

In-plan annuity advantages

Top reasons to consider TIAA fixed and variable annuities for your retirement plan

1

They help employees build a diversified income plan with a retirement paycheck.¹

We all know the importance of diversification when saving to help address market and interest rate risk. At retirement, employees need an extra layer of diversification to help overcome another risk that comes with longer life expectancies: running out of money.²

Our annuities offer employees a predictable retirement paycheck and the assurance they'll have money coming in as long as they live.

How employees can use their retirement paycheck³



Guaranteed income for everyday expenses

Social Security (and pension, if available)

The amount depends on employees' career earnings and when they begin taking Social Security or pension income.

TIAA Traditional fixed annuity

Guaranteed monthly income is protected from economic downturns.⁴



Variable income for additional expenses

CREF variable annuities and TIAA Real Estate Account

Income varies with market performance to potentially provide inflation protection.⁵

Investment portfolio

Mutual funds, brokerage accounts, etc. offer liquidity but are also affected by market volatility and length of retirement.

2

They can allow employees to retire with more initial income.



Potential for more initial income than the typical 4% withdrawal approach⁶

Historically, our annuities have provided higher initial retirement income than common 4% investment portfolio withdrawals.^{7,8,9}

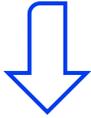
3

They offer key advantages during employees' working years.



Always-on growth

With TIAA Traditional, employees' money grows every day—no matter the market. Over the long term, returns have been similar to an intermediate bond index with less volatility.¹⁰



Growth potential with costs among the lowest in the industry¹¹

TIAA and CREF variable annuities offer a broad range of investments with long-term growth objectives—including real estate and socially responsible options.

54%

Broad interest

Percentage of employees “extremely/very interested” in in-plan annuities offering guaranteed lifetime income.¹²

4

They put participants first.



Our sharing-the-profits approach

Unlike others, TIAA seeks to share profits with participants both while they're saving and in retirement. We've shared more than \$3 billion a year on average with TIAA Traditional participants the past 10 years.¹³



More money for employees' futures

CREF Accounts are offered at-cost and without profit to TIAA, so more money goes to work for employees and their future.

Ready to build a more secure future together? Let's talk.

Contact your TIAA representative or visit us at ttaa.org/plansponsors or ttaa.org/consultants



1. Paycheck refers to the annuity income in retirement. Guarantees of fixed monthly payments are only associated with fixed annuities.
2. Diversification is a technique to help reduce risk. It is not guaranteed to protect against loss.
3. This point of view is designed to be a starting point for the retirement income conversation. It is not a recommendation.
4. TIAA Traditional is a fixed annuity product issued by Teachers Insurance and Annuity Association of America (TIAA), New York, NY. TIAA Traditional is a guaranteed insurance contract and not an investment for federal securities law purposes.
5. A variable annuity is an insurance contract and includes underlying investments whose value is tied to market performance. When markets are up, you can capture the gains. When markets are down, you may experience losses. Payments from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance.
6. Lifetime income from TIAA fixed annuities include interest credited at a guaranteed rate, plus additional amounts the Board of Trustees may establish yearly. Lifetime income from CREF variable annuities are not guaranteed and will change based on investment performance.
7. TIAA Actuarial Department calculations with two hypothetical participants with equivalent ending account balances of approximately \$100,000 that retire at age 67 and select the same single-life annuity with a 10-year guarantee period using TIAA's standard payout annuity where payments begin on 10/1/23. Life annuity payments assume a single life annuity with a 10-year guarantee period at age 67 using TIAA's standard payment method beginning income on 10/1/23. New contributor assumes new contribution to TIAA Traditional Retirement Annuity contract. The career contributor received more initial annual lifetime income than the new contributor. This advantage is because of TIAA's return of profits that have built up on older contributions. These Income Payout Rates are more than the amount of initial annual income in retirement that either participant would have received by using a 4%-per-year systematic withdrawal strategy that is sometimes referred to or advised in retirement planning literature and that is not guaranteed to be paid for life.
8. The 4% rule of thumb assumes the first year's payment is based on 4% of the same approximately \$100,000 final balance used by hypothetical TIAA Traditional lifetime income recipients. Under the 4% rule of thumb approach, the participant would be responsible for adjusting the amount of their payments each year based on the rate of inflation. During the participant's retired years, he can withdraw his remaining account balance at any time if it has not been exhausted or he could leave to his beneficiary if he dies.
9. When compared to theoretical 4% systematic withdrawal amounts from similarly invested peer groups, CREF, as represented by CREF stock, has historically paid higher levels of lifetime income. There are material differences between mutual funds and CREF variable accounts. Mutual fund capital-gain distributions or dividends paid are added to the number of shares owned. CREF account capital-gain distributions or dividends are added to the unit value (number of units stay constant). Mutual fund withdrawals are only available as onetime or systematic withdrawals. CREF accounts include the right to receive an income stream from all or part of an account's accumulation.
10. Low volatility is a characteristic of guaranteed annuity products. While some characteristics of TIAA Traditional and a Bond Index are similar, if they are owned within a tax-qualified retirement plan, there can be substantial differences in investment objectives, costs and expenses, liquidity, default risk, guarantees, and fluctuation of principal or return (including the effect of the vintage system on TIAA Traditional returns). The TIAA Traditional guarantee is based upon the claims-paying ability of TIAA, while the bonds associated with the Bond Index are typically backed by the credit of the issuer or underlying cash flows from other assets. A fund attempting to replicate the Bond Index is more liquid than TIAA Traditional, which may only be able to be withdrawn in 10 annual installments and not in a lump sum.
11. Applies to CREF Variable Annuities' net expense ratios average 0.28%, less than half the average industry cost (0.93%) for an institutional annuity. Morningstar as of 9/30/2023, based on fund level net expense ratios from 11,483 variable annuities evaluated. Our mutual fund and variable annuity products are subject to various fees and expenses, including but not limited to management, administrative, and distribution fees. TIAA Traditional provides the ability to receive guaranteed lifetime income; the Bond Index does not.
12. TIAA 2022 Retirement Insights Survey. April 2022.
13. As of Dec. 31, 2022. TIAA may share profits with TIAA Traditional Annuity owners through declared additional amounts of interest during accumulation, higher initial annuity income, and through further increases in annuity income benefits during retirement.

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Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability.

The TIAA group of companies does not provide legal or tax advice. Please consult your legal or tax advisor.

You should consider the investment objectives, risks, charges, and expenses carefully before investing. Please call 877-518-9161 or go to [TIAA.org/prospectuses](https://www.tiaa.org/prospectuses) for current product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.

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