



Defined Contribution Plans Advisory Committee (DCPAC) Meeting

901 East Cary Street
James Center, 4th floor
Richmond, VA 23219

Thursday, 5/14/2026
1:00 - 3:00 PM ET

1. Welcome & Introductions

2. Meeting Minutes

2026.3.12 DCPAC Minutes - Page 2

a. Adoption of the Minutes from the March 12, 2026, Meeting

3. Administration

Q1 2026 Admin Summary - Page 6

a. Administrative Reports & Communications

i. DC Plans & Hybrid Plan Update

ii. ORPHE Update

4. Investments

5-14-26 Investment Slide Deck - Page 22

5-14-26 Retirement Income Slides - Page 55

a. Performance Reports

b. Fund Updates

c. Callan 2026 DC Trends Survey Highlights

d. Retirement Income

5. Other Business

a. Plan Document Updates

2026 Plan Document Amendments - Page 66

i. RBA - Approve Amended & Restated Plan Documents

RBA DC Plan Document Updates - Page 71

b. DCPAC Reappointments

i. RBA - Reappointment of Monique Barnes, Ravindra Deo, Matt Harris, Kate Jonas, and Brenda Madden

RBA Reappoint DCPAC Members - Page 164

c. Discussion of New Ideas

6. 2026 Meetings

a. Remaining 2026 Meetings

i. September 10, 2026, at 1:00 p.m. (Annual Investment Review)

ii. December 3, 2026, at 1:00 p.m.

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Minutes

A regular meeting of the Defined Contribution Plans Advisory Committee (DCPAC) of the VRS Board of Trustees convened on March 12, 2026, with the following members present:

Hon. Matthew James, Vice Chair

Monique Barnes

Ravindra Deo

Rebecca Fentress* (*in accordance with § 2.2-3708.3(B)(3) of the Code of VA; called from VA Beach, VA*)

C. Matt Harris

Kate Jonas

Brenda Madden

Members of the Board of Trustees:

J. Clifford Foster, IV

Jessica L. Hood

VRS Staff:

Ingrid Allen*, Rory Badura*, Trish Bishop, Stephen Cerreto*, Michael Cooper, David Cotter, Josh Fox*, Jay Henry, Kelly Hiers, KC Howell, Robert Irving, Sandy Jack, Brian Lackey*, Ryan LaRochelle, Laura Pugliese, Michael Scott, Jennifer Schreck, Jacob Schwartz*, Virginia Sowers, Ashley Spradley*, Emily Trent*, Bridgette Watkins-Smith, Rachel Webb*, and Tanya Williams*.

Guests:

Matthew Glasgow, Encore; Alexandra Jansson*, JLARC; Kimberly Sarte*, JLARC; Lisa Giaffo*, Osmosis; Sabrina Ticer-Wurr*, Financial Times.

**Attended remotely*

The meeting convened at 1:00 p.m.

Opening Remarks

Del. James welcomed Committee members, Board members, agency officials, representatives from stakeholder groups and other members of the public joining in person and through electronic means, to the DCPAC.

Approval of Minutes

Upon a motion by Mr. Harris and a second by Mr. Deo, the minutes of the December 4, 2025, meeting were approved by the Committee.

Administrative Reports and Communications Update

Administration Reports & Communications

Kelly Hiers, Defined Contribution Plans Administrator, provided an overview of the Defined Contribution Plans, as well as an update on administrative reports for the fourth quarter of 2025, which included reviewing assets and accounts across the various plans. Ms. Hiers advised the Committee that plan assets increased, as did the total number of plan accounts. Ms. Hiers also shared that 24% of VRS members with Voya accounts had registered their online account as of December 31, 2025.

Ms. Hiers provided an overview of the first Voya annual service review, which occurred on February 19, 2026. Ms. Hiers shared that Voya will be offering a new dashboard for participants' online accounts that will offer financial planning information. Voya will be adding new functionality for participants and employers, such as support for SECURE 2.0 Roth catch-up provisions. Ms. Hiers also covered specific highlights related to operations, communications, the field team, and the call center.

Ms. Hiers provided an updated about Unforeseen Emergency Withdrawals (UEWs). On January 1, 2025, changes were made to the plan regarding UEW options in the Commonwealth of Virginia 457 Deferred Compensation Plan and the Hybrid Retirement 457 Plan. Ms. Hiers provided a historical review of UEWs showing a significant decrease in 2020 and a slow increase each year since. About two-thirds of UEWs now are self-certified. The top drivers of UEWs are medical expenses and eviction or foreclosure prevention. Self-certified UEW had a greater usage for job or income loss and home repairs.

Ms. Hiers covered communications highlights. This included new personalized communications and a Retirement Planning for Women campaign.

Ms. Hiers also covered Voya's Advisory Services. Total usage of Advice Services remains low, but it is growing. Usage is greater for higher income participants and participants closer to retirement.

DC Plans and Hybrid Plan Update

Ms. Hiers provided a review of membership counts since the Hybrid Retirement Plan started. Total membership is now at 316,368 with 212,024 active members.

Ms. Hiers also provided an update on the January 1, 2026, auto escalation. The voluntary participation rate for the Hybrid 457 Plan is now at 96% after auto escalation, but the active election participation rate has remained steady at 33%. Members who had no voluntary contributions prior to auto escalation decreased from about 43% of the population to less than 4%. Over 144,000 total members were auto escalated and the opt-out rate was very low at 1.3%.

ORPHE Update

Ms. Hiers provided an overview of ORPHE reports for the fourth quarter of 2025, including plan assets and accounts. There is approximately \$1.5 billion in ORPHE assets and a total of approximately 11,000 accounts.

Retirement Income Solutions

Ms. Hiers and Laura Pugliese, Portfolio Manager of Defined Contribution Plans, provided information related to VRS retirement plans and annuities. Ms. Hiers specifically covered metrics and trends of VRS members and retirees across the different VRS retirement plans. Ms. Pugliese covered the replacement rate of income for retirees across all VRS plans including data on how Social Security factors in. Ms. Pugliese provided an overview of guaranteed versus non-guaranteed income, discussed how annuities work generally, and covered specifically how they operate in retirement plans like VRS. In addition, Ms. Hiers provided information related to DC Plan distributions and the participant behavior over the last year.

Del. James thanked Ms. Hiers and Ms. Pugliese for their presentations.

DC Plans Investments Update

Performance Reports

Ms. Pugliese provided an overview of the January 31, 2026, performance reports to the DCPAC, including the unbundled DC plans investment options and the bundled TIAA ORPHE investment menu. Ms. Pugliese also provided an update on the International Stock Fund. Effective January 30, 2026, VRS transitioned to a MSCI ACWI IMI index fund to align with the VRS Foreign Adversaries Policy. About \$376.7 million in assets were successfully transitioned. Ms. Pugliese shared that there would be no change in management fees.

Policy Statements Updates

Ms. Pugliese presented two Requests for Board Action regarding the Investment Belief Statements and the Investment Policy Statements. The main reason for the change is to bring those documents into compliance with the Foreign Adversaries Policy, but the Investments team took the opportunity to make other limited changes as well.

Following a motion by Ms. Madden, the Committee recommended without objection approval of the following action to the full Board of Trustees:

RBA: Approve Revised Defined Contribution Plans Investment Belief Statements

Request for Board Action: The VRS Board of Trustees approves the revised Defined Contribution Plans Investment Belief Statements effective April 23, 2026.

Following a motion by Mr. Harris, with a second by Ms. Barnes, the Committee recommended approval of the following action to the full Board of Trustees:

RBA: Approve Revised Unbundled and Bundled Defined Contribution Plans Investment Policy Statements

Request for Board Action: *The VRS Board of Trustees approves the revised VRS Investment Policy Statement for an Unbundled Defined Contribution Plan Structure and the revised VRS Investment Policy Statement for a Bundled Defined Contribution Plan Structure effective April 23, 2026.*

Del. James thanked Ms. Pugliese for her presentation.

Other Business

Legislative Update

Sandy Jack, Policy, Planning & Compliance Director, provided an overview of VRS-related legislation presented during the 2026 regular session of the General Assembly. At the beginning of the session, there were twenty-eight VRS specific bills that were being tracked with approximately 50 more bills that could have an impact on the agency. The only bill remaining is bill HB139, which addresses several changes for school boards and their employees, including a purchase of prior service provision that would not change current VRS procedures. The remainder of the bills were unsuccessful. The committee was informed that Mr. Foster's appointment to the Board was confirmed for a five-year term, with additional board member appointments pending. Ms. Jack noted that the session is scheduled to conclude on March 14, 2026, but that legislators may need to reconvene to finish the budget if a compromise is not reached by the deadline.

Del. James thanked Ms. Jack for her presentation.

Discussion of New Ideas

No new ideas were presented.

Upcoming DCPAC Meetings

Del. James confirmed the remaining DCPAC meeting dates for 2026:

- May 14, 2026, at 1 p.m.
- September 10, 2026, at 1 p.m.
- December 3, 2026, at 1 p.m.

Adjournment

There being no further business, Del. James adjourned the meeting at 3:03 p.m. without objection by the Committee.

Chair

Date



VRS Defined Contribution Plans 1st Quarter 2026

(January 1 – March 31, 2026)

Administrative Summary

May 14, 2026

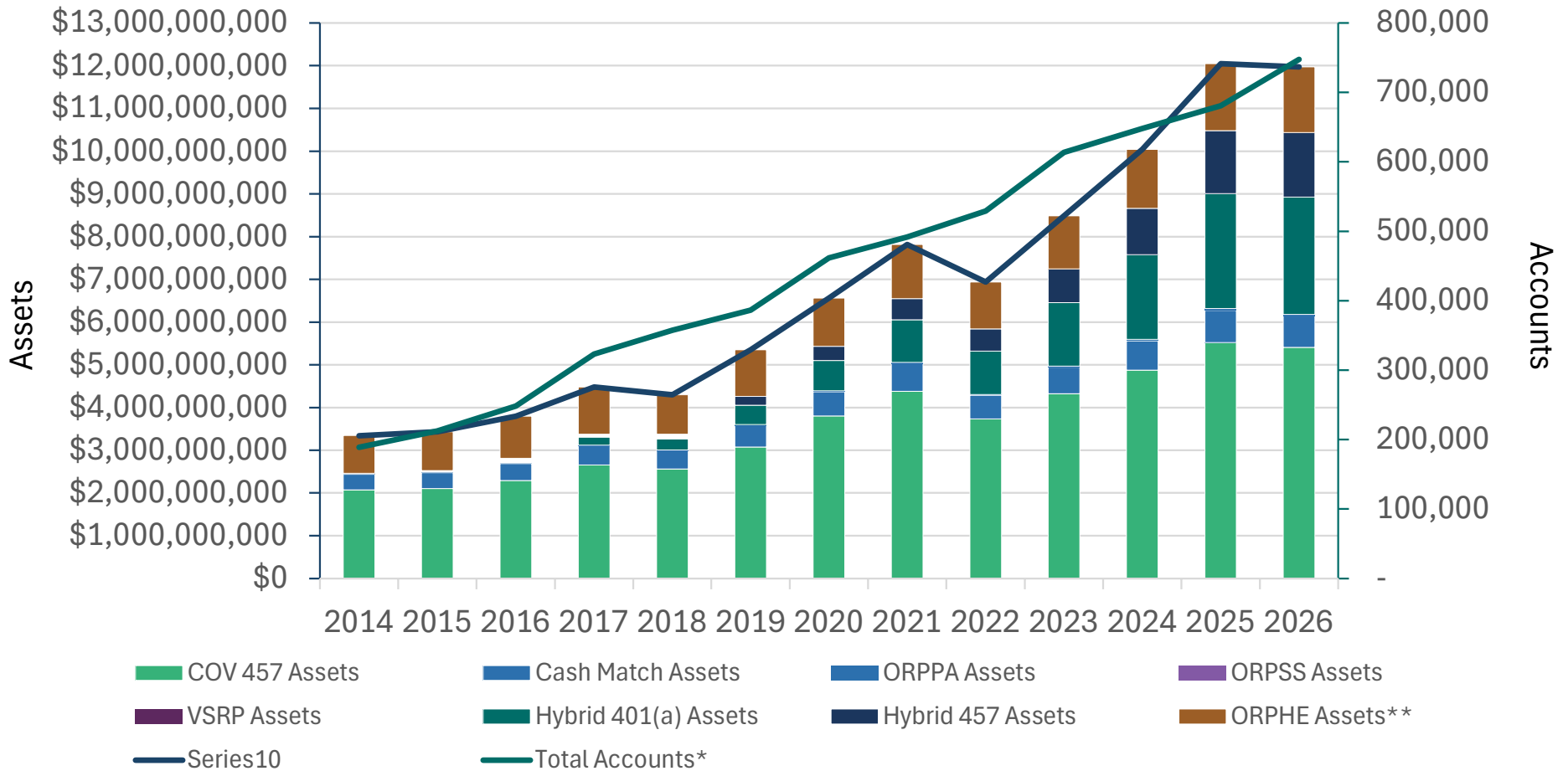
Agenda

- General Updates
- COV 457 & Cash Match Plans
- Hybrid Retirement Plan
- ORPHE
- Upcoming Events



Total Assets and Accounts Over Time

Totals as of	Assets	Accounts	Assets ↓ 1% Accounts ↑ 10% Since 12/31/2025
3/31/2026	\$11,972,354,315	747,491	



Note: All data except for current year reflects totals as of the end of the calendar year and includes participant, beneficiary, forfeiture and reserve accounts with a balance. Current year data is as of 3/31/2026.

*Does not indicate unique participants.

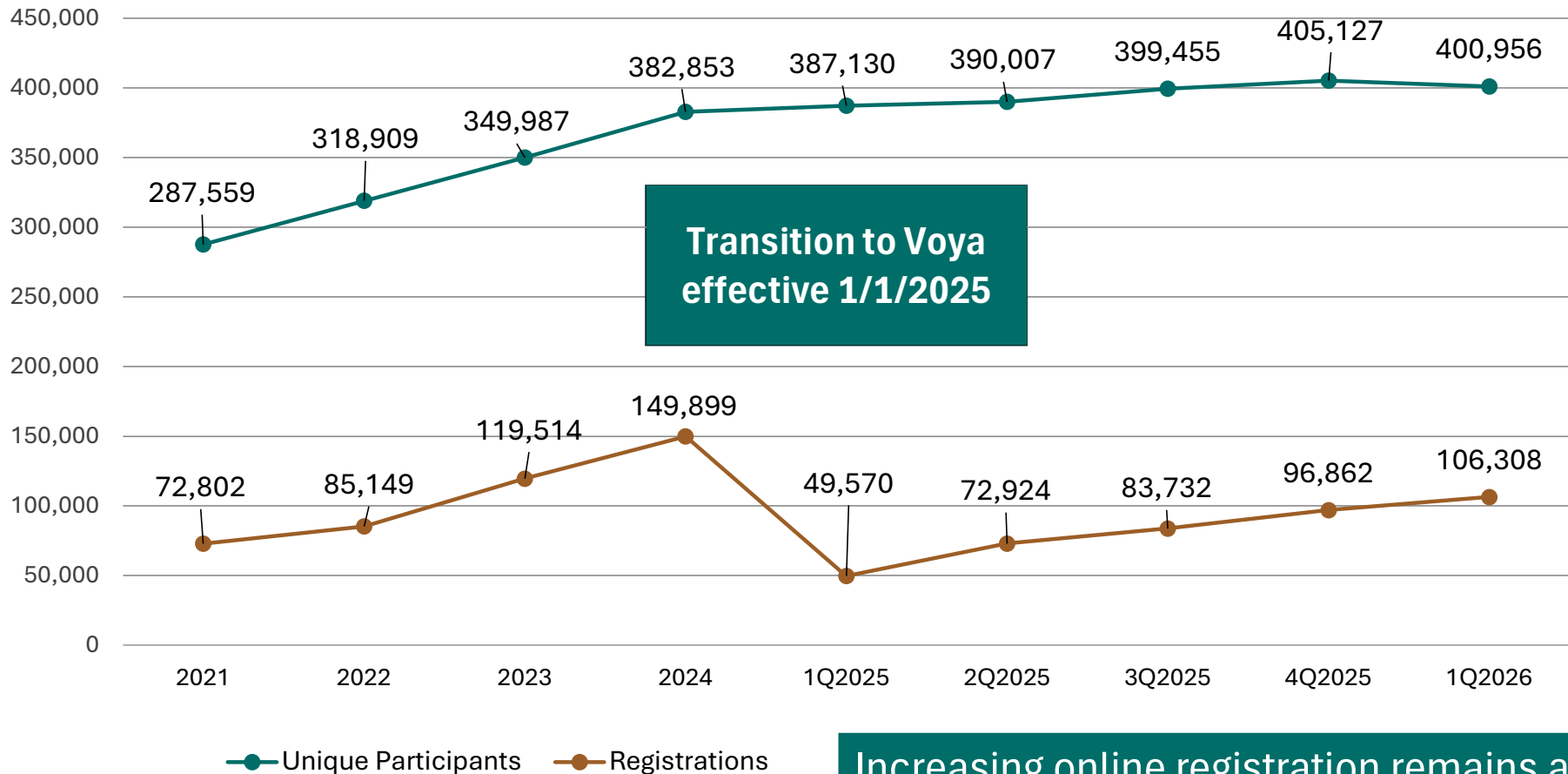
**Includes ORPHE selected providers.



Web Access - Online Registration

Online Registration

14% of all eligible accounts as of 3/31/2026

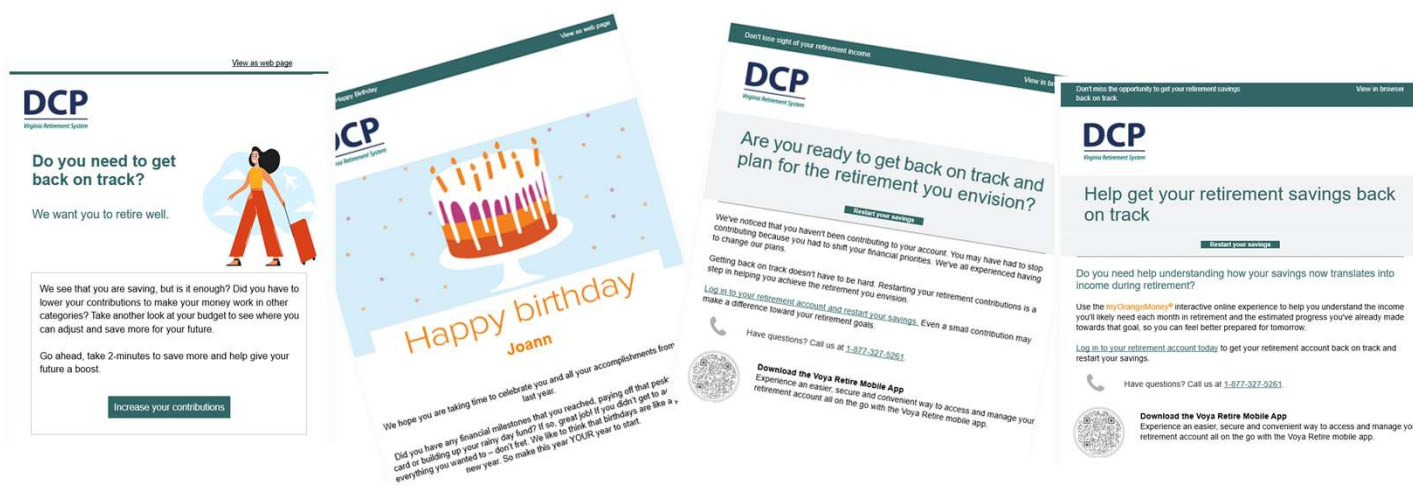


Note: Eligible accounts exclude forfeiture and reserve accounts not available for online registration.
 Source: Voya Plan Summary Report, first quarter 2026. Data as of March 31, 2026.

Communications Highlights

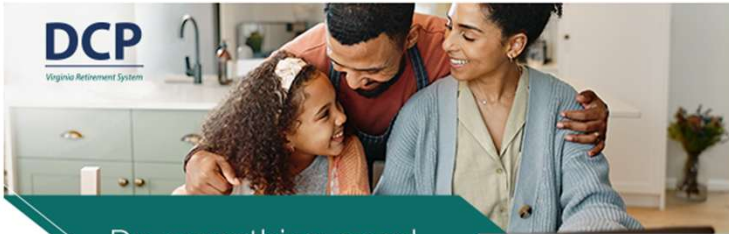
Personalized Email Outreach

Plan	Save More* Delivered to 54K 67% opened 2% took action	Restart Contributions* Delivered to 2K 63% opened 4% took action	Max Out Contributions* Delivered to 1.3K 67% opened 6% took action	Birthday
Hybrid 457	✓	✓	✓	✓
ORPs				✓
COV 457	✓	✓	✓	✓



Communications Highlights

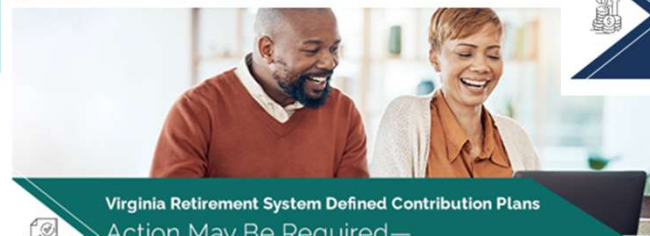
VRS-directed Email Outreach



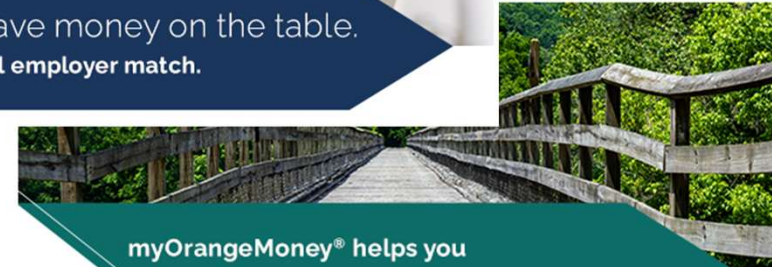
Do something good
for those you care about



Don't leave money on the table.
Get the full employer match.



Virginia Retirement System Defined Contribution Plans
Action May Be Required—
Please Read Carefully



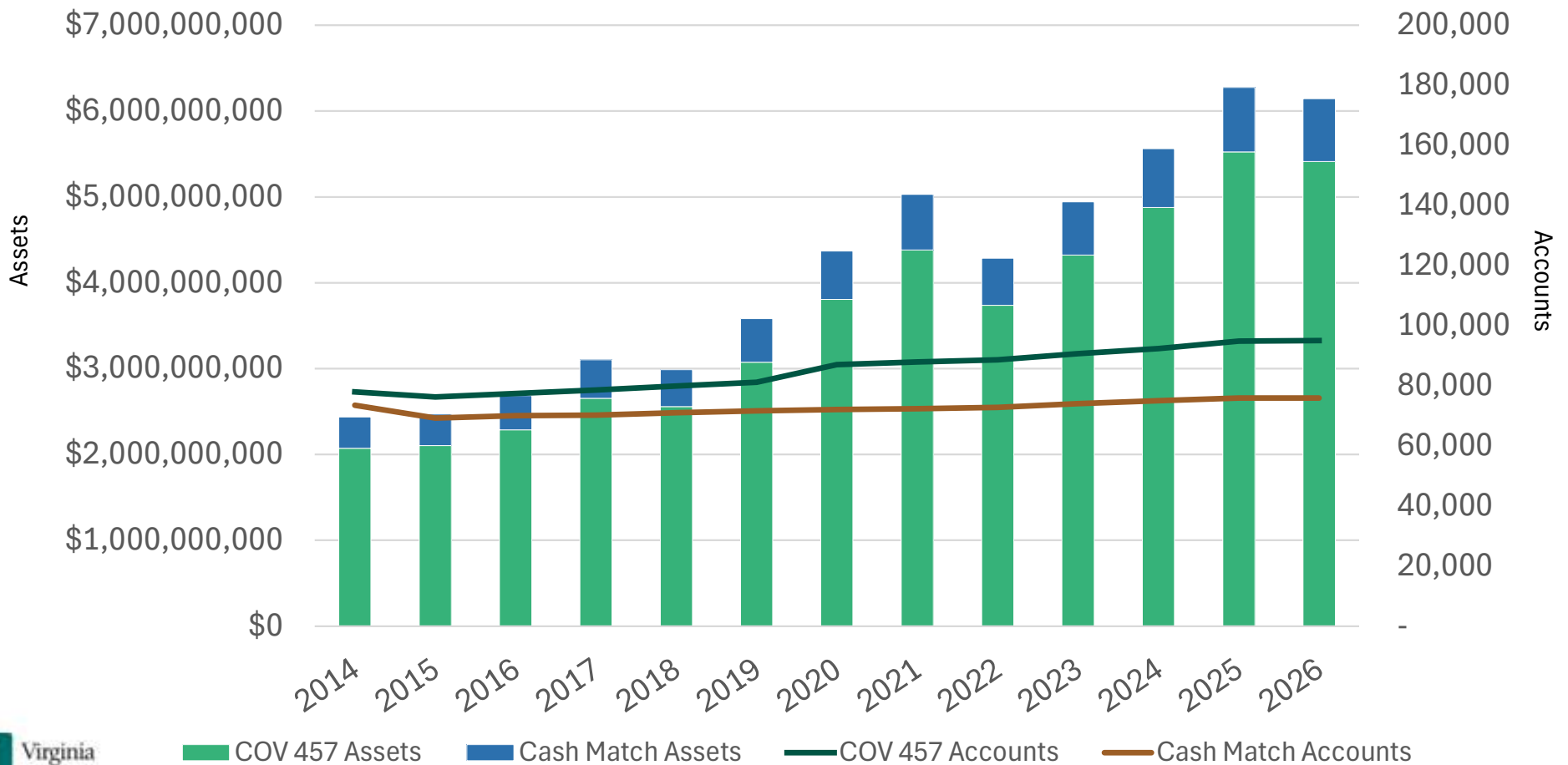
myOrangeMoney® helps you
visualize your progress

Plan	Beneficiary Delivered to 8,642 45% opened 4% took action	Catch-Up Contributions Reminder Delivered to 2,649 56% opened	New Hybrid Member Email Delivered to 342 21% opened	New Hybrid Member Mailer Mailed to 6,876	myOrange Money Delivered to 10,249 53% opened
Hybrid 401(a)			✓	✓	
COV 457		✓			
All Plans	✓				✓

COV 457/Cash Match Plan

Assets and Accounts

Totals as of 3/31/2026	Assets	Accounts	Assets ↓ 2% Since 12/31/2025
COV 457	\$5,412,016,509	95,067	
Cash Match	\$732,035,463	75,880	



Note: All data, except for the current year, reflect totals as of the end of the calendar year and include participant, beneficiary, forfeiture and reserve accounts with a balance. Current year data is as of 3/31/2026.

COV 457/Cash Match Plan Accounts

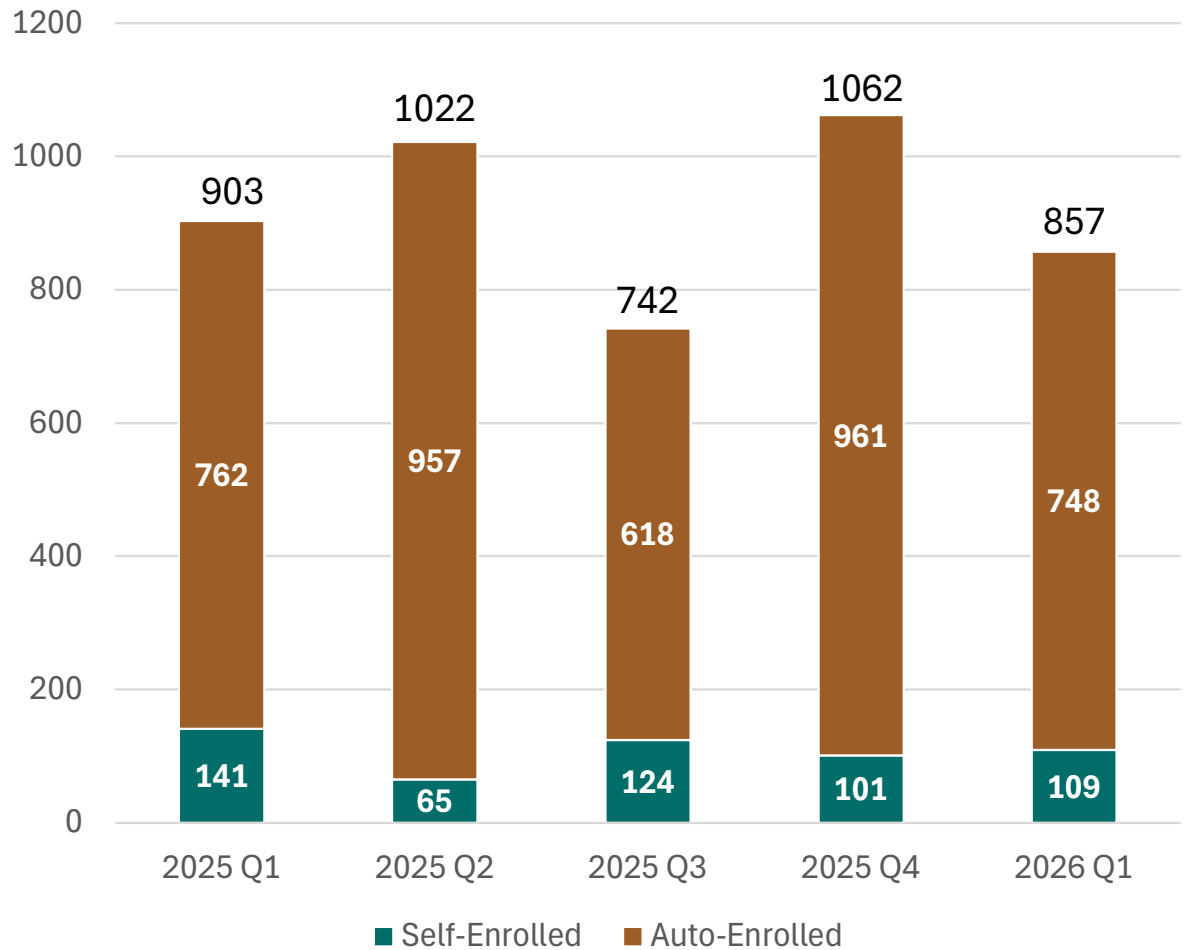
47% state participation

Includes higher education institutions, which generally have a lower participation rate due to competing plans.

6.9% opt-out rate*

Industry averages are between 5% and 10%.**

New Enrollment Type



*Opt-out rate since Voya transition in January 2025. Only new state employees not covered under the Hybrid Retirement Plan are eligible for automatic enrollment.

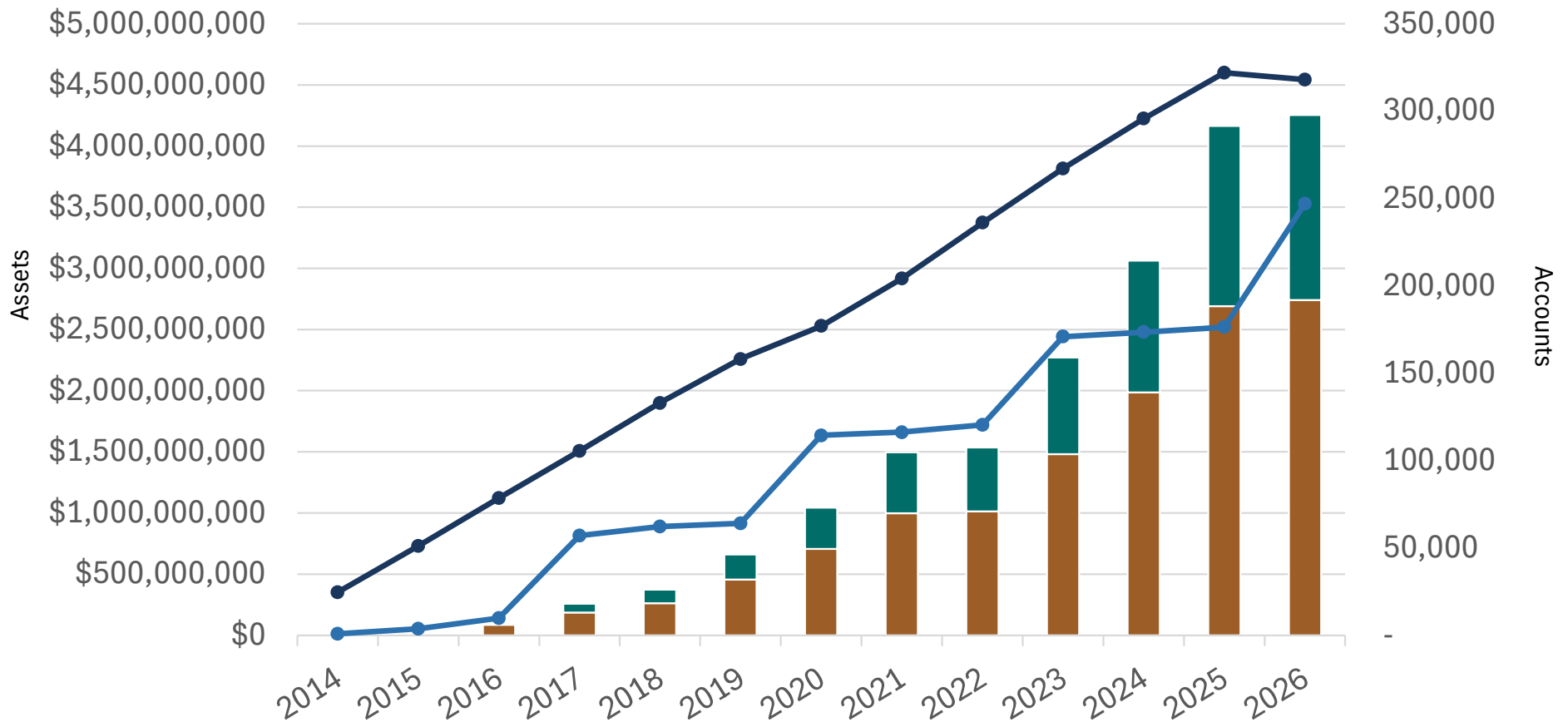
**T. Rowe Price, Automatic Enrollment, Reenrollment and Retirement Outcomes (November 2023); National Bureau of Economic Research (NBER); Internal Revenue Service guidance on automatic enrollment.



