2022 Year in Review and 2023 Annual Service Plan

Ohio Deferred Compensation

Review of 2022

- **Service Center telephone calls and emails**
  - Phone calls down 8% from 2021 (136,686 total calls)
  - Average talk-time per call up 1.5% from 2021
  - Emails 9% lower than 2021, but substantially higher than the 10-year average
  - Most Service Center staff work hybrid schedules, helping to create efficiencies and business continuity advantages
  - Staffing model shifted from managing monthly call volume peaks to managing average volume, while using other staffing efficiencies to handle volume peaks
  - Trends show volume peaks becoming increasingly extreme, generally when statements or email notifications are sent
  - Average Service Center satisfaction scores 91%

- **Program Growth**
  - 17,805 new enrollments & 13,957 SMarT Enrollments (both are new records)

- **Personalized services**
  - Demand for in-person meetings returned to normal with the exception of urban areas
  - Aligned field territories to better match 13 Field Account Executives' home location
  - Office and virtual Retirement Planning Specialist appointments included proactive outreach to high-balance accounts
  - "Webinar Wednesday" series continued
  - Average personalized service satisfaction scores 95%

Administrative Highlights from 2022

- **Withdrawal processing automation/Online withdrawals**
  - 22,439 withdrawals processed by the Service Center with half the data entry required from the prior year
  - 2,115 online withdrawal requests during the first 5 months this feature has been offered

- **Auto-enrollment for State of Ohio employees**
  - Project completed in July with the first new participants on the books in November

- **Queue-to-call back**
  - Over 3,400 callers used this feature which creates a user-friendly experience and smooths calls out over the day

- **Major fund transition**
  - On December 9, the largest fund transition in Ohio DC history was completed successfully. This project took many months of a coordinated effort by RVK, Nationwide, and Ohio DC staff
  - Communications were extensive, covering printed materials, web articles, and emails

- **Virtual courtyard**
  - Initially developed during the pandemic as a virtual booth, this concept was expanded during the summer/fall of 2022
  - Offered employees a destination to watch videos, enroll, read literature or sign up for a webinar
  - Courtyard produced over 5,500 unique visits and 36,000 events

Face-to-face Services

- **Field Account Executives**
  - Currently 13 Field Account Executives are covering 88 counties (one new representative in Toledo in 2022)
  - Servicing plans include a hybrid approach to presentations and account reviews
  - Divert 90% of Field Account Executive resources to Service Center work on peak days (approx. 15 days per year)

- **Retirement Planning Specialists (RPS)**
  - Expanded appointment offerings for 2023
  - Service Center open to in-person meetings by appointment only
  - Appointment requirement results in counseling participants with a genuine need for planning services
  - RPS resources and experience also diverted for inbound correspondence, workflow management, and answering incoming calls

Service Center

- **Hiring and training**
  - Hiring challenges are very similar to the last few years. Labor shortage continues to negatively impact the Service Center
  - Significant management effort to hire adequate staff for Q1 2023, but expect to be in a much better position than 2022
  - Using contractors for calls not requiring FINRA license has had a positive impact on service experience
  - Contractors who pass Securities Industry Essentials exam are hired as full-time employees
  - Training a licensed representative is now an investment of approximately six months in the associate
  - Experience and skill set makes representatives highly desirable for advancement leading to short average tenure

- **Gap coverage for peak volume**
  - Field Account Executives in phone queue
  - Retirement Planning Specialists in phone queue and answering participant correspondence
  - Processing team in phone queue and answering participant correspondence
  - Alternating Team Leads in phone queue and answering participant correspondence
  - Increased cross-training on all teams

Participant & Employer Communications

- **Group education**
  – Group workshops
  – Live webinars capability expanded through Microsoft® Teams
  – Updated recorded webinars
  – New employee orientation meetings
  – Collaboration with pension systems including expanded STRS webinars & OPERS webinars and in-person events

- **Individual consultations**
  – Online scheduling tool for virtual appointments and onsite visits
  – “Office hours” for any participant to schedule a virtual appointment and manage overflow from on-site visits

- **Electronic communications**
  – Virtual Booth/Courtyard (Target 6,500 visitors)
  – Promotional emails
  – Online videos and recorded webinars
  – Calculators and Tools

Administrative Enhancements for 2023 and Beyond

- **Online withdrawal enhancements**
  - JP Morgan Chase early warning system
  - Match bank account names to Ohio DC account names

- **Secure Act 2.0 programming and communications considerations**
  - RMD age moved to 73
  - Eliminate “first day of the month” rule
  - Optional unforeseeable emergency modifications
  - Emergency withdrawal in 2024
  - Catch-up limits changing in 2024
  - Roth distribution rules changing in 2024

Quality Management

- **Call quality scoring by XM Discover**
  – 100% of calls evaluated rather than a random sample
  – Speech transcribed to text
  – Artificial intelligence scores all calls
  – Calls analyzed by managers

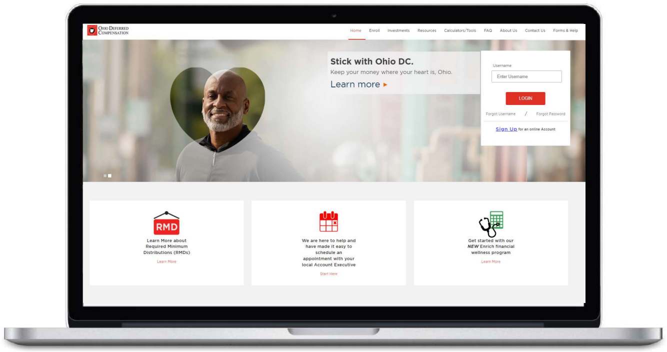
- **Evaluation of soft skills, basic behaviors, and technical knowledge for continuous improvement**
  – Software evaluates words spoken by Account Executives and participants
  – Interprets tone, empathy, responsiveness, positivity, confidence, etc.
  – Alerts management if basic behaviors are not met such as providing advice or failing to validate a caller before continuing
  – Provides specific focus for training by pointing managers to areas needing improvement within call segments and overall patterns for a specific Account Executive
  – Highlights "turning points" in a call when the participant sentiment changes to analyze trigger words or statements

Campaign Messages will align with the theme: “Put your heart in it, Ohio”

Strategy
The strategy behind the campaign is to remind people what they are saving for: family, future security, and peace of mind – which can be depicted with emotion-stirring photography. The theme celebrates midwestern values, letting us speak to the great service and support Ohio DC provides using local resources and people

- *Due to the ongoing development of the brand refresh project, the primary theme for a portion of 2023 will remain the same as in 2022. Staff and Nationwide decided we would continue the primary marketing theme that began last year, “Put Your Heart in it Ohio,” since this theme was part of the inspiration for the brand with a focus on people and families.*

<u>2023 Sample Headlines</u>
- **Stick with Ohio DC.** Keep your money where your heart is Ohio.
- **You’re putting your heart into saving.** Stick with your plan during market volatility.
- **Putting you at the heart of 2023 planning.** Complete a Financial Wellness review with Enrich.



The Q1 campaign will highlight strategy resilience during market volatility

The first quarter "**You're putting your heart into saving**" campaign will focus on sticking with a long-term investment strategy. More participants than ever are unsure of what to do with their investments during a down market. This campaign will focus on introducing helpful tips for participants to help them through these uncertain times. The highlights of the campaign will include:
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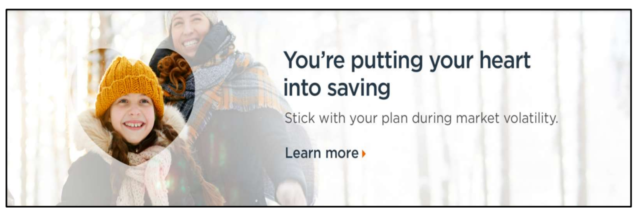
Market Volatility (Jan- March)

Print	Digital	Promotion
Newsletter article promoting tips before deciding to act in the down market and the ability to meet with a Field Account Executive for one-on-one consultation	Web banner linking to article about focusing on long-term retirement savings	Webinars for employees to help them make decisions to maximize savings benefits

Communication mediums include:
- Web banners
- Newsletter articles
- Targeted emails to participants
- Videos and presentations online
- Online webinars
- Auto features (SMarT, Auto-enrollment)
- Virtual and in-person consultations from Field Account Executives and Retirement Planning Specialists



The Q2 campaign will highlight the importance of total financial wellness

The second quarter "**Putting you at the heart of 2023 planning**" campaign will focus on financial wellness through the Enrich platform and Field Account Executive demonstrations. The messaging will include reminders to participants to sign up for this free service and encourage existing users to resume their progress toward their short and long-term financial goals.

Financial Wellness (April-June)

Print
Newsletter Article to focus on the importance of reviewing their financial objectives, retirement income, risk tolerance and current investments

Digital
Series of targeted emails that include instructions on activating their free Enrich membership

Promotion
Webinars for both employers and employees on closing the retirement gap, approaching retirement considerations, and maximizing retirement savings benefits for retirees

How participants can obtain free financial assistance and education on a variety of topics

- **Online self-help**
- **Group Education**
- **One on one meetings**

The Q3 & Q4 campaigns will focus on the Ohio DC new brand engagement

Nationwide's marketing team is looking to assist Board and staff with a refresh to the Ohio Deferred Compensation's brand with a focus on the following parameters:

1. Bring a modern and simplified approach to the brand
2. Show that Ohio DC is evolving
3. Convey that Ohio DC is staying up to date in today's financial world

We want participants to know that Ohio DC is in touch with today's evolving financial world by modernizing its look and feel. As we approach the brand refresh, we still want participants to recognize their plan. It should be subtle, yet noticeable enhancements that show that Ohio DC is up to date.

