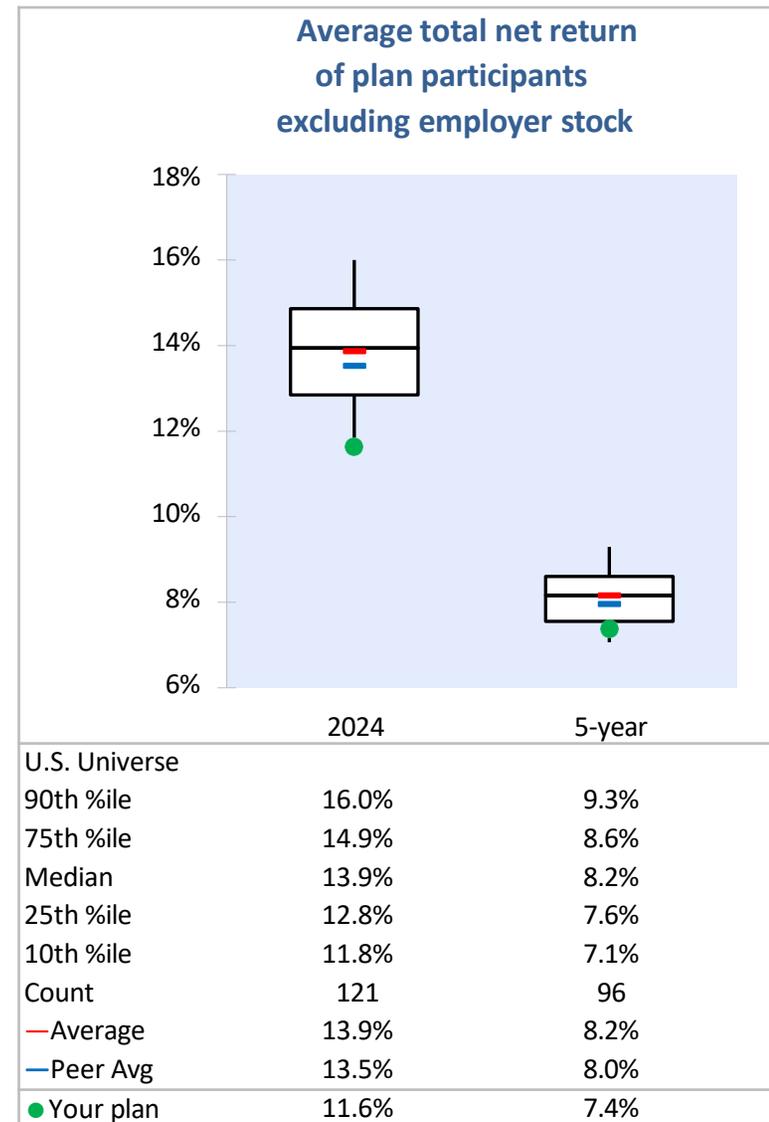| Investment Option	Cost 2024				Net Return 2024			Net Return 5-year			Net Value Added 2024			Net Value Added 5-yr			Risk 2024		
	Your Cost	BM Cost	Cost diff.	Rank vs. Peer (Low–High)	Your	Univ Med	Rank vs. Univ (Low–High)	Your	Univ Med	Rank vs. Univ (Low–High)	Your	Univ Med	Rank vs. Univ (Low–High)	Your	Univ Med	Rank vs. Univ (Low–High)	Your	Univ Med	Rank vs. Univ (Low–High)
GM - Pre Retirement AGG 26+ 2050	22.0 bp	22.5 bp	-0.5 bp		12.2%	14.7%		7.8%	9.1%		0.0%	-0.1%		-0.3%	0.0%		14.2%	13.7%	
GM - Post Retirement - 0-5 CON 2020	17.0 bp	16.7 bp	0.3 bp		5.3%	7.8%		3.6%	4.8%		0.0%	-0.1%		0.1%	0.0%		4.7%	6.4%	
GM - Post Retirement - 6-10 CON 2015	17.0 bp	16.7 bp	0.3 bp		5.1%	7.2%		3.4%	4.7%		0.0%	0.0%		0.1%	0.1%		4.3%	6.5%	
GM - Post Retirement - 11+ CON Income	16.0 bp	15.5 bp	0.5 bp		4.9%	7.0%		3.4%	4.0%		0.0%	0.0%		0.1%	0.0%		4.1%	6.1%	
GM - Post Retirement 0-5 MOD 2020	18.0 bp	18.0 bp	0.0 bp		7.1%	7.8%		4.7%	4.8%		0.0%	-0.1%		0.1%	0.0%		6.6%	6.4%	
GM - Post Retirement 6-10 MOD 2015	17.0 bp	17.4 bp	-0.4 bp		6.7%	7.2%		4.5%	4.7%		0.0%	0.0%		-0.5%	0.1%		5.9%	6.5%	
GM - Post Retirement 11+ MOD Income	17.0 bp	16.1 bp	0.9 bp		6.3%	7.0%		4.4%	4.0%		0.0%	0.0%		0.0%	0.0%		5.4%	6.1%	
GM - Post Retirement AGG 0-5 2020	18.0 bp	18.7 bp	-0.7 bp		9.1%	7.8%		6.8%	4.8%		0.0%	-0.1%		0.8%	0.0%		8.7%	6.4%	
GM - Post Retirement AGG 6-10 2015	18.0 bp	18.2 bp	-0.2 bp		8.9%	7.2%		6.7%	4.7%		0.0%	0.0%		1.0%	0.1%		8.0%	6.5%	
GM - Post Retirement AGG 11+ Income	17.0 bp	17.2 bp	-0.2 bp		8.1%	7.0%		6.4%	4.0%		0.0%	0.0%		0.9%	0.0%		7.2%	6.1%	