Hybrid Retirement Plan

Assets and Accounts (DC only)

Totals as of 3/31/2026	Assets	Accounts	Assets ↑ 2% Accounts ↑ 13% Since 12/31/2025
Hybrid 401(a)	\$2,742,583,188	318,010	
Hybrid 457	\$1,510,018,328	247,030	



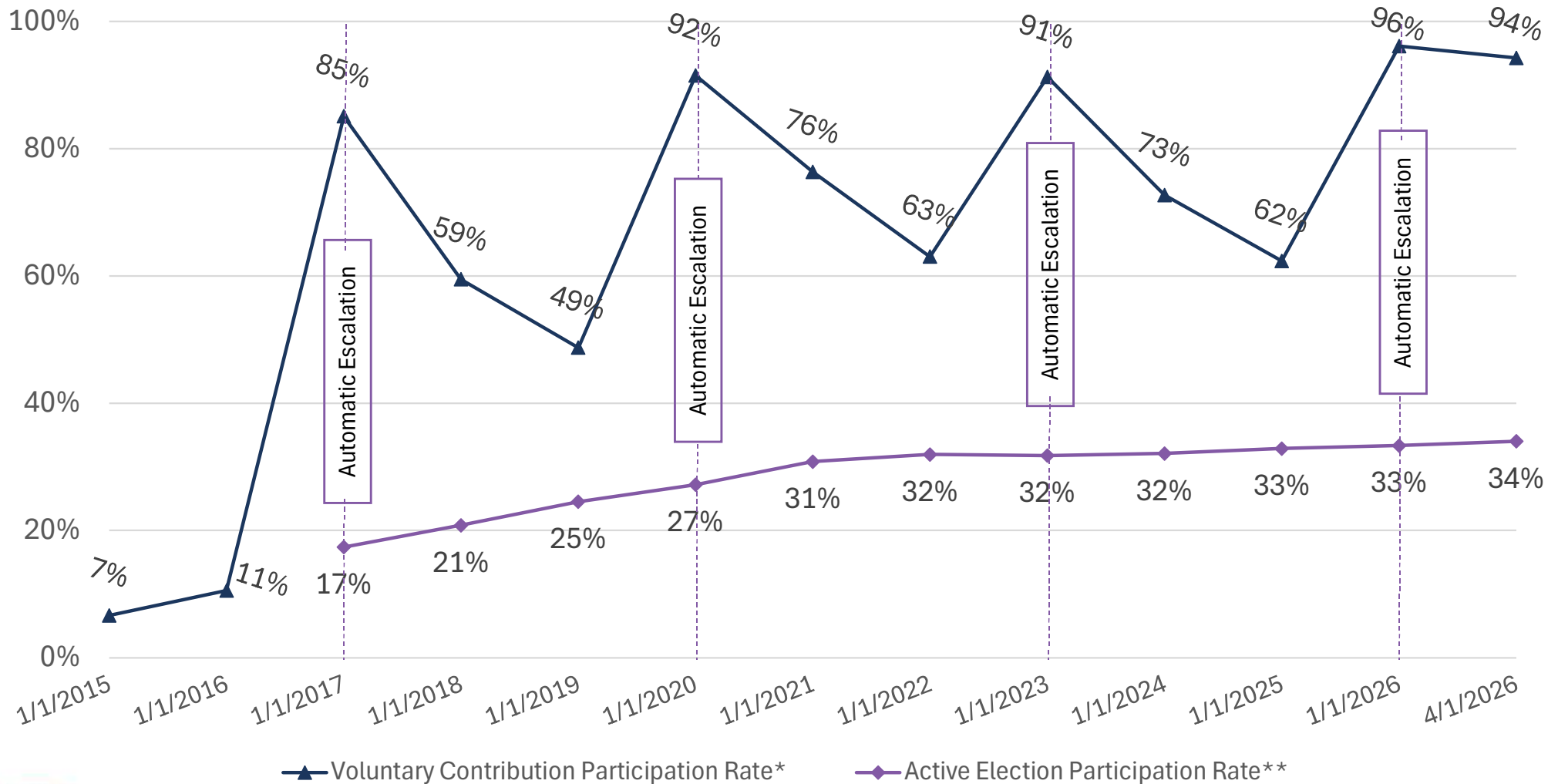
■ Hybrid 401(a) Assets
 ■ Hybrid 457 Assets
 ● Hybrid 401(a) Accounts
 ● Hybrid 457 Accounts

Note: All data, except for the current year, reflect totals as of the end of the calendar year and include participant, beneficiary, forfeiture and reserve accounts with a balance. Current year data is as of 3/31/2026.



Hybrid Retirement Plan Voluntary Participation Rate*

As of 4/1/2026, 94% of hybrid plan members have a voluntary contribution percentage with Voya Financial. Of those, 34% made an Active Election.**



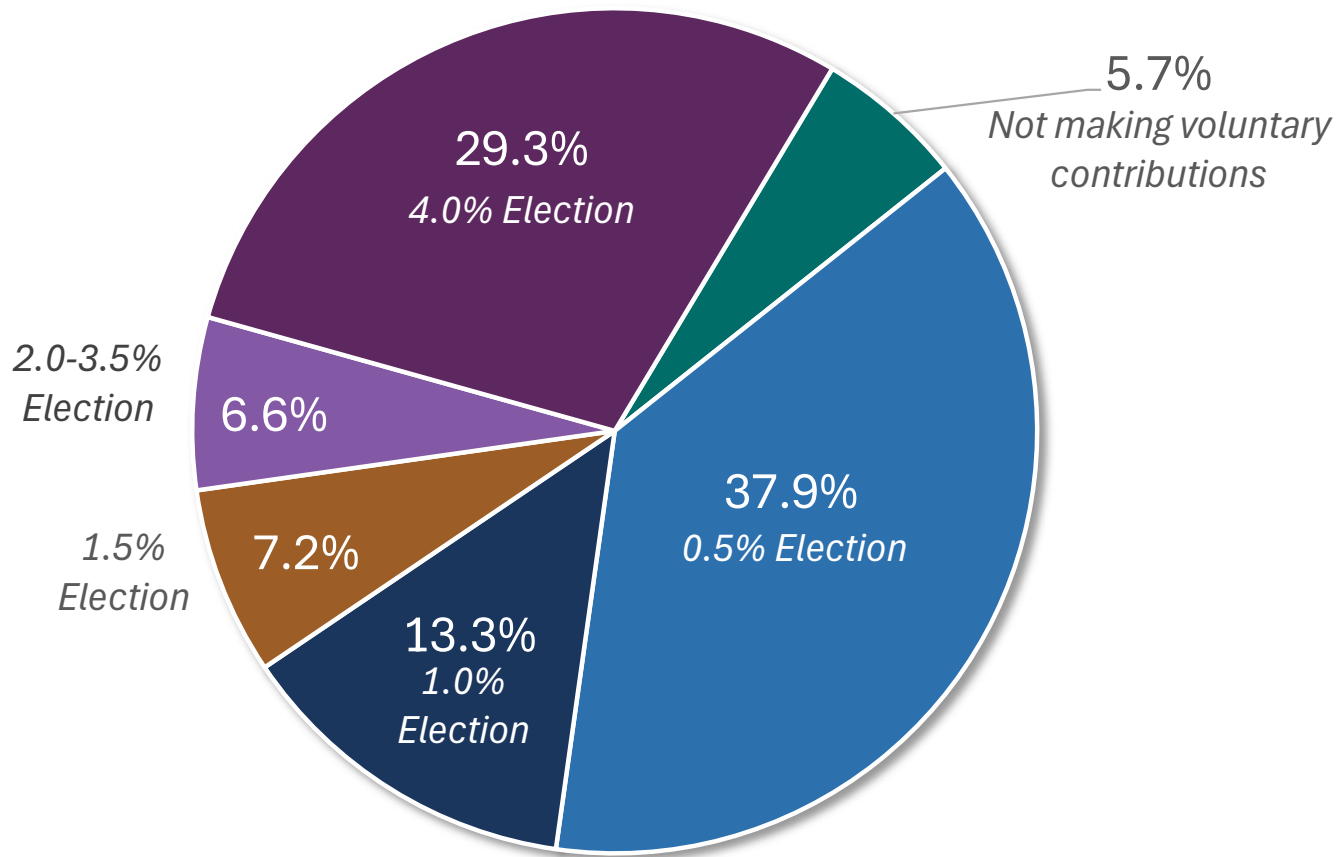
*All data except for current quarter is as of 1/1 and represents elections made during Q4 of the prior year.

**Includes members who had a self-selected voluntary election on file prior to the 3-year automatic escalations effective January 1 of 2017, 2020, 2023 and 2026.

Hybrid Retirement Plan

Voluntary Participation

Voluntary contribution percentages for all current hybrid plan members effective April 1, 2026



Voluntary Contribution Percentages

■ 0.0% ■ 0.5% ■ 1.0% ■ 1.5% ■ 2.0-3.5% ■ 4.0%

Hybrid Retirement Plan

Automatic Escalation

89.3%

(128,911)*

People **remained** at their auto-escalated voluntary %

144,435

People auto-escalated by 0.5% effective 1/1/2026

1.8%

(2,596)*

People **increased** their voluntary %

1.4% of total

(1,967)*

People **increased to 4%**

0.6%

(911)*

People **decreased** their voluntary %

Hybrid Retirement Plan

Automatic Escalation

In 2026, 144,435 members escalated by 0.5%.

MEMBER POPULATION BY NUMBER OF ESCALATIONS



	2017	2020	2023	2026
Maximum default VC following escalation*	0.5%	1.0%	1.5%	2.0%
% of members <u>above</u> the maximum default**	3.2%	5.4%	4.3%	4.2%

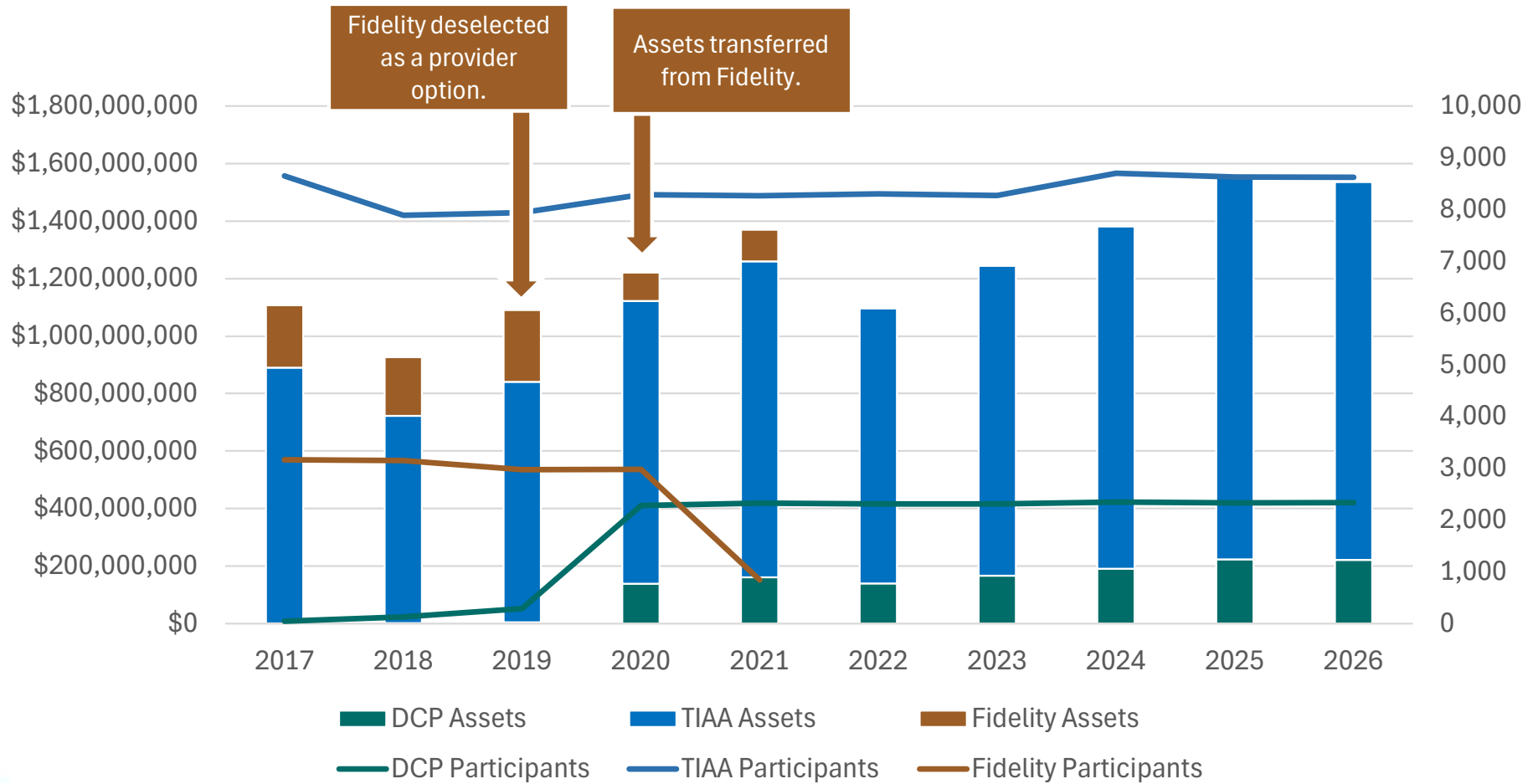
*Voluntary contribution rate following escalation if the member has only been automatically escalated with continuous employment.

**Indicates that the member made an active election at some point in their career.

ORPHE

Assets and Accounts*

Totals as of 3/31/2026	Assets	Accounts	Assets ↓ 2% Since 12/31/2025
	\$1,535,946,195	10,960	



*Data is through 3/31/2026 and excludes deselected providers. TIAA assets and accounts include both GRA/RA and RC contracts.

Upcoming Events



Ongoing

- Procedure development and review
- Administrative staff training
- Communications development and review
- Advice/Managed Accounts monitoring
- DC Plans Internal Newsletter for VRS staff

Summer

- America Saves Week
- COV 457 employer outreach continues
- DC Plans Education Specialist new presentations

Fall

- Annual Fee Disclosure
- ORPHE Annual Employer Update
- ORPHE Open Enrollment

Thank you!

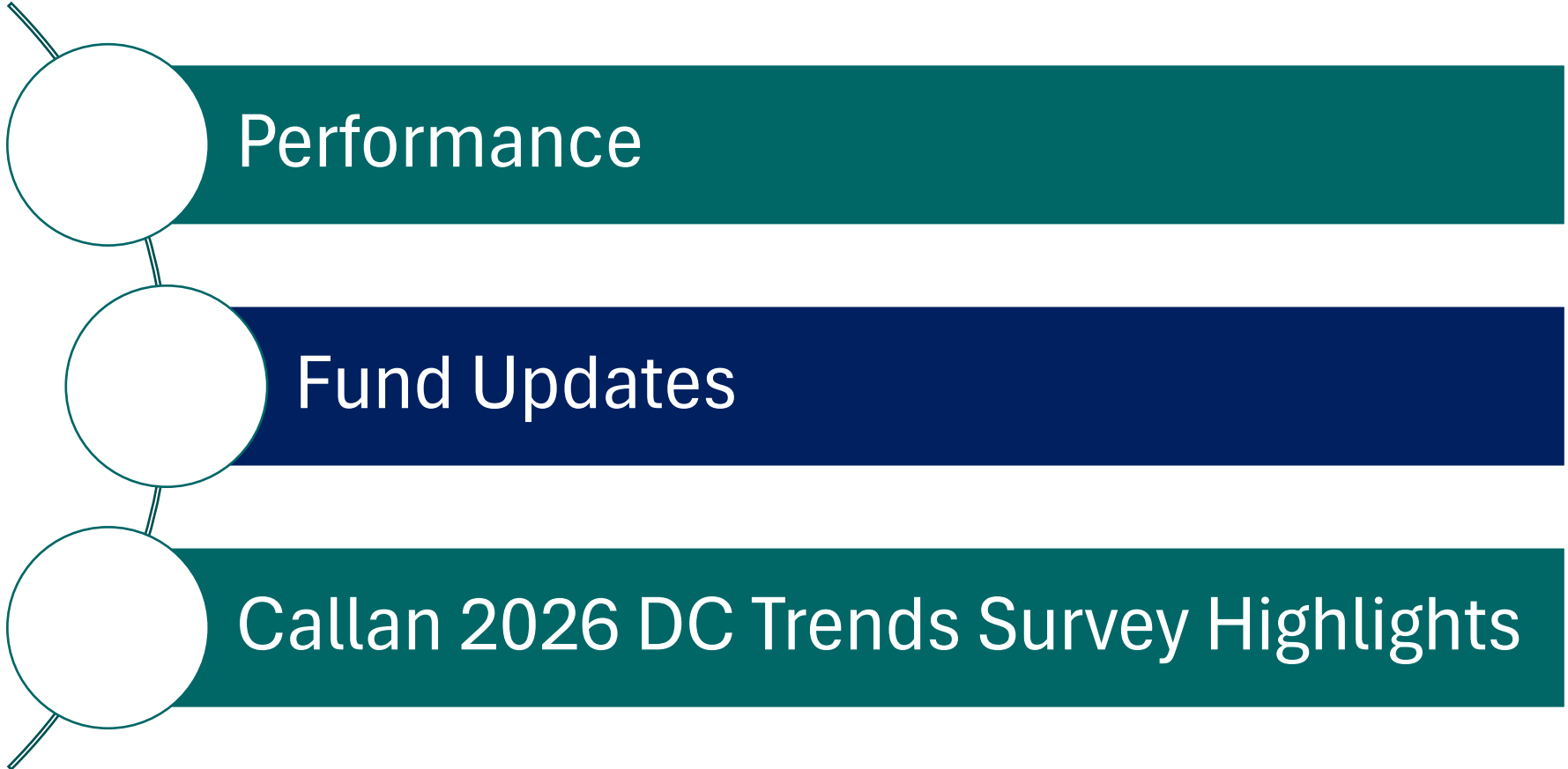




Defined Contribution Plans Investment Program

May 14, 2026

Agenda



Performance



Defined Contribution Plans Advisory Committee Report
Unbundled Plans Investment Performance

Below are the totals for the period ending March 31, 2026. Returns greater than one year are annualized.

Investment Options	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs / Since Inception ¹	Fund Expense Ratio ²	Inception Date	Market Value	% of Market Value ²⁵	% of Participants Selecting an Option ²⁶
Retirement Portfolio	-3.08	0.09	0.09		8.66	4.04	5.73	0.06	8/1/05	826,767,321	7.8	7.5
Custom Benchmark	-3.31	-0.23	-0.23	10.61	8.58	4.00	5.68					
Target Date 2030 Portfolio	-3.85	-0.36	-0.36			5.39	7.68	0.06	8/1/05	637,125,530	6.0	6.9
Custom Benchmark	-4.14	-0.73	-0.73	12.40	10.36	5.33	7.59					
Target Date 2035 Portfolio	-4.73	-0.82	-0.82					0.06	7/5/06	746,150,307²²	7.0	8.6
Custom Benchmark	-5.11	-1.29	-1.29	14.16	11.80	6.31	8.58					
Target Date 2040 Portfolio	-5.32	-0.97	-0.97					0.06	8/1/05	697,560,737	6.6	8.9
Custom Benchmark	-5.78	-1.53	-1.53	15.98	13.27	7.28	9.51					
Target Date 2045 Portfolio	-5.88	-1.25	-1.25					0.06	7/5/06	722,566,257	6.8	10.4
Custom Benchmark	-6.42	-1.87	-1.87	17.79	14.66	8.17	10.27					
Target Date 2050 Portfolio	-6.33	-1.56	-1.56					0.06	9/30/07	750,974,292	7.1	11.9
Custom Benchmark	-6.94	-2.24	-2.24	19.51	15.76	8.84	10.75					
Target Date 2055 Portfolio	-6.51	-1.69	-1.69					0.06	5/19/10	882,651,185	8.3	14.8
Custom Benchmark	-7.17	-2.42	-2.42	20.40	16.26	9.14	10.92					
Target Date 2060 Portfolio	-6.54	-1.73	-1.73					0.06	11/17/14	549,191,194	5.2	13.6
Custom Benchmark	-7.21	-2.45	-2.45	20.55	16.32	9.16	10.94					
Target Date 2065 Portfolio	-6.55	-1.72	-1.72				11.57	0.06	9/23/19	161,298,394	1.5	9.7
Custom Benchmark	-7.21	-2.46	-2.46	20.55	16.32	9.16	11.44					
Target Date 2070 Portfolio	-6.55	-1.72	-1.72		n/a	n/a	11.82	0.06	9/27/24	9,149,537	0.1	1.6
Custom Benchmark	-7.21	-2.46	-2.46	20.55	n/a	n/a	11.06					
Money Market Fund^{5,6}	0.33	0.95	0.95		5.06			0.08	11/1/99	188,404,540	1.8	1.5
FTSE 3 Month Treasury Bill Index	0.32	0.93	0.93	4.22	4.97	3.49	2.32					
Yield as of 03/21/26: 3.84% ⁷												
Stable Value Fund^{8,9}	0.29	0.87	0.87					0.24	2/1/95	581,033,503	5.5	4.0
Custom Benchmark ¹⁰	0.33	0.95	0.95	3.93	4.39	3.60	2.65					
Yield as of 03/31/26: 3.62% ¹¹												
Bond Fund¹²	-1.76	0.05	0.05	4.36	3.66	0.35	1.74	0.03	11/1/99	210,678,549	2.0	3.3
Bloomberg U.S. Aggregate Bond Index	-1.76	-0.05	-0.05	4.35	3.63	0.31	1.70					
Inflation-Protected Bond Fund¹³	-1.34	0.40	0.40	3.03	3.23	1.52	2.75	0.03	7/30/02	68,473,713	0.6	1.6
Bloomberg U.S. TIPS Index	-1.34	0.26	0.26	3.00	3.18	1.48	2.66					
High-Yield Bond Fund¹⁴	-0.79	-0.09	-0.09	7.10	8.18	4.32	5.99	0.40	5/31/04	65,524,627	0.6	1.3
ICE BofA U.S. High-Yield BB-B Constrained Index	-1.17	-0.38	-0.38	7.08	7.96	3.97	5.68					
Stock Fund¹⁵	-4.99	-4.34	-4.34	17.79	18.31	12.06	14.18	0.01	11/1/99	2,304,858,877	21.6	8.6
S&P 500 Index	-4.98	-4.33	-4.33	17.80	18.32	12.06	14.16					
Small/Mid-Cap Stock Fund¹⁶	-5.15	2.01	2.01	23.51		5.57	10.66	0.02	11/1/99	534,468,991	5.0	5.1
Russell 2500 Index	-5.13	2.04	2.04	23.45	13.25	5.48	10.58					
International Stock Fund¹⁷	-9.22	1.97	1.97					0.06	11/1/99	364,811,698	3.4	4.6
MSCI ACWI IMI ex USA ex China ex Hong Kong Index ¹⁸	-11.11	-0.12	-0.12	26.02	14.60	6.95	8.30					
Global Real Estate Fund¹⁹	-8.39	1.78	1.78					0.08	10/1/02	107,607,172	1.0	2.8
FTSE EPRA/NAREIT Developed Index	-9.00	1.03	1.03	8.97	6.74	1.82	2.83					
VRSIP²⁰	1.17	4.05	2.55	13.53	10.94	9.00	9.47	0.65	7/1/08	72,878,508²³	0.7	0.3
VRS Custom Benchmark ²¹	1.03	3.39	2.39	13.16	12.07	7.63	8.81					
VRSIP and benchmark returns are reported with a one month lag. [Return information shown is as of February 28, 2026.] [Market value as of February 28, 2026 was \$73,825,263.]												
Do-It-Myself: Self-Directed Brokerage Account												
Schwab PCRA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	174,954,869	1.6	0.2
Total										\$10,657,129,801²⁴		

- 1 If the fund was not in existence for 10 years, fund and corresponding benchmark returns shown represent performance from the since inception date.
- 2 Fund investment advisers may voluntarily agree to waive expenses. Expense waivers may be terminated at any time.
- 3 Effective February 2023, the Target Date Portfolios invest in units of BlackRock's LifePath Index Funds N. The LifePath Index Funds N invest in the master LifePath Index Funds F. The inception dates shown reflect that of the master LifePath Index Funds F. Prior to February 2023, the Target Date Portfolios invested in BlackRock's LifePath Index Funds O which also invested in the master LifePath Index Funds F. All performance returns are linked.
- 4 Custom Benchmarks are calculated using blended returns of third-party indices that proportionately reflect the respective weightings of the Portfolios' asset classes. Weightings are adjusted quarterly to reflect the Portfolios' asset allocation shifts over time. As the Funds asset classes have been re-defined or added over time, the indices used to calculate the benchmarks have changed accordingly. As of January 1, 2025, the indices used to calculate the Custom Benchmarks are: Russell 1000 Index, Russell 2000 Index, MSCI ACWI Ex-U.S. IMI Net Dividend Return Index, Bloomberg U.S. Long Credit Bond Index, Bloomberg U.S. Intermediate Credit Bond Index, Bloomberg U.S. Long Government Bond Index, Bloomberg U.S. Intermediate Government Bond Index, Bloomberg U.S. Securitized: MBS, ABS, and CMBS Index, Bloomberg 0-5 TIPS Index, FTSE NAREIT All Equity REITS, FTSE Global Core Infrastructure 50/50, and the Bloomberg Enhanced Roll Yield Index.
- 5 The Money Market Fund invests in units of BlackRock's Short-Term Investment Fund W. The inception data shown reflects the VRS Defined Contribution Plan's investment strategy inception date. Returns of the Fund from July 2012 through July 2016 represent performance of other BlackRock funds. Performance returns are linked.
- 6 An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment it is possible to lose money by investing in the Fund.
- 7 The current yield more closely reflects the earnings of the Fund than the total net return information. There is no guarantee that the Fund will earn the current yield in the future.
- 8 The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.
- 9 Direct transfers from the Stable Value Fund to the Money Market Fund (considered a "competing fund") are not permitted. Before transferring to the Money Market Fund, participants must first transfer to a "non-competing" fund for 90 days. Optional Retirement Plan for Higher Education (ORPHE) participants who want to make a direct exchange to another ORPHE provider, must first exchange to a "non-competing" fund on the Voya Financial investment platform for 90 days.
- 10 Effective August 2016, the benchmark represents a hypothetical return generated by the monthly yields of actively traded U.S. Treasuries based on [50% 2- year maturity + 50% 3- year maturity] plus an annualized spread of 0.25% and is representative of the Fund's expected return profile, given how the Fund is managed and book value accounting treatment. Prior to August 2016 the custom benchmark was based on the monthly yield of actively traded U.S Treasuries with a 3-year maturity plus an annualized spread of 0.50%. The benchmark returns are linked.
- 11 The current yield more closely reflects the earnings of the Fund than the total net return information. There is no guarantee that the Fund will earn the current yield in the future.
- 12 The Bond Fund invests in units of BlackRock's U.S. Debt Index Fund M. The U.S. Debt Index Fund M invests in the master Fund F. The inception date shown reflects the VRS Defined Contribution Plans strategy inception date.
- 13 The Inflation-Protected Bond Fund invests in units of BlackRock's U.S. Treasury-Inflation Protected Securities Fund M. The U.S. Treasury Inflation-Protected Securities Fund M invests in the master Fund F. The inception date shown reflects the inception date of the master Fund F.
- 14 The High-Yield Bond Fund invests in units of JPMorgan's Corporate High-Yield Fund-Investment Class. The inception date shown reflects the date the current investment team at JPMorgan commenced management responsibility of the Fund.
- 15 The Stock Fund invests in units of BlackRock's Equity Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.
- 16 The Small/Mid-Cap Stock Fund invests in units of BlackRock's Russell 2500 Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy date.
- 17 The International Stock Fund invests in units of BlackRock's MSCI ACWI ex-USA, ex-China, Ex Hong Kong IMI Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plan's investment strategy inception date. Returns from July 2012 through January 2026 represent performance of other BlackRock Funds. Performance returns are linked.
- 18 Effective February 2026 the performance benchmark is the MSCI ACWI IMI ex USA ex China ex Hong Kong Index. It was the MSCI ACWI ex USA IMI index from August 2016 through January 2026. It the was the MSCI World ex USA index from July 2012 through July 2016. The benchmark returns are linked.
- 19 The Global Real Estate Fund invests in units of BlackRock's Developed Real Estate Index Fund F. Performance represents BlackRock's returns for the master Fund F with deductions taken for investment management fees negotiated by VRS and fund administrative expenses. The inception date shown reflects the VRS Defined Contribution Plans investment strategy inception date.
- 20 The inception date shown reflects the date the VRS Investment Portfolio (VRSIP) was unitized.
- 21 The VRS Custom Benchmark is a blend of the asset class benchmarks at policy weights.
- 22 Includes Pending Account VRSIP amount of \$0.
- 23 Includes Preliminary Investment Portfolio Account - PIP amount of \$670,716.
- 24 Includes \$13,418,616 held in the administrative Special Accounts.
- 25 May not equal 100% due to rounding.
- 26 The data reflects the percentage of participants who selected a particular investment option as of March 31, 2026. There were 738,866 participant accounts as of March 31, 2026 across all unbundled DC plans.

All fund performance returns shown reflect all fund management fees and expenses, but do not reflect the Plan administrative fee charged by Voya Financial which would further reduce the returns shown.

All calculations assume reinvestment of dividends and capital gains. All returns are calculated in U.S. dollars. Performance returns are provided by BlackRock, Galliard Capital Management, JPMorgan, Bank of New York Mellon, and Voya Financial. Benchmark returns are provided by BlackRock, Russell/Mellon Analytical Services, Galliard, and Voya Financial. Although data is gathered from sources believed to be reliable, we cannot guarantee completeness or accuracy.

Plan Administrative Fee: An annual record keeping and communication services fee of \$35.50 is deducted from participant accounts on a monthly basis (approximately \$2.96 per month). Only one annual fee of \$35.50 is deducted from participant accounts for those participants participating in more than one Commonwealth of Virginia defined contribution plan.

Excess over benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the interest rate environment for capital preservation funds.

Below benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the nature of book value accounting treatment for stable value funds as it relates to interest rates.

Excess performance for an actively managed fund.

Underperformance for an actively managed fund.

Defined Contribution Plans Advisory Committee Report
TIAA RC Contract Investment Performance

Below are the totals for the period ending March 31, 2026. Returns greater than one year are annualized.

Investment Options	1 Month	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs / Since Inception ¹	Fund Expense Ratio ²	Inception Date	Market Value	% of Market Value ¹⁹	% of Participants Selecting an Option ²⁰
	%	%	%	%	%	%	%	%		\$	%	%
Target Date Portfolios^{3,4}												
BlackRock LifePath Index Retirement Fund N	-3.08	0.09	0.09	10.83	8.66	4.04	5.74	0.06	8/1/05	48,060,963	8.2	11.2
Custom Benchmark	-3.31	-0.23	-0.23	10.61	8.58	4.00	5.68					
BlackRock LifePath Index 2030 Fund N	-3.85	-0.36	-0.36	12.70	10.47	5.40	7.69	0.06	8/1/05	43,878,224	7.5	8.4
Custom Benchmark	-4.14	-0.73	-0.73	12.40	10.36	5.33	7.59					
BlackRock LifePath Index 2035 Fund N	-4.73	-0.82	-0.82	14.57	11.96	6.42	8.72	0.06	7/5/06	38,833,520	6.7	8.7
Custom Benchmark	-5.11	-1.29	-1.29	14.16	11.80	6.31	8.58					
BlackRock LifePath Index 2040 Fund N	-5.32	-0.97	-0.97	16.49	13.49	7.44	9.68	0.06	8/1/05	46,682,425	8.0	9.4
Custom Benchmark	-5.78	-1.53	-1.53	15.98	13.27	7.28	9.51					
BlackRock LifePath Index 2045 Fund N	-5.88	-1.25	-1.25	18.35	14.90	8.35	10.46	0.06	7/5/06	43,777,389	7.5	10.7
Custom Benchmark	-6.42	-1.87	-1.87	17.79	14.66	8.17	10.27					
BlackRock LifePath Index 2050 Fund N	-6.33	-1.56	-1.56	20.17	16.02	9.05	10.96	0.06	9/30/07	29,336,567	5.0	9.1
Custom Benchmark	-6.94	-2.24	-2.24	19.51	15.76	8.84	10.75					
BlackRock LifePath Index 2055 Fund N	-6.51	-1.69	-1.69	21.08	16.54	9.35	11.12	0.06	5/19/10	18,643,886	3.2	8.3
Custom Benchmark	-7.17	-2.42	-2.42	20.40	16.26	9.14	10.92					
BlackRock LifePath Index 2060 Fund N	-6.54	-1.73	-1.73	21.21	16.57	9.37	11.13	0.06	11/17/14	6,307,491	1.1	5.1
Custom Benchmark	-7.21	-2.45	-2.45	20.55	16.32	9.16	10.94					
BlackRock LifePath Index 2065 Fund N	-6.55	-1.72	-1.72	21.20	16.59	9.37	11.59	0.06	9/23/19	10,828,556	1.9	3.7
Custom Benchmark	-7.21	-2.46	-2.46	20.55	16.32	9.16	11.44					
BlackRock LifePath Index 2070 Fund N	-6.55	-1.72	-1.72	21.20	n/a	n/a	11.82	0.06	9/27/24	1,000,070	0.2	0.2
Custom Benchmark	-7.21	-2.46	-2.46	20.55	n/a	n/a	11.06					
Individual Options												
BlackRock Short-Term Investment Fund W ⁵	0.33	0.95	0.95	4.34	5.06	3.66	2.51	0.08	7/1/03	9,013,619	1.6	6.7
FTSE 3 Month Treasury Bill Index	0.32	0.93	0.93	4.22	4.97	3.49	2.32					
Yield as of 03/31/26: 3.84% ⁶												
BlackRock U.S. Debt Index Fund M ⁷	-1.76	0.05	0.05	4.36	3.66	0.35	1.74	0.03	6/6/96	14,345,604	2.5	14.9
Bloomberg U.S. Aggregate Bond Index	-1.76	-0.05	-0.05	4.35	3.63	0.31	1.70					
BlackRock U.S. TIPS Fund M ⁸	-1.34	0.40	0.40	3.03	3.23	1.52	2.75	0.03	7/30/02	7,759,922	1.3	10.7
Bloomberg U.S. TIPS Index	-1.34	0.26	0.26	3.00	3.18	1.48	2.66					
BlackRock Equity Index Fund J ⁹	-4.98	-4.34	-4.34	17.79	18.31	12.06	14.18	0.01	3/5/97	77,266,188	13.3	22.9
S&P 500 Index	-4.98	-4.33	-4.33	17.80	18.32	12.06	14.16					
BlackRock Russell 2500 Index Fund J ¹⁰	-5.15	2.01	2.01	23.50	13.34	5.57	10.66	0.02	9/30/08	11,553,535	2.0	4.8
Russell 2500 Index	-5.13	2.04	2.04	23.45	13.25	5.48	10.58					
BlackRock MSCI ACWI ex-U.S. IMI Index Fund M ¹¹	-9.02	1.41	1.41	27.33	15.16	7.38	8.73	0.07	2/28/11	23,700,326	4.1	14.8
MSCI ACWI ex-U.S. IMI Index	-10.84	-0.68	-0.68	25.32	14.38	6.83	8.33					
BlackRock MSCI ACWI IMI Index Non-Lendable Fund M ¹²	-6.59	-1.98	-1.98	21.45	16.73	9.41	11.49	0.05	4/12/13	80,631,402	13.8	25.6
MSCI ACWI IMI Index	-7.29	-2.75	-2.75	20.64	16.24	9.03	11.10					
TIAA Real Estate Account ¹³	0.23	0.61	0.61	3.60	-3.89	1.56	2.70	0.90	10/2/95	14,143,140	2.4	21.8
Custom Composite Benchmark ¹⁴	-0.27	1.40	1.40	3.77	-0.05	3.06	3.75					
TIAA Traditional Annuity RC ^{15,16,17,18}	0.39	1.11	1.11	4.51	4.66	4.37	4.23	--- ²¹	8/1/05	47,766,191	8.2	24.6
Self-Directed Brokerage Account												
TIAA - Self-Directed Account	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	9,558,916	1.6	1.0
Total										\$583,087,934		

- 1 If the fund was not in existence for 10 years, fund and corresponding benchmark returns shown represent performance from the since inception date.
- 2 Fund investment advisers may voluntarily agree to waive expenses. Expense waivers may be terminated at any time.
- 3 The BlackRock LifePath Index Funds N invest in the master LifePath Index Funds F. The inception dates shown reflect the inception date of the master LifePath Funds F. The inception dates for most LifePath Funds N were 8/15/17. The 2065 Fund's N inception date was 11/15/19, and the 2070 inception date was 10/04/2024. Returns prior to Funds' N inception dates are those of Funds F with deductions taken for Funds N investment management fees.
- 4 Custom Benchmarks are calculated using blended returns of third-party indices that proportionately reflect the respective weightings of the Portfolios' asset classes. Weightings are adjusted quarterly to reflect the Portfolios' asset allocation shifts over time. As the Funds asset classes have been re-defined or added over time, the indices used to calculate the benchmarks have changed accordingly. As of January 1, 2025, the indices used to calculate the Custom Benchmarks are: Russell 1000 Index, Russell 2000 Index, MSCI ACWI Ex-U.S. IMI Net Dividend Return Index, Bloomberg U.S. Long Credit Bond Index, Bloomberg U.S. Intermediate Credit Bond Index, Bloomberg U.S. Long Government Bond Index, Bloomberg U.S. Intermediate Government Bond Index, Bloomberg U.S. Securitized: MBS, ABS, and CMBS Index, Bloomberg 0-5 TIPS Index, FTSE NAREIT All Equity REITS, FTSE Global Core Infrastructure 50/50, and the Bloomberg Enhanced Roll Yield Index.
- 5 An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment it is possible to lose money by investing in the Fund.
- 6 The current yield more closely reflects the earnings of the Fund than the total net return information.
- 7 The BlackRock U.S. Debt Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 7/20/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M's investment management fees.
- 8 The BlackRock U.S. Treasury Inflation-Protected Securities Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 7/20/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M' investment management fees.
- 9 The BlackRock Equity Index Fund J invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund J was 3/20/17. Returns prior to Fund J's inception date are those of Fund F with deductions taken for Fund J's investment management fees.
- 10 The BlackRock Russell 2500 Fund J invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund J was 10/15/21. Returns prior to Fund J's inception date are those of Fund F with deductions taken for Fund J's investment management fees.
- 11 The BlackRock MSCI ACWI ex-U.S. IMI Index Fund M invests in the master Fund F. The inception date shown reflects the inception of the master Fund F. The inception date of Fund M was 12/31/12. Returns prior to Fund M's inception date are those of Fund F with deductions taken for Fund M's investment management fees.
- 12 The BlackRock MSCI ACWI IMI Index Non-Lendable Fund M invests in the master Fund F. Inception dates for the master Fund F and Fund M are both 4/12/13.
- 13 Transfers out of the TIAA Real Estate Account (REA) are limited to one per quarter. Currently, these transfers do require a minimum transaction of at least \$1000 (except for systematic transfers, which must be at least \$100), or entire accumulation if less; however, this minimum may be reduced or eliminated in the future. Individual contract owners are limited from making transfers from making transfers into their account accumulation if, after giving effect to such transfer, the total value of such contract owner's Account accumulation (under all contracts issued to such contract owner) would exceed \$150,000.
- 14 Effective January 2014, the Custom Composite Index is 70% NCREIF Open End Diversified Core Equity (ODCE) Net Index, 20% Bloomberg 3-Month Treasury Bill Index, and 10% Dow Jones U.S. Select REIT Index. Prior periods include other representative indices. TIAA's investment management team does not manage its real estate portfolio to a specific published index benchmark. The Custom Composite Index represents a reasonable proxy of how TIAA allocates assets among real property, short-term investments, and REITs over time. The Virginia Retirement System anticipates that Fund returns may vary greatly from those of the Custom Composite Index. Benchmark returns are not available for months that do not end on a calendar quarter due to the fact that NCREIF ODCE Index returns are only published each calendar quarter.
- 15 Upon separation from service or retirement, participants can convert their TIAA Traditional accumulation dollar amount to a lifetime income, transfer Payout Annuity, interest-only or required minimum distribution option(s). TIAA Traditional Annuity transfers and withdrawals must be paid in installments over an 84-month period under the Transfer Payout Annuity for the Retirement Choice (RC) contract. Under the Transfer Payout Annuity, each installment includes a portion of principal and interest, based on the rate in effect at the time of the transfer or withdrawal. There are two exceptions to the payout installment. Lump sum withdrawals are available within 120 days after termination of employment with a 2.5% surrender charge and for balances less than \$5,000, the surrender charge is waived and 100% of the balance must be withdrawn.
- 16 The TIAA Traditional Annuity RC contract has minimum guaranteed rate during the accumulation phase of 1% to 3% . The current minimum rate for the RC contract is 3%. Further, the TIAA Traditional Annuity RC contract applies to premiums deposited during the applicable calendar year and is guaranteed for 10 years, at which point the minimum rate for these premiums will be reset.
- 17 TIAA's annual credited rate on new money for the RC contract for the month of March was 5.00%.
- 18 The TIAA Traditional Annuity is not an investment for purposes of federal securities laws; it is a guaranteed insurance contract. Therefore, unlike a variable annuity or mutual fund, the TIAA Traditional Annuity does not include an identifiable expense ratio. Each premium allocated to the TIAA Traditional Annuity buys a definite amount of lifetime income for participants based on the rate schedule in effect at the time the premium is paid. In addition, the TIAA Traditional Annuity provides a guarantee of principle, a guaranteed minimum rate of interest and the potential for additional amounts of interest when declared by TIAA's Board of Trustees. Additional amounts, when declared, remain in effect for the "declaration year" that begins each March for the accumulating annuities and January for lifetime payout annuities. Additional amounts are not guaranteed for future years.
- 19 May not equal 100% due to rounding
- 20 The data reflects the percentage of participants who selected a particular investment option as of March 31, 2026. There were 5,878 (RC contract) participants as of March 31, 2026.
- 21 Effective July 2022, TIAA no longer provides an estimated expense ratio for its TIAA Traditional Annuity product.