Brand Refresh (July - December)

Print
All printed materials will be updated with a new color palette, imagery, and follow new brand guidelines to support the new brand.

Digital
Ohio DC website and LinkedIn assistance in reformatting site to meeting new brand guidelines and email communication to employees about the change

Communication mediums include:

- Web banners
- Printed materials (Newsletter & Brochures)
- Targeted emails to participants
- Videos and presentations online
- Online webinars
- Online scheduling
- Auto features (SMarT, Auto-enrollment)
- Virtual and in-person consultations from Field Account Executives and Retirement Planning Specialists

Additional Q3 campaign will focus on asset retention

To retain our participants, we must demonstrate the value they'll receive by staying with their plan. We will help participants shift from years of saving to their final preparations for life in retirement. Timely thought leadership and guidance can further help participants make informed decisions well into retirement.

We intend to proactively engage employees transitioning to retirement and encourage them to take advantage of plan benefits post-retirement. In 2023, we will expand our retention efforts and offer compelling reasons to stay with Ohio DC.

Stay in Plan (July-September)

Print
Postcard to employees without email addresses or opted out of e-Delivery

Digital
Web banner linking to online articles on the advantages that Ohio DC has over other retirement plans

Emails that highlight services, low fees, resources and tools (including Enrich)

Promotion
Additional webinars for pre-retirement and retiree groups based on the success from the 2022 offerings.

Additional webinar topics to be offered in 2023

Closing

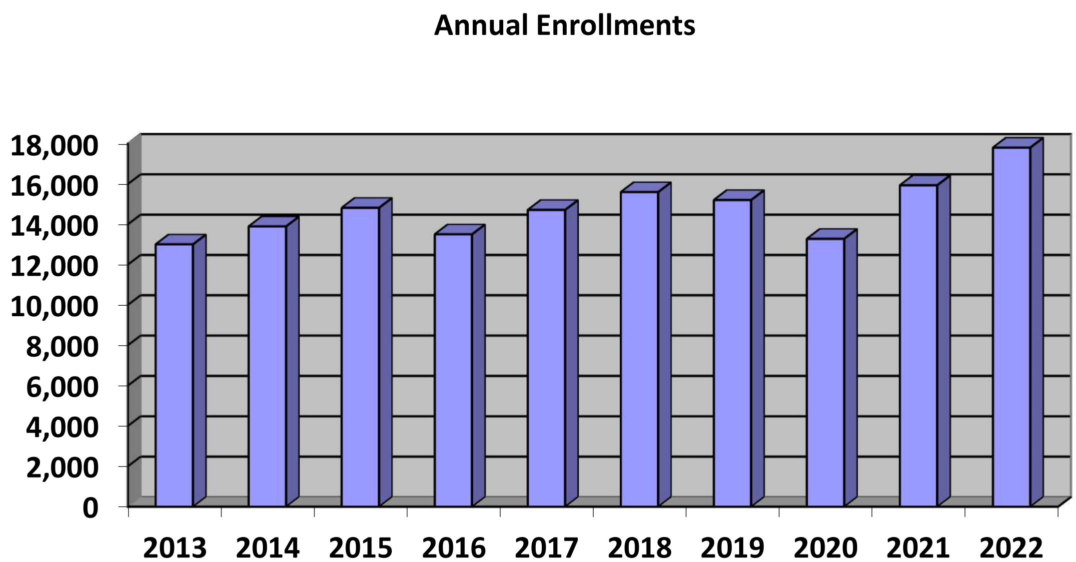
- **2023 Annual Service Plan**
  - Continue to grow assets and participants
  - Focus on account retention
  - Revitalize the Ohio DC brand
  - Continue to look for service model efficiencies that have allowed us to be successful during the last few years
  - Navigate significant legislative changes and economic uncertainty
  - Strive to provide high-quality services that exceed participant expectations according to independent survey results

- **Questions & Answers**

2022 Year in Review

I. Service Summary

Despite market volatility and higher-than-average inflation, Program growth was very strong in 2022. Nationwide helped enroll 17,805 new participants while adding 13,957 participants to the SMarT Plan (both new records). Through our retention efforts and roll-in efforts, we helped add 8,634 net new accounts (enrollments, rollovers-in and transfers-in minus rollovers-out, transfers-out, and account depletions). This is a 19% increase over net new accounts in 2021. Even after the deduction of State of Ohio auto-enrolled participants, 2022 was a record enrollment year. The chart below illustrates the last ten years of enrollment history which tends to also reflect stock market performance:



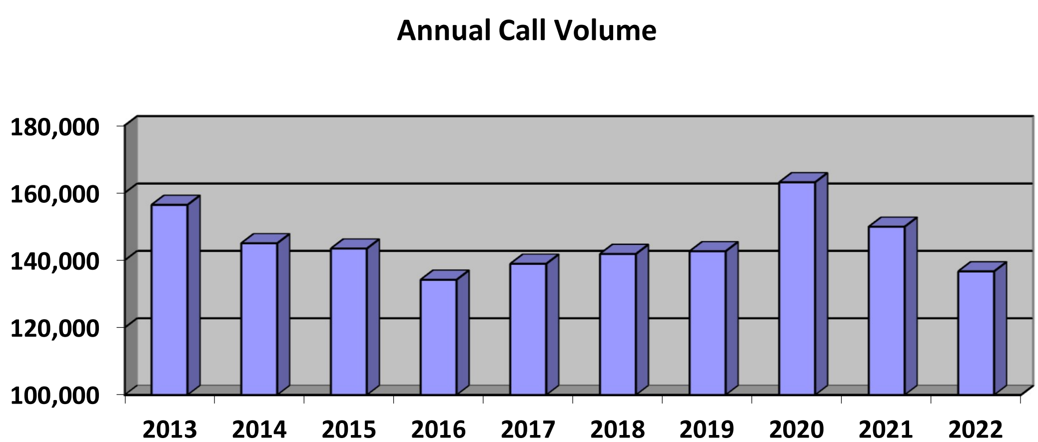
Retirement Planning Specialists (RPS) continued to perform double duty conducting in-person services, virtual meetings, and webinars while managing participant correspondence to the Service Center, assisting with incoming calls, and managing administrative workflows. They also conducted retirement readiness meetings for special groups like Ohio public safety employees throughout the year.

RPS and Field Account Executives also participate in virtual retirement seminars sponsored by Ohio pension systems including STRS, OP&F, and HPRS.

The Service Center handled 136,686 incoming calls in 2022 which represented an 8% decrease from 2021. Talk time increased by 1.5%. In order to anticipate fluctuations in call volume, a daily schedule is prepared in advance and any updates or revisions are made the next morning based on unscheduled employee absences. Although calls to the Service Center can be unpredictable, our management team does its best to plan for periods that are traditionally busy, such as those following Ohio DC communications, holiday weekends, and stock market or political events. The swings in call volume have become increasingly erratic in the last few years.

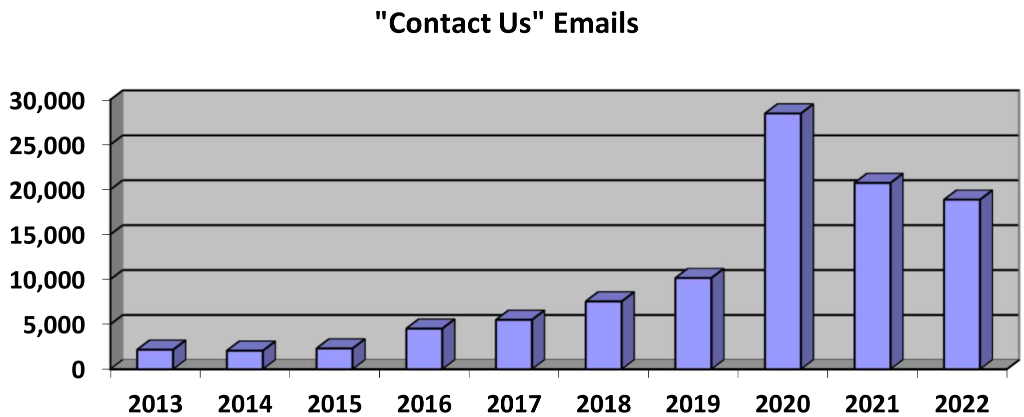
Throughout most of the year, Nationwide was efficiently staffed to handle call volume. Our number one challenge remains staffing in the tight labor market. We have streamlined our training to allow representatives to contribute earlier by handling some of the routine calls sooner while gradually increasing subject matter knowledge over time. We continue to see more calls from retiring participants regarding withdrawals and required minimum distributions, which are more complicated and require more time. Unforeseeable Emergency withdrawals have declined since the pandemic and the expiration of relaxed requirements.

The following chart shows a ten-year history of call volume:



Our top focus in training Account Executives is providing a high level of call quality. This becomes especially important when navigating through periods of change. The 2022 satisfaction scores for the Service Center showed a decrease in participant satisfaction. This is historically typical during periods of market decline as participants sometimes have a hard time separating their account value from the service and professionalism of the representative. The opposite is true for periods when stock prices are on the rise. Even with high market volatility 91% of participants rated their experience as either very satisfied or satisfied. Scores for Field Account Executives were also high at 95%. Considering market conditions and volatility, a slight reduction in satisfaction scores is not surprising. The 2023 Annual Service Plan will address new tools for call quality enhancements.

