

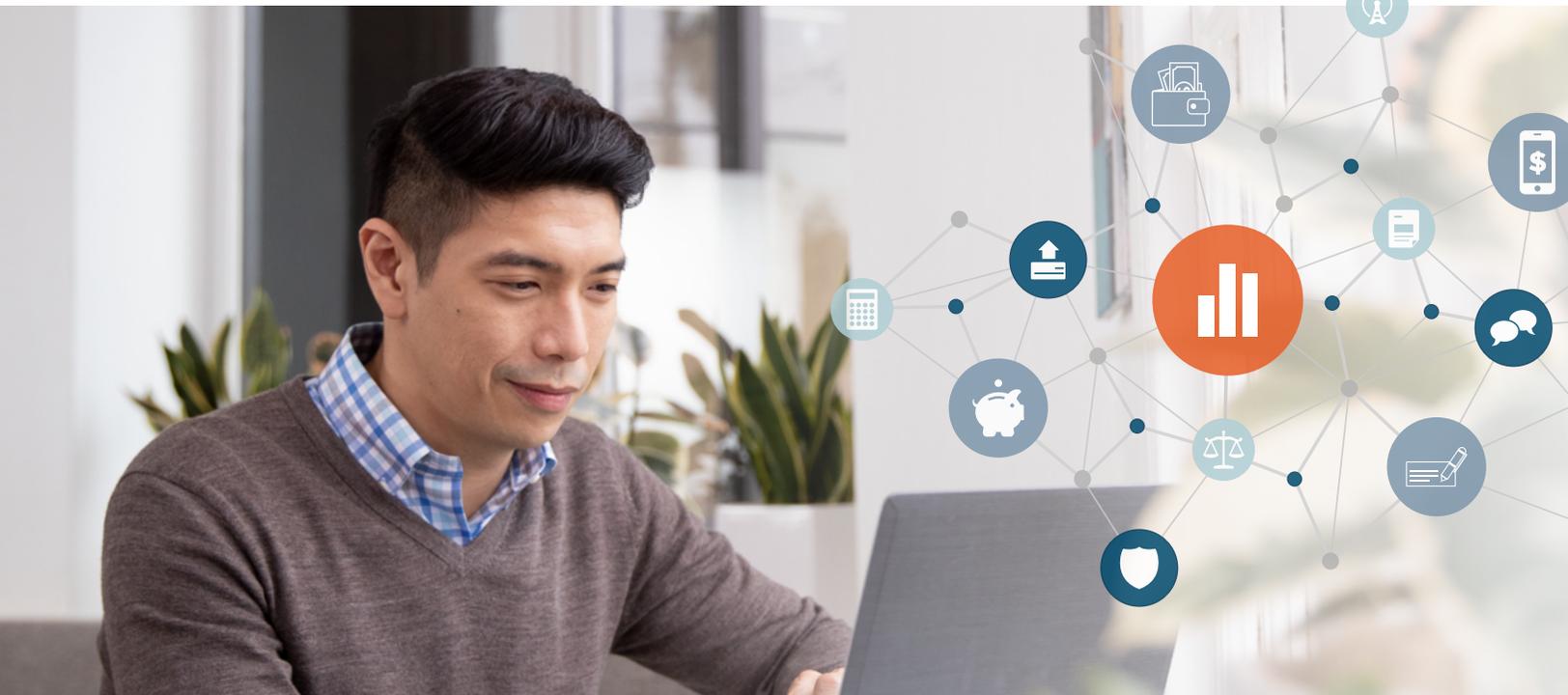
FUTUREfocus



New York State
Deferred Compensation Plan

A 457(b) Plan for Your Future

News and Strategies for Your Financial Success



Enhanced My Interactive Retirement PlannerSM gives you a more detailed view of your retirement readiness

When you enrolled in the New York State Deferred Compensation Plan (NYSDCP), you joined a program that commits to ongoing improvements that can help you achieve your long-term financial goals. Take a look at how we've enhanced My Interactive Retirement PlannerSM.

As you can see in the graphic to the right, we've added a detailed income view showing how your retirement assets could be distributed over time and whether you may have a shortfall or surplus in the future, so you can make more informed decisions now.

The Planner's detailed income view:

- Illustrates how your NYSDCP account, pension benefits, Social Security benefits and other resources could work together to provide retirement income
- Highlights the years that have a projected income shortfall or surplus
- Offers details by year when you hover over the year
- Allows you to see the potential impact of adjustments to your retirement age, contribution amount and spending in retirement

You also get a sharpened projection of your retirement readiness through the Planner's enhanced inflation calculation because it now takes future tax rates into consideration. The Planner also continues to display the rate of return on your invested NYSDCP assets.



If you haven't used My Interactive Retirement Planner lately, now would be a good time to get familiar with its enhancements. Just log in to your NYSDCP account.