Performance returns shown reflect all fund management fees and other investment related expenses, but do not reflect the TIAA annual administrative fee of \$28 (deducted at \$7.00 per quarter) which would further reduce the returns shown. Performance returns do not reflect redemption fees and/or surrender charges, if applicable.

All calculations assume reinvestment of dividends and capital gains. All returns are calculated in U.S dollars. Fund and benchmark returns are provided by TIAA and BlackRock. Although data is gathered from sources to be reliable, the Virginia Retirement System cannot guarantee completeness or accuracy.

Excess over benchmark return by 10 bps or more for index funds and capital preservation funds. Reasonable expectations due to impact of typical sources of tracking including fair value pricing for index funds and the interest rate environment for capital preservation funds.
Underperformance for an actively managed fund.

Fund Updates



BlackRock Target Date Glidepath

- Glidepath evolves over time based on BlackRock's research:
 - 2002 - Increased equity landing point
 - 2006 - Added TIPS & REITs
 - 2011 - Added commodities
 - 2014 - Increased diversified equity exposure with modest increase in equity landing point
 - 2019 - Evaluated inflation in context of human capital and reduced inflation hedging assets for young participants
 - 2022 - Disaggregated U.S. aggregate bond allocation to allocate rate and credit exposure over a lifecycle
 - 2024 - Implemented new asset class research to improve inflation sensitivity
 - **2026 - Updating modeling for labor income and life expectancy**
 - Addition of Current Population Survey (CPS) data in the model

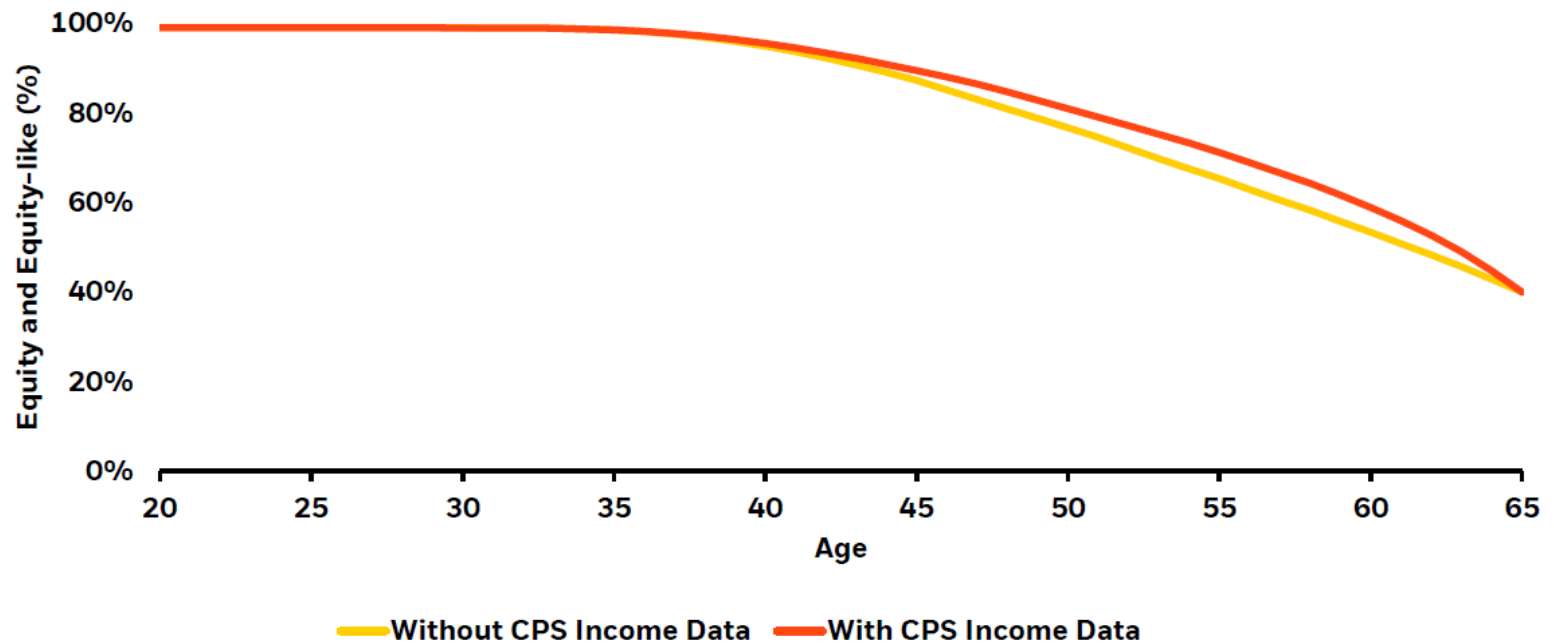
Source: BlackRock

BlackRock Target Date Glidepath

Lifecycle investment implications

A slower reduction in human capital, i.e., a more gradual decline in earnings, could support modestly higher levels of financial risk in a glidepath.

Levels of financial risk through time



Source: BlackRock, as of December 2025.

BlackRock Investment Management Fee Reductions

Current Fund	Current Investment Management Fee, bps	New Fund	New Investment Management Fee, bps	Reduction	Current Fund Expense Ratio	Anticipated Fund Expense Ratio
Equity Index Fund F (Stock Fund)	0.75	Equity Index Fund F (Stock Fund)	0.50	-33%	0.01%	0.01%
Russell 2500 Index Fund F (Small/Mid Cap Stock Fund)	1.25	Russell 2500 Index Fund F (Small/Mid Cap Stock Fund)	1.00	-20%	0.02%	0.02%
BlackRock LifePath Index Fund N (Target Date Portfolios)	5.00	BlackRock LifePath Index Fund T (Target Date Portfolios)	4.00	-20%	0.06%	0.05%
U.S. Debt Index Fund M (Bond Fund)	3.00	U.S. Debt Index Fund J (Bond Fund)	1.50	-50%	0.03%	0.02%
Equity Index Fund J	1.00	Equity Index Fund W	0.60	-40%	0.01%	0.01%
BlackRock MSCI ACWI ex-U.S. IMI Index Fund M	5.00	BlackRock MSCI ACWI ex-U.S. IMI Index Fund L	4.00	-20%	0.07%	0.06%

Voya
Both Voya & TIAA
TIAA

Foreign Adversaries Policy

- Effective July 1, 2025, the VRS Board approved the Foreign Adversaries Policy
- The basis for the Foreign Adversary Policy was that investments in countries on that list are ill suited for investment for VRS and represent a poor risk/return trade off with significant non-economic risk present that is not appropriately compensated by markets
- Many have non-functioning capital markets

Current Foreign Adversaries List

- The Secretary of Commerce has defined a foreign adversary as “any foreign government or foreign non-government person determined by the Secretary to have engaged in a long-term pattern or serious instances of conduct significantly adverse to the national security of the United States or security and safety of United States persons”.
- Currently, the Secretary has determined the following to be foreign adversaries:
 - The People's Republic of China, including the Hong Kong Special Administrative Region (China);
 - Republic of Cuba (Cuba);
 - Islamic Republic of Iran (Iran);
 - Democratic People's Republic of Korea (North Korea);
 - Russian Federation (Russia); and
 - Venezuelan politician Nicolás Maduro (Maduro Regime).

DC Plans Foreign Adversaries Exposure Information as of March 31, 2026

	Voya or TIAA	Approximate Percentage Exposure
BlackRock Target Date Portfolios	Both	2.3%
BlackRock Bond Index Fund	Both	0.1%
BlackRock MSCI ACWI ex U.S. IMI Index Fund M	TIAA	8.5%
BlackRock MSCI ACWI IMI Index NL Fund M	TIAA	3.2%

- Where possible, VRS will invest in funds that can be aligned with the Foreign Adversaries Policy
- Existing exposures are monitored and additional diligence conducted around any remaining or additional exposure

Callan 2026 DC Trends Survey Highlights



Callan 2026 DC Trends Survey

Respondent Characteristics

Callan conducted this DC Survey online in late 2025. This survey incorporates responses from 80 DC plan sponsors, including both Callan clients and other organizations.

Respondents spanned a range of industries, with the top being government and financial services.

92% of respondents had more than \$200 million in plan assets; moreover, 71% were “mega plans” with at least \$1 billion in assets, and 62% had more than 10,000 participants.

Primary Industry of DC Plan Sponsor

Government	16%
Financial Services / Insurance	14%
Manufacturing	11%
Health Care	10%
Nonprofit	10%
Technology	10%
Energy / Utilities	9%
Retail	5%
Education	4%
Professional Services	4%
Transportation	4%
Entertainment / Media	3%
Aerospace / Defense	1%

Number of Participants in DC Plan

> 100,000	16%
50,001 to 100,000	6%
10,001 to 50,000	40%
5,001 to 10,000	15%
1,001 to 5,000	15%
≤ 1,000	8%

Assets in DC Plan

> \$10 billion	24%
\$5 billion to \$10 billion	8%
\$1 billion to \$5 billion	39%
\$500.1 mm to \$1 billion	9%
\$200.1 mm to \$500 mm	14%
≤ \$200 mm	8%

Note: Throughout the survey, charts may not sum to 100% due to rounding.

Callan 2026 DC Trends Survey

Respondent Characteristics (continued)

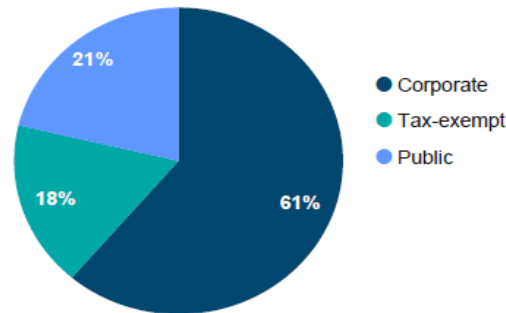
61% of respondents were corporate organizations, followed by public (21%) and tax-exempt (18%) entities.

As seen in prior surveys, a 401(k) plan was the primary DC offering (79%). The percentage of 457 plans (25%) was roughly in line with the prior year (26%).

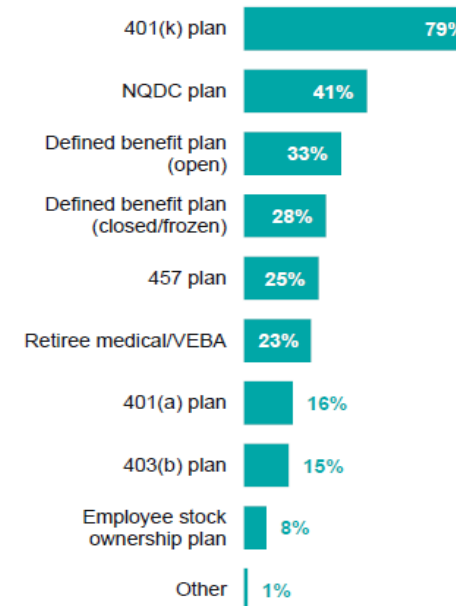
More than half (59%) of corporate respondents offered a non-qualified deferred compensation (NQDC) plan.

Nearly 6 in 10 DC plan sponsors surveyed offered either an open or closed/frozen defined benefit (DB) plan. This represented a similar share to the prior year. Governmental entities were more likely to offer an open DB plan, while corporate plan sponsors were more likely to have a closed or frozen DB plan.

Organization Type



Retirement Benefits Offered*



*Multiple responses allowed.

Callan 2026 DC Trends Survey

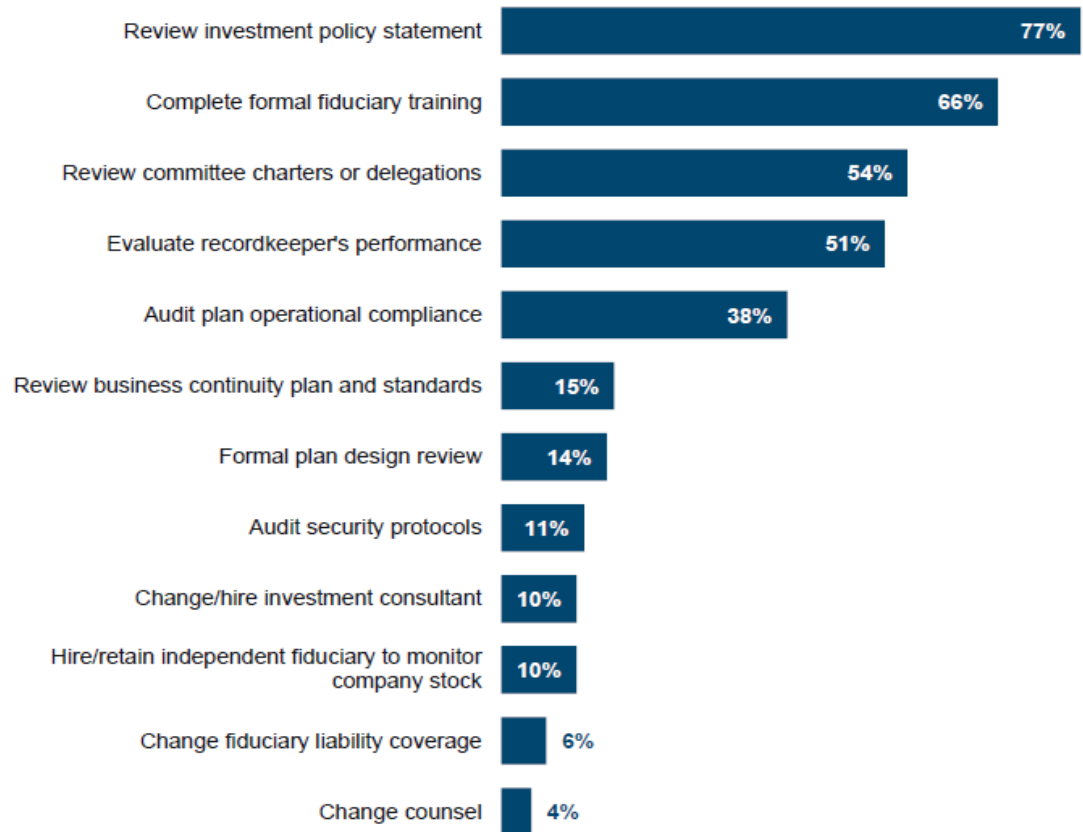
Fiduciary Initiatives

Consistent with 2024, the most prevalent fiduciary action taken by DC plan sponsors in 2025 was to review their investment policy statement (IPS). Additionally, 66% of respondents completed formal fiduciary training in 2025, a slight decrease from the 73% who did so in 2024.

In the 2021 survey, there was a sharp increase in respondents reporting they reviewed security protocols (41%), in response to U.S. Department of Labor guidance. This fell to its lowest level in the past four surveys since the 2021 survey (11%).

No respondents indicated they evaluated or implemented 3(38) discretionary services in 2025, compared to 5% who did so in 2024.

Fiduciary Actions DC Plans Took*



*Multiple responses allowed.

Callan 2026 DC Trends Survey

Areas of Focus

Following a decade of abundant litigation, DC plan sponsors have refined the elements of fiduciary focus. Plan governance returned as the top area of focus after falling slightly in 2024, perhaps partly driven by continued litigation. This broad category includes much of the basic blocking and tackling that plan sponsors do on an ongoing basis.

Investment management fees ranked as the second-highest area of focus in 2025, while plan administrative fees have consistently ranked lower. Investment management fees are generally more straightforward to benchmark and monitor, allowing for more frequent review. Plan sponsors should be mindful to review all plan fees on a regular basis.

Investment structure evaluation and fund/manager due diligence ranked as the third and fourth highest areas of focus, respectively.

Top Areas of Focus

2025		2024		2023	
Plan governance and process	3.7	Plan investment management fees	3.2	Plan governance and process	3.7
Plan investment management fees	3.2	Fund/manager due diligence	3.1	Plan investment management fees	3.0
Investment structure evaluation	2.9	Investment structure evaluation	3.0	Plan administrative fees	2.3
Fund/manager due diligence	2.7	Plan governance and process	2.8	Fund/manager due diligence	2.2
Plan administrative fees	2.0	Plan administrative fees	2.1	Investment structure evaluation	2.0
Committee education and fiduciary training	1.3	Committee education and fiduciary training	1.5	Committee education and fiduciary training	1.6
Participant retirement readiness	0.9	Plan operational compliance	0.5	Participant education and communications	1.3
Participant education and communications	0.7	Participant retirement readiness	0.5	Participant retirement readiness	1.3
Plan operational compliance	0.6	Participant education and communications	0.5	Plan operational compliance	1.2

(5=Most focus. Total ranking is a weighted average score.)

Additional 2025 categories: other (0.3), cybersecurity (0.3), financial wellness (0.1)

Callan 2026 DC Trends Survey

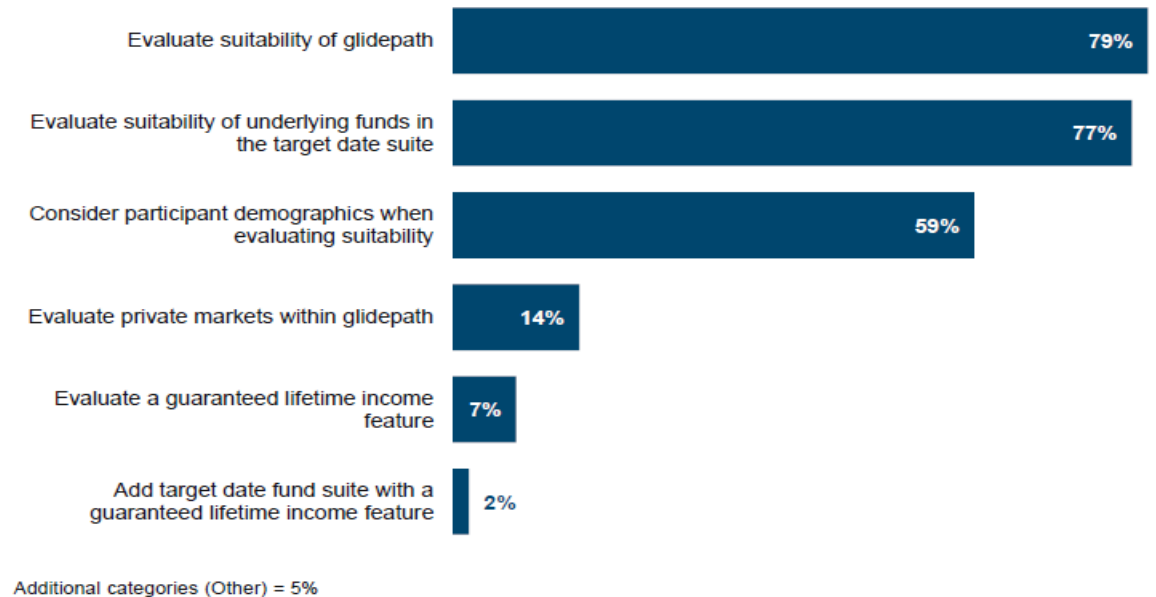
Actions Taken Around Target Date Funds

76% of respondents took at least one action around their target date fund (TDF) offering in 2025. The most common were to evaluate the suitability of the glidepath and the underlying funds. These were also the two most common actions respondents took the prior year.

Because target date funds are typically the default investment option, fund selection and monitoring is often held to a higher standard and should consider additional variables than one may use for other funds—participant demographics, savings rates, and other benefits, among others.

Recently, target date fund investment managers have developed or announced plans to develop products with private markets exposure or a guaranteed income component. In 2025, 14% of respondents indicated they evaluated private markets as a glidepath component, and 7% evaluated a guaranteed lifetime income feature within a TDF structure. Only 2% of respondents began offering a target date series with a guaranteed lifetime income feature in 2025. Plan fiduciaries should consider factors such as product portability as well as whether and what type of income guarantee might be suitable for their participant population.

Actions Taken Regarding Target Date Fund Suite*



*Percentages out of those that took action. Multiple responses allowed.

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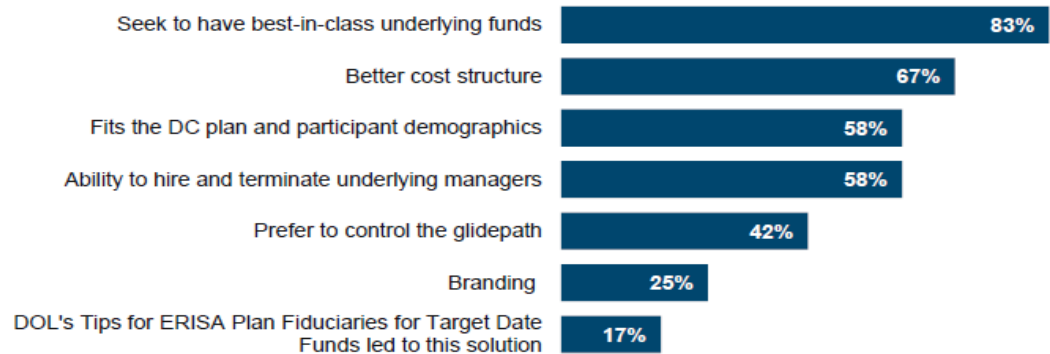
Custom Target Date Funds

16% of respondents offered custom target date funds.

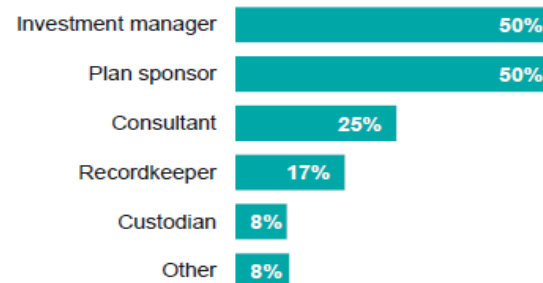
Among those respondents, the most common reasons to do so were a desire to have best-in-class underlying funds and a better cost structure, followed by a glidepath that better fits participant demographics and the ability to hire and replace underlying managers.

Among respondents that offered custom target date funds, the most common party with discretionary control of the glidepath was an investment manager or the plan sponsor, followed by a consultant.

Reason for Custom Target Date Funds*



Discretionary Control of the Glidepath*



*Multiple responses allowed.

Callan 2026 DC Trends Survey

Alternative Investments in Target Date Funds

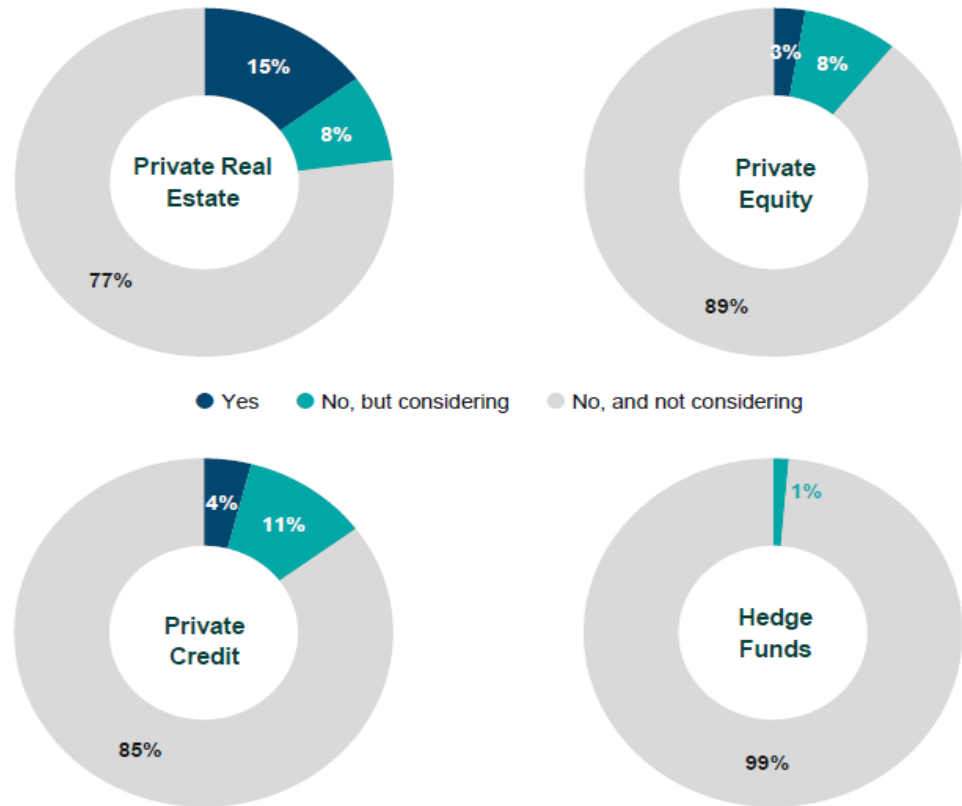
Institutional investors such as defined benefit plans, foundations, and endowments often allocate to alternative investments within the private markets to diversify their exposures to public markets investments.

Among DC plans, private markets investments have not traditionally been offered given factors such as liquidity, valuation, transparency, and fees, among others. One exception is private real estate, which has been a component of both off-the-shelf and custom target date fund glidepaths for some time.

Recently, there has been an increased focus among off-the-shelf target date fund managers around the potential inclusion of other alternative investments—in particular, private equity and private credit—in TDF glidepaths.

In 2025, relatively few respondents reported they currently include or are considering the inclusion of other alternatives in their DC plans' TDFs. 18% said their target date fund series currently has private markets exposure, with most of those having exposure to private real estate.

Alternative Investments Included in DC Plan's Target Date Funds



Callan 2026 DC Trends Survey

Investment Types Within the Fund Lineup

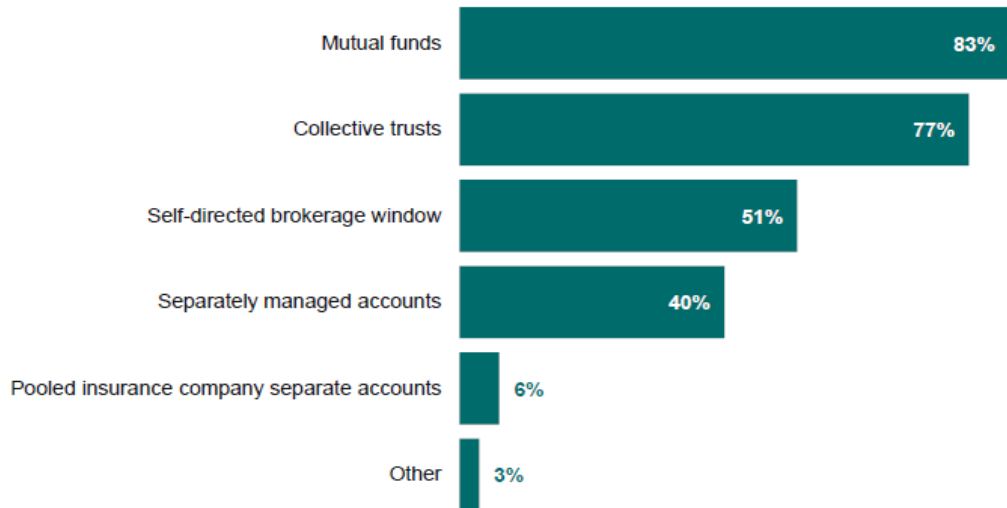
Mutual funds and collective investment trusts (CITs) continued to be the most prevalent investment vehicles. Large plans were generally less likely to offer mutual funds and more likely to offer CITs. Notably, certain plan types (e.g., 403(b) plans) remain ineligible to invest in CITs.

Fewer plans offered separately managed accounts in 2025 (40%) than in 2024 (50%).

More than half of plans offered a self-directed brokerage window to provide participants additional investment choice beyond the core lineup.

About 6% of respondents offered pooled insurance company separate accounts, an increase from 1% the prior year.

Investment Types Within the Fund Lineup*



*Multiple responses allowed.

Callan 2026 DC Trends Survey

White Label Funds

White label funds may have several benefits for a DC plan, such as simplified and more intuitive fund-naming conventions for participants. Additionally, white label funds with multiple underlying managers have the potential to enhance diversification relative to the underlying managers on a standalone basis.

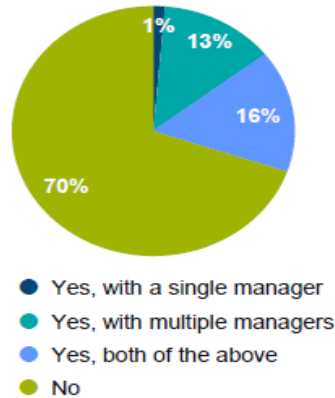
3 in 10 respondents offered white label funds in 2025, in line with the prior year. Only one plan with less than \$1 billion in plan assets reported offering white label funds.

Among those that offered white label funds, the most common party with discretionary control was the plan sponsor, followed by a consultant or an investment manager.

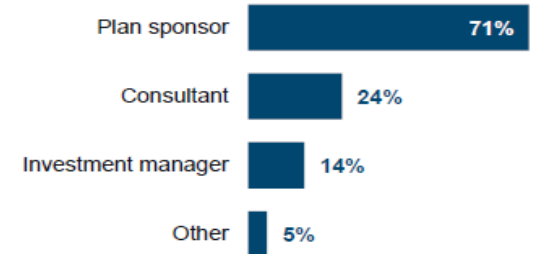
The most common asset classes for white label funds with multiple underlying managers were U.S. smid cap equity and non-U.S. equity. Respondents that indicated offering “other” white label funds with multiple underlying managers offered either custom target date funds and/or a diversified real assets option.

For white label funds with a single underlying manager, the most common asset class was U.S. large cap equity.

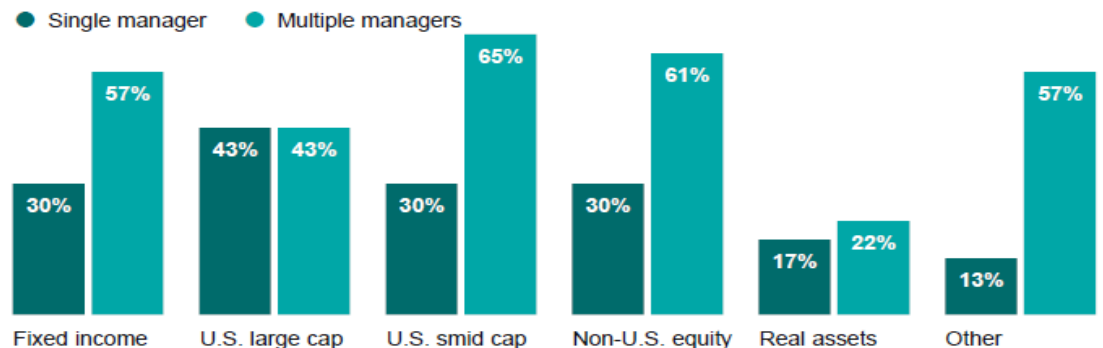
White Label Funds Offered in DC Plan



Discretionary Control of White Label Multi-manager Fund(s)*



Asset Classes in Which DC Plan Offered White Label Funds*



*Among respondents offering white label funds. Multiple responses allowed.

n

Callan 2026 DC Trends Survey

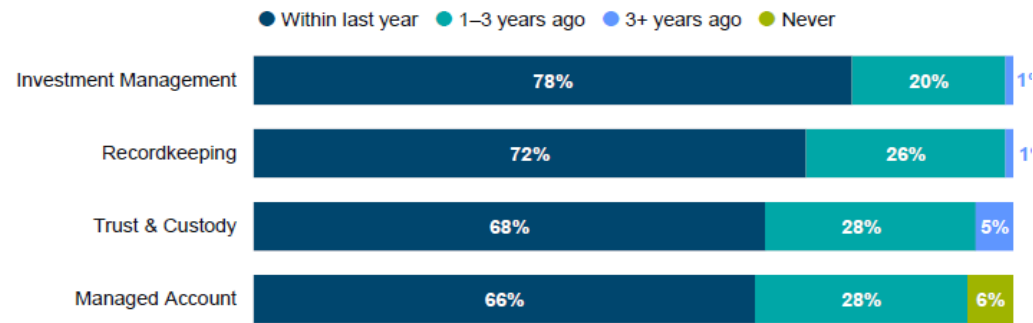
Fee Calculation and Benchmarking

About **7 in 10 plan** sponsors calculated their recordkeeping fees within the past 12 months. Another 26% did so in the past one to three years. Comparatively, 78% calculated investment management fees within the past 12 months—as a major target of litigation, reviewing the investment management fees regularly is considered best practice.

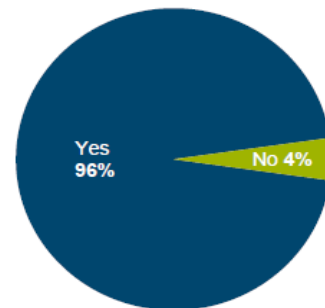
Somewhat lower levels were seen for both trust and custody fees and managed account fees, with 6% of respondents indicating they had never calculated managed account fees.

When calculating fees, 96% of respondents also benchmarked fees, and more than 8 in 10 evaluated sources of indirect revenue (e.g., revenue shared with the recordkeeper from managed accounts, brokerage windows, IRA rollovers, etc.). Evaluating indirect revenue is an increasingly important area for plan sponsors as a component of a comprehensive plan fee review.

