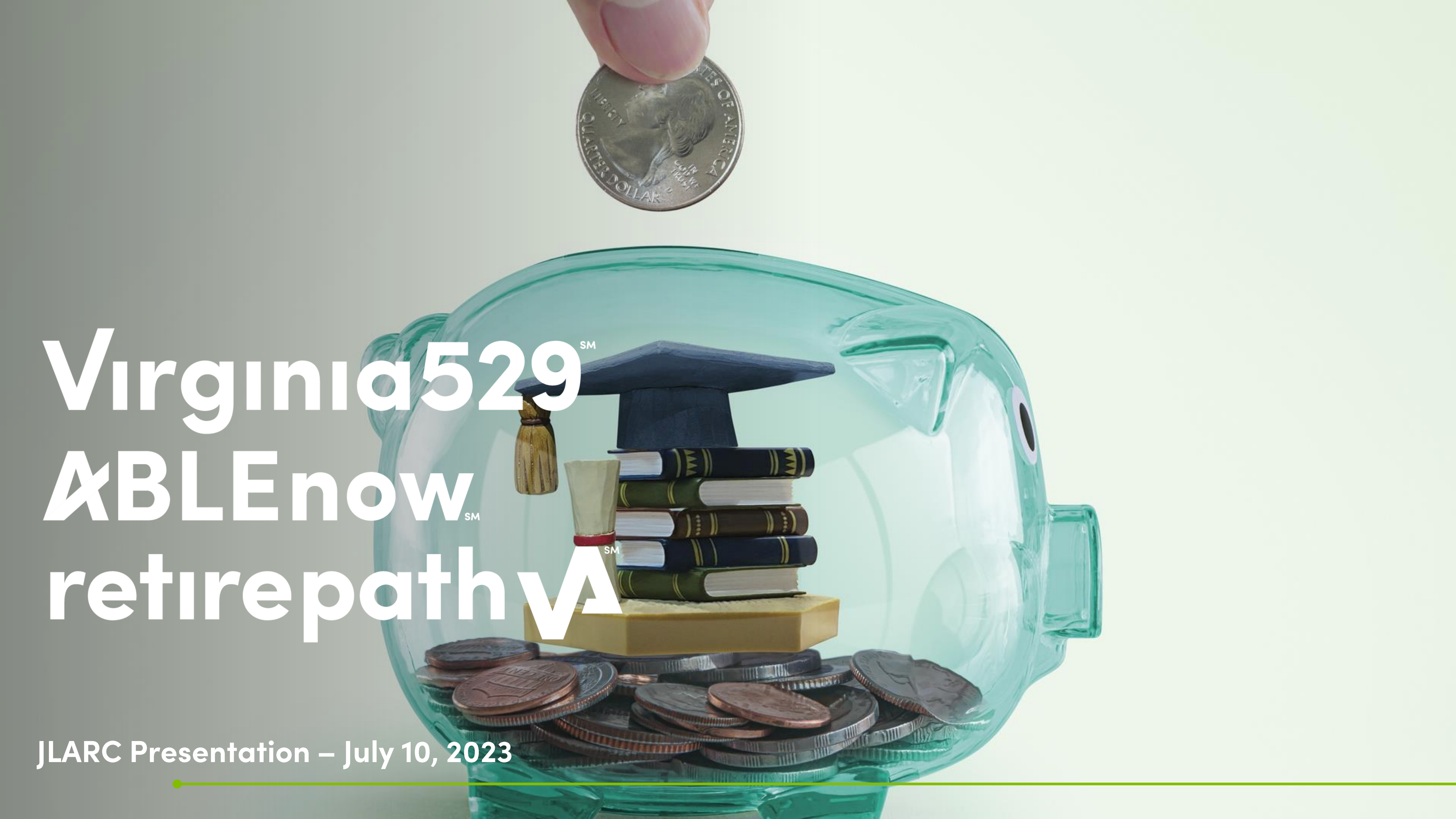


Virginia529℠
ABLEnow℠
retirepath VA℠

JLARC Presentation – July 10, 2023

Virginia529 Programs

- Retirement Savings Program
  - retirepathVA
- SOARVirginia Access and Affordability
  - SOARScholars
  - 7 new partnerships and initiatives
- Education Savings Programs
  - CollegeAmerica®
  - Defined Benefit 529 Program
    - prepaid529
    - Tuition Track Portfolio
  - invest529
- Disability Savings Programs
  - ABLEnow
  - ABLEAmerica

Helping millions of families save for the future - VIDEO

Closing the Gap*

Education Savings

$89.5B in AUM**

21% of 529 Market

invest529

CollegeAmerica

Disability Savings

$149.1M in AUM

10.3% of ABLE Market

ABLEnow

ABLEAmerica

State-Facilitated Private Retirement

45%

Working Virginians without employer-sponsored retirement option

Launched June 20, 2023

retirepathVA

Access & Affordability

$12.9M

SOAR scholarships awarded

2010 | SOAR Scholars

2021 | Expansion

$13.5M

Committed to 7 Partners

SOAR Virginia

*AUM and market share data as of 5/31/2023 and 3/31/2023 respectively
**Education Savings include assets from DB529

