Frequently Asked Questions  
2023 TIAA Traditional* Interest Rates Update  

Good news!!  

- TIAA Traditional interest rates for existing balances increased in March — on average 13% — benefiting more than 2 million TIAA participants.\(^1,2\)
  
  - This means TIAA will credit a total of $3.4 of additional interest above the guaranteed interest rates in 2023 which is $1.1m more in shared profits than credited in 2022.\(^1,2\)
  
  - Interest rates for existing TIAA Traditional balances took effect March 1 and will remain through February 2024 (see the rate table below).\(^1\)
  
  - Participants who have an existing TIAA Traditional balance may see their individual updated interest rates beginning March 1 by logging into their account.

- New monies saved in TIAA Traditional beginning March 1 can earn as much as 6.25% for employer plans. While new money rates can change monthly, contributions received in a given month will maintain that rate through February 2024.

- The new money rate is based on the contract(s) available within the participant’s retirement plan.

- We are able to increase rates thanks to our disciplined approach to managing our TIAA General Account and our unique way of sharing profits with participants.\(^1\)

- The interest rate increase comes just weeks after TIAA announced a 3% raise in lifetime income payments for TIAA Traditional annuitants.

- TIAA Traditional continues to provide participants a guaranteed competitive rate while saving, even during times of heavy market volatility.

- Participants can learn more about this interest rate increase by visiting this dedicated webpage.

TIAA Traditional interest rates  
Rates for existing savings remain in effect from March 2023 to February 2024

<table>
<thead>
<tr>
<th>Funds applied</th>
<th>Retirement Annuity</th>
<th>Supplemental Retirement Annuity</th>
<th>Retirement Choice</th>
<th>Retirement Choice Plus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre–2006</td>
<td>5.25%</td>
<td>4.50%</td>
<td>5.50%</td>
<td>4.75%</td>
</tr>
<tr>
<td>2006–2011</td>
<td>4.80%</td>
<td>4.05%</td>
<td>5.05%</td>
<td>4.30%</td>
</tr>
<tr>
<td>2012–2019</td>
<td>4.55%</td>
<td>3.80%</td>
<td>4.80%</td>
<td>4.05%</td>
</tr>
<tr>
<td>2020–2021</td>
<td>4.00%</td>
<td>3.25%</td>
<td>4.25%</td>
<td>3.50%</td>
</tr>
<tr>
<td>January–April 2022</td>
<td>4.60%</td>
<td>3.85%</td>
<td>4.85%</td>
<td>4.10%</td>
</tr>
<tr>
<td>May–October 2022</td>
<td>5.85%</td>
<td>5.10%</td>
<td>6.10%</td>
<td>5.35%</td>
</tr>
<tr>
<td>November–December 2022</td>
<td>6.60%</td>
<td>5.85%</td>
<td>6.85%</td>
<td>6.10%</td>
</tr>
<tr>
<td>January 2023</td>
<td>6.25%</td>
<td>5.50%</td>
<td>6.50%</td>
<td>5.75%</td>
</tr>
<tr>
<td>February 2023</td>
<td>6.00%</td>
<td>5.25%</td>
<td>6.25%</td>
<td>5.50%</td>
</tr>
</tbody>
</table>

* TIAA Traditional is issued by Teachers Insurance and Annuity Association of America (TIAA), New York, NY.

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Answers to Key Questions

**Q1. How can TIAA increase crediting rates?**

We keep our participants at the center of everything we do, and we serve a single purpose: their financial well-being. We manage money with a long-term perspective, and our mission is to help participants achieve financial well-being throughout their lifetime.

The TIAA General Account, which backs TIAA Traditional, invests in a broadly diversified portfolio that enables us to pursue long-term returns for the account. The portfolio is positioned heavily toward high-quality and well-diversified fixed income assets. A broad array of public and private fixed income securities (offering higher yields than U.S. Treasuries) can offer attractive relative value and is a good fit for the portfolio.

The long-term investment horizon and statutory accounting allow the portfolio to take advantage of illiquid investments and absorb mark-to-market volatility. This provides the stability and liquidity needed to support our guarantees for TIAA Traditional customers.

Additionally, the TIAA General Account is one of the world’s largest institutional investors, investing on average about $27 billion per year since 2000. Find out more about our financial strength commitment [here](#).

With our above mission, the decision to increase interest rates to our participants reflects the strong capital position and demonstrates TIAA’s ability to endure periods of uncertainty while also supporting the interest rate guarantees associated with all TIAA Traditional annuity contract types.

**Q2. How does TIAA share the profits?**

TIAA has always had a disciplined money management approach. It has consistently delivered, no matter the market, and always with the opportunity for interest above the guaranteed rate. Since 1948: TIAA has credited interest above the guaranteed minimum on one or more contracts every year.

TIAA’s charter requires us to serve our core clients without profit as a corporation. This allows us to offer the opportunity for more growth and income above the guaranteed amounts to those who own TIAA Traditional through our shared profits approach. Additional amounts, when declared, remain in effect through the “declaration year,” which is March 1 through the end of February for accumulating annuities and January 1 through December 31 for payout annuities.

These benefits are not guaranteed.

- Crediting interest above the guaranteed growth rate for those saving in TIAA Traditional
- Higher payout rates for long-term contributors
- Income increases that can be awarded to those already receiving lifetime income in retirement through TIAA Traditional
All guarantees are based on TIAA’s claims-paying ability. TIAA Traditional is a guaranteed insurance contract and not an investment for federal securities law purposes.

1 TIAA may share profits with TIAA Traditional retirement annuity owners through declared additional amounts of interest and through increases in annuity income throughout retirement. These additional amounts are not guaranteed other than for the period for which they were declared.

2 TIAA Actuarial as of 2/15/2023.

3 Source: S&P Global Market Intelligence Platform; as of 12/31/2021.

4 TIAA may provide a loyalty bonus based upon the length of time the funds are held in TIAA Traditional. The loyalty bonus is a return of excess profits and is only available upon annuitization. The board determines this amount on an annual basis. Past performance is not a guarantee of future performance.

Past performance is no guarantee of future results.

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Investment decisions should be made based on the investor’s own objectives and circumstances.

Annuity contracts may contain terms for keeping them in force. We can provide you with costs and complete details.

TIAA Traditional is a fixed annuity product issued through these contracts by Teachers Insurance and Annuity Association of America (TIAA), 730 Third Avenue, New York, NY, 10017: Form series including but not limited to: 1000.24; G-1000.4; IGRS-01-84-ACC; IGRSP-01-84-ACC; 6008.8. Not all contracts are available in all states or currently issued.

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