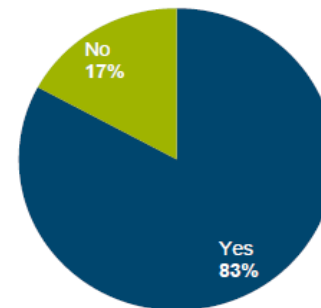
Last Time All-in Plan Fees Were Calculated, by Service Type*



Fees Were Benchmarked When Calculating



Evaluated Indirect Revenue When Reviewing Fees



*All-in fees include all applicable administrative, recordkeeping, trust/custody, and investment management fees.

Callan 2026 DC Trends Survey

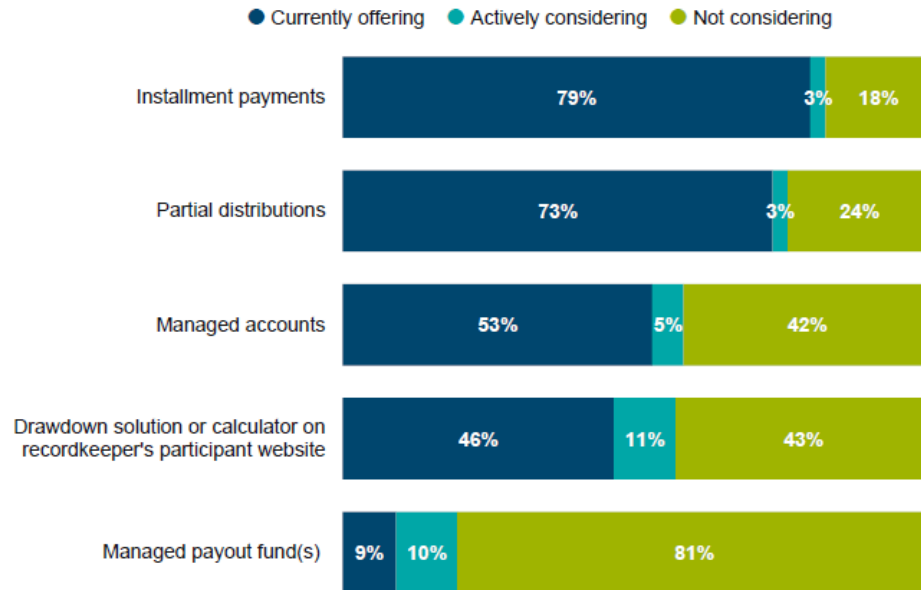
Non-Guaranteed Retirement Income Solutions

Most respondents offered some form of retirement income solution to employees in 2025. Installment payments (79%) and partial distributions (73%) remained the most common. For some participants, pairing installment payments with an in-plan investment option such as a stable value fund or the retirement/income fund of a target date suite can be an effective drawdown strategy.

Managed accounts (53%) or a drawdown solution (46%) were the next most common. Only 9% offered managed payout funds. These funds are typically diversified options that target a specified “payout” level each year (e.g., 4%–6%). The payout amounts aren’t guaranteed and often vary depending on fund performance and withdrawal policy.

Explainer: A drawdown solution is a simplified process on the participant website (e.g., a one-step button) to implement the output from a retirement calculator. It is a more streamlined process for participants to establish a stream of income; without it, they would have to manually transfer the calculator output to the transactional section of the website.

Non-guaranteed Retirement Income Solutions Offered*



*Percentages among those with a solution in place. Multiple responses allowed.

Callan 2026 DC Trends Survey

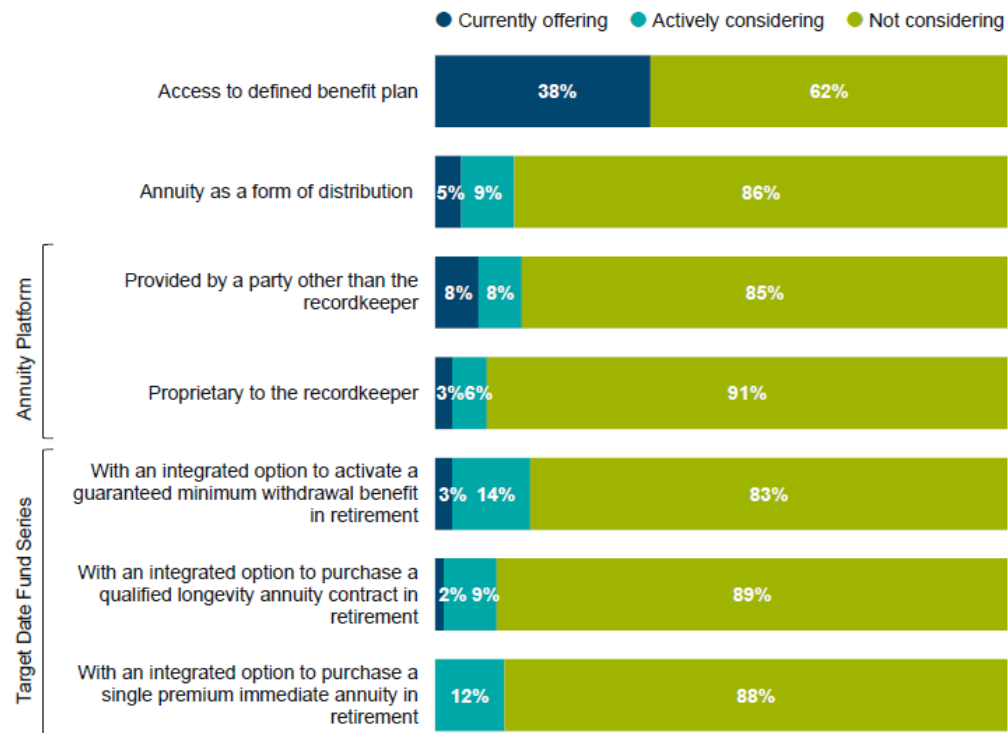
Guaranteed Retirement Income Solutions

Nearly 4 in 10 respondents offered a defined benefit plan, providing a guaranteed income stream to at least some DC plan participants. Governmental entities were more likely to offer an open DB plan, while corporate plan sponsors were more likely to have a closed or frozen DB plan.

Recent product innovation has led to discussion around the possibility of providing other forms of guaranteed income to DC plan participants, whether through the DC plan's TDF offering or a solution separate from a TDF series (e.g., annuity platform service).

In 2025, relatively few respondents reported offering an annuity platform service or a TDF with a guaranteed income component. For plan sponsors, education and tools to evaluate and compare different forms of guaranteed income are becoming increasingly important.

Guaranteed Retirement Income Solutions Offered*



*Percentages among those with a solution in place. Multiple responses allowed.

Callan 2026 DC Trends Survey

Reasons for Not Offering a Retirement Income Solution

Plan sponsors cited several reasons regarding why they were unlikely to offer an annuity-type product in the near term. The two most common reasons were a perceived absence of participant need or demand and a discomfort about fiduciary implications.

Respondents also noted that they didn't view a retirement income solution as necessary or as a priority and that they were lacking sufficient product knowledge, highlighting the importance of continued education.

Reasons for Not Offering Retirement Income Solution

	Ranking
No participant need or demand	3.4
Uncomfortable/unclear about fiduciary implications	3.2
Unnecessary or not a priority	3.1
Lack of product knowledge	2.7
Availability of defined benefit plan	2.2
Difficult to communicate to participants	1.9
Too costly to plan sponsor/participants	1.9
Too administratively complex	1.6
Uncomfortable with available products	1.4
Products are not portable	1.3
Concerned about insurer risk	1.2
Recordkeeper/product provider unprepared to support plan sponsor/participant needs	0.6
Other	0.3



(5=Most important. Total ranking is a weighted average score.)

Callan 2026 DC Trends Survey

Advisory Services: Prevalence

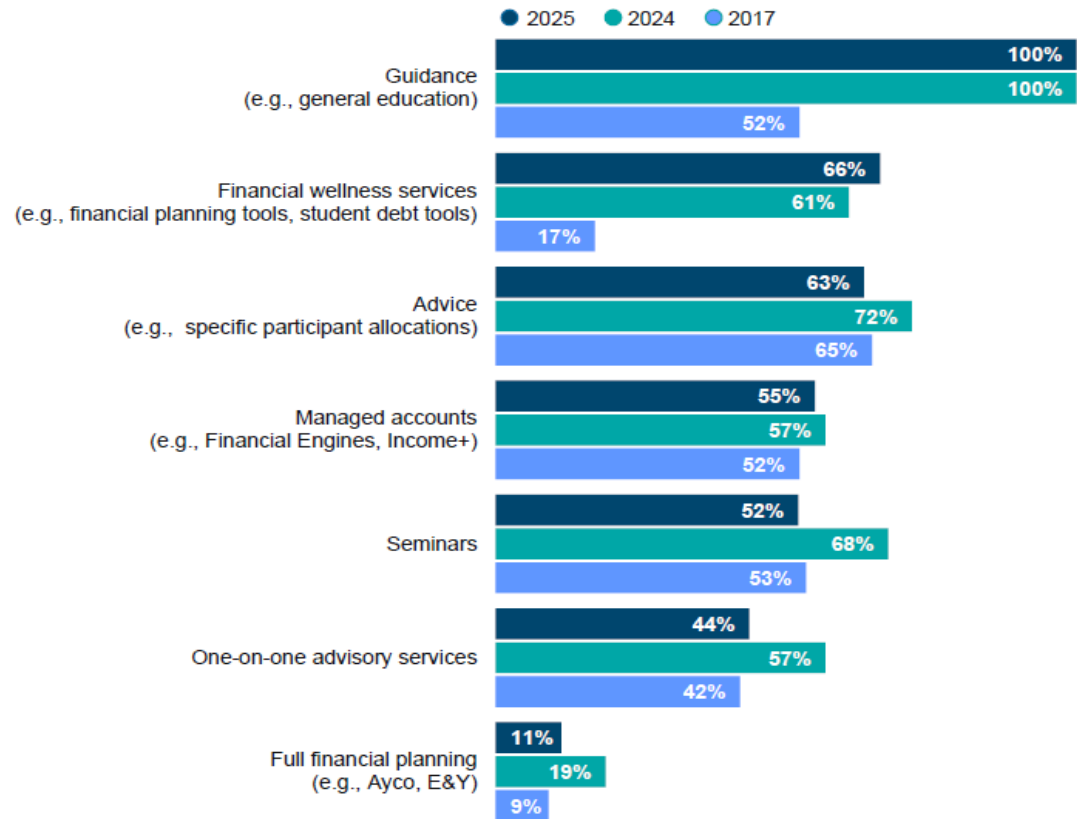
All respondents offered some type of advisory service to participants, with all offering guidance.

The prevalence of managed accounts appears to have plateaued over recent years, with a little over half of respondents offering a managed account service in 2025. These services are geared toward “do-it-for-me” investors who desire greater personalization. Managed account providers are investment managers under Section 3(38) of the Employee Retirement Income Security Act (ERISA).

The decision to include managed accounts is a fiduciary action. Plans with, or considering adding, managed accounts should consider the fiduciary implications and value add of the service.

Financial wellness services (66%) saw an increase in 2025 relative to both 2024 and 2017, as plan sponsors seek to provide their employees with additional tools to support their financial wellbeing. Common examples include debt management and budgeting tools.

Type of Service Offered*



*Multiple responses allowed.

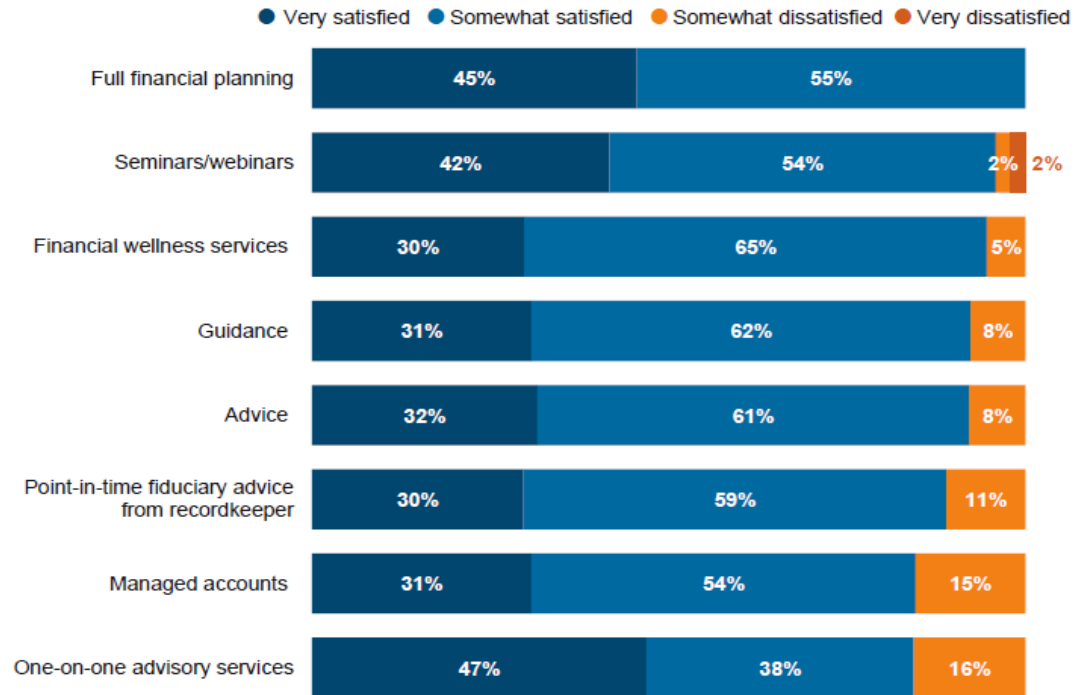
Callan 2025 DC Trends Survey

Satisfaction with Advisory Services

Respondents reported high levels of satisfaction with investment advisory services. Full financial planning received the highest overall marks, with all respondents very or somewhat satisfied.

The service with the largest percentage of dissatisfied respondents was one-on-one advisory services, followed by managed accounts.

Satisfaction Ratings for Guidance or Advisory Services



Callan 2026 DC Trends Survey

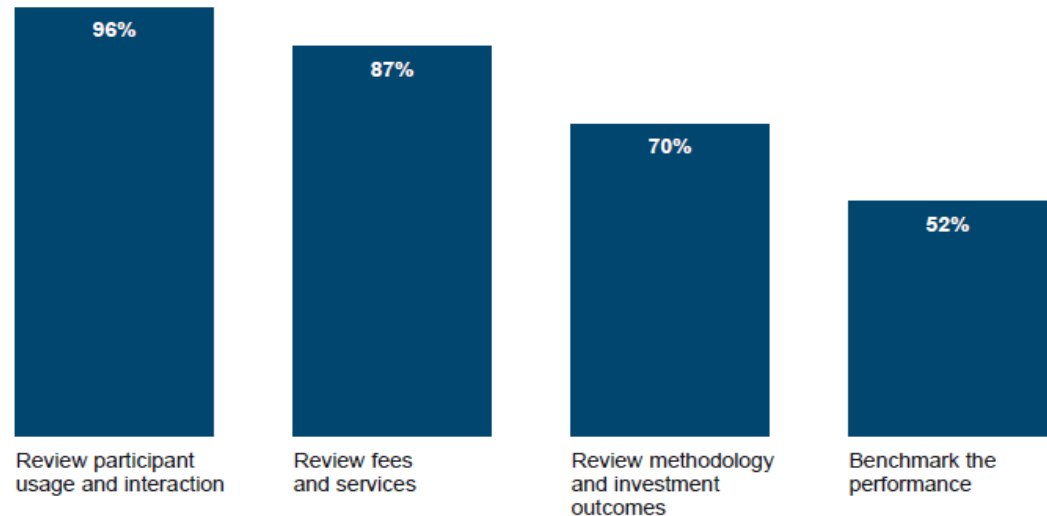
Managed Accounts: Monitoring

Among respondents that monitored their managed account service, more than 90% said they reviewed participant usage and interaction, while more than 80% said they reviewed fees and services.

70% indicated they reviewed the methodology and investment outcomes. Reviewing the methodology is key when selecting (or confirming the selection of) a managed account provider. This process helps plan fiduciaries understand which elements of “personalization”—retirement age, risk profile, outside assets—impact the actual investment recommendations.

About half of respondents indicated they benchmarked the performance of the managed account service. This is arguably one of the more beneficial exercises plan fiduciaries can undertake. Managed account services can be difficult to benchmark on an apples-to-apples basis, as individual participant factors will impact investment allocations. Benchmarking dissimilar participant situations is not a reasonable comparison.

How Managed Accounts Services Are Monitored/plan to Be Monitored*



*Multiple responses allowed. Note that not all respondents that offer managed accounts responded to this question.

The DOL does not require plan sponsors to provide information to participants on managed account performance or offer standard benchmarks, making it difficult for participants to evaluate whether the additional fees for managed accounts are worth paying.

Similarly, plan sponsors may receive limited information from their managed account provider to adequately review and monitor the performance and outcomes.

Callan 2026 DC Trends Survey

Reasons for Eliminating Investment Guidance and Advisory Services

Plan sponsors cited a number of reasons to explain why they have considered or would consider eliminating investment guidance and advisory services. The most common was a belief that a target date fund could provide a lower-cost alternative with similar diversification opportunities.

Other frequently cited reasons were cost, the current litigation environment, and difficulty in monitoring.

Reasons for Eliminating Investment Guidance or Advisory Services

	Ranking
Target date fund offers similar diversification opportunities for a lower cost	3.8
Too costly to participants	2.6
Current litigation environment	2.2
Difficulty in monitoring	2.0
Low participant demand/anticipated utilization	1.9
Uncomfortable/unclear about fiduciary implications	1.4
Other	1.3
Difficult to communicate to participants	1.2
Other financial guidance support available outside of the DC plan	1.2



*Additional categories: data security risk (0.8), dissatisfied with available products (0.6), products are not portable (0.5), too costly to plan sponsor (0.5)

(5=Most important. Total ranking is a weighted average score.)

Thank you!



Retirement Income



Retirement Income

- VRS provides participants with a robust selection of non-guaranteed retirement income payout options
 - Systematic withdrawals, partial distributions, lump sum and managed payouts through Voya's managed account program
- VRS DC plan participants also have the option to generate a lifetime guaranteed income stream via an immediate annuity purchase
 - MetLife (unbundled DC plans)
 - TIAA ORPHE

Retirement Income Dashboard - Voya

- Launched May 4, 2026
- Automatically visible for participants ages 50 and above

The dashboard features a navigation bar with links for Home, Accounts, Life Events, Financial Wellness, and FAQs. A user profile icon shows 'Hi, Demo User'. The main content area includes a greeting 'Good Afternoon, Demo User' and a 'Your Monthly Retirement Income' section with a 'Continue' button. A 'Snapshot of Your Accounts' table lists various plans and their balances. A 'Transaction Status Updates' section provides news about a hardship request. A 'Get Advice' section offers a 'Your Retirement Evaluation' with a 'View Your Evaluation' button. A 'Manage Your Financial Wellbeing' section includes a progress indicator, icons for Protection, Spending & Saving, Emergency Fund, Retirement, Debt, and Other Goals, and a 'Save for your someday' section with a 'Get Started' button.

Navigation: \$ Your Logo Here Your Retirement Plan | Home | Accounts | Life Events | Financial Wellness | FAQs | Hi, Demo User

Good Afternoon, Demo User

Your Monthly Retirement Income

Retirement Income Tool^{New} myOrangeMoney®

Come back to your retirement income planning tool

Ready to switch from saving for retirement to funding it? Let's help you prepare for your next chapter.

[Continue](#)

Snapshot of Your Accounts

Total Balance	\$50,500.00
EMPLOYER'S SAVINGS PLAN <small>As of 05/03/2026</small>	\$35,000.00
EMPLOYER'S NONQUALIFIED PLAN <small>As of 05/03/2026</small>	\$10,000.00
EMPLOYER'S HSA PLAN <small>As of 05/03/2026</small>	\$5,500.00

Transaction Status Updates

Good News! Your hardship requested on MM/DD/YYYY for \$5,000.00 has been processed. We are currently preparing your payment for delivery. Once complete you should receive your payment via expedited check within 3 to 4 business days.

Get Advice

Your Retirement Evaluation

Demo, you might be better prepared than you think. Your personalized retirement evaluation is waiting for you.

[View Your Evaluation](#)

Manage Your Financial Wellbeing

1 2 3 [Minimize This Section](#)

Save for your someday

Psst... here is a little trick: the secret to funding all your dreams is to just start.

[Get Started](#)

Protection Spending & Saving Emergency Fund Retirement Debt Other Goals

Retirement Income Dashboard - Voya

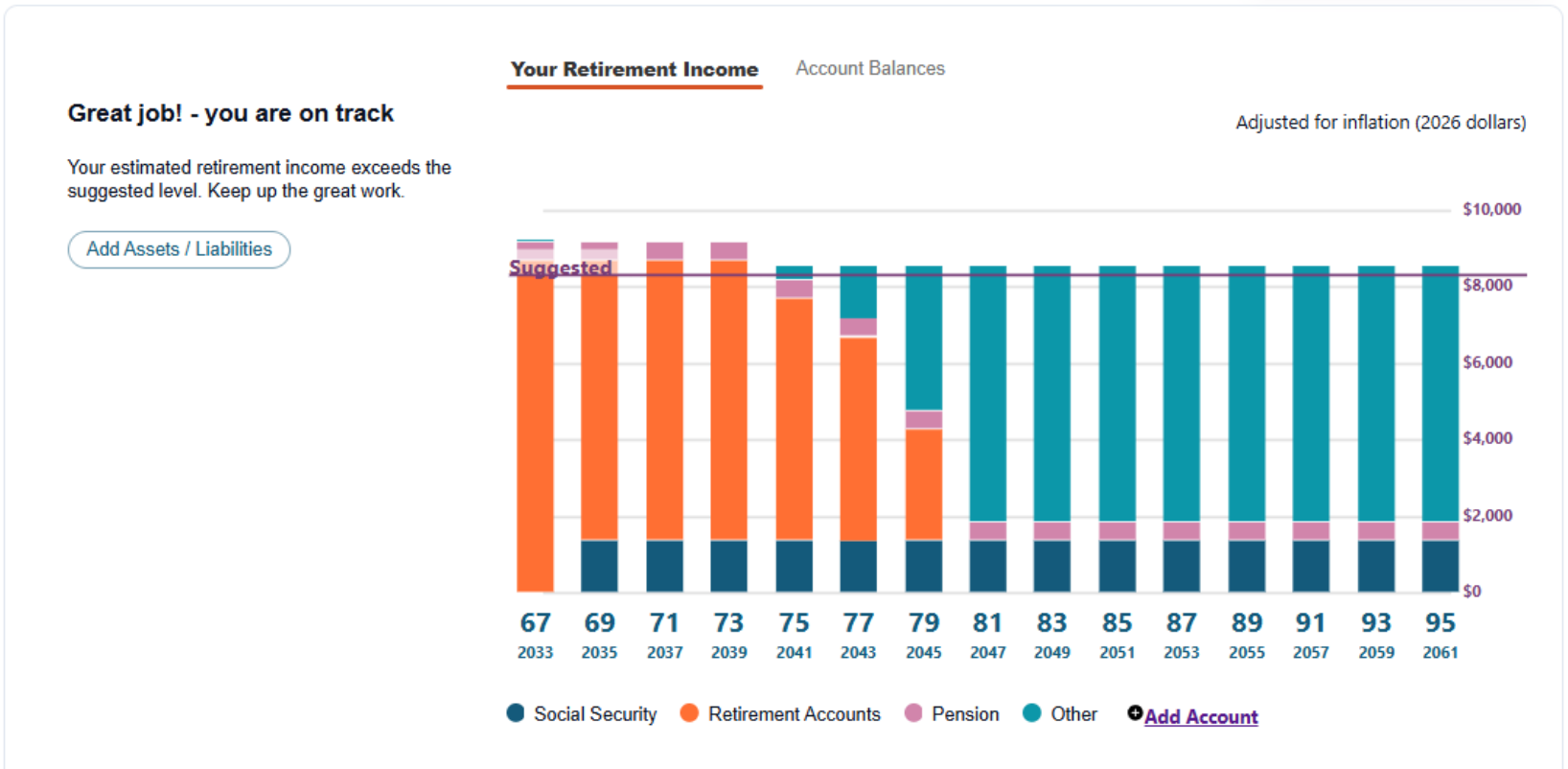
Your retirement income, made easy

[Your Settings](#)

[Print Guidance](#)

When your working paycheck is done, we'll help you understand what a "paycheck" in retirement could look like. Below you can see the estimated sources of your retirement income year after year and steps to take now to help improve your chances of success.

Retirement Age edit <p style="text-align: center;">67 Me</p>	Retirement Location <p style="text-align: center;">Massachusetts United States</p>	Net Worth <p style="text-align: center;">\$1,380,083 Build your Asset Map</p>	Savings Amount edit <p style="text-align: center;">\$149/ month \$778 Saving Impact</p>	Estimated Retirement Income <p style="text-align: center;">\$8,740/ month At least 70% suggested</p>
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Retirement Income Dashboard - Voya

Your retirement income, made easy

- [Your Settings](#)
- [Print Guidance](#)

When your working paycheck is done, we'll help you understand what a "paycheck" in retirement could look like. Below you can see the estimated sources of your retirement income year after year and steps to take now to help improve your chances of success.

Retirement Age edit 67 Me	Retirement Location Massachusetts United States	Net Worth \$1,380,083 Build your Asset Map	Savings Amount edit \$149/ month \$778 Saving Impact	Estimated Retirement Income \$8,740/ month At least 70% suggested
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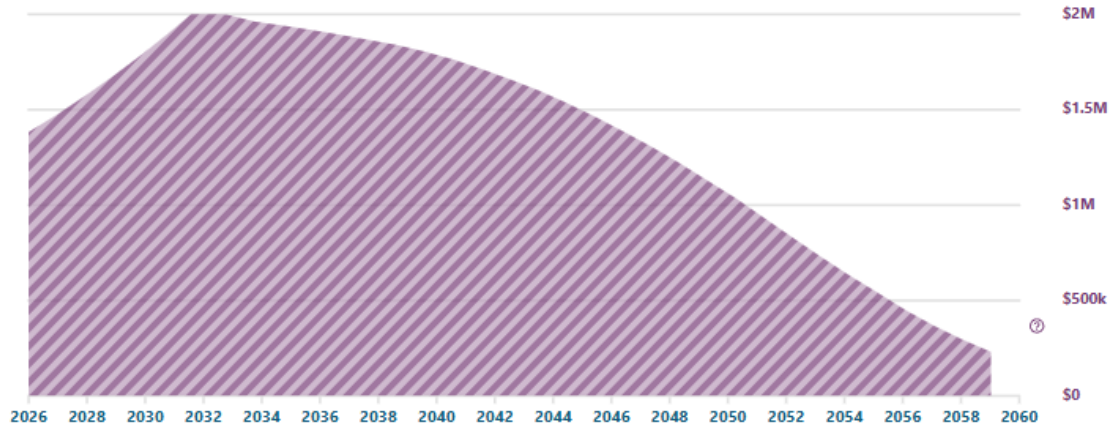
Your Retirement Income Account Balances

Making your savings last

Based on what you've told us, we estimate your savings to last through retirement until 2061, leaving an estimated balance of \$363,699.

Looking to increase your retirement income? Try adjusting your retirement age or savings rate. You can also change retirement duration and your desired end balance in Your Settings > Advanced Settings.

[Add Assets / Liabilities](#)



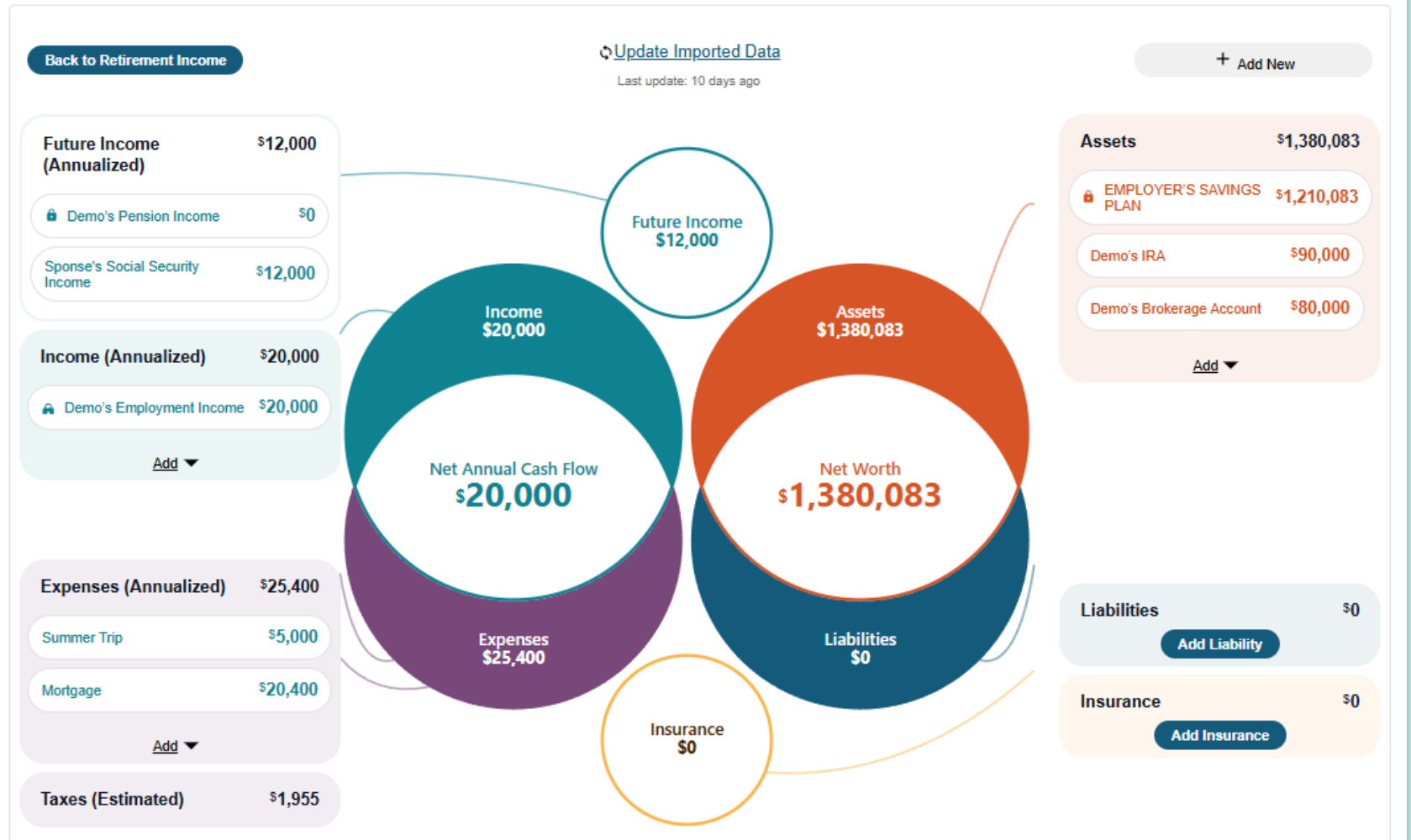
Estimated Balances in Retirement Accounts [Add Account](#)

IMPORTANT: The estimates or other outputs of the Retirement Income Tool regarding the likelihood of various investment outcomes are hypothetical in nature. They do not reflect actual investment results and are not guarantees of future results.

Retirement Income Dashboard - Voya

Retirement Resources: creating your income.

You've saved a lot and in many different places. Here you'll see all the resources we use to create your income in retirement.



Retirement Income Dashboard - Voya

Guidance: What can I do today?

Complete Today Onboarding

Tell us about your household.

To best estimate your finances in retirement, we'll need to know a little more about the makeup of your household.

Complete Today Onboarding

Add Past Retirement Accounts.

Add retirement accounts that you have from previous employers that have not been rolled over into your current employer sponsored retirement account.

Financial Action

Consider keeping your retirement plan contributions at 12% of your annual income

Boost your retirement savings with tax-advantaged contributions

Financial Action

Consider setting your Traditional IRA contributions to \$8,600

Boost your retirement savings with tax-advantaged contributions

Retirement Income Dashboard - Voya

Optimize your savings ✕

With an optimized saving strategy, setting aside some of your take-home pay before taxes can mean contributing even more to your retirement accounts.

How much can you set aside from your take-home pay each month?

– **\$133** +

Suggested **Max Tax Savings**

Suggested: Save enough to meet a retirement income level at 70% of your current income.

Estimated Tax Savings	\$16 /month
Resulting Optimized Retirement Contributions	\$149 /month

[Show the math ▾](#)

We'll tell you exactly how and when to make your contributions on your retirement income dashboard.

Save & Optimize

Retirement Income

- Staff is researching lifetime guaranteed income products embedded within target date offerings
 - Single premium immediate annuity
 - Deferred annuity
 - Guaranteed lifetime withdrawal benefit (GLWB)
 - Qualified longevity annuity contract (QLAC)
- Many different product offerings available within the marketplace
 - Plan sponsor uptake is low
 - Participant usage is low

Retirement Income in Target Date Offerings

■ High-Level Similarities

- Tendency to replace portion of fixed income asset class with guaranteed lifetime income
- Typically introduced during 50's age range
- Liquidity
- Mostly out of plan annuitization feature

■ High-Level Considerations

- Participant optionality
- Complexity of product
- Pricing (direct/indirect)
- Return calculations during accumulation phase
- Communications
- Interface capabilities with VRS record keepers
- Multiple or single annuity provider(s) at the time of annuity purchase
- Portability

Thank you!





Defined Contribution Plans

Plan Document Amendments

Defined Contribution Plan Document Amendments

- 2025 review of plan documents by outside benefits counsel.
- Identified amendments required by SECURE 2.0 and corresponding federal regulations.
- Amendments ministerial – recordkeeper has implemented or will be implementing required changes depending on the effective date of the respective change.
- IRC requires plan document amendments be in place by December 31, 2029.

Defined Contribution Plan Document Amendments

- Not all plan documents require all the amendments listed.
- The proposed amendments, effective January 1, 2026, include:
 - Increase the Required Minimum Distribution (RMD) age to IRC levels.
 - Increase elective deferral limits to IRC levels.
 - Require catch-up contributions made by individuals whose FICA wages exceed a certain threshold (currently \$150,000) be designated as Roth contributions.
 - Exclude Roth accounts from the calculation of RMDs during the participant's lifetime.

Defined Contribution Plan Document Amendments

- Revising RMD rules for beneficiaries, including rules requiring distribution of a participant's account to beneficiaries within certain periods of time if
 - The participant, on or after January 1, 2022, dies before RMDs begin, and
 - The participant, on or after January 1, 2022, dies on or after the date RMDs begin.
- Provide that the participant's surviving spouse, if the sole beneficiary, may elect to delay RMDs until the participant's required beginning date and to be treated as the participant for purposes of determining life expectancy.

Summary of Plan Document Amendments

	COV 457	VA Cash Match	Hybrid 457	Hybrid Cash Match	ORPHE	ORPPA	ORPSS	DCIP
Increase RMD age*		✓	✓	✓	✓	✓	✓	
Increase elective deferral limits	✓		✓					
Catch-up Roth contributions if > \$150,000	✓							
RMDs – exclude Roth during lifetime	✓							
RMDs – participant dies before RMDs begin	✓	✓	✓	✓	✓	✓	✓	✓
RMDs – participant dies on or after RMDs begin	✓	✓	✓	✓	✓	✓	✓	✓
RMDs – surviving spouse	✓	✓	✓	✓	✓	✓	✓	✓

*COV 457 and DCIP have previously been amended to increase RMD age.



Approve amended and Restated Plan Document: Virginia 457 and Cash Match, Hybrid 457 and Cash Match, ORPHE, ORPPA, ORPSS, and DCIP.

Requested Action

The Virginia Retirement System Board of Trustees approves the amended and restated (i) Commonwealth of Virginia 457 Deferred Compensation Plan (COV 457), (ii) Virginia Cash Match Plan (VA Cash Match), (iii) Virginia Hybrid 457 Deferred Compensation Plan (Hybrid 457), (iv) Virginia Hybrid 401(a) Cash Match Plan (Hybrid Cash Match), (v) Optional Retirement Plan of the Commonwealth of Virginia for Employees of Institutions of Higher Education (ORPHE), (vi) Optional Retirement Plan of the Commonwealth for Political Appointees (ORPPA), (vii) Optional Retirement Plan of the Commonwealth for Public School Superintendents (ORPSS), and (viii) Defined Contribution Incentive Plan for VRS Personnel (DCIP).