NYSDCP participation helps you prepare for inflation in retirement

An article in the New York Post this past November highlighted how New York City’s iconic \$1 pizza slice had been “scorched by staggering inflation.” An accompanying table compared the costs of five common ingredients in October 2020 and October 2021, detailing why pizza prices at that time were up 20% over the previous year.¹

Social Security and most public sector pension plans include cost-of-living adjustments (COLAs) to their benefits. But COLAs don’t always match the rate of inflation. For example,

effective January 2022, Social Security retirement benefits were increased by about 5.7%, well short of last year’s 7% inflation rate.

In its simplest terms, inflation erodes purchasing power. Ongoing inflation can lower the standard of living for retirees living on a fixed income.

That’s another reason why participating in NYSDCP can be smart. You’re already investing to build an extra resource for retirement income that can help overcome the effects of inflation on other benefits. There are no guarantees, but over the long term, investing through programs such as NYSDCP has generally outperformed the rate of inflation. So as long as you continue participating in the Plan, you’re reinforcing your retirement readiness. See Page 4 for more thoughts about inflation.



If you would like to be more confident about your retirement investment strategy, call AE Connect at 1-844-867-8197 or contact your local Account Executive.

¹ “NYC’s iconic \$1 pizza slice scorched by staggering inflation,” New York Post (Nov. 6, 2021).

RETIREE CORNER

Be sure you’re up to date on your RMD

The SECURE Act of 2019 raised the age that required minimum distributions (RMDs) begin from 70½ to 72, meaning anyone whose 70th birthday is on or after July 1, 2019, has until age 72 to take their first RMD. Beginning January 1, 2022, the IRS issued a new Uniform Lifetime Table to reflect the increased life expectancy. We included the new table (shown to the right) to help retirees calculate their required distributions.

Here’s how to do the calculation: Assume you are age 74 and your NYSDCP account had a balance of \$500,000 on December 31, 2021. Look up the distribution period for age 74, which is 25.5. Divide \$500,000 by 25.5 to get your 2022 RMD of \$19,608.²

Note: As long as you remain an NYSDCP participant, you don’t need to remember your RMD or do the calculation. If you have specific instructions for your 2022 distribution, please contact NYSDCP well in advance of December 31. If you elect not to specify a decision by December 31, the Plan will automatically process and send your RMD.

Uniform Lifetime Table

Age of employee	Distribution period	Age of employee	Distribution period
72	27.4	97	7.8
73	26.5	98	7.3
74	25.5	99	6.8
75	24.6	100	6.4
76	23.7	101	6.0
77	22.9	102	5.6
78	22.0	103	5.2
79	21.1	104	4.9
80	20.2	105	4.6
81	19.4	106	4.3
82	18.5	107	4.1
83	17.7	108	3.9
84	16.8	109	3.7
85	16.0	110	3.5
86	15.2	111	3.4
87	14.4	112	3.3
88	13.7	113	3.1
89	12.9	114	3.0
90	12.2	115	2.9
91	11.5	116	2.8
92	10.8	117	2.7
93	10.1	118	2.5
94	9.5	119	2.3
95	8.9	120	2.0
96	8.4		



If you have questions about your RMD, contact the HELPLINE by calling 1-800-422-8463.

² “Where Are Those New RMD Tables For 2022?” Forbes (Jan. 18, 2022).

Learn more about the Plan's ESG (Environmental, Social and Governance) investment option

Pax Global Environmental Markets Fund — A thematic solution for a changing climate

The Pax Global Environmental Markets Fund, advised by Impax Asset Management, invests in companies that are developing innovative solutions to resource challenges in environmental markets. These markets address many long-term macroeconomic themes: growing populations, rising living standards, increasing urbanization, rising consumption and depletion of limited natural resources. Impax believes there are companies that are well positioned to thrive amid the transition to a more sustainable economy and invests in these companies through this Fund.

Recent enhancements to the Fund's taxonomy have expanded how Impax describes the Fund's investable universe from four areas (new energy; water; waste and resource recovery; sustainable food, agriculture and forestry) to six areas (new energy; mobility; sustainable food; water; circular economy; smart environment). This helps the portfolio management team ensure that, as the environmental markets landscape evolves and new opportunities that support the transition to a more sustainable economy come to market and reach scale, this Fund evolves with them.

The Fund continues to make a measurable positive impact in terms of water provided, saved or treated, renewable energy generated, materials recovered or waste-treated, and net carbon emissions avoided, thus contributing to the mitigation of global sustainability challenges.

Effective March 1, 2022, Impax increased its rebate to participants invested in the Impax GEM Fund from 10 to 16 basis points per year on fund assets. Participants invested in this fund will receive the benefit of this increase each quarter and will see the rebate reflected on their quarterly statement.