Toll-Free 1.888.567.0540
customerservice@virginia529.com
Virginia529.com

Facebook.com/VA529

@Virginia529

Toll-Free 1.844.669.2253
customerservice@ABLEnow.com
ABLEnow.com

Facebook.com/ABLEnow

@ABLEnowVA

Toll-Free 1.833.608.6281 (Employers)
Toll-Free 1.833.608.6776 (Savers)
clientservices@retirepathva.info
RetirePathVA.com

Facebook.com/RetirePathVA

@RetirePathVA

Virginia529℠

ABLEnow℠

retirepathVA℠

Appendix

Virginia529[SM]
ABLEnow[SM]
retirepathVA[SM]

PROGRAM GROWTH

Education – Disability – Retirement

Asset and Account Growth

(as of 5/31/23)

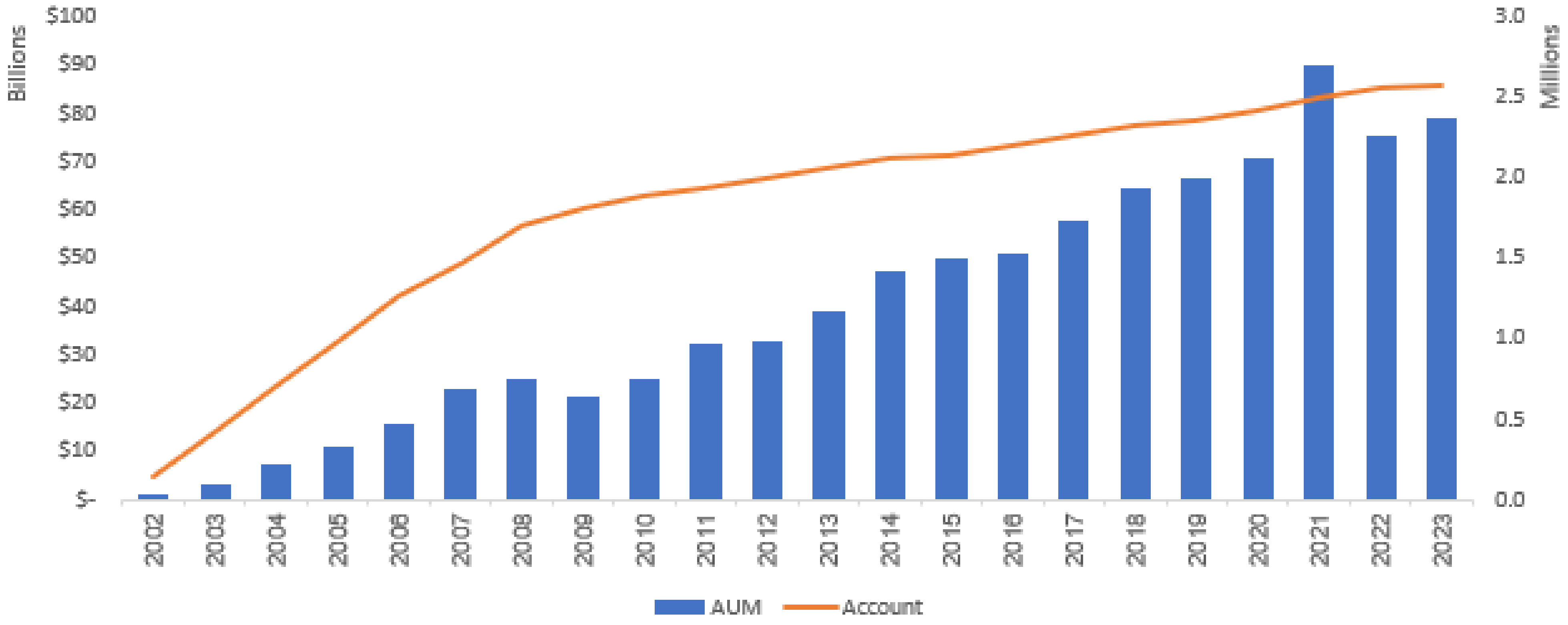
Programs	Accounts	Assets Under Management	FYTD AUM Growth	Percent of National 529/529A Market[1]
Education Savings		($ Billions)		
invest529	464,806	$7.8	10.40%	
DB529 Program[2]	49,049	$2.87	-2.40%	
prepaid529	41,529	$2.78	-3.20%	
Tuition Track Portfolio	7,520	$85.3 (million)	32.50%	
CollegeAmerica®	2,567,455	$79.0	0.38%	
Totals		**$89.60**		**21%**
Disability Savings		($ Millions)		
ABLEnow	14,645	$113.3	15.27%	
ABLEAmerica	3,510	$35.8	25.85%	
Totals		**$149.10**		**10%**