Description/Background

In 2025, outside benefits counsel, Ice Miller, reviewed the majority of the Defined Contribution Plans to determine whether the Plans had been timely amended for all relevant changes required by the Internal Revenue Code (IRC). The last review by outside benefits counsel was performed in 2021.

The Plan review identified several plan document amendments necessitated by the passage of the Setting Every Community Up for Retirement Enhancement Act of 2022 (SECURE Act 2.0) and the final IRS regulations adopted under SECURE Act 2.0. As these provisions are required under SECURE Act 2.0 and its attendant regulations, the proposed amendments to the Plan Documents are effectively ministerial in nature, and Voya, as VRS' recordkeeper, has already implemented or will be implementing the changes, depending on the effective date of the respective change. The IRC provides that Plan Document amendments to reflect the provisions of SECURE Act 2.0 must be in place no later than December 31, 2029.

The proposed amendments to the Plan Documents include the following:

1. Increasing the Required Minimum Distribution (RMD) age to IRC levels.
Plans: VA Cash Match, Hybrid 457, Hybrid Cash Match, ORPHE, ORPPA, ORPSS
2. Increasing elective deferral limits to IRC levels.
Plans: COV 457, Hybrid 457
3. Requiring catch-up contributions made by individuals whose wages exceed a certain amount be designated as Roth contributions (currently, individuals whose FICA wages exceed \$150,000).
Plans: COV 457
4. Excluding Roth accounts from the calculation of RMDs during the participant's lifetime starting calendar year 2024.
Plans: COV 457

5. Revising rules governing RMDs to beneficiaries when, on or after January 1, 2022, the participant dies before RMDs begin, including rules requiring distribution to beneficiaries within a certain period of time which varies depending on the category of beneficiary.

Plans: COV 457, VA Cash Match, Hybrid 457, Hybrid Cash Match, ORPHE, ORPPA, ORPSS, DCIP

6. Revising rules governing RMDs to beneficiaries when, on or after January 1, 2022, the participant dies on or after the date RMDs begin, including rules requiring distribution to beneficiaries within a certain period of time which varies depending on the category of beneficiary.

Plans: COV 457, VA Cash Match, Hybrid 457, Hybrid Cash Match, ORPHE, ORPPA, ORPSS, DCIP

7. Provides that if the participant’s sole beneficiary is their surviving spouse, the surviving spouse may elect to delay RMDs until the participant’s required beginning date and to be treated as the participant for purposes of determining life expectancy.

Plans: COV 457, VA Cash Match, Hybrid 457, Hybrid Cash Match, ORPHE, ORPPA, ORPSS, DCIP

Authority for Requested Action

Va. Code § 51.1-124.22(8) authorizes the Board to make determinations necessary to carry out the provisions of Title 51.1 of the *Code of Virginia*, and Va. Code § 51.1-124.22(10) requires the Board to adopt rules and policies that bring the Retirement System into compliance with any applicable law or regulation of the Commonwealth of Virginia or the United States.

The above action is approved.

A. Scott Andrews, Chairman
VRS Board of Trustees

Date

SECOND AMENDMENT TO THE VIRGINIA CASH MATCH PLAN

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Virginia Cash Match Plan (“Plan”) in accordance with Section 51.1-600 et seq. of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 9.06, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.06. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.07.

2. Effective January 1, 2023, Section 9.07, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.07. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.07 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.

(b) Distributions may only be made over one of the following periods (or a combination thereof):

- (1) The life of the Participant;
- (2) The life of the Participant and a Designated Beneficiary;
- (3) A period certain not extending beyond the life expectancy of the Participant;

or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and a Designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.07(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before

distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.07(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's

remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.07:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

(j) Notwithstanding anything in this Section 9.07 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the CARES Act, the minimum distribution requirements will be satisfied as provided in this paragraph (j).

(1) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) ("2020 RMDs") and who would have satisfied that requirement by receiving

distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article XII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this _____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

SECOND AMENDMENT TO THE VIRGINIA CASH MATCH PLAN

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Virginia Cash Match Plan (“Plan”) in accordance with Section 51.1-600 et seq. of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 9.06, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.06. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.07.

2. Effective January 1, 2023, Section 9.07, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.07. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.07 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, ~~and any regulatory guidance issued thereunder, and shall comply with rules under this Section 9.07 the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.~~

(b) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant;

(2) The life of the Participant and a ~~designated individual~~ Designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant;
or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and ~~designated individual~~ a Designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than ~~his or her "required beginning date" as defined in this paragraph or, if applicable, as defined in subsequent legislation or regulations that amend the definition of required beginning date for purposes of Code Section 401(a)(9). Subject to the preceding sentence, required beginning date shall mean April 1 of the calendar year following the calendar year in which the Participant attains age 70½ (age 72 for distributions required to be made after December 31, 2019, with respect to a Participant who would have attained age 70½ after December 31, 2019) or, if later, April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year that in which the Participant has a Severance from Employment.~~

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.07(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.07(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However,

for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.07:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

~~(e)(i)~~ Notwithstanding anything in this Section 9.07 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the CARES Act, the minimum distribution requirements will be satisfied as provided in this paragraph ~~(e)(i)~~.

(1) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) (“2020 RMDs”) and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article XII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this _____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**SECOND AMENDMENT TO THE
DEFINED CONTRIBUTION INCENTIVE PLAN FOR VRS PERSONNEL**

(As Amended and Restated Effective January 1, 2023)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Defined Contribution Incentive Plan for VRS Personnel (“Plan”) in accordance with Section 51.1-600 *et seq.* of the Code of Virginia and Section 15.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 8.03, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 8.03. Required Minimum Distribution Rules.

(a) The provisions of this Section 8.03 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019, SECURE 2.0 of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.

(b) Distributions may only be made over one of the following periods (or a combination thereof):

- (1) The life of the Participant;
- (2) The life of the Participant and a Designated Beneficiary;
- (3) A period certain not extending beyond the life expectancy of the Participant;

or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and a Designated Beneficiary.

(c) A Participant’s Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 8.03(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 8.03(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient

obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 8.03:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

2. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this _____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**SECOND AMENDMENT TO THE
DEFINED CONTRIBUTION INCENTIVE PLAN FOR VRS PERSONNEL**

(As Amended and Restated Effective January 1, 2023)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Defined Contribution Incentive Plan for VRS Personnel (“Plan”) in accordance with Section 51.1-600 *et seq.* of the Code of Virginia and Section 15.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 8.03, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 8.03. Required Minimum Distribution Rules.

(a) The provisions of this Section 8.03 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019, SECURE 2.0 of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.

(b) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant;

(2) The life of the Participant and a ~~designated individual~~ Designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant;
or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and ~~designated individual~~ a Designated Beneficiary.

(c) A Participant’s Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the calendar year following the later of (i) the calendar year in which the Participant attains ~~his or her applicable age~~ the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 8.03(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 8.03(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient

obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 8.03:

(1) “Applicable Age” means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) ”Designated Beneficiary” means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) “Eligible Designated Beneficiary” means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

2. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this _____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**SECOND AMENDMENT TO THE
VIRGINIA HYBRID 401(a) CASH MATCH PLAN**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Virginia Hybrid 401(a) Cash Match Plan (“Plan”) in accordance with Section 51.1-600 *et seq.* of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 9.05, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.05. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.06.

2. Effective January 1, 2023, Section 9.06, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.06. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.06 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.

(b) Distributions may only be made over one of the following periods (or a combination thereof):

- (1) The life of the Participant;
- (2) The life of the Participant and a Designated Beneficiary;
- (3) A period certain not extending beyond the life expectancy of the Participant;

or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and a Designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.06(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's

sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.06(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the

quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.06:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

(j) Notwithstanding anything in this Section 9.06 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the Coronavirus Aid, Relief, and Economic Security Act of 2020, the minimum distribution requirements will be satisfied as provided in this paragraph (j).

(1) A Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code

Section 401(a)(9)(I) (“2020 RMDs”) and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) A Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article XII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this _____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**SECOND AMENDMENT TO THE
VIRGINIA HYBRID 401(a) CASH MATCH PLAN**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Virginia Hybrid 401(a) Cash Match Plan (“Plan”) in accordance with Section 51.1-600 *et seq.* of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 9.05, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.05. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.06.

2. Effective January 1, 2023, Section 9.06, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.06. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.06 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, ~~and any regulatory guidance issued thereunder, and shall comply with rules under this Section 9.06 the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.~~

(b) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant;

(2) The life of the Participant and a ~~designated individual~~ Designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant;
or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and ~~designated individual~~ a Designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than ~~his or her "required beginning date" as defined in this paragraph or, if applicable, as defined in subsequent legislation or regulations that amend the definition of required beginning date for purposes of Code Section 401(a)(9). Subject to the preceding sentence, required beginning date shall mean April 1 of the calendar year following the calendar year in which the Participant attains age 70½ (age 72 for distributions required to be made after December 31, 2019, with respect to a Participant who would have attained age 70½ after December 31, 2019) or, if later, April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year that in which the Participant has a Severance from Employment.~~

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.06(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.06(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life

expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.06:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

~~(e)(j)~~ Notwithstanding anything in this Section 9.06 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the Coronavirus Aid, Relief, and Economic Security Act of 2020, the minimum distribution requirements will be satisfied as provided in this paragraph ~~(e)(j)~~.

(1) A Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) (“2020 RMDs”) and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) A Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article XII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this _____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**SECOND AMENDMENT TO THE
OPTIONAL RETIREMENT PLAN OF THE COMMONWEALTH OF VIRGINIA FOR
POLITICAL APPOINTEES**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Optional Retirement Plan of the Commonwealth of Virginia for Political Appointees (“Plan”) in accordance with Section 51.1-600 et seq. of the Code of Virginia and Section 15.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 9.05, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.05. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.06.

2. Effective January 1, 2023, Section 9.06, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.06. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.06 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.

(b) Distributions may only be made over one of the following periods (or a combination thereof):

- (1) The life of the Participant;
- (2) The life of the Participant and a Designated Beneficiary;
- (3) A period certain not extending beyond the life expectancy of the Participant;

or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and a Designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year in which the Participant has a Severance from Employment..

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.06(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.06(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.06:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

(j) Notwithstanding anything in this Section 9.06 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the Coronavirus Aid, Relief, and

Economic Security Act of 2020, the minimum distribution requirements will be satisfied as provided in this paragraph (j).

(1) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) (“2020 RMDs”) and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article VII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this _____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**SECOND AMENDMENT TO THE
OPTIONAL RETIREMENT PLAN OF THE COMMONWEALTH OF VIRGINIA FOR
POLITICAL APPOINTEES**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Optional Retirement Plan of the Commonwealth of Virginia for Political Appointees (“Plan”) in accordance with Section 51.1-600 et seq. of the Code of Virginia and Section 15.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 9.05, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.05. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.06.

2. Effective January 1, 2023, Section 9.06, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.06. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.06 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, ~~and any regulatory guidance issued thereunder, and shall comply with rules under this Section 9.06 the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.~~

(b) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant;

(2) The life of the Participant and a ~~designated individual~~ Designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant;

or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and ~~designated individual~~ a Designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than ~~his or her "required beginning date" as defined in this paragraph or, if applicable, as defined in subsequent legislation or regulations that amend the definition of required beginning date for purposes of Code Section 401(a)(9). Subject to the preceding sentence, required beginning date shall mean April 1 of the calendar year following the calendar year in which the Participant attains age 70½ (age 72 for distributions required to be made after December 31, 2019, with respect to a Participant who would have attained age 70½ after December 31, 2019) or, if later, April 1 of the calendar year following the~~ later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year that in which the Participant has a Severance from Employment. The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent

calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.06(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.06(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth

anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.06:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse

may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

~~(e)(j)~~ Notwithstanding anything in this Section 9.06 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the Coronavirus Aid, Relief, and Economic Security Act of 2020, the minimum distribution requirements will be satisfied as provided in this paragraph ~~(e)(j)~~.

(1) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) (“2020 RMDs”) and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article VII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this
_____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**SECOND AMENDMENT TO THE
OPTIONAL RETIREMENT PLAN OF THE COMMONWEALTH OF VIRGINIA FOR
PUBLIC SCHOOL SUPERINTENDENTS**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Optional Retirement Plan of the Commonwealth of Virginia for Public School Superintendents (“Plan”) in accordance with Section 51.1-600 *et seq.* of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 9.05, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.05. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.06.

2. Effective January 1, 2023, Section 9.06, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.06. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.06 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.

(b) Distributions may only be made over one of the following periods (or a combination thereof):

- (1) The life of the Participant;
- (2) The life of the Participant and a Designated Beneficiary;
- (3) A period certain not extending beyond the life expectancy of the Participant;

or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and a designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.06(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.06(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.06:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

(j) Notwithstanding anything in this Section 9.06 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the Coronavirus Aid, Relief, and

Economic Security Act of 2020, the minimum distribution requirements will be satisfied as provided in this paragraph (j).

(1) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) (“2020 RMDs”) and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article VII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this _____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**SECOND AMENDMENT TO THE
OPTIONAL RETIREMENT PLAN OF THE COMMONWEALTH OF VIRGINIA FOR
PUBLIC SCHOOL SUPERINTENDENTS**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Optional Retirement Plan of the Commonwealth of Virginia for Public School Superintendents (“Plan”) in accordance with Section 51.1-600 *et seq.* of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 9.05, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.05. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.06.

2. Effective January 1, 2023, Section 9.06, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.06. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.06 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, ~~and any regulatory guidance issued thereunder, and shall comply with rules under this Section 9.06 the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.~~

(b) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant;

(2) The life of the Participant and a ~~designated individual~~ Designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant;

or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and ~~designated individual~~ a designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than ~~his or her "required beginning date" as defined in this paragraph or, if applicable, as defined in subsequent legislation or regulations that amend the definition of required beginning date for purposes of Code Section 401(a)(9). Subject to the preceding sentence, required beginning date shall mean April 1 of the calendar year following the calendar year in which the Participant attains age 70½ (age 72 for distributions required to be made after December 31, 2019, with respect to a Participant who would have attained age 70½ after December 31, 2019) or, if later, April 1 of the calendar year following the~~ later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year that in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by

reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.06(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 9.06(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a

Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.06:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury

Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

~~(e)(j)~~ Notwithstanding anything in this Section 9.06 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the Coronavirus Aid, Relief, and Economic Security Act of 2020, the minimum distribution requirements will be satisfied as provided in this paragraph ~~(e)(j)~~.

(1) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) (“2020 RMDs”) and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article VII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this
_____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**THIRD AMENDMENT TO THE
OPTIONAL RETIREMENT PLAN OF THE COMMONWEALTH OF VIRGINIA FOR
EMPLOYEES OF INSTITUTIONS OF HIGHER EDUCATION**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Optional Retirement Plan of the Commonwealth of Virginia for Employees of Institutions of Higher Education (“Plan”) in accordance with Section 51.1-600 *et seq.* of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 9.05, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.05. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.06.

2. Effective January 1, 2023, Section 9.06, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.06. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.06 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.

(b) Distributions may only be made over one of the following periods (or a combination thereof):

- (1) The life of the Participant;
- (2) The life of the Participant and a Designated Beneficiary;
- (3) A period certain not extending beyond the life expectancy of the Participant;

or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and a Designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.06(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.06(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's

death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.06:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

(j) Notwithstanding anything in this Section 9.06 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the Coronavirus Aid, Relief, and Economic Security Act of 2020, the minimum distribution requirements will be satisfied for 2020 as provided in paragraph (1) or (2) below, as determined by the terms of the trust, custodial account, and/or annuity contract incorporated under the Trust and governing the Participant's or Beneficiary's required minimum distribution:

(1) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) ("2020 RMDs") and who would have satisfied that requirement by receiving distributions that are

(i) equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions; or

(ii) one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years ("Extended 2020 RMDs"), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions.

Participants and Beneficiaries described in paragraphs (i) and (ii) will be given the opportunity to elect to receive and/or stop receiving the distributions, as applicable, described in those paragraphs.

(2) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a 2020 RMD, and who would have satisfied that requirement by receiving distributions that are (i) equal to the 2020 RMDs or (ii) Extended 2020 RMDs, will receive this distribution unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distribution described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article XII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this
_____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**THIRD AMENDMENT TO THE
OPTIONAL RETIREMENT PLAN OF THE COMMONWEALTH OF VIRGINIA FOR
EMPLOYEES OF INSTITUTIONS OF HIGHER EDUCATION**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Optional Retirement Plan of the Commonwealth of Virginia for Employees of Institutions of Higher Education (“Plan”) in accordance with Section 51.1-600 *et seq.* of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2023, Section 9.05, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.05. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.06.

2. Effective January 1, 2023, Section 9.06, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.06. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.06 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, ~~and any regulatory guidance issued thereunder, and shall comply with rules under this Section 9.06 the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.~~

(b) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant;

(2) The life of the Participant and a ~~designated individual~~ Designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant;

or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and ~~designated individual~~ a Designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than ~~his or her "required beginning date" as defined in this paragraph or, if applicable, as defined in subsequent legislation or regulations that amend the definition of required beginning date for purposes of Code Section 401(a)(9). Subject to the preceding sentence, required beginning date shall mean April 1 of the calendar year following the calendar year in which the Participant attains age 70½ (age 72 for distributions required to be made after December 31, 2019, with respect to a Participant who would have attained age 70½ after December 31, 2019) or, if later, April 1 of the calendar year following the~~ later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year that in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by

reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.06(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.06(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the Surviving Spouse's death, the remaining life expectancy of the Surviving Spouse is calculated using the age of the Surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions

must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.06:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects

otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

~~(e)~~(j) Notwithstanding anything in this Section 9.06 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the Coronavirus Aid, Relief, and Economic Security Act of 2020, the minimum distribution requirements will be satisfied for 2020 as provided in paragraph (1) or (2) below, as determined by the terms of the trust, custodial account, and/or annuity contract incorporated under the Trust and governing the Participant's or Beneficiary's required minimum distribution:

(1) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) ("2020 RMDs") and who would have satisfied that requirement by receiving distributions that are

(i) equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions; or

(ii) one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years ("Extended 2020 RMDs"), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions.

Participants and Beneficiaries described in paragraphs (i) and (ii) will be given the opportunity to elect to receive and/or stop receiving the distributions, as applicable, described in those paragraphs.

(2) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a 2020 RMD, and who would have satisfied that requirement by receiving distributions that are (i) equal to the 2020 RMDs or (ii) Extended 2020 RMDs, will receive this distribution unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distribution described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article XII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

3. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this
_____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**THIRD AMENDMENT TO THE
VIRGINIA HYBRID 457 DEFERRED COMPENSATION PLAN**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Virginia Hybrid 457 Deferred Compensation Plan (“Plan”) in accordance with Section 51.1-600 *et seq.* of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2026, Section 5.01, addressing Elective Deferral Limits, is hereby amended to be and read as follows:

Section 5.01. Elective Deferral Limits.

The maximum amount of Elective Deferrals to the Plan for any calendar year shall be limited to the lesser of (i) the applicable dollar amount as provided in Code Section 457(e)(15) or (ii) the Participant's Includible Compensation as provided in Code Section 457(b)(2). The applicable dollar amount is \$24,500 for 2026, increased thereafter by the Cost-of-Living Adjustment. However, in no event can the Elective Deferrals be more than the Participant's Creditable Compensation for the year.

2. Effective January 1, 2023, Section 9.06, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.06. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.07.

3. Effective January 1, 2023, Section 9.07, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.07. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.07 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)01 through -9, as each may be amended from time to time.

(b) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant;

(2) The life of the Participant and a Designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant;
or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and a Designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in

the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.07(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.07(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth

anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.07:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury

Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

(j) Notwithstanding anything in this Section 9.07 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the CARES Act, the minimum distribution requirements will be satisfied as provided in this paragraph (j).

(1) A Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) ("2020 RMDs") and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) A Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years ("Extended 2020 RMDs"), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article VII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

4. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this _____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**THIRD AMENDMENT TO THE
VIRGINIA HYBRID 457 DEFERRED COMPENSATION PLAN**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Virginia Hybrid 457 Deferred Compensation Plan (“Plan”) in accordance with Section 51.1-600 *et seq.* of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2026, Section 5.01, addressing Elective Deferral Limits, is hereby amended to be and read as follows:

Section 5.01. Elective Deferral Limits.

The maximum amount of Elective Deferrals to the Plan for any calendar year shall be limited to the lesser of (i) the applicable dollar amount as provided in Code Section 457(e)(15) or (ii) the Participant's Includible Compensation as provided in Code Section 457(b)(2). The applicable dollar amount is ~~\$23,000~~ \$24,500 for ~~2024~~ 2026, increased thereafter by the Cost-of-Living Adjustment. However, in no event can the Elective Deferrals be more than the Participant's Creditable Compensation for the year.

2. Effective January 1, 2023, Section 9.06, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.06. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.07.

3. Effective January 1, 2023, Section 9.07, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.07. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.07 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, ~~and any regulatory guidance issued thereunder, and shall comply with rules under this Section 9.07 the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)01 through -9, as each may be amended from time to time.~~

(b) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant;

(2) The life of the Participant and a ~~designated individual~~ Designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant;
or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and ~~designated individual~~ a Designated Beneficiary.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than ~~his or her "required beginning date" as defined in this paragraph or, if applicable, as defined in subsequent legislation or regulations that amend the definition of required beginning date for purposes of Code Section 401(a)(9). Subject to the preceding sentence, required beginning date shall mean April 1 of the calendar year following the calendar year in which the Participant attains age 70½ (age 72 for distributions required to be made after December 31, 2019, with respect to a Participant who would have attained age 70½ after December 31, 2019) or, if later, April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year that in which the Participant has a Severance from Employment.~~

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving

Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.07(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.07(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the

Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.07:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years

younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

~~(e)(j)~~ Notwithstanding anything in this Section 9.07 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the CARES Act, the minimum distribution requirements will be satisfied as provided in this paragraph ~~(e)(j)~~.

(1) A Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) ("2020 RMDs") and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) A Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years ("Extended 2020 RMDs"), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article VII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

4. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this
_____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**FOURTH AMENDMENT TO THE
COMMONWEALTH OF VIRGINIA 457 DEFERRED COMPENSATION PLAN**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Commonwealth of Virginia 457 Deferred Compensation Plan (“Plan”) in accordance with Section 51.1-600 et seq. of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2026, Section 5.01, addressing Elective Deferral Limits, is hereby amended to be and read as follows:

Section 5.01. Elective Deferral Limits.

(a) The maximum amount of Elective Deferrals to the Plan for any calendar year shall be limited to the lesser of (i) the applicable dollar amount as provided in Code Section 457(e)(15) or (ii) the Participant's Includible Compensation as provided in Code Section 457(b)(2). The applicable dollar amount is \$24,500 for 2026, increased thereafter by the Cost-of-Living Adjustment.

(b) A Participant who attains age 50 or more by the end of the calendar year, and who is contributing up to the applicable dollar amount under paragraph (a), may make additional Elective Deferrals under Code Section 414(v) of up to \$8,000 for 2026, increased thereafter by the Cost-of-Living Adjustment.

(c) A participant who attains age 60 but will not attain age 64 by the end of the calendar year, and who is contributing up to the applicable dollar amount under paragraph (a), may make additional Elective Deferrals under Code Section 414(v) of up to (i) \$11,250 or (ii) 150% of the dollar amount under paragraph (b), whichever is greater, for 2026, increased thereafter by the Cost-of-Living Adjustment.

(d) If the applicable year is one of a Participant's last three calendar years ending before the year in which the Participant attains Normal Retirement Age and the amount determined under this paragraph (d) exceeds the amount computed under paragraphs (a), (b), and (c), then the Elective Deferrals limit under this Article V shall be the lesser of:

(1) An amount equal to two times the applicable dollar amount set forth in paragraph (a) for such year; or

(2) The sum of:

(i) An amount equal to (i) the aggregate paragraph (a) limit for the current year plus each prior calendar year beginning after December 31, 2001, during which the Participant was an Employee under the Plan, minus (ii) the aggregate amount of Compensation that the Participant deferred under the Plan during such years, plus

(ii) An amount equal to (i) the aggregate limit referred to in Code Section 457(b)(2) for each prior calendar year beginning after December 31, 1978, and before January 1, 2002, during which the Participant was an Employee (determined without regard to paragraph (b), (c), or (d)), minus (ii) the aggregate contributions to Pre-2002 Coordination Plans (as defined by Treasury regulations and as provided in Section 5.03(c)) for such years.

However, in no event can the Elective Deferrals be more than the Participant's Compensation for the year.

(e) If a Participant's wages, as defined in Code Section 3121(a), for the preceding calendar year from the Participating Employer exceed the limitation described in Code Section 414(v)(7)(A), increased thereafter by the Cost-of-Living Adjustment, paragraphs (b) and (c) shall apply only if the Participant elects the additional amount of Elective Deferrals to be made as Roth Contributions, or has previously made Roth Contributions during the calendar year at least equal to the applicable dollar amount under Code Section 414(v), as provided in this Section.

(f) The Administrator shall have the authority, in its sole discretion, if determined necessary to comply with applicable law, to suspend the right to make Elective Deferrals under this paragraph for 2024 or any subsequent calendar year. Any suspension under this subsection shall apply to any new or existing Salary Reduction Agreements in effect for such year or years.

2. Effective January 1, 2023, Section 9.06, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.06. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.07.

3. Effective January 1, 2023, Section 9.07, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.07. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.07 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.

(b) Distributions may only be made over one of the following periods (or a combination thereof):

- (1) The life of the Participant;
- (2) The life of the Participant and a Designated Beneficiary;
- (3) A period certain not extending beyond the life expectancy of the Participant;

or

- (4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and a Designated Beneficiary;

provided, however, that distributions under this paragraph (b) that are paid in calendar years 2024 and later during the lifetime of the Participant shall be determined without regard to the Participant's Roth Contribution Account and earnings thereon.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum

amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.07(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.07(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.07:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

(j) Notwithstanding anything in this Section 9.07 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the CARES Act, the minimum distribution requirements will be satisfied as provided in this paragraph (j).

(1) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) (“2020 RMDs”) and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article VII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

4. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this
_____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____

**FOURTH AMENDMENT TO THE
COMMONWEALTH OF VIRGINIA 457 DEFERRED COMPENSATION PLAN**

(As Amended and Restated Effective January 1, 2021)

The Board of Trustees of the Virginia Retirement System (“Board”) has the authority to amend the Commonwealth of Virginia 457 Deferred Compensation Plan (“Plan”) in accordance with Section 51.1-600 et seq. of the Code of Virginia and Section 16.01 of the Plan. In accordance with such authority, the Board hereby amends the Plan, effective as of the dates stated herein, to reflect certain required amendments under the Setting Every Community Up for Retirement Enhancement Act of 2022 and corresponding amended Treasury Regulations.

1. Effective January 1, 2026, Section 5.01, addressing Elective Deferral Limits, is hereby amended to be and read as follows:

Section 5.01. Elective Deferral Limits.

(a) The maximum amount of Elective Deferrals to the Plan for any calendar year shall be limited to the lesser of (i) the applicable dollar amount as provided in Code Section 457(e)(15) or (ii) the Participant's Includible Compensation as provided in Code Section 457(b)(2). The applicable dollar amount is ~~\$23,000~~ \$24,500 for ~~2024~~ 2026, increased thereafter by the Cost-of-Living Adjustment.

(b) A Participant who attains age 50 or more by the end of the calendar year, and who is contributing up to the applicable dollar amount under paragraph (a), may make additional Elective Deferrals under Code Section 414(v) of up to ~~\$7,500~~ \$8,000 for ~~2024~~ 2026, increased thereafter by the Cost-of-Living Adjustment.

(c) A participant who attains age 60 but will not attain age 64 by the end of the calendar year, and who is contributing up to the applicable dollar amount under paragraph (a), may make additional Elective Deferrals under Code Section 414(v) of up to (i) ~~\$10,000~~ \$11,250 or (ii) 150% of the dollar amount under paragraph (b), whichever is greater, for 2026, increased thereafter by the Cost-of-Living Adjustment.

(d) If the applicable year is one of a Participant's last three calendar years ending before the year in which the Participant attains Normal Retirement Age and the amount determined under this paragraph (d) exceeds the amount computed under paragraphs (a), (b), and (c), then the Elective Deferrals limit under this Article V shall be the lesser of:

(1) An amount equal to two times the applicable dollar amount set forth in paragraph (a) for such year; or

(2) The sum of:

(i) An amount equal to (i) the aggregate paragraph (a) limit for the current year plus each prior calendar year beginning after December 31, 2001, during which the Participant was an Employee under the Plan, minus (ii) the aggregate amount of Compensation that the Participant deferred under the Plan during such years, plus

(ii) An amount equal to (i) the aggregate limit referred to in Code Section 457(b)(2) for each prior calendar year beginning after December 31, 1978, and before January 1, 2002, during which the Participant was an Employee (determined without regard to paragraph (b), (c), or (d)), minus (ii) the aggregate contributions to Pre-2002 Coordination Plans (as defined by Treasury regulations and as provided in Section 5.03(c)) for such years.

However, in no event can the Elective Deferrals be more than the Participant's Compensation for the year.

(e) If a Participant's wages, as defined in Code Section 3121(a), for the preceding calendar year from the Participating Employer exceed the limitation described in Code Section 414(v)(7)(A), increased thereafter by the Cost-of-Living Adjustment, paragraphs (b) and (c) shall apply only if the Participant elects the additional amount of Elective Deferrals to be made as Roth Contributions, or has previously made Roth Contributions during the calendar year at least equal to the applicable dollar amount under Code Section 414(v), as provided in this Section.

~~(e)~~(f) The Administrator shall have the authority, in its sole discretion, if determined necessary to comply with applicable law, to suspend the right to make Elective Deferrals under this paragraph for 2024 or any subsequent calendar year. Any suspension under this subsection shall apply to any new or existing Salary Reduction Agreements in effect for such year or years.

2. Effective January 1, 2023, Section 9.06, addressing Death Benefits, is hereby amended to be and read as follows:

Section 9.06. Death Benefits.

If a Participant dies before distribution of his or her entire Account, his or her Account shall be payable to his or her Beneficiary under the distribution options available under the Investment Funds, subject to Code Section 401(a)(9) and Section 9.07.

3. Effective January 1, 2023, Section 9.07, addressing Required Minimum Distribution Rules, is hereby amended to be and read as follows:

Section 9.07. Required Minimum Distribution Rules.

(a) The provisions of this Section 9.07 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with a reasonable, good faith interpretation of Code Section 401(a)(9) and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and the changes under the Setting Every Community Up for Retirement Enhancement Act of 2019, ~~and any regulatory guidance issued thereunder, and shall comply with rules under this Section 9.07 the Setting Every Community Up for Retirement Act of 2022, and Treasury Regulation Sections 1.401(a)(9)-1 through -9, as each may be amended from time to time.~~

(b) Distributions may only be made over one of the following periods (or a combination thereof):

(1) The life of the Participant;

(2) The life of the Participant and a ~~designated individual~~ Designated Beneficiary;

(3) A period certain not extending beyond the life expectancy of the Participant;
or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and ~~designated individual~~ a Designated Beneficiary;

provided, however, that distributions under this paragraph (b) that are paid in calendar years 2024 and later during the lifetime of the Participant shall be determined without regard to the Participant's Roth Contribution Account and earnings thereon.

(c) A Participant's Accounts shall be distributed to the Participant beginning no later than ~~his or her "required beginning date" as defined in this paragraph or, if applicable, as defined in subsequent legislation or regulations that amend the definition of required beginning date for purposes of Code Section 401(a)(9). Subject to the preceding sentence, required beginning date shall mean April 1 of the calendar year following the calendar year in which the Participant attains his or her applicable age as such term is defined in Code Section 401(a)(9)(C)(v) or, if later, April 1 of the calendar year following the~~ later of (i) the calendar year in which the Participant attains the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v) or (ii) the calendar year that in which the Participant has a Severance from Employment.

(d) The Administrator or its Agent shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions prior to the date distributions must begin.

(e) Effective for deaths on or after January 1, 2022, upon the death of the Participant before distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) The portion of the Participant's Account payable to a Beneficiary that is not a Designated Beneficiary shall be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(2) The portion of the Participant's Account payable to a Designated Beneficiary who is not an Eligible Designated Beneficiary shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

(3) The portion of the Participant's Account payable to an Eligible Designated Beneficiary shall be distributed, pursuant to the election of the Eligible Designated Beneficiary, either (i) by December 31 of the calendar year containing the tenth anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year

immediately following the calendar year in which the Participant died, over the life of the Eligible Designated Beneficiary or over a period not exceeding the life expectancy of the Eligible Designated Beneficiary. If the Eligible Designated Beneficiary is the surviving Spouse, the Eligible Designated Beneficiary may elect to delay payment under item (ii) until December 31 of the calendar year in which the Participant would have attained the Applicable Age within the meaning of Code Section 401(a)(9)(C)(v). If the Eligible Designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account shall be distributed in accordance with item (i). The minimum amount that will be distributed for each calendar year after the year of the Participant's death is determined initially using the Designated Beneficiary's age as of their birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(4) If the Eligible Designated Beneficiary is the surviving Spouse, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.

(5) For purposes of this Section 9.07(e), distributions are considered to begin on the Participant's Required Beginning Date. If the surviving Spouse is the Participant's sole Designated Beneficiary and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under Section 9.07(e)(4).

(f) Effective for deaths on or after January 1, 2022, upon the death of the Participant on or after the date distribution of the Participant's Account has begun under paragraph (c), the following distribution provisions shall take effect:

(1) If there is a Designated Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving Spouse's birthday for each calendar year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each calendar year using the surviving Spouse's age as of the surviving Spouse's birthday in that calendar year. For calendar years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

(iii) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(iv) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021, 2022, 2023 and 2024 calendar years (or other years pursuant to IRS guidance), distributions are not required.

(2) If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent calendar year.

(g) Upon the death of the Eligible Designated Beneficiary, or the attainment of age 21 of the Eligible Designated Beneficiary who is a minor child of the Participant, before distribution of the Participant's entire Account under paragraphs (d) or (e), the remainder of the Participant's Account shall be distributed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death, or by December 31 of the calendar year in which the child attains age 31, as applicable.

(h) For purposes of this Section 9.07:

(1) "Applicable Age" means (i) age 70 ½ (if the Participant was born before July 1, 1949); (ii) age 72 (if the Participant was born after June 30, 1949, but before January 1, 1951); (iii) age 73 (if the Participant was born on or after January 1, 1951, but before January 1, 1960); (iv) age 75 (if the Participant was born on or after January 1, 1960); or (v) as otherwise defined in Code Section 401(a)(9)(C)(v).

(2) "Designated Beneficiary" means an individual Beneficiary within the meaning of Code Section 401(a)(9)(E)(i).

(3) "Eligible Designated Beneficiary" means a Designated Beneficiary who, as of the date of the death of the Participant, is: (i) the surviving spouse of the Participant; (ii) a child of the Participant who has not reached the age of majority; (iii) disabled within the meaning of IRC § 72(m)(7); (iv) chronically ill within the meaning of IRC § 7702B(c)(2) (except that the requirements of subparagraph (A)(i) thereof shall only be treated as met if

there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature); or (v) any other individual who is not more than ten years younger than the Participant. Notwithstanding the preceding, a child described in (ii) above shall cease to be an Eligible Designated Beneficiary as of December 31 of the calendar year containing the tenth anniversary of the date the child reaches the age of majority.

(i) Notwithstanding any other provision of this Plan to the contrary, effective for surviving Spouses whose first required distribution is for calendar year 2024 or later, the Spouse may elect the treatment provided under Code Section 401(a)(9)(B)(iv) and applicable Treasury Regulations. Unless applicable guidance is issued to the contrary, or the surviving Spouse elects otherwise, the surviving Spouse will be deemed to have made the election under Code Section 401(a)(9)(B)(iv).

~~(e)(j)~~ Notwithstanding anything in this Section 9.07 to the contrary, for 2020 or such longer period as provided in legislation modifying or extending the CARES Act, the minimum distribution requirements will be satisfied as provided in this paragraph ~~(e)(j)~~.

(1) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant or Beneficiary who would have been required to receive a required minimum distribution in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Code Section 401(a)(9)(I) (“2020 RMDs”) and who would have satisfied that requirement by receiving distributions that are equal to the 2020 RMDs, will not receive these distributions unless the Participant or Beneficiary chooses to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(2) Effective March 27, 2020, or as soon as administratively practicable thereafter, a Participant who would have been required to receive 2020 RMDs and who would have satisfied that requirement by receiving distributions that are one or more payments (that include the 2020 RMDs) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Beneficiary, or for a period of at least 10 years (“Extended 2020 RMDs”), will receive these distributions unless the Participant or Beneficiary chooses not to receive the distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

(3) In addition, solely for purposes of applying the direct rollover provisions of Article VII, 2020 RMDs and Extended 2020 RMDs will be treated as eligible rollover distributions in 2020.

4. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Plan this
_____ day of _____, 2026.

**BOARD OF TRUSTEES OF THE
VIRGINIA RETIREMENT SYSTEM**

By: _____

Printed Name: _____

Title: _____

Date: _____



Reappointment of DCPAC Members.

Requested Action

The Board reappoints Monique G. Barnes, Ravindra Deo, C. Matt Harris, Kate Jonas, and Brenda Madden to the Defined Contribution Plans Advisory Committee (DCPAC), each for a two-year term ending June 20, 2028.

Rationale for Requested Action

Ms. Barnes, Mr. Deo, Mr. Harris, Ms. Jonas, and Ms. Madden currently serve on the DCPAC and are willing to be reappointed for another two-year term.

- Ms. Barnes is the Chief Financial Officer for Prince George County Public Schools.
- Mr. Deo is the Executive Director of the Federal Retirement Thrift Investment Board.
- Mr. Harris is the Deputy County Administrator for Finance and Administration at Chesterfield County.
- Ms. Jonas is the Principal of Kate Jonas Group LLC.
- Ms. Madden is a Senior Vice President and the Human Resources Director of Davenport & Company.

Copies of their biographies are attached.

Authority for Requested Action

Code of Virginia § 51.1-124.26 authorizes the Board to appoint such other advisory committees as it deems necessary. Each member appointment requires a two-thirds vote of the Board, and advisory committee members serve at the pleasure of the Board.

The above action is approved.

A. Scott Andrews, Chair
VRS Board of Trustees

Date



Quarterly Review

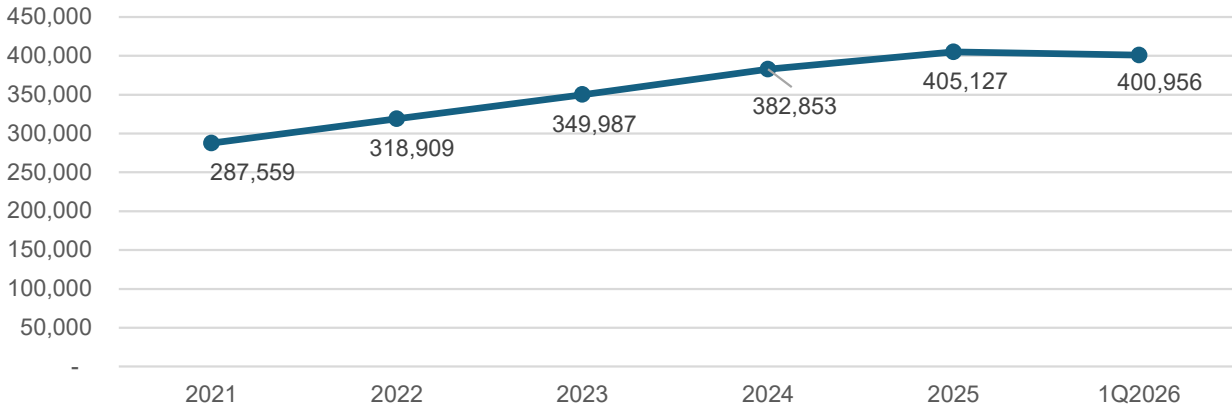
VRS Defined Contribution Plans
January 1, 2026– March 31, 2026

VRS Defined Contribution Plans¹

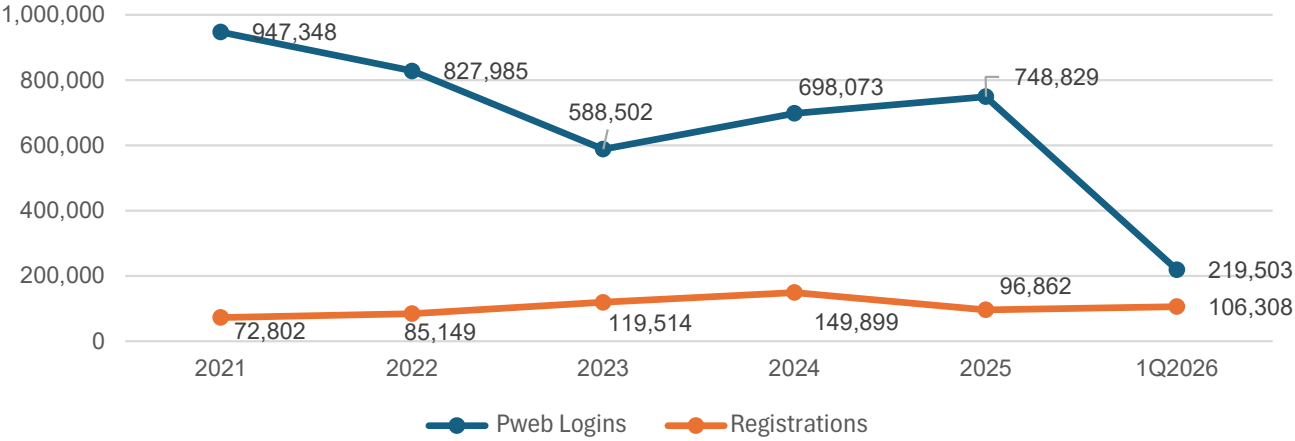
1st Quarter 2026– DC Plans Metrics

Total Assets²: \$10,657,129,801.63 Total Accounts²: 738,866

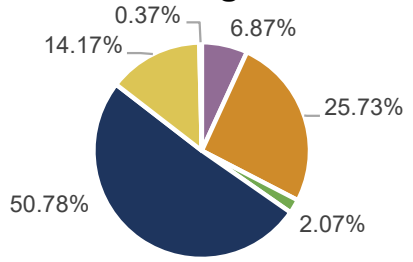
Unique Participants



Account Access Registrations & Logins

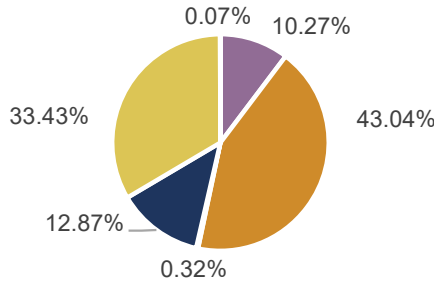


Assets Under Management



- 401a Cash Match
- ORP Higher Ed
- Hybrid 457
- Hybrid 401a Plan
- COV 457
- ORP PA/ORPSS/VRSP

Accounts Under Management



- 401a Cash Match
- ORP Higher Ed
- Hybrid 457
- Hybrid 401a Plan
- COV 457
- ORP PA/ORPSS/VRSP

Top 10 Visited Pages

1. Dashboard
2. Account Details
3. Account Summary
4. Balance
5. Transactions
6. Message center
7. Account History
8. Manage Investments
9. Loans/Withdrawals
10. Contributions

VRS Defined Contribution Plans

1st Quarter 2026– DC Plans Participant Engagement

Call Center Participant Services

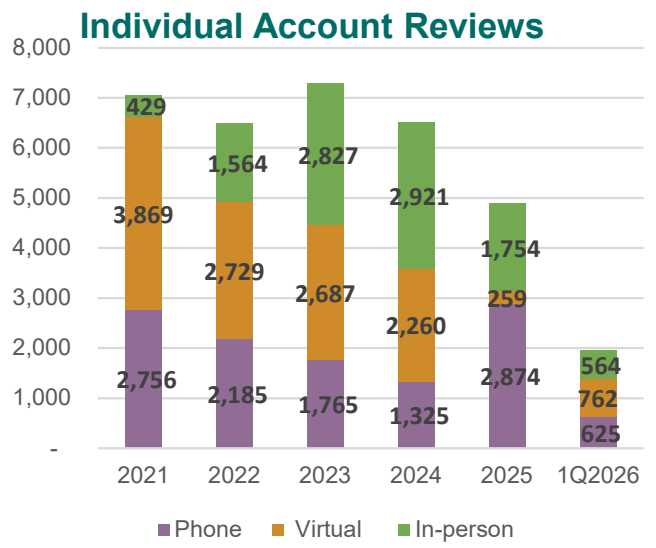
- 22,836 calls received 1Q2026
- 94,713 calls received in 2025
- 68,791 calls received in 2024
- 60,397 calls received in 2023
- 55,471 calls received in 2022
- 55,311 calls received in 2021

Current call trends:

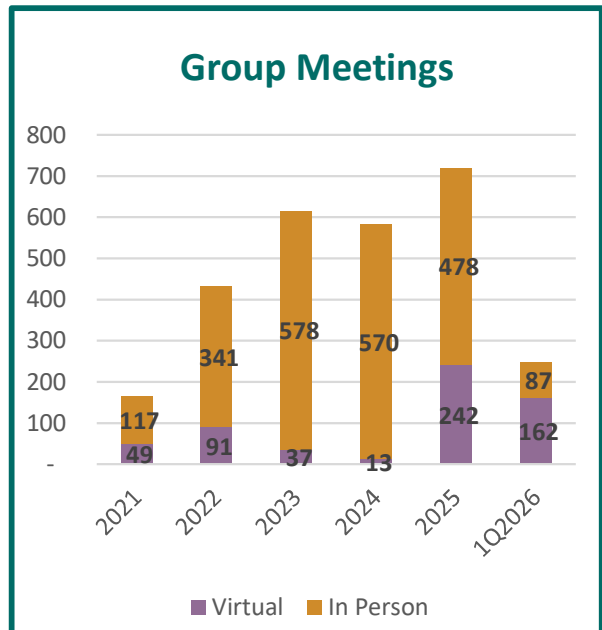
1. Terminations
2. Plan Overview
3. Phone Update
4. Plan Participation
5. Targeted Message

Advisory Services

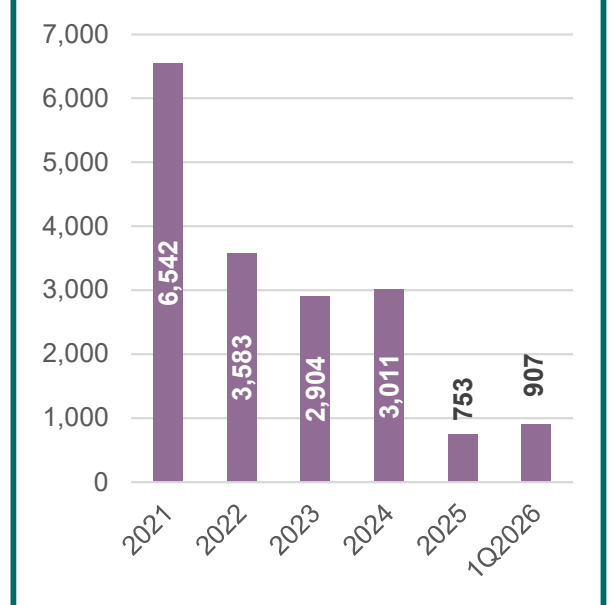
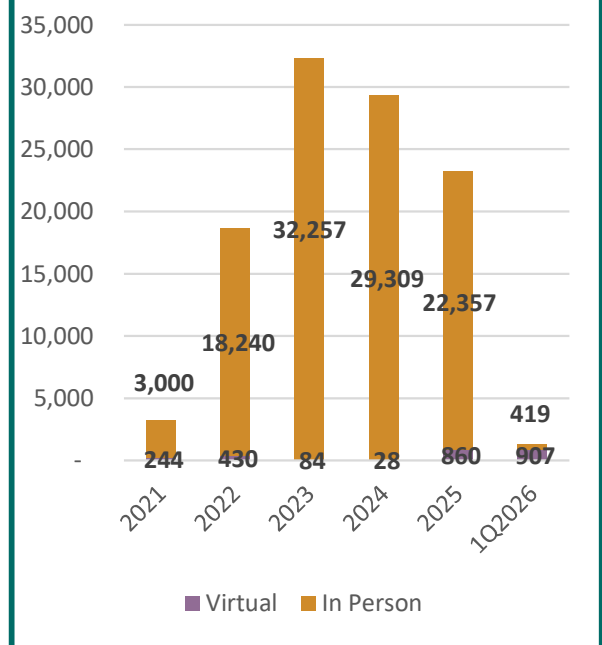
Advisor Calls	439
Online Adopters	4,042
Professional Management Members*	4,293
Total Activity	8,774
*1Q26 Fees Paid By Professional Management Members	\$169,607



Participant Sessions



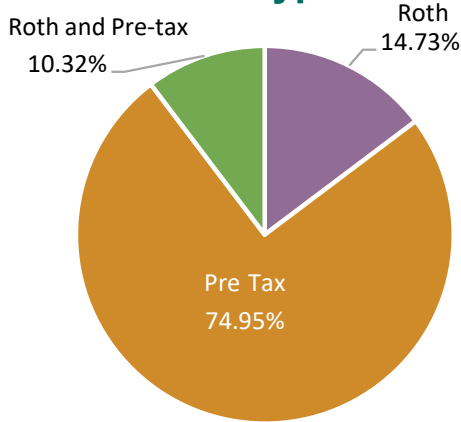
Participant Attendance



VRS Defined Contribution Plans

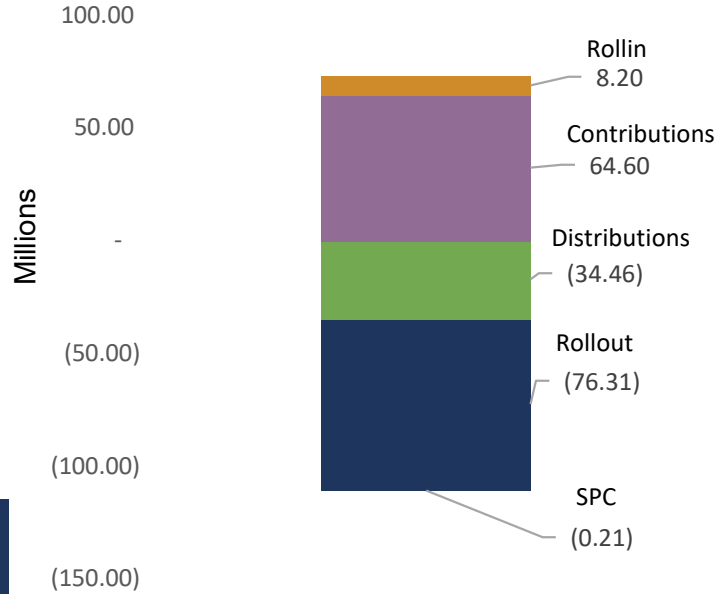
1st Quarter 2026– COV 457 Plan, Virginia Cash Match Plan

Deferral Type



Average pre tax deferral per pay \$207.53
Average Roth deferral per pay \$224.86

Contributions/Distributions⁵



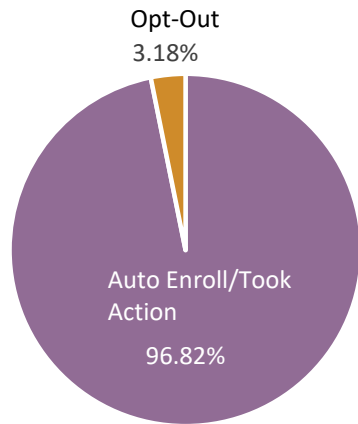
COV 457 Participation Rates

- State⁴ 47.32%
- Non-state 11.13%

Top 10 Fund Holdings

1. Stock Fund	\$2,062,851,959.51
2. Target Date Portfolio	\$1,468,603,917.67
3. Stable Value Fund	\$566,255,200.43
4. Retirement Portfolio	\$549,768,592.07
5. Small/Mid Cap Stock Fund	\$472,307,497.35
6. International Stock Fund	\$312,527,128.91
7. Bond Fund	\$188,116,980.09
8. Schwab PCRA	\$161,996,721.33
9. Money Market Fund	\$155,283,537.71
10. Global Real Estate Fund	\$92,995,838.64

Auto Enrollment



3.18% Opt Out rate for quarter
6.9% opt out rate since conversion to Voya

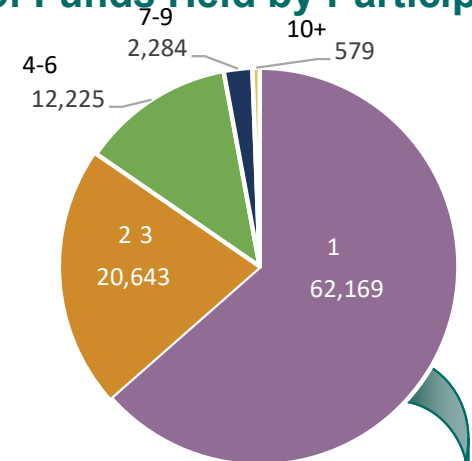
Participant Status Overview⁶

170,947 total accounts

56% Active
44% Separated

\$2,819m assets at-risk

of Funds Held by Participants

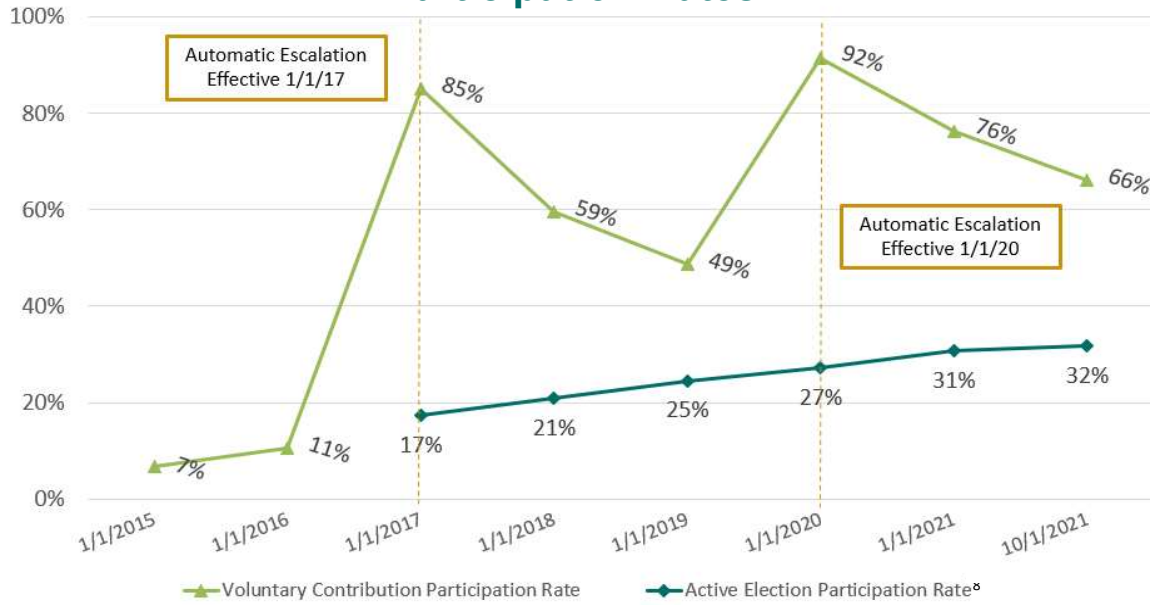


95.0% of this population is invested in a single TDP

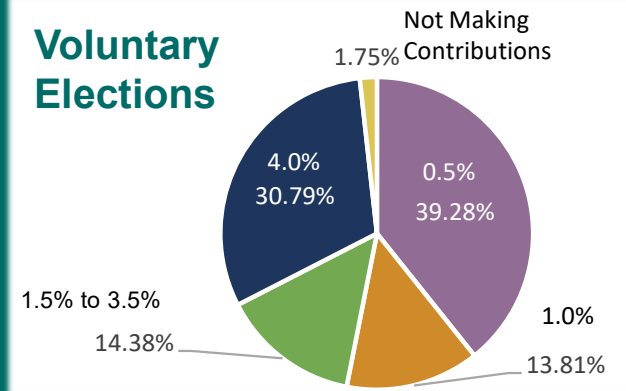
VRS Defined Contribution Plans

1st Quarter 2026– Hybrid Retirement Plan – 401(a) & 457(b)

Participation Rates⁷



Voluntary Elections



Top 10 Fund Holdings

1. Target Date Portfolio	\$3,616,697,486.80
2. Retirement Portfolio	\$246,583,972.64
3. Stock Fund	\$198,466,221.41
4. Small/Mid Cap Stock Fund	\$49,513,569.38
5. International Stock Fund	\$44,606,261.37
6. Money Market Fund	\$27,405,596.08
7. Bond Fund	\$18,806,112.14
8. Global Real Estate Fund	\$12,392,354.75
9. Schwab PCRA	\$12,377,064.74
10. Stable Value Fund	\$11,587,945.98

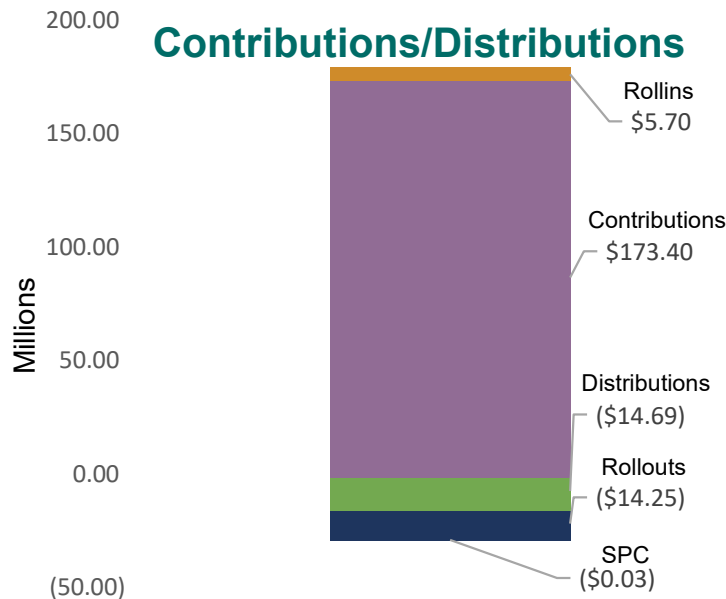
Participant Status Overview³

565,040 total accounts

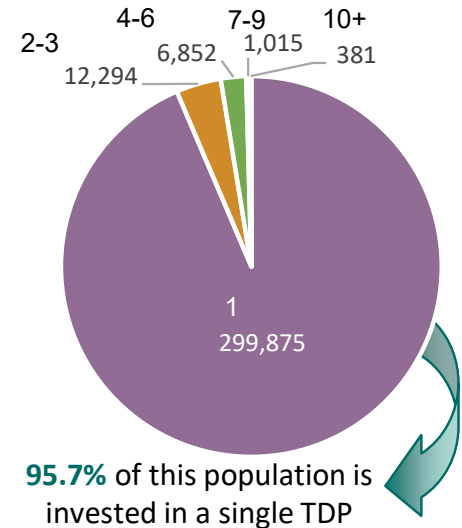


\$773m assets at-risk

Contributions/Distributions



of Funds Held by Participants



VRS Defined Contribution Plans

1st Quarter 2026 ORPHE* and ORPPA

ORPHE Participation

Participant Accounts: 10,960
 Assets: \$1,535,946,195
 Providers: Voya, TIAA

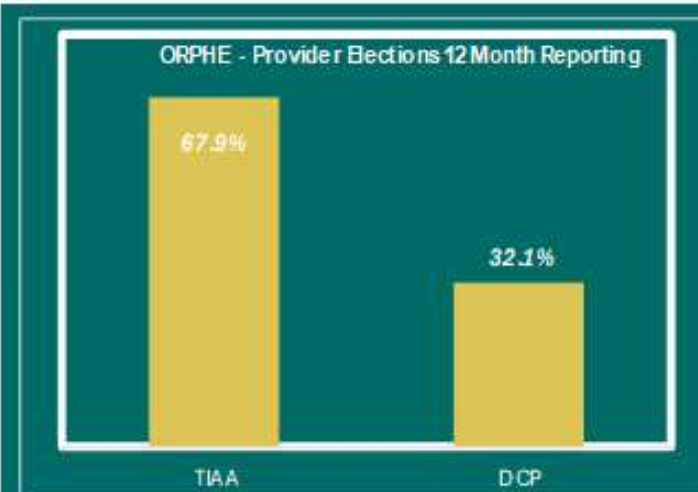
ORPPA Participation

Participant Accounts: 538
 Assets: \$38,872,207
 Providers: Voya

ORPHE-Eligible Plan Coverage



ORPPA-Eligible Plan Coverage

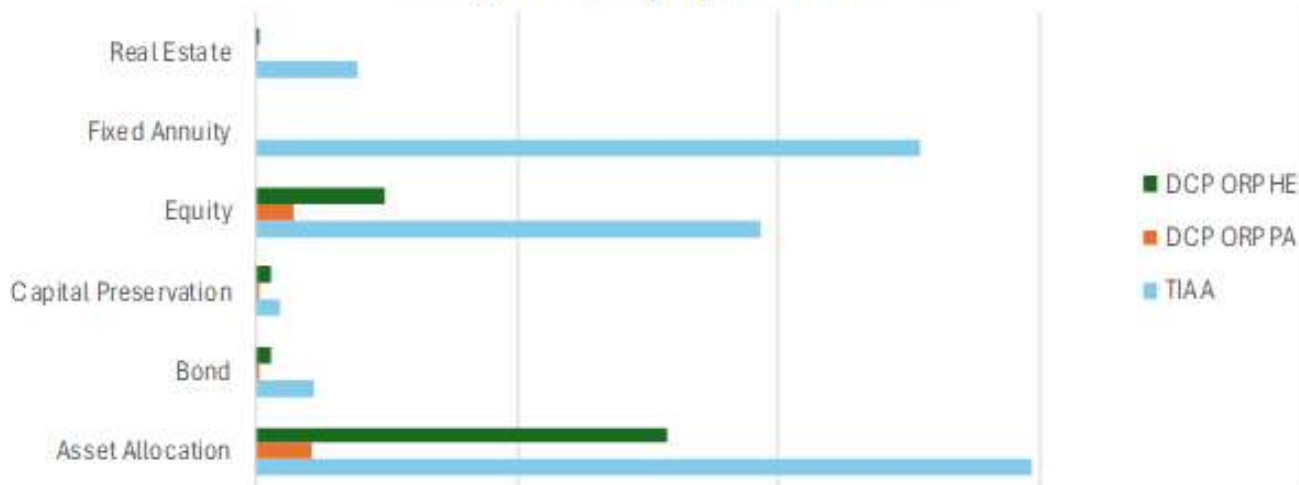


ORPHE Provider Election Rates Over Time

Provider ● DCP ● TIAA



Participant Holdings by Plan and Assets



ORPHE Deselected Providers:

Fidelity, TR Price, Empower, Corebridge, MetLife

Participants: 1121 / Active: 296 / Separated: 859

Assets: \$163,874,405.05

*Excludes opt-out higher ed institutions. ^Excludes deselected investments. Some currently selected funds on the TIAA platform may include assets across the ORPPA and ORPHE contracts. Includes both international and domestic equity.

VRS Defined Contribution Plans

1st Quarter 2026– DC Plans Metrics

Source Information/Additional Footnotes

All data unless noted otherwise was provided by Voya Financial and is as of 3/31/2026.

1. Includes DC plans record kept by Voya Financial
2. Total assets and accounts include beneficiaries, forfeiture, and reserve accounts.
3. Web statistics provided by Google Analytics.
4. Includes employees at higher education institutions who are also eligible for a 403(b).
5. Cash Flow Definitions
 - Rollins – Contributions into a participant’s account from a retirement plan or IRA.
 - Contributions – Payroll contributions from a participant’s paycheck.
 - Plan Transfers – Transfer of funds between VRS retirement plans.
 - Distributions – Consists of auto enrollment refunds, required minimum distributions (RMDs) unforeseen emergency withdrawals and full, partial, installment and de minimis requests
 - Rollouts – Withdrawal request sent to another retirement plan or IRA
 - SCP – A request to transfer employee contribution funds from the plan to VRS to purchase service credit. Please note, SCP is not permitted from the H401 plan.
6. Active Participants do not have a termination date on file and may not have made a contribution during the quarter. Terminated Participants have a termination date on file.
7. Source: 10/1/21 Active Hybrid Member Demographics Report.
8. Active Election participation rate includes members who had a self-selected voluntary election on file prior to the automatic escalation that occurred on 12/16/19.
9. Chart shows current status of active participants set up as auto-enroll eligible after plan conversion, January 1, 2025; excludes terminated participants.



2026 Defined Contribution Trends Survey



Table of Contents

Key Findings	4
Respondent Characteristics	5
Recordkeepers	7
DC Plan Committee(s)	8
Fiduciary Initiatives & Areas of Focus	9
Target Date Funds	11
Investments	14
Fees	17
Forfeitures and Float Income	18
Advisory Services	19
Plan Design	25
Re-enrollment	26
Rolling in Assets and Post-Employment Assets	27
Retirement Income Solutions	28
SECURE 2.0 Act	31
Defined Contribution Research Team	32

Introduction



The world is changing dramatically, and our annual *Defined Contribution (DC) Trends Survey* is evolving to fit the shifting landscape. The 19th annual *DC Survey* covers the key tenets of DC plan management such as governance, investments, fees, plan design, and more. The insights and experience distilled in our *2026 DC Survey* inform this discussion, and we are grateful to all of those who contributed.

Key Findings

Areas of Focus

- 1** Governance and process
- 2** Investment management fees
- 3** Investment structure evaluation

See page 10 for details

Fiduciary Initiatives

- 1** Update or review the IPS
- 2** Formal fiduciary training
- 3** Review committee charters/delegations

See page 9 for details

Investments

83% offer mutual funds

77% offer CITs

See page 15 for details

16% offer custom target date funds

30% offer white label funds

See pages 13 & 16 for details

55% offer managed account services

74% monitor or benchmark these services

See pages 19 and 20 for details

Retirement Income

79% Offer installment payments

73% Offer partial distributions

7% Evaluated a guaranteed income feature

5% Offer a guaranteed income feature

Target Date Funds

See pages 11, 28 & 29 for details

86% sought to retain assets of retirees

61% sought to retain assets of terminated participants

See page 27 for details

78% reviewed investment fees

72% reviewed recordkeeping fees

See page 17 for details

Private Markets

14% evaluated private markets as a component of a target date fund glidepath

18% offer a target date fund series with private markets exposure

See pages 11 & 12 for details

57% reported less than **10%** of participants rolled in assets from a prior employer's qualified plan

See page 27 for details

Respondent Characteristics

Callan conducted this DC Survey online in late 2025. This survey incorporates responses from 80 DC plan sponsors, including both Callan clients and other organizations.

Respondents spanned a range of industries, with the top being government and financial services.

92% of respondents had more than \$200 million in plan assets; moreover, 71% were “mega plans” with at least \$1 billion in assets, and 62% had more than 10,000 participants.

Primary Industry of DC Plan Sponsor

Government	16%
Financial Services / Insurance	14%
Manufacturing	11%
Health Care	10%
Nonprofit	10%
Technology	10%
Energy / Utilities	9%
Retail	5%
Education	4%
Professional Services	4%
Transportation	4%
Entertainment / Media	3%
Aerospace / Defense	1%

Number of Participants in DC Plan

> 100,000	16%
50,001 to 100,000	6%
10,001 to 50,000	40%
5,001 to 10,000	15%
1,001 to 5,000	15%
≤ 1,000	8%

Assets in DC Plan

> \$10 billion	24%
\$5 billion to \$10 billion	8%
\$1 billion to \$5 billion	39%
\$500.1 mm to \$1 billion	9%
\$200.1 mm to \$500 mm	14%
≤ \$200 mm	8%

Note: Throughout the survey, charts may not sum to 100% due to rounding.

Respondent Characteristics (continued)

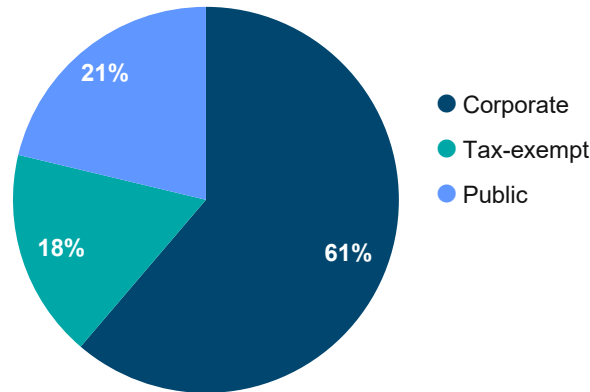
61% of respondents were corporate organizations, followed by public (21%) and tax-exempt (18%) entities.

As seen in prior surveys, a 401(k) plan was the primary DC offering (79%). The percentage of 457 plans (25%) was roughly in line with the prior year (26%).

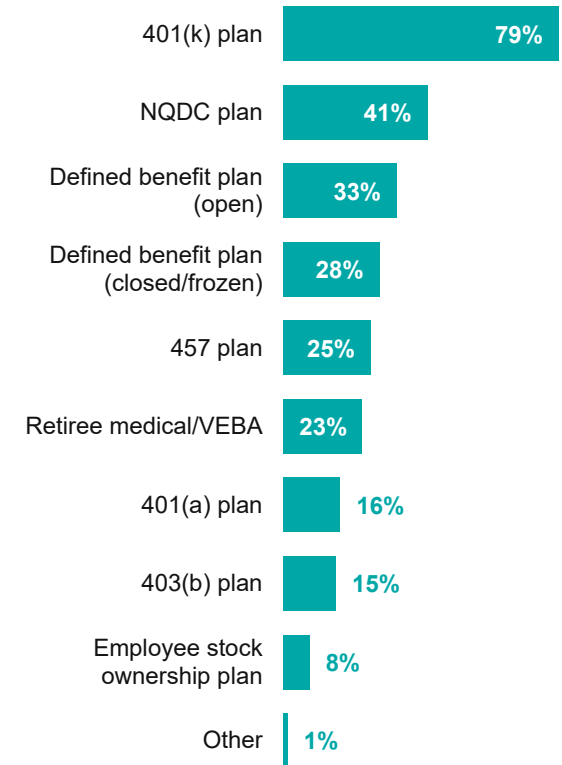
More than half (59%) of corporate respondents offered a non-qualified deferred compensation (NQDC) plan.

Nearly 6 in 10 DC plan sponsors surveyed offered either an open or closed/frozen defined benefit (DB) plan. This represented a similar share to the prior year. Governmental entities were more likely to offer an open DB plan, while corporate plan sponsors were more likely to have a closed or frozen DB plan.

Organization Type



Retirement Benefits Offered*



*Multiple responses allowed.

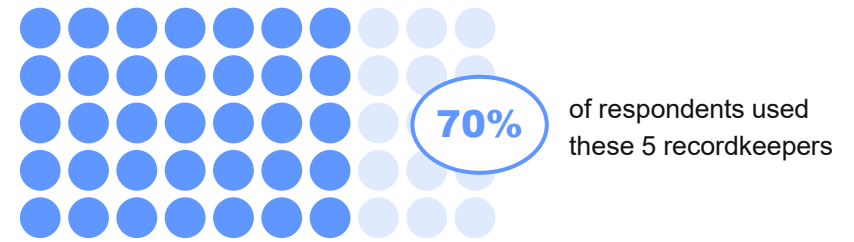
Plan Recordkeeper

Consolidation in the recordkeeper marketplace continues. The top recordkeepers shown were used by 70% of survey respondents. The top five recordkeepers were the same top five from the prior year.

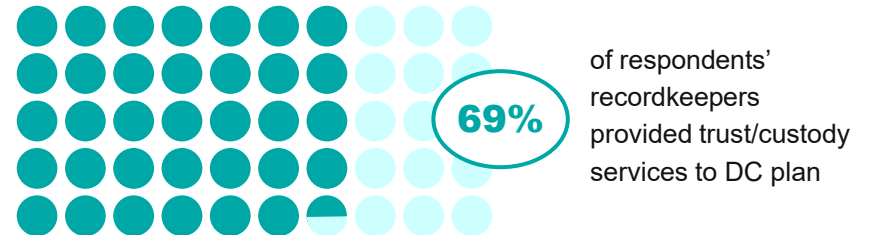
Nearly **7 in 10** respondents indicated that the recordkeeper provides trust/custody services to the DC plan, an increase from nearly 6 in 10 the prior year.