Over the last three years, the Service Center has seen a significant increase in the number of "Contact Us" emails initiated from the website. Email volume in 2020 was an anomaly due to the new website and the uncertainty surrounding Covid 19. Email volume decreased by 9% in 2022 but remains substantially higher than the 10-year average. Participants are increasingly comfortable doing business in an electronic format. However, for security reasons, we do not release any personal account information in an email. The following is a chart depicting the past ten years of incoming emails:



OHIO DEFERRED COMPENSATION

Personal Face-to-Face Services

For the majority of the year, Field Account Executives were making both in-person and virtual visits to reach public employees all across Ohio. Throughout the summer, requests for in-person visits began increasing. We currently have 13 full-time Field Account Executives covering thousands of locations across the State. In order to become more efficient we have re-zoned some territories and replaced the Northwest Ohio representative. We consolidated the Cuyahoga County territory to two representatives this summer after the passing of Cal Temple, who was an Account Executive for 32 years for Ohio DC. The result of these changes is reduced expense to the Ohio DC budget and less travel time to reach the most populated portions of the territories. Shown below is an updated Field Account Executive coverage map. A drop-down menu is posted on the participant website allowing participants to click on the county where they work which brings up a representative's name to schedule an appointment through the online scheduling tool.

OHIO DEFERRED COMPENSATION

II. Participant and Employer Communications

Ohio DC also continues to increase the number of participants who utilize eDelivery of statements and confirmations, web tools and content, and online webinars to educate and inform. We have collected email addresses from participants at every touchpoint for 17 years. Email communication has become a way to reach a significant segment of the population. With more than 183,000 email addresses stored on ORIS, we have the ability to create queries to target specific groups of participants with customized messaging. Below are some of the electronic communications that took place in 2022.

<u>Electronic Communication – Email</u>
According to Campaign Monitor's 2022 statistics, open rates for financial services emails are 27.1%. Ohio DC's open rates increased from 38.4% to 51% last year. Emails have much higher open rates when they correspond to a specific event like a webinar or a fund change. Emails also have much higher open rates when the target audience is a more mature population. Although the younger audience has greater usage of electronic communication, they are less engaged than the older population with higher balances.

The following email campaigns were conducted for employers:

- Employer newsletters sent by the Board staff
- Employer webinar invitations (August, October)

The following email campaigns were conducted for participants:

- Marketing campaign promotional emails – Put Your Heart in It (January, April, July, October)
- Enrich promotional email (March, June, September, December)
- Quarterly newsletter email reminders – sent to participants who have elected eDelivery reminding them the newsletter is available for viewing on the web.
- Early Saver Newsletter sent to young savers encouraging positive financial behavior and highlighting tips and information of interest to younger participants. (March, September)
- Retiree education sent to participants who might be close to retirement age, providing a web link to the Retiree *Rewards* Newsletter. (March, September)
- Beneficiary clean-up emails to participants who have not selected a beneficiary. (May, August)
- Cybersecurity Awareness reminder (June, July)
- Annual Statement eDelivery Opt-in email (September)
- Required Minimum Distribution email (October)
- Webinar announcements, including National Retirement Security Month, sent to promote the web-based seminars offered by Ohio DC. (Monthly)
- Increased annual contribution limit email (December)
- Pro-active retention emails to high balance participants (July, August, September)

Electronic Communication – Web based Seminars/Education

Demand continues for webinars, especially for those participants nearing or in retirement. During 2022, roughly 1,600 participants attended our centrally coordinated webinars. Sessions are focused on mid-career participants, those nearing retirement, and those who are already retired. Webinar recordings are posted to the website to answer participant requests and to watch a webinar for a second time or refer it to a friend. Since webinar attendance was down from 2021, we will be increasing content choices and availability for 2023.

Employer Recognition

Since 2011, the Board has recognized employers who have done an outstanding job as advocates for retirement education, enrollment, and savings levels among employees. Nationwide has worked with Board staff to identify and select candidates. Steps taken to identify and select employers include:

- Calculating an increased percentage in the change of new enrollments.
- Calculating an increased percentage in the change of active participants.
- Calculating an increased percentage in the change of total deferrals.
- Calculating the total percentage of active participants enrolled in the SMarT Plan.

All employers will be featured in the bi-monthly employer newsletter after their award has been presented.

III. Primary Marketing Initiatives

“Put Your Heart in it, Ohio” theme for 2022 *(Strategic Goal 1 & 2)*
The strategy behind last year’s campaign was to remind people what they are saving for: family, future security, and peace of mind – which was depicted with emotion-stirring photography. The theme celebrated midwestern values, letting us speak to the great service and support Ohio DC provides using local resources and people. Photography includes warm, heartfelt close-ups that exude confidence and happiness. Dynamically cropped images depicted family while a subtle heart vignette highlighted the emotional core of the images throughout the campaign.

Headlines were:

- Put your heart into planning for your future.
- Life is about finding balance.
- 5 Steps at the heart of financial wellness.
- Stick with Ohio DC. Keep your money where your heart is.

This campaign was supported by marketing efforts in the following areas:

- Web banners
- Newsletter articles
- Targeted emails to participants
- Videos and presentations online
- Online webinars
- Online scheduling
- Auto features (SMarT)
- Virtual and in-person consultations from Field Account Executives and Retirement Planning Specialists

This campaign will continue into 2023. More information can be found in the 2023 Annual Service Plan.

Phase 1 Tactics (Q1, Jan.-March)

The first quarter campaign was focused on restarting or increasing contributions. More participants than ever tapped into retirement resources during the pandemic just to make ends meet. The kick-off to the campaign recognized that times may have been difficult over the last few years, but redirected the focus to retirement savings for the future. Without the Ohio DC safety net, some participants may have been in much worse shape. The highlights of the campaign included:

- Targeted emails about how to increase or re-start contributions
- Web banner linking to an article about focusing on retirement savings
- Webinars for employees getting closer to retirement to help them make decisions or maximize savings benefits
- Reminders regarding the Enrich financial wellness program

Phase 2 Tactics (Q2, April-June)

The second quarter campaign focused on the importance of asset allocation and diversification. The campaign emphasized the role that appropriate investment decisions play in the overall retirement picture. Communications encouraged participants to review their investments at least once a year and meet with a Field Account Executive for additional assistance. This campaign featured:

- A web banner linking to an article about asset allocation
- Newsletter articles about overall financial wellness and the ability to meet with a Field Account Executive for a one-on-one consultation
- Webinars for both employers and employees on closing the retirement gap, important considerations for those approaching retirement, and how to maximize retirement savings benefits for those who have already retired

Phase 3 Tactics (Q3, July-September)

The third quarter campaign focused on overall financial wellness. This marked the one-year anniversary of the Enrich platform launch. The messaging included another nudge to remind participants to sign up for this free service and to encourage existing users to continue to log progress toward their short and long-term financial goals. The highlights of this campaign included:

- A web banner linking to information on how participants can start their financial wellness checkup
- Newsletter articles about the importance of overall financial health
- Emails with instructions on activating their free Enrich membership
- Webinars for both employers and employees on important considerations for those approaching retirement, and how to maximize retirement savings benefits for those who have already retired. These webinars will feature instructions on how to access Enrich.

Phase 4 Tactics (Q4, October-December)

The fourth quarter campaign focused on asset retention. For younger audiences, the campaign highlighted reasons Ohio DC is the best place to save for retirement including Enrich. For older participants, the focus was on tactics other providers use to entice them to move assets out of Ohio DC at retirement and remind them of Ohio DC's low fees. The highlights of this campaign will feature:

- A web banner linking to information on the advantages of Ohio DC over other retirement plans
- Proactive emails to participants with larger balances (often the target of predatory practices) offering a personal meeting with a Retirement Planning Specialist
- Emails reinforcing the impact of solid financial decisions and financial health
- Webinars for National Retirement Security Month for both employers and employees on closing the retirement gap, important considerations for those approaching retirement, and how to maximize retirement savings benefits for those who have already retired. These webinars also included information on how to access and continue to utilize Enrich.

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Virtual Courtyard
In August of 2021, Nationwide created our first virtual benefits booth to provide to employers who did not have a benefits fair or annual enrollment meeting due to the pandemic. Employees could watch videos, enroll, read literature, or sign up for a webinar. We changed the theme for 2022 to become a “Virtual Courtyard” with more choices of places to visit. This is a great substitute for events like school in-service days where our 13 Field Account Executives cannot possibly cover hundreds of invitations over a two- to three-day period. With well over 5,500 unique visits and 36,000 events, this was a successful project in its second year.

Opt-in Enrollment & Auto-Enrollment
Nationwide has continued to receive significant numbers of enrollment forms from State departments that pass out the Supplemental Retirement Election form for employees to make a yes/no decision about their participation upon being employed by the State of Ohio. This Ohio DC opt-in/opt-out process for State employees was required by State law until auto-enrollment went into effect in July. Now opt-in applies only to agencies that did not adopt auto-enrollment. However, we continue to see the success of the Opt-in process for non-state employers.

There are also several voluntary auto-enrollment programs for employers who have elected to participate in the auto-enrollment process (State Teacher’s Retirement System, School Employees Retirement System, Ohio Public Employees Retirement System, Ohio Deferred Compensation staff, and the City of Marietta).

National Retirement Security Month (NRSM)
The most effective method of reaching participants during this week in October each year is with emails and webinars. Emails drive participants to attend a webinar for additional information. Feedback from participants who attended the webinars was very positive. We are now conducting verbal question-and-answer sessions so all participants get the benefit of hearing others’ questions and the answers. This seems to be a more effective and educational process for learning.