In the 'Rank' graphic, one colored square (Low) is a percentile ranking of 0% to 10%, two squares is 10.1% to 25%, three squares is 25.1% to 75%, 4 squares is 75.1% to 90%, and 5 squares (High) is 90.1% to 100%. Highlighting is not applied if there are fewer than 5 observations.

*The 2024 NVA of your GoalMaker sleeves are set to 0 as benchmark returns were not available.

Your participants' weighted average 5-year total net return was 7.4%. This compares to a U.S. median, excluding the impact of employer stock, of 8.2%.

Employer stock can have such a large impact on performance and is therefore shown excluding its impact.

In 2024, the average participant in our U.S. universe had 6% in employer stock.

Average total net return of plan participants excluding employer stock

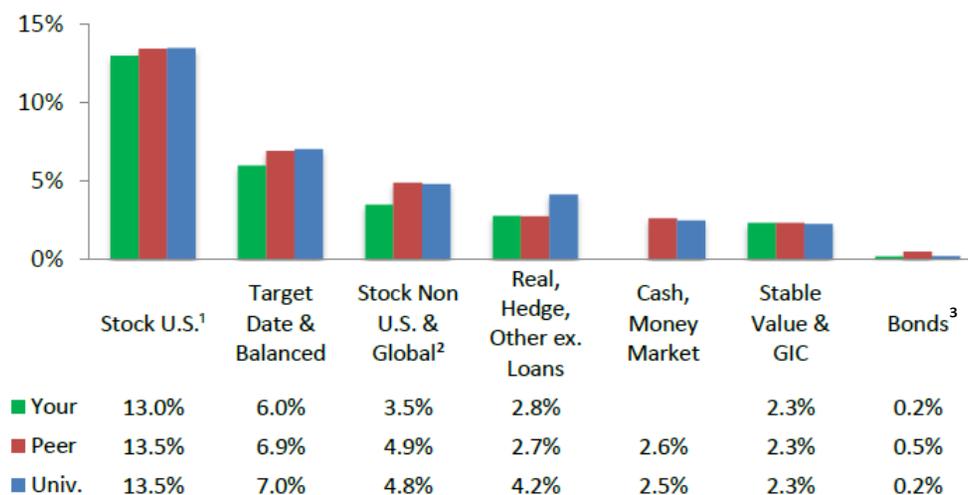| U.S. Universe	2024	5-year
90th %ile	16.0%	9.3%
75th %ile	14.9%	8.6%
Median	13.9%	8.2%
25th %ile	12.8%	7.6%
10th %ile	11.8%	7.1%
Count	121	96
—Average	13.9%	8.2%
—Peer Avg	13.5%	8.0%
● Your plan	11.6%	7.4%

Differences in participants' weighted average net total return are a result of differences in their collective fund allocation and asset category returns.

The best performing asset category in the universe over the past 5 years was U.S. Stock, which had an average category return of 13.5%. This compares to the poorest performing asset category return of 0.2%, which was Bonds.

Differences in asset category return reflects both investment option performance and the mix of styles (for example broad, mid cap) in the category.

Your 5-year fund allocation is compared to your peers and the U.S. universe on the table on the right.

Average 5-year net returns by major asset category

	Stock U.S.[1]	Target Date & Balanced	Stock Non U.S. & Global[2]	Real, Hedge, Other ex. Loans	Cash, Money Market	Stable Value & GIC	Bonds[3]
Your	13.0%	6.0%	3.5%	2.8%		2.3%	0.2%
Peer	13.5%	6.9%	4.9%	2.7%	2.6%	2.3%	0.5%
Univ.	13.5%	7.0%	4.8%	4.2%	2.5%	2.3%	0.2%

Participants' 5-year fund allocation*

	Your Plan	Peer Average	U.S. Universe**
Stock U.S.	32%	36%	33%
Target Date & Balanced	48%	35%	33%
Stock Non U.S. & Global	3%	5%	7%
Real, Hedge, Other ex. Loans	1%	1%	1%
Cash, Money Market	0%	1%	2%
Stable Value & GIC	13%	15%	9%
Bonds	3%	6%	7%
Total	100%	100%	92%

* Excludes self-directed windows

**Total does not add up due to the removal of employer stock, which is not applicable to your plan.

[1]Stock U.S. includes broad, large, mid, small/mid, and small cap options.

[2]Stock Non U.S. and Global includes emerging, global and non-US options.

[3]US TIPS option exists but is excluded from counts and analytics due to zero NAV after GoalMaker allocations.

Thank you

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–

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