



Frequently Asked Questions

2022 TIAA Traditional* Interest Rates Update

Overview

- TIAA Traditional interest rates for existing balances increased in March – on average 21% – benefiting more than 2 million TIAA participants.^{1,2}
 - This means TIAA will credit a total of \$2.3b of additional interest above the guaranteed interest rates in 2022 which is \$1.4b more in shared profits than credited in 2021.^{1,2}
 - Interest rates for existing TIAA Traditional balances took effect March 1 and will remain through February 2023 (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 4.5% for employer plans. While new money rates can change monthly, contributions received in a given month will maintain that rate through February 2023.
- The new money rate the participant receives is based on the contract(s) available within their 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 5% raise in lifetime income payments for TIAA Traditional annuitants, our largest income increase in 40 years.³
- Participants can learn more about this interest rate increase by visiting this [dedicated webpage](#).

Funds Applied	TIAA Traditional Interest Rates (%)			
	Rates for existing savings remain in effect from March 2022 to February 2023			
	Retirement Annuity	Retirement Choice	Supplemental Retirement Annuity	Retirement Choice Plus
Pre-2006	4.65%	4.90%	3.90%	4.15%
2006-2011	4.35%	4.60%	3.60%	3.85%
2012-2019	4.10%	4.35%	3.35%	3.60%
2020-2021	3.70%	3.95%	3.00%	3.20%
01/2022-02/2022	4.00%	4.25%	3.25%	3.50%
03/2022	4.25%	4.50%	3.50%	3.75%

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

FAQ

Q1. How can TIAA increase crediting rates while the interest rate environment is generally low?

We keep our participants at the center of everything we do, and we serve a single purpose: your financial well-being. We manage money with a long-term perspective, and our mission is to help you achieve financial well-being throughout your 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.⁴ This provides the stability and liquidity needed to support our guarantees for TIAA Traditional customers.

Additionally, the TIAA General Account is one of the largest institutional investors in the world. From 2000 to 2020, investments have been \$25-30 billion annually. 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?¹

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. In fact, TIAA has credited additional amounts every year since 1948.

TIAA's charter requires us to serve our core participants 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. These benefits are not guaranteed.

- [Crediting interest above the guaranteed growth rate for those saving in TIAA Traditional.](#)⁵
- Higher payout rates for long-term contributors (TIAA Traditional "loyalty bonus").⁶
- Income increases that can be awarded to those already receiving lifetime income in retirement through TIAA Traditional.

For additional information, please reach out to your Relationship Manager or if serviced by the Administrator Telephone Center at, 888-842-7782, weekdays, 8 a.m. to 8 p.m. ET.

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 2/17/2022.

³ As of 12/15/2021, the 5% increase is the largest income increase for standard settlements since 1982. Applies to standard settlement annuitizations. Prorated increases apply to annuitants receiving lifetime income for less than one year as of January 1, 2022. This is the highest increase in 40 years for TIAA Traditional standard payments. Annuitants receiving payments under the graded method may have received higher increases during this period due to this method holding back initial income to increase at a higher rate over time to help offset inflation.

⁴ 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 are a good fit for the portfolio. The long-term investment horizon and statutory accounting allows the portfolio to take advantage of illiquid investments and absorb mark-to-market volatility.

⁵ Interest credited to TIAA Traditional Annuity accumulations includes a guaranteed rate, plus additional amounts as may be established on a year-by-year basis by the TIAA Board of Trustees. The additional amounts, when declared, remain in effect through the "declaration year", which begins each March 1 for accumulating annuities and January 1 for payout annuities. Additional amounts are not guaranteed for periods other than the period for which they are declared.

⁶ 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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