New energy

- Developers & independent power producers
- Biofuels
- Hydrogen
- Solar
- Wind
- Smart grids
- Industrial, consumer & buildings efficiency
- Power storage & uninterruptible power supply
- Lighting

Clean and efficient transport

- Aviation
- Shipping
- Railways
- E-bikes & bicycles
- Buses & coaches
- Road vehicles & devices
- Pollution reduction
- Shared mobility

Sustainable food

- Organic & alternative
- Technology & logistics
- Safety & packaging
- Agriculture & aquaculture
- Forestry

Water

- Distribution & infrastructure
- Treatment
- Efficiency
- Utilities

Circular economy

- General & hazardous waste management
- Recycled/recyclable products & biomaterials
- Resource circularity & efficiency
- Technologies

Smart environment

- Risk & Opportunity consultation
- Finance & investment
- Testing & monitoring
- Pollution control
- Environmental resources
- Efficient information technology
- Cloud computing
- Digital collaboration solutions

These enhancements reflect how we describe the investment universe and are not a fundamental change to the universe, investment guidelines or process. Source: Impax Asset Management Ltd. Impact of \$10 million invested in the Fund for one year. Based on most recently reported annual environmental data for holdings in the Pax Global Environmental Markets Fund as of December 31, 2020. Impax's impact methodology is based on equity value. MWh stands for megawatt hour. Total materials are measured in U.S. tons.

Impax Asset Management LLC, formerly Pax World Management LLC, is an investment adviser to Pax World Funds. Investments involve risk, including potential loss of principal. You should consider Pax World Funds' investment objectives, risks, charges and expenses carefully before investing. For this and other important information, please download a fund prospectus.



A message for you from the Board

Dear Participants,

Inflation has been in the headlines lately, and its effects can be seen in many parts of our daily lives. There are a couple of things that participants should keep in mind when thinking about inflation, whether the recent situation is transitory or not.

The first thing to realize is, some amount of inflation can usually be expected every year. Even 2% or 3% inflation affects your budget — and even more so over the longer term. Retirement investors are generally saving for the expected: a regular supplement to their pension, Social Security and other investments. But it is also for the unexpected, such as the bouts of unexpected inflation we are experiencing now. Having some extra money in your plan account can help offset some of these unexpected events. These concerns may be a great reason to increase your deferrals to add some more cushion for your retirement income needs.

You may also want to have a conversation with your Account Executive to learn whether your portfolio takes inflation into account. Historically, stock investments have provided a better hedge against inflation than fixed income investments, but these decisions also should be balanced and consistent with your individual risk tolerance.

If you have any questions regarding your Plan account, do not hesitate to contact the HELPLINE or an Account Executive.

Diana Jones Ritter

Blake G. Washington

David J. Natoli

Welcome, new participating employers

- Port Washington Public Library
- Village of Brewster
- Islip Resource Recovery Agency
- Town of Bethlehem
- Halesite Fire Department
- Saratoga Lake Protection & Improvement District
- Rhinebeck Central School District
- Argyle School District
- Canajoharie Central School District
- Town of Alfred
- Taconic Hills Central School District
- Germantown Central School District
- Lynbrook Union Free School District
- Letchworth Central School District

Give yourself a fresh start

Spring is a season of renewal, making this a good time to consider new opportunities and assess how well your investments are performing against your long-term goals. Log in to your NYSDCP account and use this checklist to freshen up how you manage your account:

- Increase or restart contributions to your NYSDCP account
- When you get a raise, consider giving your retirement a raise as well
- Rebalance your assets to keep them in line with your goals for risk and potential growth
- Review and revise your beneficiary designations
- Go green by signing up for e-delivery



Use the QR code to either register for our live webinars or view our webinars on demand.

To request an account review, contact your local Account Executive.

This newsletter provides information that is intended to help participants understand what investment alternatives are available to them under the Plan. If you need investment, tax or legal advice, please ask your accountant or lawyer. While we are pleased to help keep you up to date on your retirement savings, nothing in this newsletter can change the terms of the Plan or any investment contract.

Participants in the New York State Deferred Compensation Plan will be charged administrative fees for the Plan Year beginning April 1, 2022, and ending March 31, 2023. Each participant account is charged a \$20 annual fee, assessed in two \$10 semiannual installments in April and October. In addition, an asset-based fee determined by the Board will be assessed to participants with a balance greater than \$20,000. The asset-based fee will not be assessed on assets in excess of \$200,000. The semiannual asset-based fee assessed in April 2022 is .0175%.

Each of the mutual funds offered by the Plan has fund expenses that are netted directly from the mutual fund's daily price. These will vary based upon the investment fund selected.

Information provided by Account Executives is for educational purposes only and is not intended as investment advice. Neither the Administrative Service Agency nor any of its representatives offer investment, legal or tax advice. For such guidance, you should consult your own investment, legal or tax advisor. Account Executives are registered representatives of Nationwide® Investment Services Corporation, member FINRA, Columbus, Ohio.

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NRM-19726M1-NY (04/22)