Advertisements for the webinars were posted on the participant website and sent by email invitation to target audiences based on the type of workshop being offered. Below were the offerings for NRSM:

- **“Enrich Your Financial Wellness” –** This is a new webinar focused on the importance of overall financial well-being, free financial wellness resources available from Ohio DC, instructions on how to access the Enrich platform, and a demonstration of some of the most used features of Enrich.
- **“Approaching Retirement” Webinar –** This webinar is for participants who are getting close to retirement. It covers asset allocation, risk tolerance, catch-up contributions, and withdrawal options.
- **“Approaching Retirement – Beyond the Basics” Webinar –** This webinar is for participants who are getting close to retirement but have already learned the basics about Ohio DC. The webinar takes a deeper dive into topics such as asset allocation and retirement withdrawal strategies by providing specific examples and “what if” scenarios.
- **“Retired Minds Want to Know” Webinar** – For participants who have already retired, this webinar discusses lifetime income and asset allocation.

- **“Helping Your Employees Prepare for Retirement”** – This session is for employers only. The session discusses the benefits to the employer of encouraging retirement savings and provides resources from Ohio DC to assist in this effort. We have also modified this presentation to provide an employer look at the Enrich financial wellness platform.

These webinars are also posted online for on-demand viewing.

IV. Successful Completion/Progress on Administrative Projects

Service Center Withdrawal Processing Automation
Over the last year, Nationwide has worked with staff to design and test several withdrawal enhancements on the participant website. Phase one allowed participants to view withdrawal information in their online accounts, but they were unable to make any changes. Phase two, completed in 2022, allowed participants to change tax withholding and/or investment options for an existing withdrawal. It enabled the ability to stop an existing withdrawal online. It also allowed participants who have had an initial withdrawal from their account to request a withdrawal after meeting certain criteria and rules. Utilization of online withdrawals has gradually increased throughout 2022, allowing Nationwide staff and Board staff to be more efficient.

Queue-to-Call Back
Although on most days the Service Center wait time is less than 20 seconds, last year was the first full year in which participants no longer had to wait on hold during busy days in the Service Center. Under certain conditions, participants are offered the option to receive an outbound call from our phone system when their place in line has been reached. This feature has been well received by more than 3,400 participants who used this feature last year.

Fund Transition
On December 9, months of planning and preparation resulted in a successful fund transition approved by the Board in mid-2022. Although unpopular among some participants, these changes should ultimately make future fund changes administratively less complex and less disruptive to participants because there are fewer investment options that would need to be mapped. Communications regarding these changes were extensive, spanning printed newsletters, web banners, web articles, emails, etc.

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V. Conclusion

Last year was an opportunity to rebuild and refocus efforts from reacting to the pandemic to proactively looking for ways to enhance our service model and utilize our resources more effectively. We were able to provide savings to Ohio DC by reducing staffing budget while providing higher levels of service. Through technology enhancements and the reorganization of territories, we were able to do more with less while maintaining high levels of participant satisfaction. The following statistics show our success in both quantitative and qualitative measures:

Enrollments – 17,805 (new record)
SMarT Plan enrollments – 13,957 (new record)
Survey scores – 95% Field Account Executives, 91% Service Center
Employer events – 7,404
Participant contacts (phone, email, on-site meetings, virtual appointments) – 188,545

The 2023 Annual Service Plan will continue to build on previous successes. Each year, Nationwide strives to make incremental adjustments to our service model to create efficiencies and improve the participant experience. Nationwide looks forward to another year of a productive partnership and appreciates the Board's confidence in Nationwide as your partner.

2023 Annual Service Plan

Nationwide has also created a working document that is reviewed at each Nationwide and Board staff meeting to ensure all items on the Annual Service Plan are completed by year-end. This document is included at the end of this Service Plan and is included in each regular Board meeting agenda. It is the basis for the initiatives we intend to accomplish in 2023, but it is also adaptable to needs that arise throughout the year which may alter the course of our marketing campaigns. Examples include legislative changes, fluctuations in the economy, or results from surveys and participant feedback.

I. 2023 Outlook and Opportunities

Those present at the NAGDCA conference in September 2022 attended a very interesting session called, “The Great Resignation: Attracting, Retaining and Valuing Public Sector Talent.” Over the last few years, Nationwide, like most employers, has experienced difficulty staffing Service Center and Field Account Executive positions due to retirements and resignations. In addition, we are now competing for labor across the country and not just in Central Ohio due to remote work capabilities. During the NAGDCA session, there was an hour-long discussion about public employers who are struggling with the same challenges. Both public and private employers are trying to figure out the balance between strict work-from-office policies and overly flexible work-from-home policies. All employers are trying to balance productivity with retention, overcoming rapidly changing attitudes regarding the importance of team building and social interaction at work. It seems far too early to determine the long-term effects this will have on employees’ mental health and workplace tenure.

Beyond the difficulties of filling positions, we are constantly evolving to this new hybrid environment and improving the opportunities to connect with individuals in each of these settings with our field force, marketing efforts, etc. It seems that for office employees, a work-from-home or hybrid environment is here to stay. However, there is still great demand for a local presence for employees who cannot work from home such as public safety, hospital employees, street departments, sanitation workers, city bus drivers, etc. Having key relationships with employers is one of the reasons the plan has continued to grow over the years. Record labor shortages and a changing work environment are likely about to collide with an economic recession. This presents a new opportunity to collaborate with over 2,000 employers to develop custom solutions centered around a common challenge.

Nationwide and Board staff continue to invest in services needed to enhance and improve the participant experience such as greater web functionality, more convenience, less paper, and more ways to connect with a member of our service team when needed. This Service Plan will highlight the customer-focused strategies we expect to deliver in 2023.

II. Communications

Last year, we shared data from Ohio DC's own surveys of participants by the independent research firm, "Communications for Research." Below are several key observations from the participant survey conducted last year regarding participant expectations around the service model:

- Prior to the pandemic our goal was to answer 80% of calls in 20 seconds or less. The recent survey indicated that only 6.5% of respondents expected their call to be answered in less than one minute.
- Roughly half of those surveyed indicated they expected to make an appointment with their local representative in the next 12 months. 50% of females preferred an online or virtual appointment vs. only 34% of males. Respondents over age 40 were more likely to desire an in-person meeting.
- Only 7% of participants responding to the survey said they would be willing to pay increased administrative fees for longer telephone hours.

For 2023 and beyond, you will see an adaptation of our service model and marketing strategy to exceed these expectations and utilize resources in a more efficient manner. Retirement planning often competes for time with other priorities for an individual or their family. The dollars required to save for retirement are certainly in competition with dollars required for other resources, and the capacity to digest communications is in competition with the thousands of messages consumers are required to filter as they bombard our email, web browsers, and mailbox.

Ohio has roughly 750,000 public employees with employment diversity and geographic diversity. To provide services to cover all of these individuals among the 2,000+ employers, we must offer a variety of methods to communicate with participants and vice versa. All the following are recommended by NAGDCA as best practices for communication in a supplemental retirement plan:

- ✓ One-on-one counseling (Nationwide has 13 Field Account Executives to provide local service, 2 Retirement Planning Specialists for those nearing or in retirement.)
- ✓ Web-based tools
- ✓ Call centers (Nationwide offers a dedicated call center for Ohio DC participants.)
- ✓ Quarterly statements and newsletters (Ohio DC staff produces high-quality statements and partners with Nationwide to create informative newsletter content for all participants, as well as targeted groups like employers, retirees, and early savers.)
- ✓ Group education (Nationwide offers on-site and virtual group education and group webinars as well as content from the Nationwide Retirement Institute.)
- ✓ Social media (Ohio DC maintains a LinkedIn profile.)

In-person
- Retirement education
- Group meetings and seminars
- 1:1 consultations

Over-the-phone
- Retirement education
- Needs assessment
- Personalized investment education

On-line
- Interactive financial tools and calculators
- Education videos
- Mobile Responsive website
- Virtual/video meetings
- Financial wellness

Direct marketing
- Marketing campaigns & programs
- Email
- Social Media

Nationwide and Board staff utilize these resources to service participant accounts and increase participation.

The following communication activities are planned for 2023:

Face-to-Face Communication - Local Employee & Employer Services *(Strategic Goal 1)*
Our service model has expanded due to capabilities developed in the early phases of the pandemic. While most interaction has reverted to in-person meetings at the employer worksites, we are able to conduct workshops and account reviews remotely over the phone or via video conference. This is particularly useful in urban areas where many employees are still either permanently working from home or are working in some type of hybrid model. Whether in-person or virtual, the personalized and focused attention during meetings with our Field Account Executives always scores well in the participant survey. Since the meeting times are typically much longer than the average phone call, we are limited in the number of participants we can reach in that manner. Because so many participants approach retirement planning and investing with some measure of fear and anxiety, person-to-person communication goes a long way toward building confidence.

NAGDCA also maintains that it is important to provide neutral representatives; individuals who are not there to sell a specific product, but rather to educate and explain the value of the plan. None of our representatives work on commission, but are instead provided with some incentives to encourage people to save money for retirement, visit thousands of worksite locations, and other incentives to provide excellent service, which has been proven by survey scores from the third-party survey provider.

Field Account Executives, who normally visit thousands of public worksites each year, are experienced in adapting their approach to various segments of the population.

- Eligible employees – inform non-participating employees about the benefits of Ohio DC and drive them to enroll. We will continue to leverage Salesforce.com, Microsoft Bookings, and Timetap.com to maximize our on-site and virtual visits where we have the greatest opportunities. In addition, we will continue to build partnerships with emerging employers like schools and universities to maximize those visits.
- New enrollees – deliver a personalized "Welcome Experience" that introduces new enrollees to Ohio DC and informs them of the tools and resources available to them.
- Young and Mid-Career Savers – engage participants so that they continue saving for retirement as they manage multiple needs based on their life stage (e.g. saving for their child's college tuition, saving for their retirement, supporting a parent, etc.)
- Pre-Retirees (In Transition) – help pre-retirees plan for their transition from working to retirement by helping them understand their options as they convert their savings into retirement income. Also, offer them the resources of a Retirement Planning Specialist who can work with them to create a more personalized retirement income outlook.
- Retirees – remain committed to offering resources to retirees by educating retirees in person and over the phone.