Most-used Recordkeepers

- 1 Fidelity
- 2 Empower
- 3 Charles Schwab
- 4 Alight
- 5 Voya



Recordkeeper Provides Trust/custody Services to DC Plan(s)



DC Plan Committee(s)

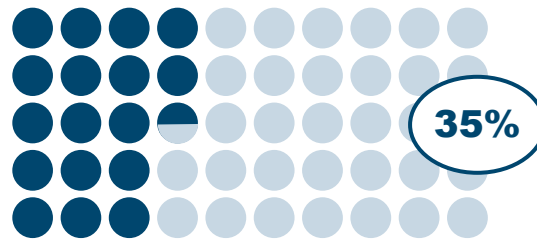
When DC plan sponsors delegate authority and responsibilities to a “named fiduciary,” it is either a **single committee** or separate **investment and administrative committees**.

About two-thirds of plan sponsors responded that they have a single committee to monitor and manage their DC programs, with the rest splitting the responsibilities between a separate investment committee and administrative committee. This represented an increase from the prior year, where about half of respondents indicated they had a single committee.

Plans with a single committee had 5.6 voting members, on average. Plans with separate committees had averages of 6.3 voting members on the investment committee and 5.1 voting members on the administrative committee.

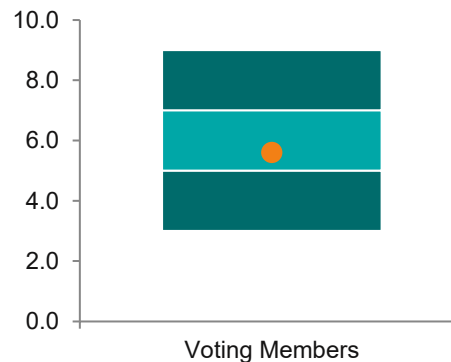
Non-ERISA plans may refer to the governing body as a “board” rather than a “committee.”

Separate Committees for Monitoring Investments and Plan Management



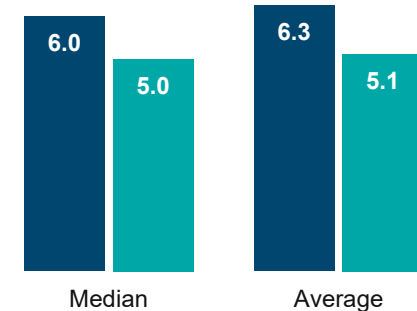
35% of respondents have separate committees for monitoring investments and plan management

Number of Voting Members: Single Committee



90th percentile	9.0
75th percentile	7.0
Median	5.0
25th percentile	5.0
10th percentile	3.0
Average	5.6

Number of Voting Members: Separate Committees



● Investment Committee
● Administrative Committee

Fiduciary Initiatives

Consistent with 2024, the most prevalent fiduciary action taken by DC plan sponsors in 2025 was to review their investment policy statement (IPS). Additionally, 66% of respondents completed formal fiduciary training in 2025, a slight decrease from the 73% who did so in 2024.

In the 2021 survey, there was a sharp increase in respondents reporting they reviewed security protocols (41%), in response to U.S. Department of Labor guidance. This fell to its lowest level in the past four surveys since the 2021 survey (11%).

No respondents indicated they evaluated or implemented 3(38) discretionary services in 2025, compared to 5% who did so in 2024.

Fiduciary Actions DC Plans Took*



*Multiple responses allowed.

Other (e.g., adopt a charter, focus on missing participants) (6%)

Areas of Focus

Following a decade of abundant litigation, DC plan sponsors have refined the elements of fiduciary focus. Plan governance returned as the top area of focus after falling slightly in 2024, perhaps partly driven by continued litigation. This broad category includes much of the basic blocking and tackling that plan sponsors do on an ongoing basis.

Investment management fees ranked as the second-highest area of focus in 2025, while plan administrative fees have consistently ranked lower. Investment management fees are generally more straightforward to benchmark and monitor, allowing for more frequent review. Plan sponsors should be mindful to review all plan fees on a regular basis.

Investment structure evaluation and fund/manager due diligence ranked as the third and fourth highest areas of focus, respectively.

Top Areas of Focus

2025		2024		2023	
Plan governance and process	3.7	Plan investment management fees	3.2	Plan governance and process	3.7
Plan investment management fees	3.2	Fund/manager due diligence	3.1	Plan investment management fees	3.0
Investment structure evaluation	2.9	Investment structure evaluation	3.0	Plan administrative fees	2.3
Fund/manager due diligence	2.7	Plan governance and process	2.8	Fund/manager due diligence	2.2
Plan administrative fees	2.0	Plan administrative fees	2.1	Investment structure evaluation	2.0
Committee education and fiduciary training	1.3	Committee education and fiduciary training	1.5	Committee education and fiduciary training	1.6
Participant retirement readiness	0.9	Plan operational compliance	0.5	Participant education and communications	1.3
Participant education and communications	0.7	Participant retirement readiness	0.5	Participant retirement readiness	1.3
Plan operational compliance	0.6	Participant education and communications	0.5	Plan operational compliance	1.2

(5=Most focus. Total ranking is a weighted average score.)

Additional 2025 categories: other (0.3), cybersecurity (0.3), financial wellness (0.1)

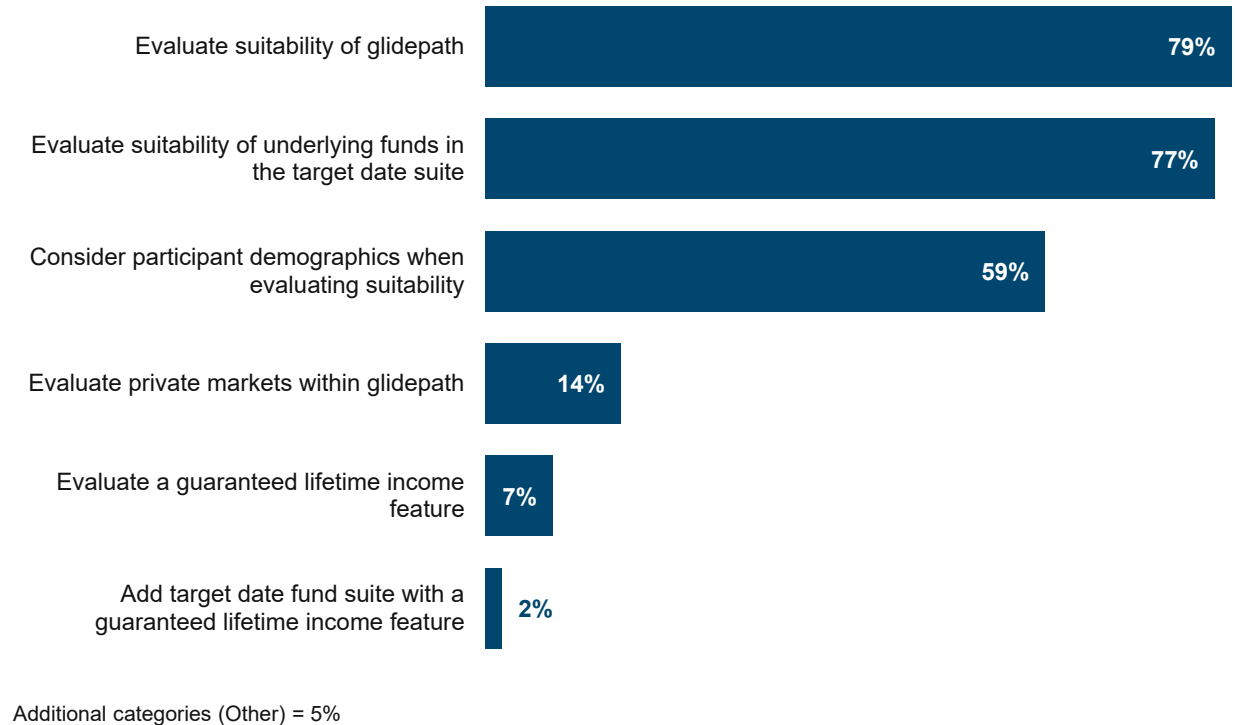
Actions Taken Around Target Date Funds

76% of respondents took at least one action around their target date fund (TDF) offering in 2025. The most common were to evaluate the suitability of the glidepath and the underlying funds. These were also the two most common actions respondents took the prior year.

Because target date funds are typically the default investment option, fund selection and monitoring is often held to a higher standard and should consider additional variables than one may use for other funds—participant demographics, savings rates, and other benefits, among others.

Recently, target date fund investment managers have developed or announced plans to develop products with private markets exposure or a guaranteed income component. In 2025, 14% of respondents indicated they evaluated private markets as a glidepath component, and 7% evaluated a guaranteed lifetime income feature within a TDF structure. Only 2% of respondents began offering a target date series with a guaranteed lifetime income feature in 2025. Plan fiduciaries should consider factors such as product portability as well as whether and what type of income guarantee might be suitable for their participant population.

Actions Taken Regarding Target Date Fund Suite*



*Percentages out of those that took action. Multiple responses allowed.

Alternative Investments in Target Date Funds

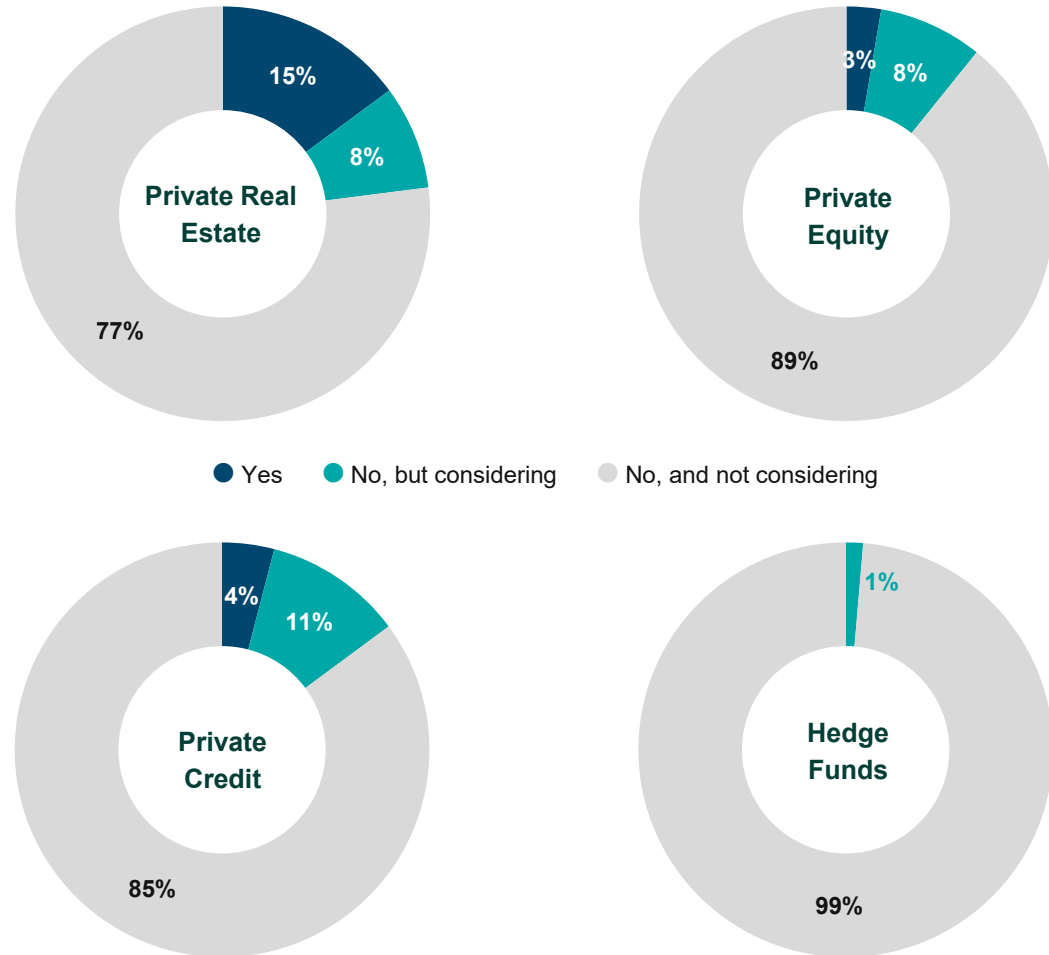
Institutional investors such as defined benefit plans, foundations, and endowments often allocate to alternative investments within the private markets to diversify their exposures to public markets investments.

Among DC plans, private markets investments have not traditionally been offered given factors such as liquidity, valuation, transparency, and fees, among others. One exception is private real estate, which has been a component of both off-the-shelf and custom target date fund glidepaths for some time.

Recently, there has been an increased focus among off-the-shelf target date fund managers around the potential inclusion of other alternative investments—in particular, private equity and private credit—in TDF glidepaths.

In 2025, relatively few respondents reported they currently include or are considering the inclusion of other alternatives in their DC plans' TDFs. 18% said their target date fund series currently has private markets exposure, with most of those having exposure to private real estate.

Alternative Investments Included in DC Plan's Target Date Funds



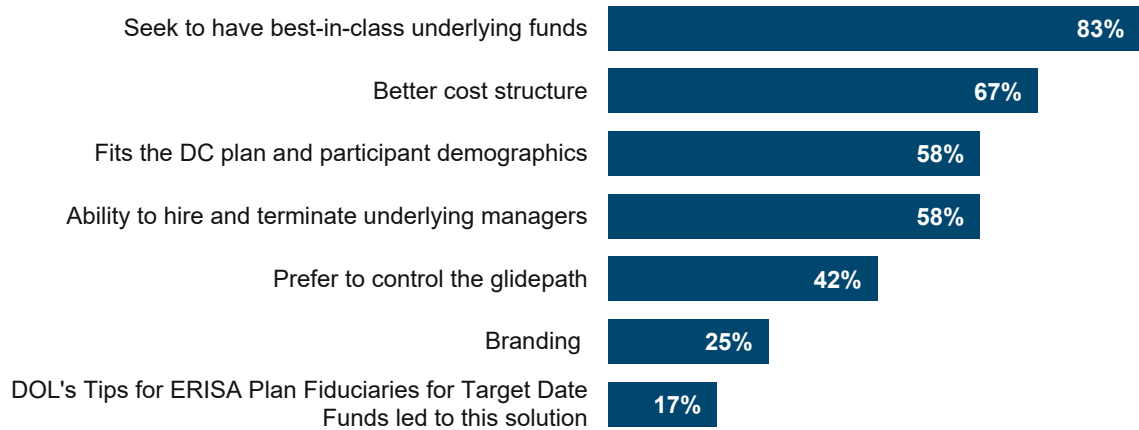
Custom Target Date Funds

16% of respondents offered custom target date funds.

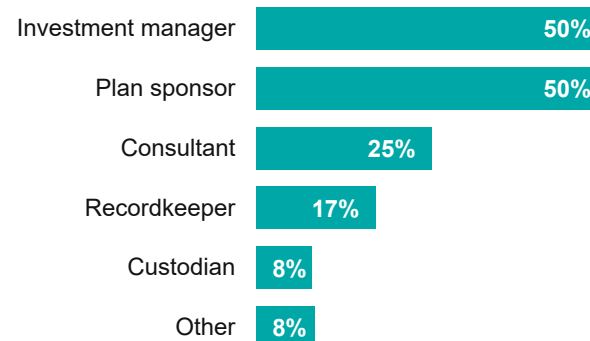
Among those respondents, the most common reasons to do so were a desire to have best-in-class underlying funds and a better cost structure, followed by a glidepath that better fits participant demographics and the ability to hire and replace underlying managers.

Among respondents that offered custom target date funds, the most common party with discretionary control of the glidepath was an investment manager or the plan sponsor, followed by a consultant.

Reason for Custom Target Date Funds*



Discretionary Control of the Glidepath*



*Multiple responses allowed.

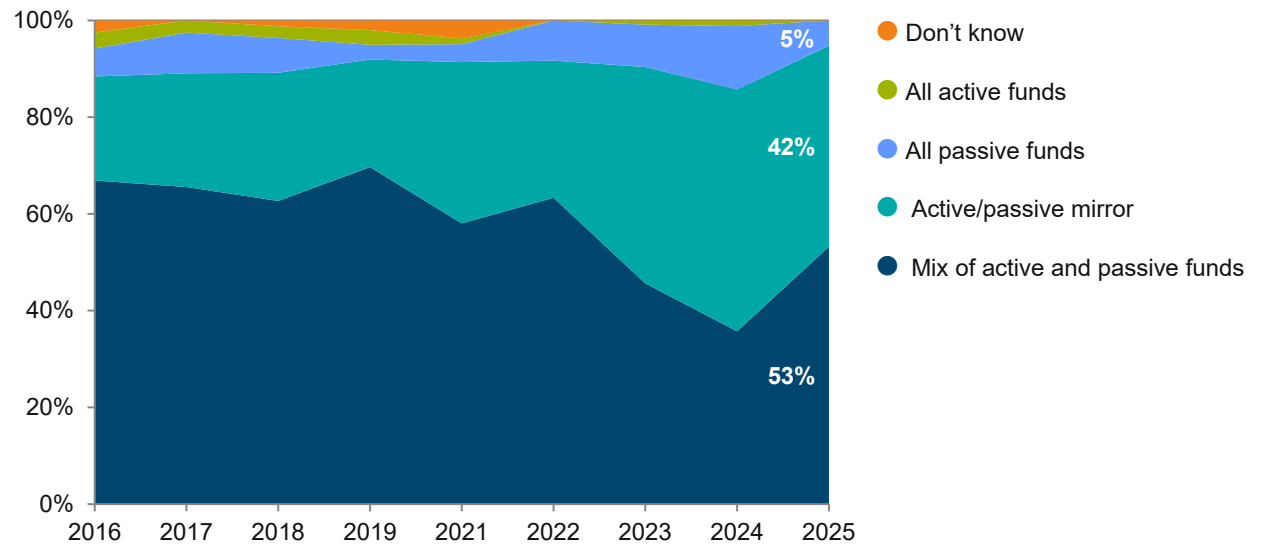
Investment Menu

There was a slight decrease in DC plans offering an active/passive mirror versus those offering a mix of active and passive funds, after the prevalence of a mirror reached an all-time high of 50% the prior year. A mirrored lineup is when virtually all core asset classes are represented by both active and passive options.

DC plans with a mix of active and passive investment funds (95%) were the most prevalent. Purely passive (5%) lineups remained a rarity, while no respondents indicated offering a purely active menu.

In cases where there was a fund change, nearly 6 in 10 respondents mapped assets, as needed, to “like” funds. 17% mapped to the default fund, and 20% used both the default fund and a like-to-like strategy based on the funds being changed.

Investment Menu Approach



Assets Mapped from Eliminated Funds



Investment Types Within the Fund Lineup

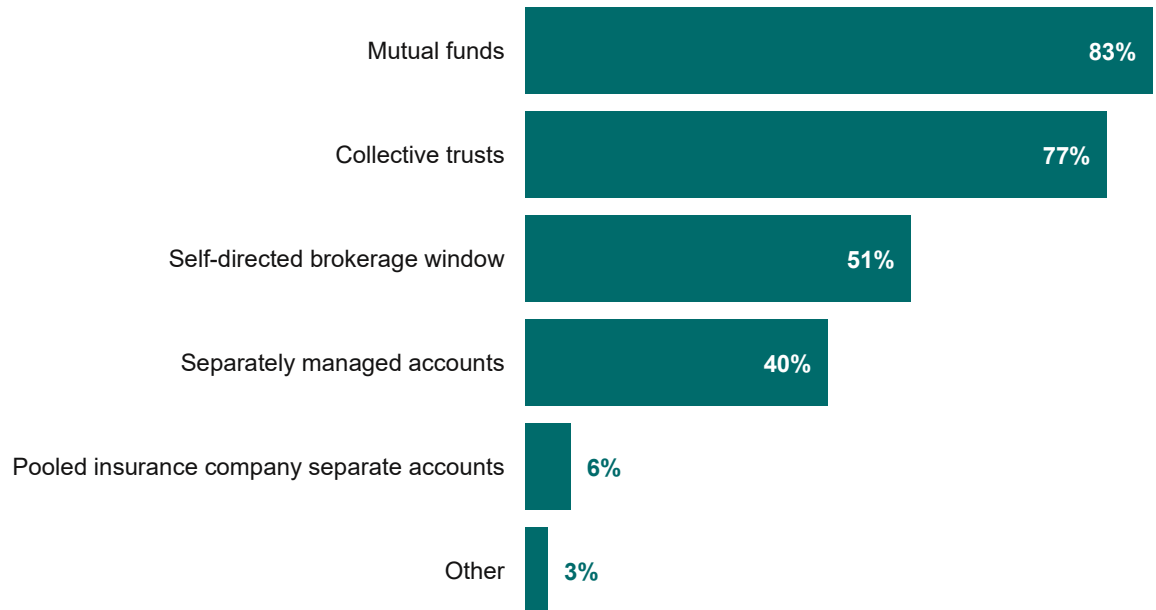
Mutual funds and collective investment trusts (CITs) continued to be the most prevalent investment vehicles. Large plans were generally less likely to offer mutual funds and more likely to offer CITs. Notably, certain plan types (e.g., 403(b) plans) remain ineligible to invest in CITs.

Fewer plans offered separately managed accounts in 2025 (40%) than in 2024 (50%).

More than half of plans offered a self-directed brokerage window to provide participants additional investment choice beyond the core lineup.

About 6% of respondents offered pooled insurance company separate accounts, an increase from 1% the prior year.

Investment Types Within the Fund Lineup*



*Multiple responses allowed.

White Label Funds

White label funds may have several benefits for a DC plan, such as simplified and more intuitive fund-naming conventions for participants. Additionally, white label funds with multiple underlying managers have the potential to enhance diversification relative to the underlying managers on a standalone basis.

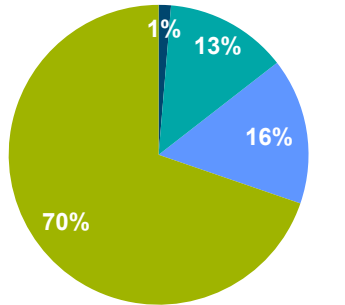
3 in 10 respondents offered white label funds in 2025, in line with the prior year. Only one plan with less than \$1 billion in plan assets reported offering white label funds.

Among those that offered white label funds, the most common party with discretionary control was the plan sponsor, followed by a consultant or an investment manager.

The most common asset classes for white label funds with multiple underlying managers were U.S. smid cap equity and non-U.S. equity. Respondents that indicated offering “other” white label funds with multiple underlying managers offered either custom target date funds and/or a diversified real assets option.

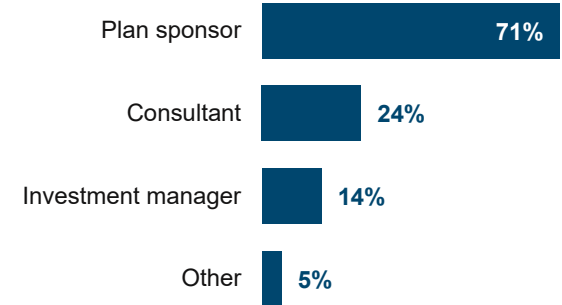
For white label funds with a single underlying manager, the most common asset class was U.S. large cap equity.

White Label Funds Offered in DC Plan

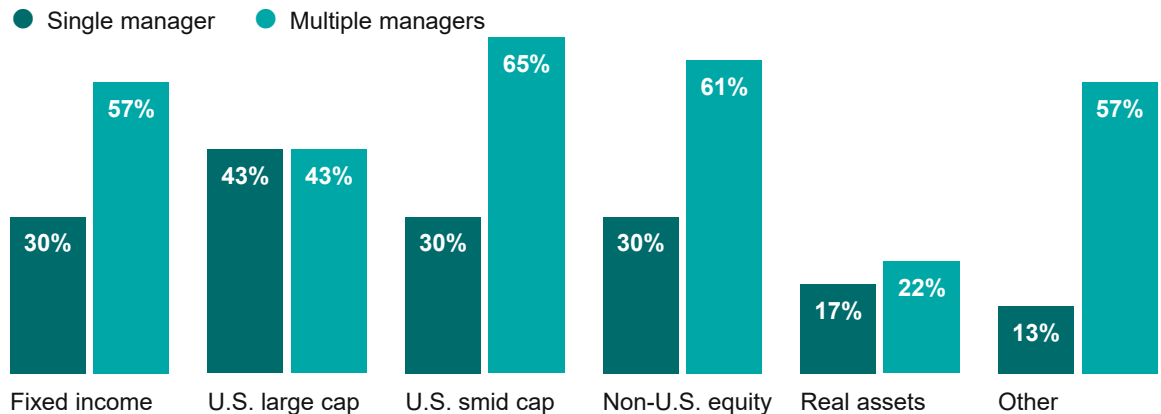


- Yes, with a single manager
- Yes, with multiple managers
- Yes, both of the above
- No

Discretionary Control of White Label Multi-manager Fund(s)*



Asset Classes in Which DC Plan Offered White Label Funds*



*Among respondents offering white label funds. Multiple responses allowed.

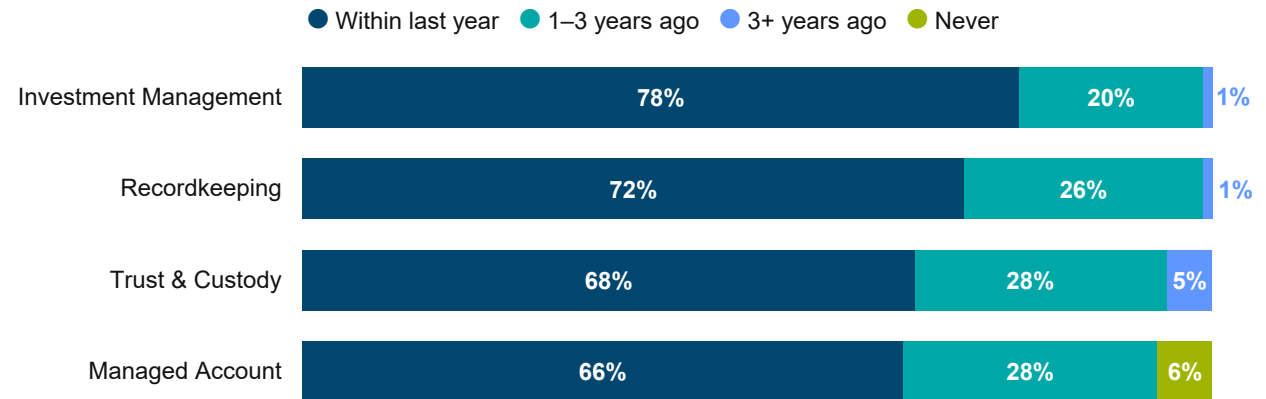
Fee Calculation and Benchmarking

About **7 in 10 plan** sponsors calculated their recordkeeping fees within the past 12 months. Another 26% did so in the past one to three years. Comparatively, 78% calculated investment management fees within the past 12 months—as a major target of litigation, reviewing the investment management fees regularly is considered best practice.

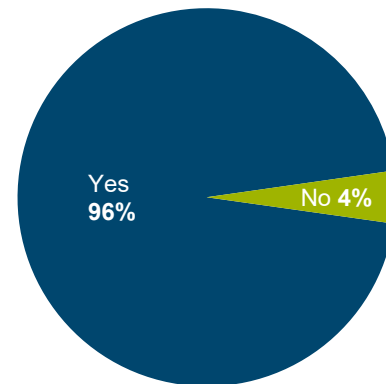
Somewhat lower levels were seen for both trust and custody fees and managed account fees, with 6% of respondents indicating they had never calculated managed account fees.

When calculating fees, 96% of respondents also benchmarked fees, and more than 8 in 10 evaluated sources of indirect revenue (e.g., revenue shared with the recordkeeper from managed accounts, brokerage windows, IRA rollovers, etc.). Evaluating indirect revenue is an increasingly important area for plan sponsors as a component of a comprehensive plan fee review.

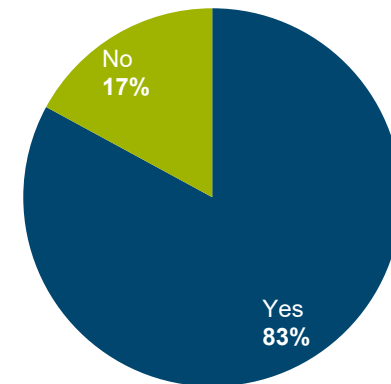
Last Time All-in Plan Fees Were Calculated, by Service Type*



Fees Were Benchmarked When Calculating



Evaluated Indirect Revenue When Reviewing Fees



*All-in fees include all applicable administrative, recordkeeping, trust/custody, and investment management fees.

Forfeitures and Float Income

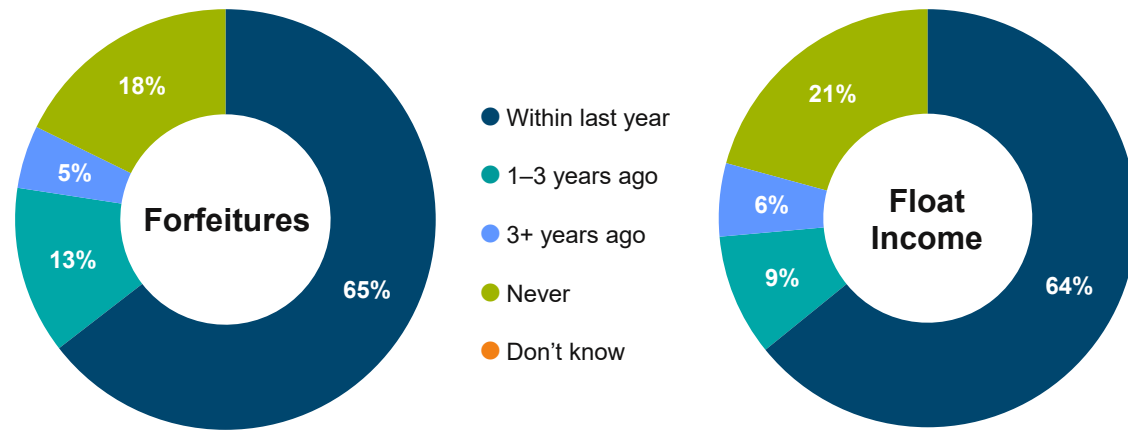
Forfeitures are generated when a participant terminates service with an unvested benefit. The unvested benefit is considered forfeited by the participant and cannot be returned to the plan. Beginning in late 2023, a flurry of lawsuits alleged that DC plan forfeitures were misused—by not following a prudent process to benefit participants, not following the terms of the plan document, or not using forfeitures in a timely manner.

65% of respondents said they evaluated the usage of forfeitures within the last year, with another 13% having done so within the last 1 to 3 years.

Float income is generated when money that flows in and out of a DC plan is temporarily held in an interest-bearing account while awaiting investment or payout. Recordkeepers' policies for the treatment of float income may vary—in some cases, float income may be returned to the plan sponsor, and in other cases, it may be retained by the recordkeeper.

Within the last year, 64% of respondents said they evaluated how float income was handled within their DC plan. Notably, 21% of respondents said they had never evaluated the treatment of float income.

Last Time Forfeitures and Float Income Deployment Were Evaluated



Advisory Services: Prevalence

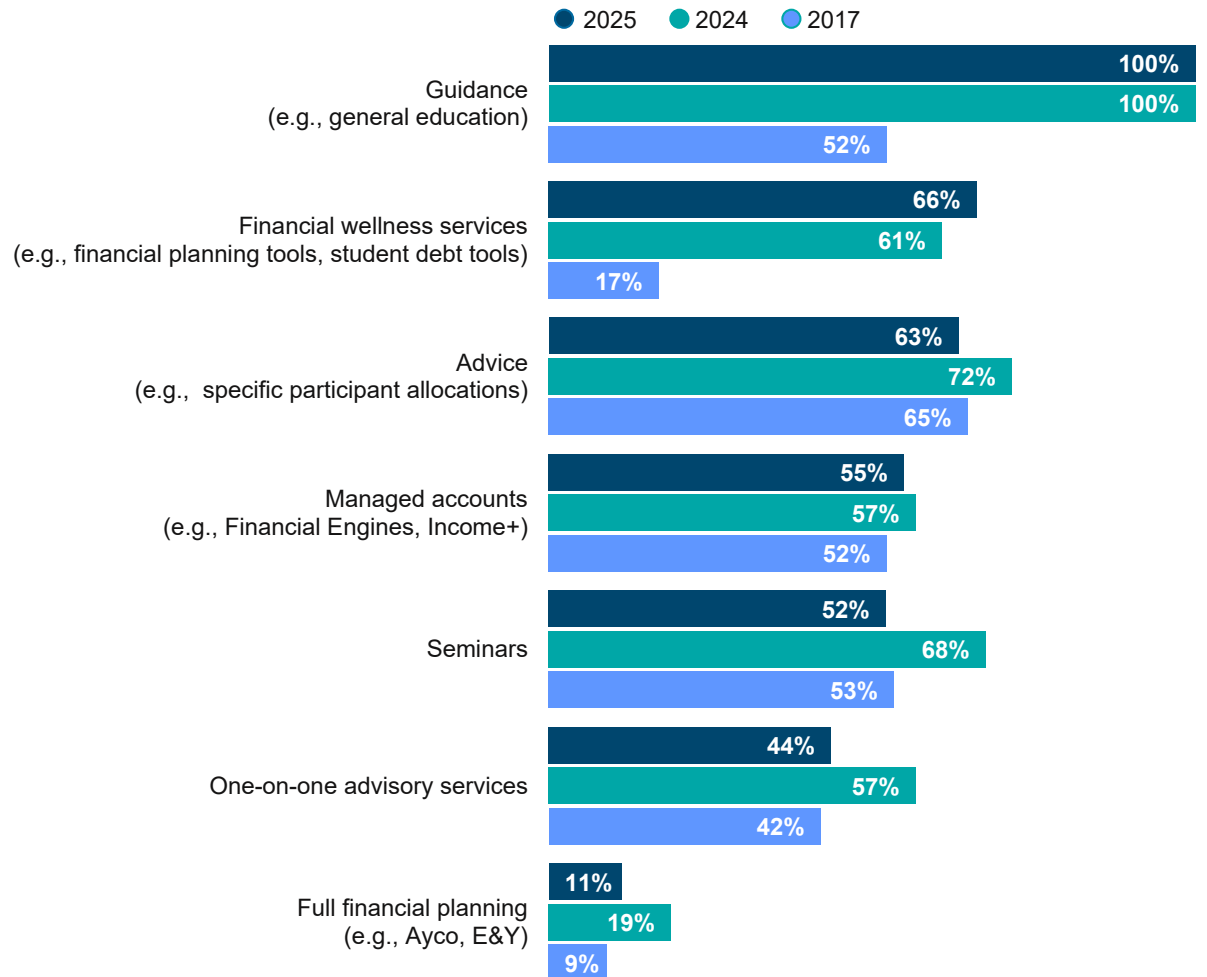
All respondents offered some type of advisory service to participants, with all offering guidance.

The prevalence of managed accounts appears to have plateaued over recent years, with a little over half of respondents offering a managed account service in 2025. These services are geared toward “do-it-for-me” investors who desire greater personalization. Managed account providers are investment managers under Section 3(38) of the Employee Retirement Income Security Act (ERISA).

The decision to include managed accounts is a fiduciary action. Plans with, or considering adding, managed accounts should consider the fiduciary implications and value add of the service.

Financial wellness services (66%) saw an increase in 2025 relative to both 2024 and 2017, as plan sponsors seek to provide their employees with additional tools to support their financial wellbeing. Common examples include debt management and budgeting tools.

Type of Service Offered*



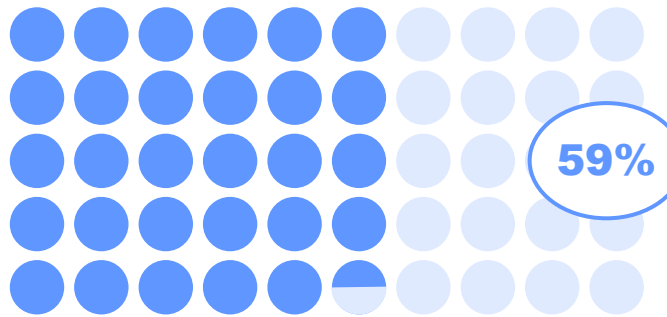
*Multiple responses allowed.

Managed Accounts and Advice: Promotion and Monitoring

Of respondents that offered a managed account service, more than half indicated that their managed account provider actively promotes the service to encourage participation. These forms of promotion could include ads or banners featured on the recordkeeper's website or participant email campaigns.

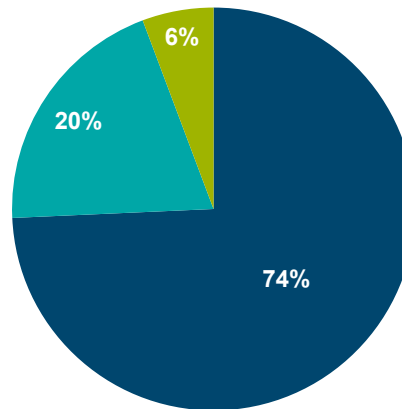
Nearly three-quarters of respondents with managed accounts monitored or benchmarked the outcomes of the service. 20% indicated they plan to do so in the future, and 6% said they have no plans to do so.