Despite the Ukraine invasion, supply line disruption, inflation, extreme market volatility, and the remnants of a global pandemic, we have been able to continue to grow the Program. This is partially due to the way we conduct business with employees and employers:

Simplification - Our representatives continue to provide participants with the tools to make informed retirement decisions, including new employee enrollment, participation in the SMarT automatic increase plan, and walking participants through the My Interactive Retirement Planning tool. In decades prior, the majority of new enrollments were generated from the single-page EZ enrollment form or the single-page Opt-In form, which further supports the theory that communications need to be simplified. Our Field Account Executives have also been successful encouraging non-State employers to distribute the Opt-In enrollment form, with over 200 employers voluntarily participating in this process. In 2020, the web enrollment process became vastly simplified. Most enrollments are now completed on the website, which is faster and provides less possibility for error. Field Account Executives can enroll participants online or assist them with a self-service enrollment. We are also starting to see the first State of Ohio auto-enrolled participants have their accounts created on the Ohio Recordkeeping Information System (ORIS).

Ease of Scheduling - Visits to employer locations or virtual visits are primarily advertised by email, though some employers still prefer to use printed materials like flyers and posters. Demand for printed materials has picked up slightly in recent months due to more on-site visits being conducted, but paper is much less utilized than it was a decade ago. More employers have become comfortable promoting our online scheduling tools. These tools allow the employer to email all employees to sign up for a convenient meeting time. The comments section also allows the Field Account Executive to preview their workday and be prepared to answer the unique questions of each employee listed. This has resulted in much more efficient scheduling and in many cases, has doubled the number of participants choosing to meet with a Field Account Executive. In case of a "no-show" it also provides us with contact information for the employee so we can follow up by email, send them an enrollment form, or link them to our website. This turns an otherwise wasted block of time into a productive outcome. Participants can also go on our website to schedule these appointments.

Efficiency - Typical participant appointments last 20-30 minutes and allow the Field Account Executive time to lookup an account on ORIS and review it with the participant. The access to ORIS has provided Field Account Executives with enhanced information to be able to assist participants without having to make a call to our Service Center. Action steps such as contribution increases, allocation changes, or beneficiary updates are completed onsite. Field Account Executives also have the ability to record voice transactions like investment exchanges. Whether in person or in a virtual setting, Field Account Executives are also able to demonstrate web tools, perform transactions, walkthrough web calculators, such as the My Interactive Retirement Planning Calculator, or provide a variety of resources to help answer questions and illustrate retirement savings concepts like the SMarT Plan for automatically increasing contributions each year.

Collaboration - Our Field Account Executives and Retirement Planning Specialists currently partner with each of the pension systems to take part in their outreach activities. In recent years, the most active pension system with regard to outreach has been State Teachers Retirement System and the Ohio Highway Patrol Retirement System. Both organizations have included Ohio DC as a regular part of their outreach efforts across all stages of the participants' career. They have also expanded their focus on retirement planning outreach. Retirement Planning Specialists have been asked to participate in special events where a large group of people may be retiring at the same time or those events designed for retirees like Ohio Public Employees Retirees Incorporated (PERI). Recent discussion with OPERS about collaboration on their on-site seminars and webinars have been very encouraging and we have already made commitments with OPERS in 2023.

Face-to-Face Communication – Service Center Counseling *(Strategic Goal 1)*
Our Service Center accepts appointments for both virtual and in-person retirement planning services needs. By requiring appointments we are able to make sure the participant is speaking with the appropriate person to meet their needs. This has eliminated time wasted by a Retirement Planning Specialist just to answer a simple question or print an account statement, which is something that can be done by the Service Center staff. For those participants who simply wish to drop off paperwork to our local office, we have established a lobby drop-box.

Nationwide is reviewing services provided by Retirement Planning Specialists in 2023 and is evaluating new financial planning software and a more comprehensive approach to these meetings which would enhance the value provided to Ohio DC participants. Some of the basic topics currently covered by Retirement Planning Specialists in these meetings include:

- **Withdrawals:** Help determine how long a certain payment plan might last. Review the advantages of a 10-year payment plan from a tax-withholding perspective.
- **PLOP (Partial Lump Sum Option):** Review the pros and cons of taking a PLOP from their defined benefit plan and rolling it to Ohio DC.
- **Paying Off Debts:** Review tax-efficient debt reduction strategies and prioritize the debt to be eliminated based on financial principles.
- **Tax-Minimization Strategies:** Discuss withdrawal options that are tax-effective and provide the maximum benefit.
- **Asset Allocation in Retirement:** Discuss and implement an investment strategy that fits participants based on their age, objectives, and risk tolerance. Use the Wilshire asset allocation models and a quiz to help define goals and a personalized investment mix.
- **Pre-retirement and Post-Retirement Income:** Help answer the question, "Can I Afford to Retire?" Review current "living income" with expected income in retirement. For participants who might be approaching retirement, suggest ways to close their income gap.
- **Required Minimum Distributions**: Assist members over 72 years of age with IRS required payments. Many customers in this age group prefer meeting people in person, and this local visit makes it easier for them to do so.
- **Retire/Re-Hire:** Explain options available when there is a desire to continue work after retirement. Review tax-saving options and typical concerns for this unique demographic.

- **Participant/Spouse Income Sources:** Put together retirement income from Social Security, public pension(s), personal savings, IRAs, and Ohio DC.
- **Pension Maximization:** Discuss the potential use of insurance to assist with income needs for participants and beneficiaries. Pension plan withdrawal options combined with low-cost term insurance might provide necessary coverage for the participant's heirs. Assist with analyzing the decision to purchase service credit for their pension.

We will continue to expand our reach and will offer the ability to meet virtually or face-to-face with a broad audience from all across Ohio. One of the resources we use most frequently to contact a significant number of participants is email. However, not all messages can be used for the entire participant base, which is why we conduct targeted email campaigns. Targeted electronic messages can be tracked, measured, recorded, and analyzed immediately to allow us to increase the effectiveness of future campaigns. Electronic communications reach the participant and employer via the website, emails, and webinars.

Electronic Communication – Email *(Strategic Goals 1 & 2)*
The plan for 2023 currently involves approximately 50 employer and participant emails promoting various events throughout the year and encouraging financial behaviors in the best interest of participants. We can add or delete emails throughout the year as needed in order to react to market volatility, increased plan limits, Board action, or legislative changes. We anticipate this will increase due to expanding webinar offerings in 2023. We continue to strengthen our email address list and currently have over 183,000 email addresses on file. Measurement is also an important component of the communication plan. Industry email open rates are rising, but Ohio DC email open rates are rising faster. Ohio DC's email open rate of 51% is a huge jump from the prior year and roughly double the industry average according to Campaign Monitor's 2022 statistics which show open rates of 27.1% for financial services. As with other facets of Ohio DC, communications targeted at older participants or those with higher balances are getting the most attention. Younger participants are less engaged. To appeal to younger audiences, we annually send an *Early Savers* newsletter with topics that would be more likely to appeal to a younger audience.

Nationwide will also be expanding targeted messages to school employees. This will occur at the local level with Field Account Executives advertising a webinar series to take place on school holidays and teacher in-service days. School employers continue to represent Ohio DC's greatest opportunity for growth since these employers have very low participation rates and large numbers of competing plans. This sector has slowly risen in participation over time but remains our greatest opportunity for enrollment and asset growth.

We continue to send special communications to keep retirees in the loop. Distributed in March and September, the *Rewards* newsletter is designed for participants over age 50. Articles are generally written by the Retirement Planning Specialist team and reflect common questions or concerns that arise from their thousands of appointments each year with retirees. Our Retirement Planning Specialists meet with people approaching retirement and those who have already retired. Using common questions and discussion items from these meetings, the Retirement Planning Specialists write articles designed to answer questions and capture the attention of retirees.

Nationwide is required by law to maintain a “do not call” and a “do not email” list to comply with anti-spamming regulations. Emails to participants cover topics such as quarterly statement notifications, account retention, and webinar announcements. Messages are altered based on the anticipated appeal to a target age range, account circumstances, or other demographic information. For a complete list of all the planned emails in 2023, refer to the Marketing Checklist following this document.

<u>Electronic Communication – Multimedia *(Strategic Goals 1 & 2)*</u>
The following multimedia features are currently available:

- Seventeen Retirement Basics videos (13 new videos)
- Two Professor Penny videos
- Two Ohio DC overview videos
- Two comprehensive Healthcare and Social Security videos from Nationwide Retirement Institute
- Four recorded webinars conducted by Retirement Planning Specialists

<u>Electronic Communication – Website *(Strategic Goals 1 & 2)*</u>
We continue to promote the “My Interactive Retirement Planner” tool to both existing participants and potential new enrollees, as the tool does not require login credentials. It allows users to incorporate pension estimates from the Ohio public pensions (including various groups), spousal information, and outside assets to help participants gauge their retirement readiness and close the retirement gap. We have incorporated this tool into meeting announcements, account reviews, webinars, and phone conversations. We also developed a flyer and email template that highlights the benefits of this tool.

In addition, Nationwide offers other web tools such as a Roth Analyzer, My Health Care Estimator, Asset Allocation Tool, Paycheck Impact Calculator, and Payout Illustrator Calculator. Our Account Executives also have a variety of other tools at their fingertips to help participants make informed decisions about retirement plan fees, the SMarT Plan, tax withholding, and required minimum distributions.

<u>Electronic Communication – Web based Seminars/Education</u> *(Strategic Goals 1 & 2)*
Nationwide has currently scheduled 20 centrally-coordinated live webinars in 2023 focused on employers, mid-career employees, participants nearing retirement, and those who have already retired. *GoToWebinar* and *Microsoft Teams* allow us to reach a large audience and answer live questions during the broadcast. Once we have updated our webinar platform, we anticipate significantly increasing our webinar offering; potentially doubling or tripling current offerings. Participant feedback has been very positive with minimal technical difficulties reported by participants.

Individual Field Account Executives are also offering smaller webinars using *Microsoft Teams* for specific employers in their territory each week.

For those who cannot attend a live webinar, pre-recorded webinars are available on the website. We also know that some employers promote our webinars as "lunch and learn" events and often have multiple participants watching on a big screen. Webinars have become a very efficient way to communicate with participants across the state, many of whom may not otherwise have opportunities to meet with our representatives due to their remote locations. For a listing of all the webinars currently scheduled for 2023, please see the 2023 Marketing Checklist following this document.

<u>Electronic Communication – Virtual Courtyard</u> *(Strategic Goals 1 & 2)*
In 2023, Nationwide will enhance and redeploy the new Ohio DC Virtual Courtyard which is a virtual destination for employers who did not have interaction with Ohio DC at a benefits fair or annual enrollment meeting. Employees can watch videos, enroll, read literature, or sign up for a webinar. We hope to further improve on the great success of more than 5,500 unique visitors and the 36,000 events in the Virtual Courtyard last year.

<u>Employer Engagement & Recognition</u> *(Strategic Goal 1)*
At the October 2022 Board meeting, the Board voted to recognize eight employers for their outstanding attitude toward retirement savings and the results they helped produce in terms of new enrollments, number of active participants, and percentage of active participants enrolled in the SMarT Plan. We will continue to bring recommendations to the Board for employer recognition in our attempt to increase employer engagement. Employers honored with a Board resolution will receive a framed resolution and recognition in the 1st Quarter 2023 participant newsletter and the 2nd Quarter employer newsletter.

<u>Written Communication - Marketing Materials *(Strategic Goal 1 & 3)*</u>
Nationwide maintains about 30 different printed pieces. The entire catalog of printed material and forms maintained by the Board staff is closely examined every six months so that all requested changes from Nationwide and the Board staff are made during the revision and redesign process. Most printed pieces have a 15-18-month lifecycle except for those materials that contain outdated performance, contribution limits, or become obsolete due to legislative changes. Samples of any of the marketing materials can be provided to the Board upon request.

Although printed materials are decreasing in popularity, we still maintain a library of materials to grab participants' attention and encourage them to attend a workshop or schedule a one-on-one meeting with our Field Account Executives. Our system called **"Marketing Works,"** provides the opportunity to personalize material with the name and photograph of the local representative, and is an organized presentation of professional-looking, compliance-approved announcements. In addition, these can be emailed to employers in a PDF format so they can distribute the same material electronically.

OHIO DEFERRED COMPENSATION

III. Primary Marketing Initiatives

“Put Your Heart in it, Ohio” ongoing theme for 2023 *(Strategic Goal 1 & 2)*
Due to a branding refresh project currently in-process, the primary theme for a portion of 2023 will remain the same as 2022. The strategy behind this year’s campaign is to remind people what they are saving for: family, future security, and peace of mind – which can be depicted with emotion-stirring photography. The theme celebrates midwestern values, letting us speak to the great service and support Ohio DC provides using local resources and people. Photography will include warm, heartfelt close-ups that exude confidence and happiness. Dynamically cropped images would depict family while a subtle heart vignette will highlight the emotional core of the images throughout the campaign.

Sample headlines may be:

- Put your heart into planning for the future.
- Here in Ohio, we give it our all.
- We’re here for all you put your heart into.

This campaign will be supported by marketing efforts in the following areas:

- Web banners
- Newsletter articles
- Targeted emails to participants
- Videos and presentations online
- Online webinars
- Online scheduling
- Auto features (SMarT)
- Virtual and in-person consultations from Field Account Executives and Retirement Planning Specialists

Resource usage can be measured by examining the number of visits to various online tools, time spent per website page, attendance at webinars, average telephone talk time, number of meetings with participants, and the number of meetings with Retirement Planning Specialists.

When deemed appropriate by Nationwide and Board staff, we will begin a brand refresh which is expected to take about a year to complete. These four main opportunities will be the focus of our marketing efforts in 2023:

- Brand refresh
- Retention of accounts of retirement-age participants
- Account Engagement
- Financial Wellness Adoption

OHIO DEFERRED COMPENSATION

Nationwide's marketing team is looking to assist Board and staff with a refresh to the Ohio Deferred Compensation's brand with a focus on the following parameters:

- Bring a modern and simplified approach to the brand while maintaining its iconic & distinctive pieces
- Show that Ohio DC is evolving even though so much time has passed since its last brand refresh
- Convey that Ohio DC is staying up to date in today's financial world as well as in the way participants consume information (quick and to the point)

<u>What do we want the audience to know?</u>
We want participants to know that Ohio DC is in touch with today's evolving financial world by modernizing its look and feel. As we approach the brand refresh, we still want participants to recognize their Plan. It should be subtle, yet noticeable enhancements that show that Ohio DC is up to date.

<u>What do we want the audience to feel?</u>
We want participants to feel that Ohio DC is a brand they can trust with their life savings. We also want participants to see Ohio DC as an established, recognizable brand.

<u>Why should the audience care?</u>
We want participants to see that Ohio DC takes its brand history and stability seriously as it looks to the future and modernizes itself. Ohio DC is the same plan they can trust as the market continues to change – but with an updated look.

<u>Brand attributes</u>
Character attributes express the brand's core values. When target audiences think about Ohio Deferred Compensation, we want the following attributes to come to mind:

- **Helpful**
  I know that Ohio DC will help me make smart financial decisions every step of the way on my path to retirement readiness.

- **Authentic**
  I can tell that Ohio DC respects hard-working public-sector employees like me. They communicate in a relatable way and don't talk down to me.

- **Empowering**
  Ohio DC has helped me see my own potential and motivated me to set goals. I'm excited to stick with the plan and watch my savings grow over time.

- **Assuring**
  I trust Ohio DC to protect my savings and make decisions based on what's best for me. It feels good knowing I have a partner I can count on.

- **Clear**
  I appreciate that Ohio DC simplifies the complex world of retirement planning, making it easier for me to understand.

- **Adaptive**
  I'm confident that Ohio DC is keeping pace with the times. I see them innovate and modernize to make sure I have up-to-date information and the latest tools.

- **Representative**
  My colleagues are Ohioans of all walks of life and at every career stage. I like that Ohio DC takes care to reflect the rich diversity of our state in the materials I see.

Nationwide and staff have already produced sample logo updates, tagline, updated color palette, and imagery to support the new brand. Development is ongoing and may take a year or more to fully launch the brand refresh. Since this is a major undertaking, it was decided that we would continue the primary marketing theme that began last year, "Put Your Heart in it Ohio," since this theme was part of the inspiration for the brand with a focus on people and families.

Retention

Participants do not fully understand their retirement options and prefer to avoid complexity. We intend to proactively engage employees transitioning to retirement and encourage them to take advantage of Plan benefits post-retirement. In 2023, we will expand our retention efforts and offer compelling reasons to stay with Ohio DC. Retention tactics will include:

- Stay In Plan email to highlight services, low fees, resources and tools (including Enrich)
- Stay In Plan postcard for those without email or who have opted out of e-Delivery
- Lunch & Learn presentations to highlight low fees and flexible withdrawal options
- Web banners linking to retention content on the participant website
- More offerings for webinars for pre-retirement and retiree groups than last year since the 2022 offerings were successful
- Additional webinar topics to be offered in 2023

Account Engagement

Account engagement comes in many forms, but in 2023 we would like to focus on encouraging more participants to update their beneficiaries and complete their online account profile settings for security reasons. There are common misconceptions that by not setting up an online account, you can keep your information secure. The opposite is true. Hackers like to try to gain access to online accounts that have not been set up so they can control contact points such as email addresses and telephone numbers. This means some people who are trying to be extra careful are actually leaving themselves open to becoming a victim of identity fraud. For 2023, we will conduct the following activities to increase account engagement:

- Send emails to participants with an email address on file to update beneficiaries on their account
- Include information about current beneficiaries in annual statements
- Send emails to participants with an email address on file to create an online profile
- Include information about online profile security in the participant newsletter

Financial Wellness Adoption

Overall financial wellness through the Enrich platform will once again be part of the message for 2023. We recently expanded our offering of Enrich webinars at the employer and employee level. We will continue to offer new webinars for Enrich while continuing to promote the wellness platform through participant emails and Field Account Executive demonstrations. Messages regarding financial wellness will continue to be incorporated into the primary marketing campaign for 2023.

Strengthening Peer Relationships *(Strategic Goal 2)*
Education is a relationship-based profession relying on peer recommendations. There may be opportunities to strengthen the partnership with Ohio STRS and with some Ohio colleges and universities that have chosen to consolidate retirement plan providers. Ohio DC has remained one of the providers in an environment with fewer competitors. Our plan for 2023 will be to continue to seek meetings with teacher's union leadership and lay the groundwork for meetings with large school districts either virtually or in person, pilot new solutions with those districts, and refresh our approach to enrolling school and university employees. Given that traditionally high-touch service models of local brokers have likely been hindered by the pandemic, Ohio DC may now be in a better position to increase market share.