Provider Actively Solicited or Campaigned to Encourage Participation



of respondents noted that their managed account providers actively solicited or campaigned to encourage participation in the service

Managed Accounts Services Were Monitored and/or Benchmarked



- Yes
- No, but plan to in the future
- No, and no plans to

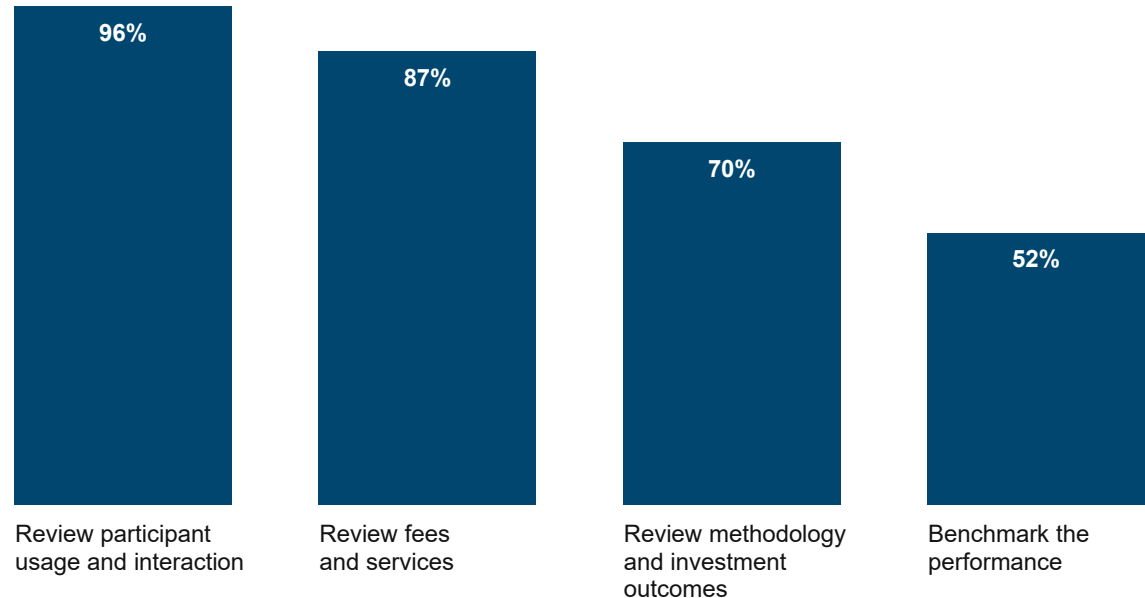
Managed Accounts: Monitoring

Among respondents that monitored their managed account service, more than 90% said they reviewed participant usage and interaction, while more than 80% said they reviewed fees and services.

70% indicated they reviewed the methodology and investment outcomes. Reviewing the methodology is key when selecting (or confirming the selection of) a managed account provider. This process helps plan fiduciaries understand which elements of “personalization”—retirement age, risk profile, outside assets—impact the actual investment recommendations.

About half of respondents indicated they benchmarked the performance of the managed account service. This is arguably one of the more beneficial exercises plan fiduciaries can undertake. Managed account services can be difficult to benchmark on an apples-to-apples basis, as individual participant factors will impact investment allocations. Benchmarking dissimilar participant situations is not a reasonable comparison.

How Managed Accounts Services Are Monitored/plan to Be Monitored*



*Multiple responses allowed. Note that not all respondents that offer managed accounts responded to this question.

The DOL does not require plan sponsors to provide information to participants on managed account performance or offer standard benchmarks, making it difficult for participants to evaluate whether the additional fees for managed accounts are worth paying.

Similarly, plan sponsors may receive limited information from their managed account provider to adequately review and monitor the performance and outcomes.

Investment Guidance and Advisory Services: Enrollment and Payment

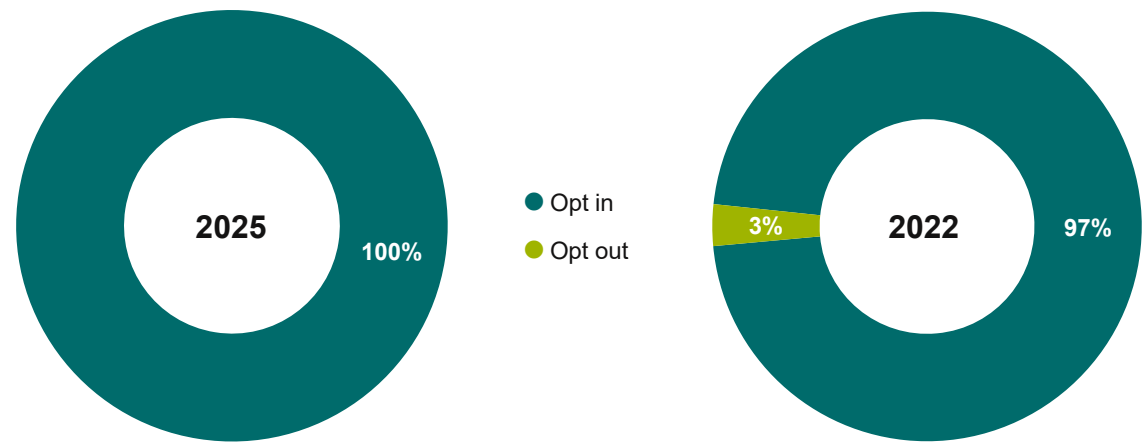
All respondents that offered managed accounts offered them as an opt-in feature whereby participants must affirmatively elect to use the service.

The fees associated with a managed account service are a frequently cited reason for not offering opt-out enrollment. Plan sponsors have the ability to negotiate managed account service fees as utilization increases, and it is considered best practice to benchmark these fees at a regular cadence.

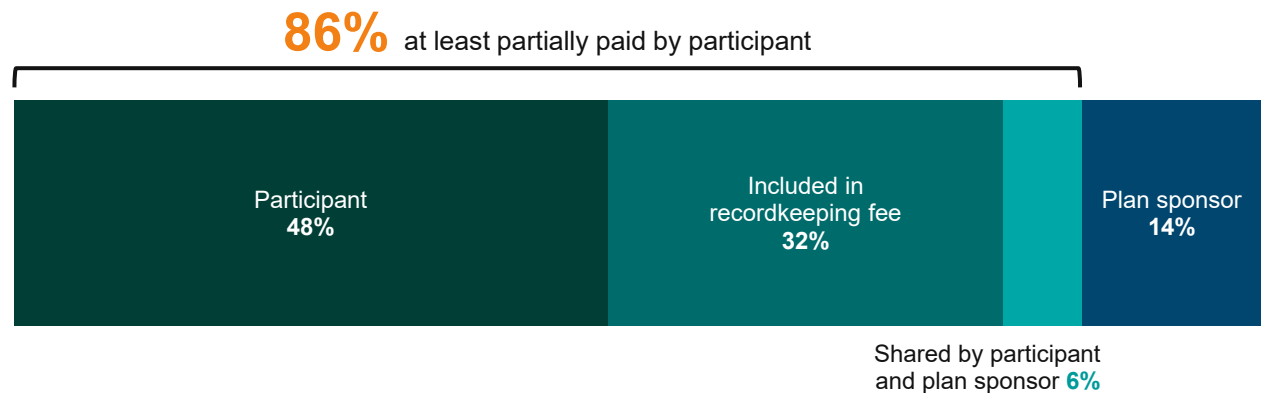
It remained most common for participants to pay for investment advisory services, either explicitly or as part of overall recordkeeping fees.

14% of respondents paid the full expense of investment advisory services, a slight increase from 11% the prior year.

Approach to Enrolling Participants in Managed Accounts



How Investment Guidance or Advisory Services Are Paid*



Reasons for Eliminating Investment Guidance and Advisory Services

Plan sponsors cited a number of reasons to explain why they have considered or would consider eliminating investment guidance and advisory services. The most common was a belief that a target date fund could provide a lower-cost alternative with similar diversification opportunities.

Other frequently cited reasons were cost, the current litigation environment, and difficulty in monitoring.

Reasons for Eliminating Investment Guidance or Advisory Services

	Ranking
Target date fund offers similar diversification opportunities for a lower cost	3.8
Too costly to participants	2.6
Current litigation environment	2.2
Difficulty in monitoring	2.0
Low participant demand/anticipated utilization	1.9
Uncomfortable/unclear about fiduciary implications	1.4
Other	1.3
Difficult to communicate to participants	1.2
Other financial guidance support available outside of the DC plan	1.2



*Additional categories: data security risk (0.8), dissatisfied with available products (0.6), products are not portable (0.5), too costly to plan sponsor (0.5)

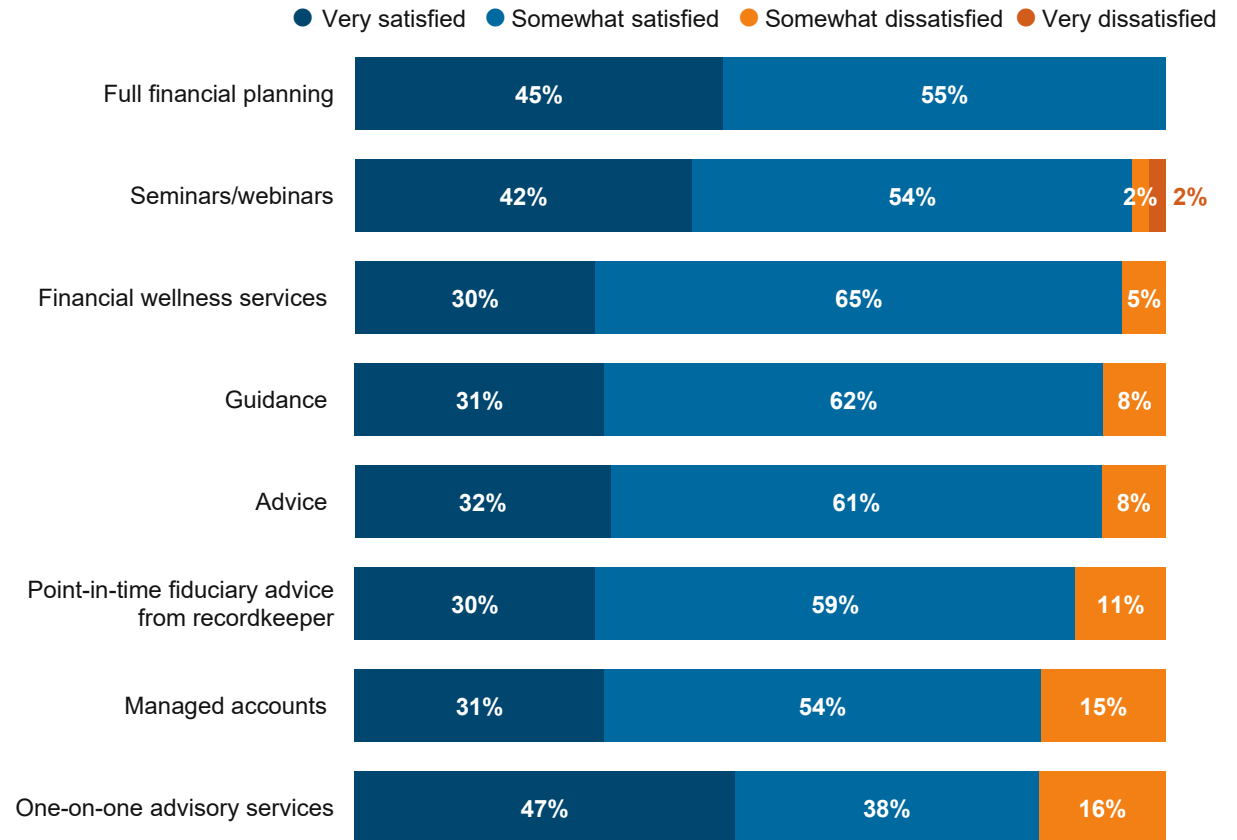
(5=Most important. Total ranking is a weighted average score.)

Satisfaction with Advisory Services

Respondents reported high levels of satisfaction with investment advisory services. Full financial planning received the highest overall marks, with all respondents very or somewhat satisfied.

The service with the largest percentage of dissatisfied respondents was one-on-one advisory services, followed by managed accounts.

Satisfaction Ratings for Guidance or Advisory Services



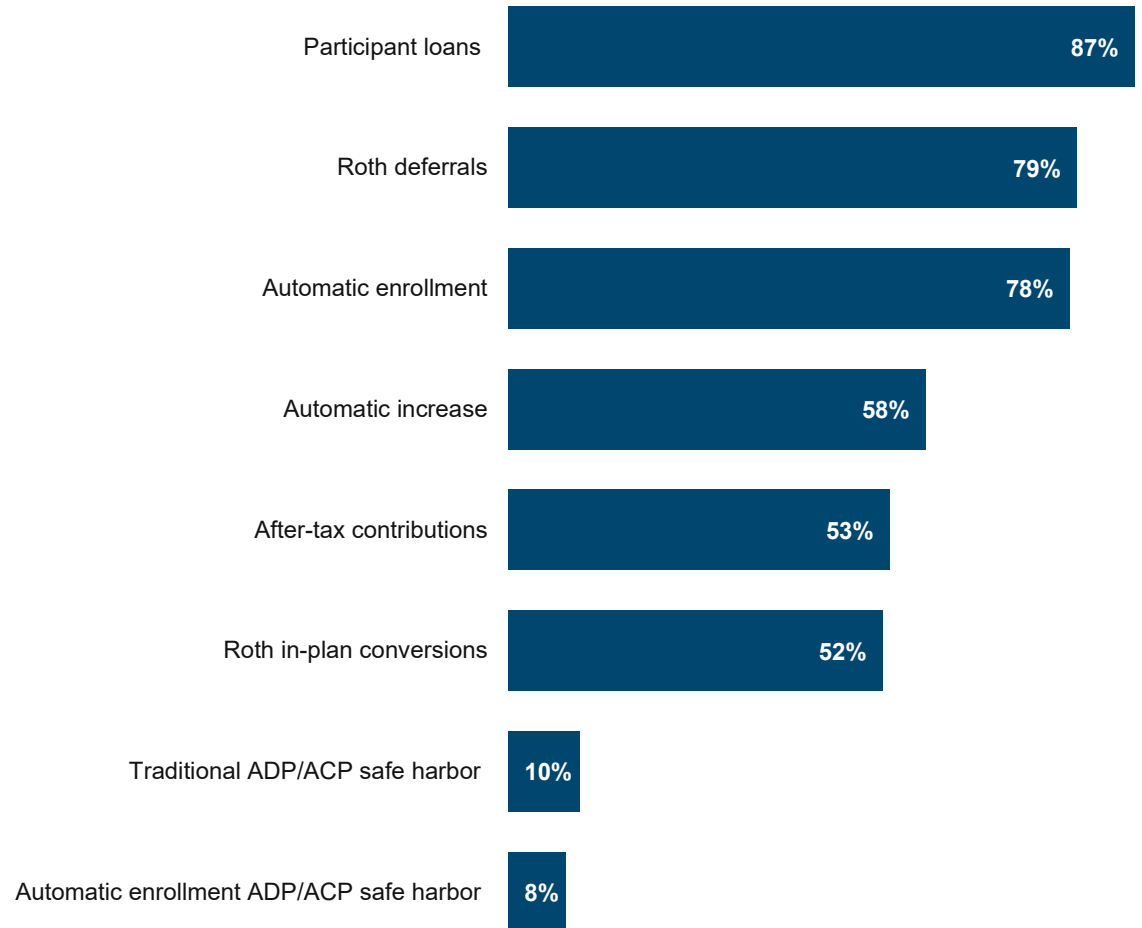
DC Plan Design

Survey respondents noted that Roth deferrals (79%) and automatic enrollment (78%) were the most common enhanced savings features. In 2013, our survey found that only 47% of plan sponsors offered Roth deferrals. Both features were formalized at a federal level by the Pension Protection Act of 2006 (PPA) and have had more than a decade to become majority practice.

Both after-tax contributions (53%) and Roth in-plan conversions (52%) remained at comparable levels to the prior year (both 51%).

87% of respondents allowed participants to take a loan from their DC plan balance.

DC Plan Design Elements Offered*



*Multiple responses allowed.

Re-enrollment

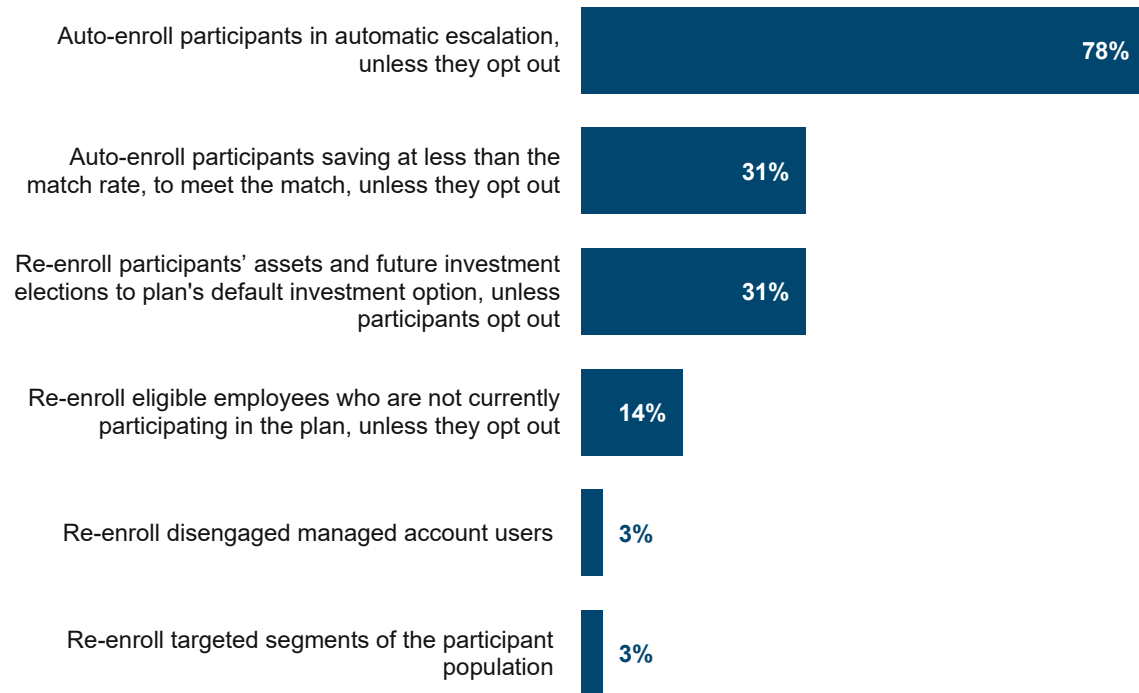
46% of respondents indicated they had conducted some type of re-enrollment in the past.

Among those that had conducted a re-enrollment, the most common method by a wide margin was auto-enrolling participants in automatic escalation (78%).

The next two most common forms of re-enrollment were auto-enrolling participants to meet the match (31%) and asset re-enrolling (31%)—defined as requiring all participants in the plan to make a new fund selection or be defaulted into the plan’s default investment option.

Less common forms of re-enrollment were re-enrolling employees not currently participating (14%), re-enrolling disengaged managed account users (3%), and re-enrolling targeted segments of the participant population (3%).

Methods of Re-enrollment*



*Percentages out of those that re-enrolled. Multiple responses allowed.

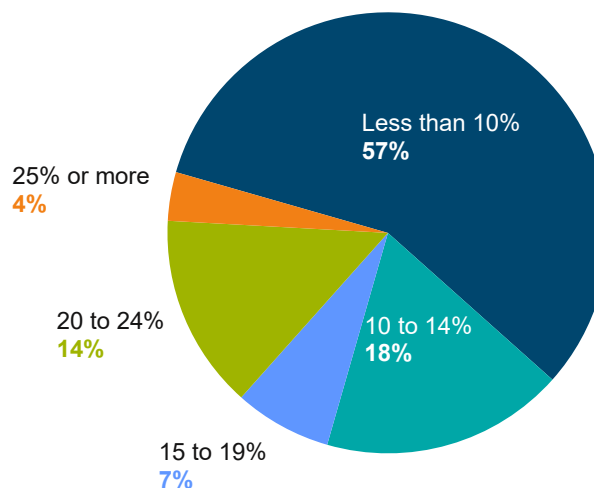
Rolling in Qualified Assets and Post-Employment Assets

Managed account services and retirement income solutions often provide a greater value add to participants when a participant provides more insight into their comprehensive financial picture. Accordingly, it is increasingly important for participants to roll assets in from their previous employers' retirement plans to maximize the use and effectiveness of these services and products.

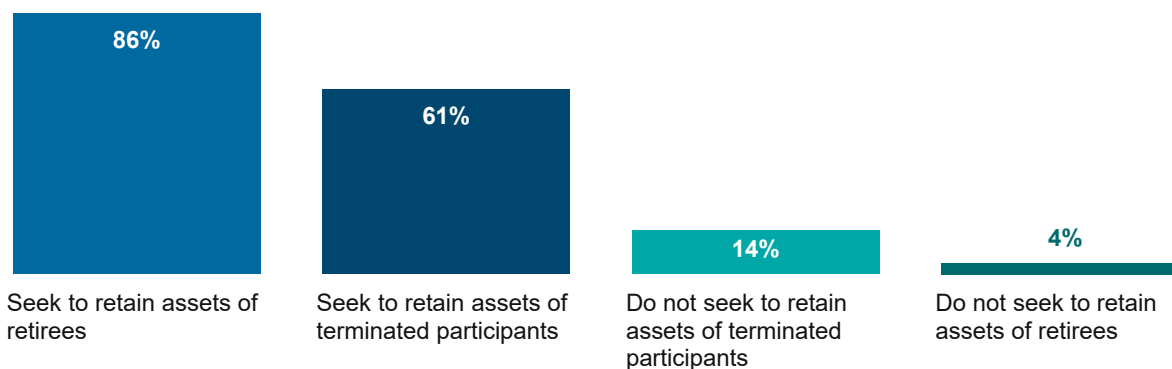
However, nearly 6 in 10 plan sponsors indicated that less than 10% of participants rolled in assets from their previous employers' qualified plan. One strategy to better maximize the current plan features would be to proactively encourage participants to consolidate their qualified DC assets into their current plan.

36% of respondents indicated they had a strategy around retaining retiree and/or terminated participant assets. Of those with a strategy, most sought to retain the assets of retirees and/or terminated participants. Higher levels of asset retention can improve plan cost efficiencies, while perhaps creating a greater need for plan sponsors to support participants with decumulation strategies.

Percentage of Participants That Rolled Assets in*



Strategies to Retain Retiree/terminated Assets**



*Of those that offered the ability to roll in assets.

**Multiple responses allowed. Percentages out of those with a stated intent in place

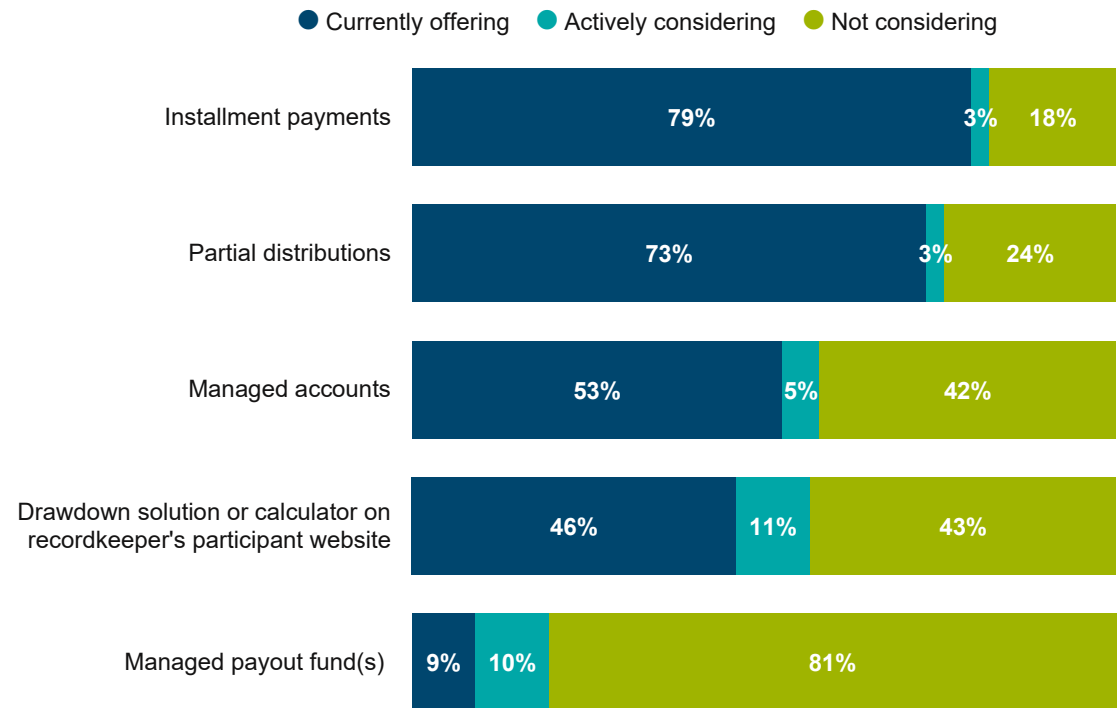
Non-Guaranteed Retirement Income Solutions

Most respondents offered some form of retirement income solution to employees in 2025. Installment payments (79%) and partial distributions (73%) remained the most common. For some participants, pairing installment payments with an in-plan investment option such as a stable value fund or the retirement/income fund of a target date suite can be an effective drawdown strategy.

Managed accounts (53%) or a drawdown solution (46%) were the next most common. Only 9% offered managed payout funds. These funds are typically diversified options that target a specified “payout” level each year (e.g., 4%–6%). The payout amounts aren’t guaranteed and often vary depending on fund performance and withdrawal policy.

Explainer: A drawdown solution is a simplified process on the participant website (e.g., a one-step button) to implement the output from a retirement calculator. It is a more streamlined process for participants to establish a stream of income; without it, they would have to manually transfer the calculator output to the transactional section of the website.

Non-guaranteed Retirement Income Solutions Offered*



*Percentages among those with a solution in place. Multiple responses allowed.

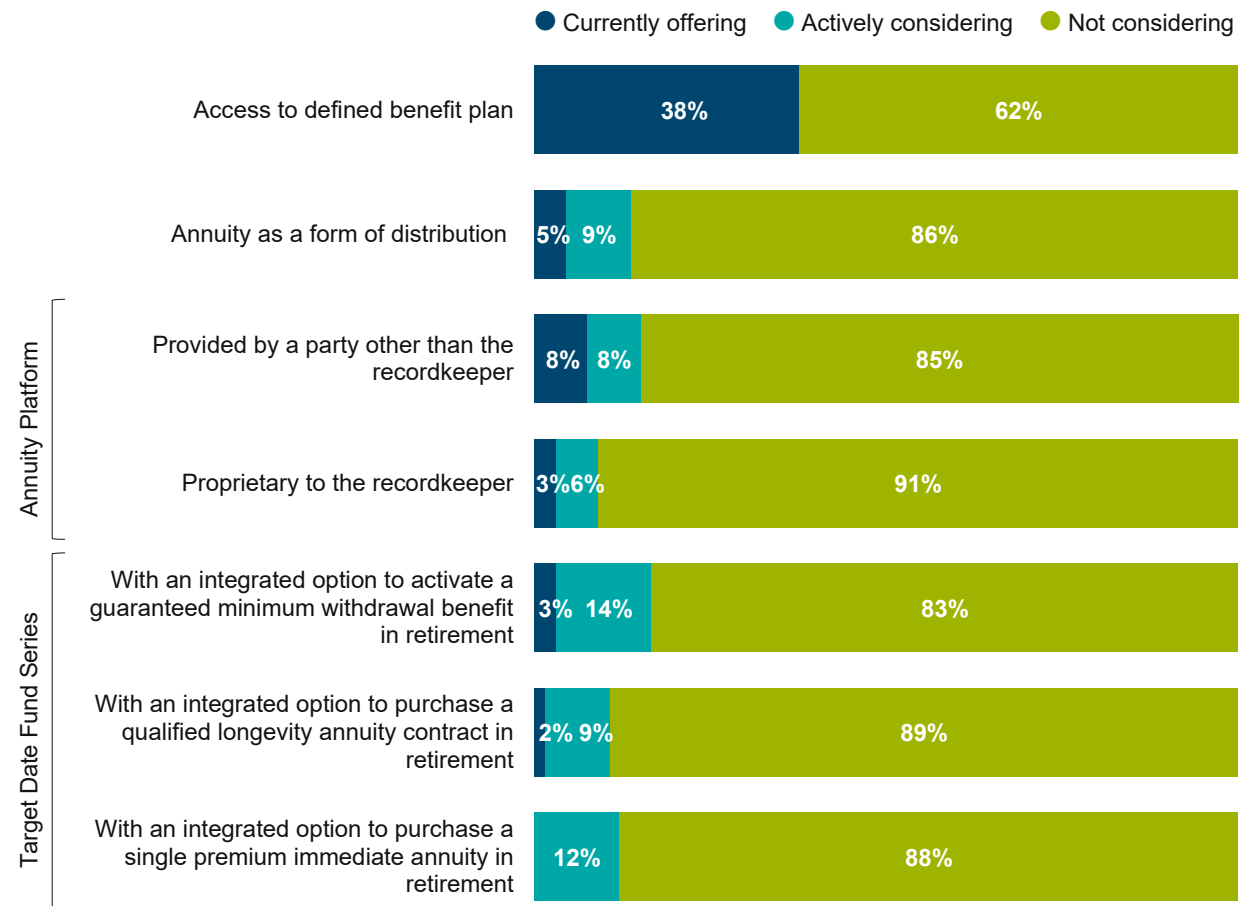
Guaranteed Retirement Income Solutions

Nearly 4 in 10 respondents offered a defined benefit plan, providing a guaranteed income stream to at least some DC plan participants. Governmental entities were more likely to offer an open DB plan, while corporate plan sponsors were more likely to have a closed or frozen DB plan.

Recent product innovation has led to discussion around the possibility of providing other forms of guaranteed income to DC plan participants, whether through the DC plan's TDF offering or a solution separate from a TDF series (e.g., annuity platform service).

In 2025, relatively few respondents reported offering an annuity platform service or a TDF with a guaranteed income component. For plan sponsors, education and tools to evaluate and compare different forms of guaranteed income are becoming increasingly important.

Guaranteed Retirement Income Solutions Offered*



*Percentages among those with a solution in place. Multiple responses allowed.

Reasons for Not Offering a Retirement Income Solution

Plan sponsors cited several reasons regarding why they were unlikely to offer an annuity-type product in the near term. The two most common reasons were a perceived absence of participant need or demand and a discomfort about fiduciary implications.

Respondents also noted that they didn't view a retirement income solution as necessary or as a priority and that they were lacking sufficient product knowledge, highlighting the importance of continued education.

Reasons for Not Offering Retirement Income Solution

	Ranking
No participant need or demand	3.4
Uncomfortable/unclear about fiduciary implications	3.2
Unnecessary or not a priority	3.1
Lack of product knowledge	2.7
Availability of defined benefit plan	2.2
Difficult to communicate to participants	1.9
Too costly to plan sponsor/participants	1.9
Too administratively complex	1.6
Uncomfortable with available products	1.4
Products are not portable	1.3
Concerned about insurer risk	1.2
Recordkeeper/product provider unprepared to support plan sponsor/participant needs	0.6
Other	0.3



(5=Most important. Total ranking is a weighted average score.)

SECURE 2.0 Act

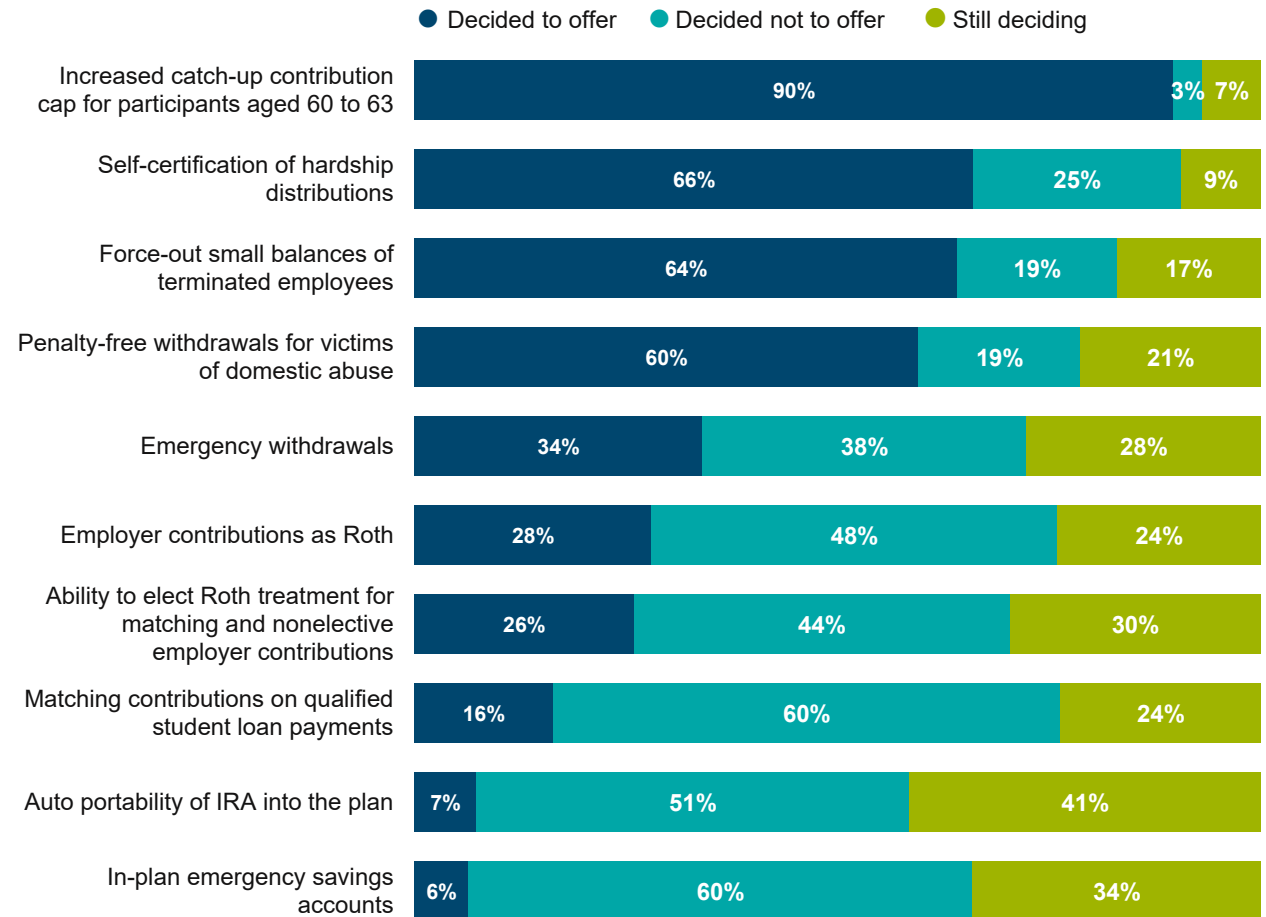
The SECURE 2.0 Act passed in 2022 had nearly 100 provisions. The most implemented optional provision was increased catch-up contributions for participants aged 60 to 63.

The next most implemented provision was self-certification of hardship withdrawals. This is not surprising as the option had been previously formalized in IRS guidance pre-dating the legislation. Also popular was the small-balance force-out provision for terminated employees.

Respondents indicated relatively little interest in allowing a match in the DC plan for those repaying student debt and in enabling automatic portability of safe harbor individual retirement accounts into the current employer's qualified retirement plan.

Notably, nearly 60% of respondents have decided not to offer in-plan emergency savings accounts, but 34% have made emergency withdrawals available.

SECURE 2.0 Adoption of Optional Provisions



Defined Contribution Research Team

1997 DC team formalized at Callan to serve as a dedicated, specialized resource

82 Fee studies

89 Investment structure evaluations

74 Target date suitability studies

49 Managed account / retirement income due diligence reviews

Note: Over the last 5 years ending 12/31/25

- Generates thought leadership and strategic direction for DC plans
- Manages recordkeeper searches, fee benchmarking studies, investment structure reviews, target date suitability studies, and more
- Delivers formal testimony and commentary to regulators



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Disclosure

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