Opt-in/Opt-out process *(Strategic Goal 1 & 2)*
Now that auto-enrollment legislation has passed, the focus of the opt-in/opt-out process will need to change. Field Account Executives will continue to meet virtually, or in-person, with non-State employer contacts throughout the year encouraging them to adopt the Opt-in/Opt-out election form. More than 200 different employers have used this form at least once, although it was only required by the State prior to the auto-enrollment process. The auto-enrollment process will replace Opt-in enrollments for certain State agencies.

National Retirement Security Month (NRSM) *(Strategic Goal 1, 2, & 3)*
As described previously, offering webinars has proven to be a successful and efficient method to educate participants. Nationwide will continue to promote and offer on-site education and webinars during NRSM. Details of this campaign will include:

- Email announcements to participants regarding webinars with instructions on how to register for the events.
- Follow-up emails after the webinars with any additional information requested.
- Information on how to view a webinar recording.
- Promotion of online educational videos and planning tools.
- News articles will be provided to unions and associations who are willing to include our message in their communications to members.

IV. Service Model

<u>Staffing Model</u> *(Strategic Goal 1 & 5)*
The Nationwide staff assigned to Ohio DC has always been 100% dedicated to Ohio DC. Each employee is fully integrated into the service model and uses the Ohio DC brand in all interactions with employees, employers, and participants. This integration is the key to seamless service for the participants and employers. Our service model incorporates a mix of automated services via the website, as well as personal service from Account Executives over the phone, in person, or in a virtual environment.

Despite economic uncertainty, we continue to see significant growth in new participant enrollments. We will continue to evaluate the territory changes we made last year. These changes were designed to become more efficient; converting windshield time to time spent with participants and employers. We hired three new Field Account Executives and made territory changes for all the tenured representatives.

Hiring, training, and staffing was, once again, the focus for 2022. Those hired toward the end of 2022 will have training and licensing progress well into 2023. Labor shortages continue to affect our business, but we feel confident in the recent associates that have been hired. Conducting training in the office versus remotely has helped improve attrition rates. This process of hiring, training, and licensing a representative can take six months before each associate is fully contributory. Our goal for 2023 will be to use increased flexibility in our staffing model to staff up for busy season and reduce hiring during the summer months, which saves the Board and participants money by reducing the staffing budget.

Since the training curve is so long, Nationwide is responding to the urgent need for resources by shifting some of the Plan growth and relationship activities performed by our Field Account Executives to Service Center work. Field Account Executives have been provided with call center equipment that allows their calls to be recorded, allowing them to perform transactions and assist participants in new ways. Several days per quarter, each representative will assist the Service Center, while still proactively communicating with employers, scheduling account reviews with participants, and conducting virtual group presentations.

Similar to the redirection of resources by Field Account Executives, our two Retirement Planning Specialists are conducting one-on-one retirement counseling and assisting our Service Center with administrative workflows and email correspondence from participants.

<u>Fraud Prevention/Intervention</u> *(Strategic Goal 5)*
Nationwide purchased Pindrop® software to assist with fraud identification. Pindrop® was implemented for Ohio DC in October of 2018. The software provides a risk score and call intelligence to our operations department in the first few seconds of each call. The risk score, along with the analysis of the caller's voice, device, and behavior, is provided to Nationwide's fraud analysis team for further investigation. If the call's risk score exceeds a certain threshold, the fraud analysis team contacts a manager at the Ohio DC Service Center to review the call, compare it to previous call recordings, and analyze the request of the caller to determine next steps.

We will continue to use this as a backup measure for our security protocols and account verification during all calls. Although no security methods are completely fool-proof, this is one more way that Nationwide is adding value to Ohio DC by helping to secure participant information and dollars in their accounts.

Quality Management

Nationwide is rolling out an exciting new call management solution for 2023. Rather than old methods of manually listening to and scoring a limited sampling of calls, the quality management solution will evaluate 100 percent of the calls in the Service Center. After transcribing the speech into text, artificial intelligence and machine learning can be used to auto-score every call. By analyzing every call, the leadership team will develop a more comprehensive understanding of each Account Executive’s performance. Sample size will no longer be an issue, and evaluations and training will be focused on the Account Executive’s performance. Automated scoring will also remove bias and reduces the likelihood of human error by automatically evaluating calls based on a set of consistent, objective criteria.

As the software evaluates the words spoken by both the Account Executive and the participant, it can also interpret tone, empathy, responsiveness, positivity, confidence, and more. It can also alert the leadership team if basic behaviors have not been met such as providing financial advice or failing to validate the caller before proceeding with the call. The end result is a scorecard for each Account Executive that provides a specific and meaningful focus for training and improvement while giving the manager specific focus areas or specific recorded call segments to replay with the Account Executive as a learning tool.

Enhanced Training for Existing Staff *(Strategic Goal 1, 3, & 5)*

Service Center turnover and promotional opportunities reinforce the need for a strong cross-training program and frequent succession planning by Nationwide management staff. We will continue to enhance training and development in 2023 with the following:

- Shadowing–Succession planning and development begins with a willingness to allow shadowing within the organization. This gives team members an opportunity to sit with more experienced staff in roles of increasing responsibility to learn about their jobs. It also allows Nationwide staff from other business units to learn about Ohio DC and can serve to attract new talent.
- Holiday training days–There are very limited opportunities throughout the year to conduct Service Center training for all staff members. Closure of the Service Center for stock exchange holidays provides a great opportunity for staff training. Utilizing these holiday closures minimizes the interruption and inconvenience to participants.
- Field Account Executive training–Nationwide will bring all Field Account Executives together for in-person or virtual training and staff meetings twice per year.

- iDrive development/LinkedIn Learning–Nationwide offers hundreds of developmental courses online. Leadership supports scheduling time to allow associates to develop new skills and stay current with regulatory requirements.
- eDevelopment–Nationwide will assist associates with a formal development plan for personal and career growth. Leadership is required to oversee this process.
- Succession planning–Nationwide leadership will hold monthly succession planning meetings to ensure we have backup plans in place for staff turnover.

New Employee Training *(Strategic Goal 1, 3, & 5)*
During the first few weeks of employment, new staff members will learn the business flow of the office, including processing paperwork. We then begin to train them on several specific call types related to telephone prompts one and two, which are for withdrawals and website help. They are provided with a call "library" to listen to. These calls include recorded video training sessions for new associates to watch. During the time they are training on these initial call types, each new staff member will be studying for their FINRA Securities Industry Essentials exam and their FINRA Series 6 licensing exam. Each new Account Executive is also paired up with an experienced associate to help tutor and mentor them outside of peak call hours.

After new Account Executives have completed their licensing requirement, they begin listening to all types of recorded participant phone calls divided into categories. This process helps them learn how a call should flow and provide the opportunity to lead a participant through each process and answer their questions. After they have a basic understanding of the call flow, they will begin all-day training sessions with the team lead, peers, and the Service Center manager. Also, each new Account Executive will sit with a Retirement Planning Specialist and a Direct Marketing Account Executive to gain an understanding of the entire Service Center operation.

Hands-on Service Center training continues with the Account Executive listening to live calls and completing follow-up paperwork. New representatives will also spend time in the Board office to meet the Executive Director and to learn the workflow and responsibilities of Board staff. After several weeks of shadowing other Account Executives in a pre-defined rotation and asking detailed questions, a trainee may begin taking calls under the supervision of the trainer or the Service Center team lead. Not until they have a proven working knowledge of Ohio DC will they be permitted to take calls on their own.

Ongoing Training and Performance Management *(Strategic Goal 1, 3, & 5)*
Ongoing training exists in the form of classroom technical training, personal skills training, mentoring, and on-the-job learning from peers. Nationwide values personal development and offers a variety of resources to help improve job performance and career advancement. Managers review random recorded calls taken by our Account Executives for quality and training purposes, but this process is being revised to coordinate with the new quality management software.

Field Account Executives are not generally part of the office environment. Due to the nature of their jobs, they would normally be traveling to different worksites each day, providing fewer opportunities to attend formal training classes. However, they are evaluated and reviewed by management several times per year in a variety of settings. Management also carefully reviews verbatim survey comments for any opportunities to improve performance. For 2023, Field Account Executives will continue to assist the Service Center by answering incoming calls to help assist with higher call volume during peak season.

Weekly team huddles and monthly conference calls with Field Account Executives ensure representatives are kept updated on any changes. Guest speakers from Ohio DC's investment managers and an economist often attend these meetings to discuss fund updates or provide an economic overview. An annual meeting of all Field Account Executives across the country typically occurs in January. This conference allows us to share and learn from our peers in other areas of the country, especially large multi-employer plans. Field Account Executives also conduct peer-to-peer shadowing on occasion to share ideas and learn from each other's experiences.

Formal performance reviews are conducted twice per year and determine employee compensation and career development, while individual coaching and feedback occur much more frequently. The Service Center routinely holds small group meetings with staff members about once a month. Each report provided by Nationwide to the Board describes training topics discussed with staff every two months.

Training Manual *(Strategic Goal 1, 2, 3, & 5)*
All training manuals and procedure manuals are hosted on an internal website so everyone in the office is accessing the same, current documents for use with participant calls. These procedure documents are also available to Field Account Executives. All team members also have access to pre-recorded video training sessions by our experienced Team Leads to expedite the training and onboarding process, while minimizing the time needed from leadership to conduct training sessions.

Quantitative and Qualitative Service Goals *(Strategic Goal 1, 2, 3, & 5)*
Nationwide and Board staff believe participant satisfaction is very important. We record all calls so that we can use these calls for training purposes and to help address areas where we could have worked harder to improve the participant experience. The Board evaluates Nationwide's performance based on survey results. Recent survey scores have trended higher in the past few years. The focus of the survey measures satisfaction with the Service Center, Retirement Planning Specialist services, and field worksite visits.

Collaboration with Other Large Defined Contribution Plans *(Strategic Goal 1, 2 & 5)*
Nationwide remains the largest deferred compensation provider ranked by the number of plans. This puts us in a unique position to serve some of the largest and most complex plans in the country. Several years ago, Nationwide created a single “Large Plan” team that includes staff servicing Ohio Deferred Compensation, the Maryland Teachers & State Employees Retirement Plans, New York State Deferred Compensation Plan, the Kentucky Deferred Compensation Plan, and the California Savings Plus Plan. Through frequent meetings and conference calls with other leaders from large plans, we continue to share best practices to benefit all plans including web content, marketing materials, outreach meetings to participants, etc. These plans are all leaders in the public sector defined contribution industry.

Disaster Recovery *(Strategic Goal 2 & 5)*
Each year Nationwide evaluates its Disaster Recovery Plan to ensure our operations can continue during a catastrophic disruption of the business. As part of Nationwide’s contract, we are responsible for providing information on our full-scale Disaster Recovery Plan for the Service Center and auxiliary Nationwide services. This plan is reviewed by our Business Continuity team.

A more likely scenario than a full-scale disaster is a temporary loss of power or communication. We previously used our building at 10 W. Nationwide Blvd. in Columbus as a staging area for short-term disruptions. However, we now have the full capability of all associates to work from anywhere with an internet connection. Using our phone system, an Account Executive can login and begin taking calls from anywhere in the country through a Virtual Private Network.

Strict Adherence to Financial Industry Regulatory Authority (FINRA) Requirements *(Strategic Goal 4 & 5)*
Nationwide actively monitors both federal and state legislation as it applies to our businesses, business partners, customers, and employees. For the purposes of Ohio DC, Nationwide provides and monitors the activities, marketing materials, and communications used by its Registered Representatives. Nationwide Investment Services Corporation (NISC) Compliance manages the compliance program. NISC Compliance is responsible for providing the oversight of NISC’s business lines.

National Retirement Security Month (NRSM) *(Strategic Goal 1, 2, & 3)*
As described previously, offering webinars has proven to be a successful and efficient method to educate participants. Nationwide will continue to promote and offer on-site education and webinars during NRSM. Details of this campaign will include:

- Email announcements to participants regarding webinars with instructions on how to register for the events.
- Reminder emails for registrants.
- Follow-up emails after the webinars with any additional information requested.
- Information on how to view a webinar recording.
- Promotion of online educational videos and planning tools.
- News articles will be provided to unions and associations who are willing to include our message in their communications to members.

V. Special Enhancements

Online withdrawals *(Strategic Goals 2 & 5)*
Over the last year, Nationwide has worked with staff to design and test several withdrawal enhancements for the participant. These changes are taking place in phases. Once complete, they will fulfill a participant demand that has existed for many years; the ability to take withdrawals using their online account.

Phase one allowed participants to view withdrawal information on their online accounts, but they were unable to make any changes. Phase two allowed participants to change tax withholding and/or investment options for an existing withdrawal. It enabled the ability to stop an existing withdrawal online. It also allowed participants to request a withdrawal meeting certain criteria and rules as long as it was not the first withdrawal from the account. Phase three will be rolled out first quarter 2023. This phase will allow participants to add or change their direct deposit information, assuming their bank participates in the “JP Morgan Early Warning Real-time Payment Check Service” with the Account Owner Authentication process.

Auto-enrollment *(Strategic Goals 2 & 5)*
The auto-enrollment project was completed over the summer allowing participating state agencies to auto-enroll all new employees. Since there is a waiting period before the first contribution is withheld from pay, the very first participants from the auto-enrollment period began hitting the books in November of 2022. Nationwide will be working with the Board staff to track auto-enrollments and compare them to the three previous years’ enrollment numbers for state employees to determine the number of additional employees captured by the new auto-enrollment process. Since some of these employees may have enrolled on their own, we would like to track the benefit of auto-enrollment as accurately as possible.

VI. Service Plan Conclusion

The Annual Service Plan takes into account a significant portion of the activities that will take place during 2023. However, the plan will remain flexible for any crisis or as a result of legislative or regulatory changes. The marketing theme for the year, “Put Your Heart in it Ohio,” will help re-focus participant attention on retirement savings and a continuation of the Enrich financial wellness platform education. Strategies for marketing will incorporate a variety of messages through print, electronic media, virtual meetings, and face-to-face meetings.

Changes made throughout the year to the approved campaign are always discussed with the Board staff in progress meetings held at least once a month. Measurement for these activities is also reported monthly to Board staff.

2023 Marketing Checklist

	Target Date	Completed Date
Employer Emails		
Employer Newsletter Notification (Communication Mgr.)	Bi-Monthly	
Employer webinar #1 (Communication Mgr.)	March	
Employer webinar #2 (Communication Mgr.)	October	
Participant Emails		
Quarterly Newsletter	January 11	
Promotional email Q1	January 25	
Webinar Wednesday announcement - February	February 1	
eDelivery reminder email	February 22	
Webinar Wednesday announcement - March	March 8	
Early Saver eNewsletter 1	March 1	
Retiree newsletter 1	March 15	
Enrich promotion Q1	March 22	
Webinar Wednesday announcement - April	April 5	
Quarterly Newsletter	April 11	
Promotional email Q2	April 26	
Webinar Wednesday announcement - May	May 10	
Beneficiary clean-up email	May 17	
Beneficiary clean-up email	May 24	
Webinar Wednesday announcement - June	June 7	
Cybersecurity awareness reminder to establish profile	June 14	
Enrich promotion Q2	June 28	
Webinar Wednesday announcement - July	July 6	
Quarterly Newsletter	July 13	
Promotional email Q3	July 26	
Webinar Wednesday announcement - August	August 9	
Stay In Plan email	August 16	
Beneficiary clean-up email	August 23	
Beneficiary clean-up email	August 30	
Webinar Wednesday announcement - September	September 6	
Early Saver eNewsletter 2	September 7	
Approaching Retirement & Beyond the Basics webinar	September 13	
Enrich promotion Q3	September 27	
Retired Minds Want to Know webinar	September 27	
Retiree newsletter 2	September 28	
Enrich Your Financial Wellness webinar	October 4	
RMD management email	October 5	
Quarterly Newsletter	October 11	
Promotional email Q4 - Stay the Course	October 25	
Webinar Wednesday announcement - November	November 8	
Webinar Wednesday announcement - December	November 29	
New Deferral Limits	December 1	
Enrich promotion Q4	December 20	
Placeholder	TBD	
Placeholder	TBD	
Web Banners		
RMD, Campaign banner, Fund Transition	January	
Campaign banner, SMarT	February	
Campaign banner, SMarT	March	
To be determined each month	April	
To be determined each month	May	
To be determined each month	June	
To be determined each month	July	

	Target Date	Completed Date
To be determined each month	August	
To be determined each month	September	
To be determined each month	October	
To be determined each month	November	
To be determined each month	December	
Physical Mailings		
Stay In Plan postcard	August 15	
Newsletter articles - Front Page		
Put Your Heart in it Ohio	January	
Potential Brand Refresh Campaign	April	
Potential Brand Refresh Campaign	July	
Potential Brand Refresh Campaign	October	
Webinars		
Webinar Wednesday - 9:00am Approaching Retirement	February 22	
Webinar Wednesday - 9:00am Approaching Retirement; Beyond Basics	March 29	
Employer Webinar	March 30	
Webinar Wednesday - 9:00am. Retired Minds Want to Know	April 26	
Webinar Wednesday - 9:00am Approaching Retirement	May 31	
Webinar Wednesday - 9:00am Approaching Retirement; Beyond Basics	June 28	
Webinar Wednesday - 9:00am. Retired Minds Want to Know	July 26	
Webinar Wednesday - 9:00am Approaching Retirement	August 30	
Webinar Wednesday - 9:00am Approaching Retirement; Beyond Basics	September 27	
NRSM - 9:00am Approaching Retirement	October 4	
NRSM - 11:30am Approaching Retirement	October 4	
NRSM - 9:00am Approaching Retirement Beyond the Basics	October 11	
NRSM - 11:30am Approaching Retirement Beyond the Basics	October 11	
NRSM - 9:00am Retired Minds Want to Know	October 18	
NRSM - 11:30am Retired Minds Want to Know	October 18	
NRSM - 9:00am Enrich Your Financial Wellness	October 25	
NRSM - 11:30am Enrich Your Financial Wellness	October 25	
Employer Webinar	October 26	
Webinar Wednesday - 9:00am Approaching Retirement; Beyond Basics	November 29	
Webinar Wednesday - 9:00am. Retired Minds Want to Know	December 20	
Staff Training & Development		
National Sales Meeting for field staff	January 16-20	
President's Day internal staff training meeting	February 20	
Associate development plans	March	
Good Friday internal staff training day	April 7	
Field staff training meeting #1	May	
Juneteenth training meeting	June 19	
Firm element training	September	
Field staff training meeting #2	November	
iDrive development	Monthly	
Small group training	Monthly	
Field staff conference calls	Monthly	
Service Center team huddle	Every other Tuesday	
Field representative team huddle	Every Tuesday	

Miscellaneous	Target Date	Completed Date
Annual fraud awareness/training	April	
Call center disaster recovery exercise	Ongoing	
Semi-annual marketing audit	June/December	
Training manual/videos updated online	Monthly	