1 Total market share represents total VA529 and assets as a percent of total industry 529 and 529A assets. Industry data obtained from Strategic Insights
2 Prepaid529 closed to new participants during 2019. There is no account growth.

invest529® Growth in Accounts and Assets Under Management (as of 5/31/23)

CollegeAmerica® Accounts and Assets Under Management

(as of 5/31/23)

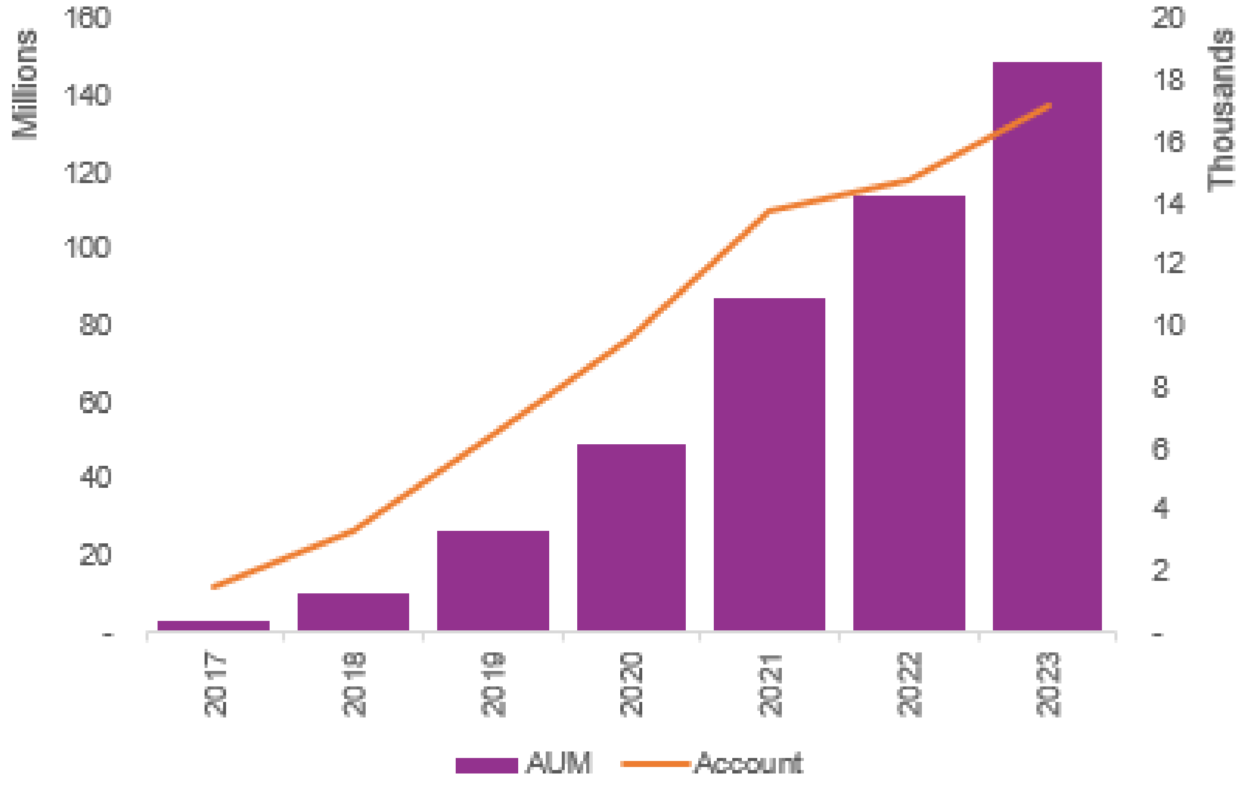


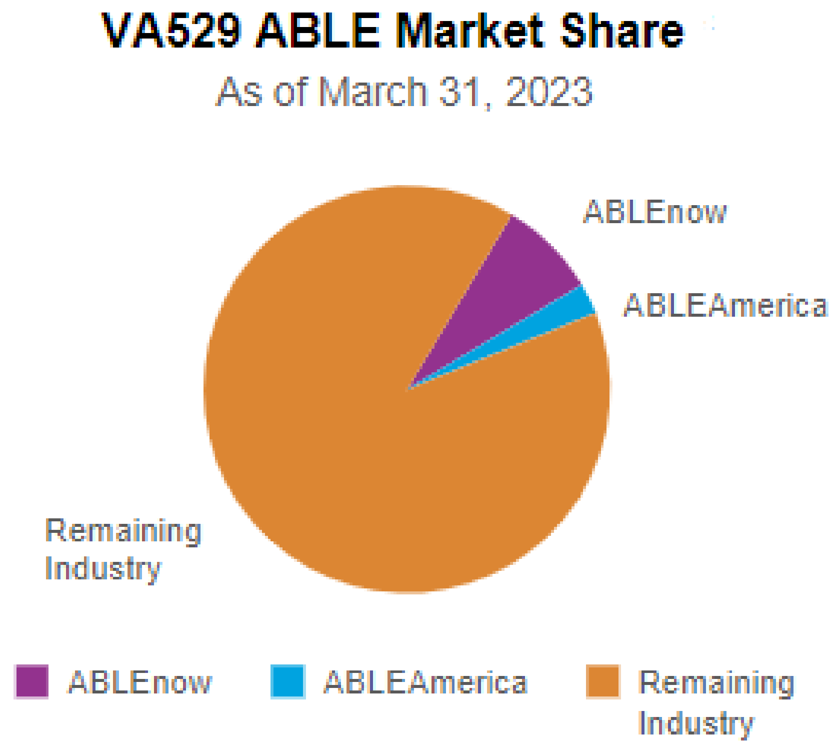
Accounts and Assets Under Management

(as of 5/31/23)

ABLEnow

ABLEAmerica

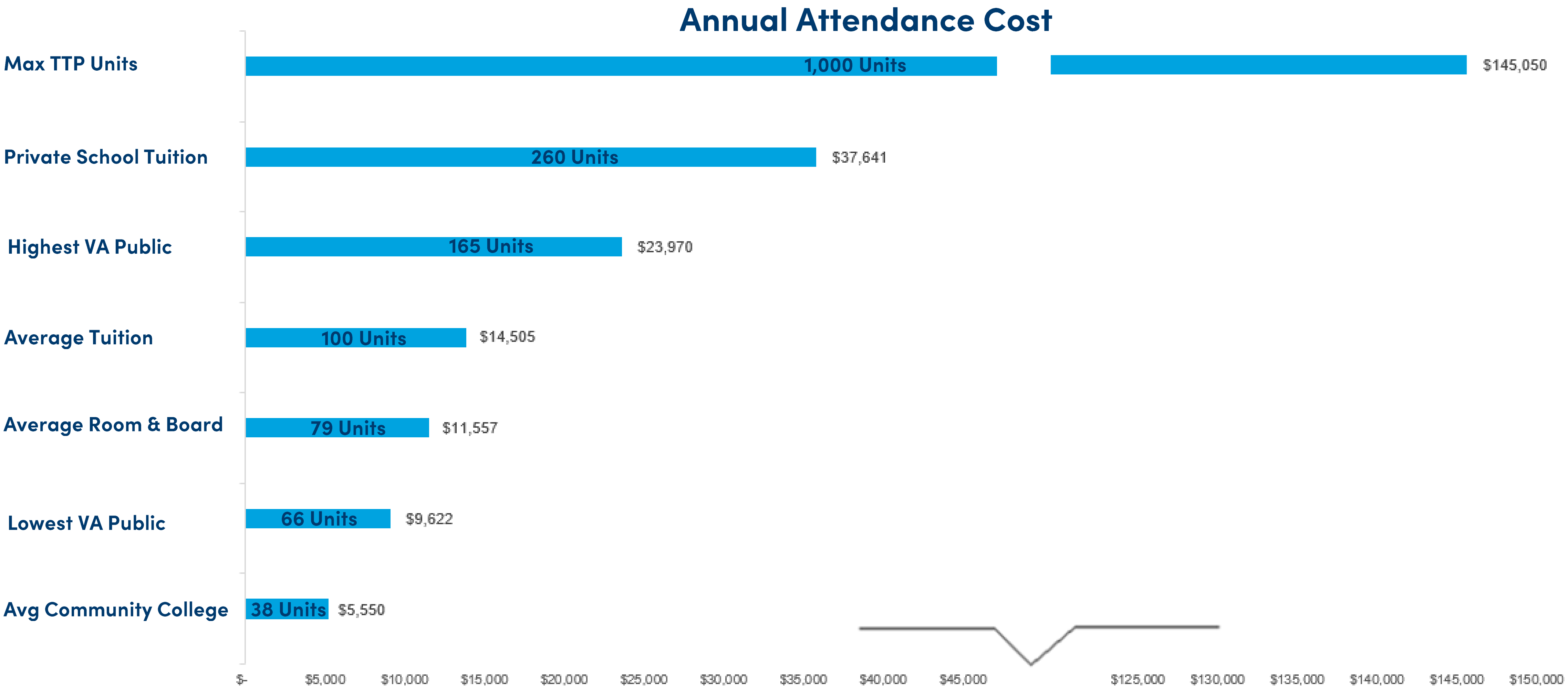




TTP Growth in Accounts and Assets Under Management

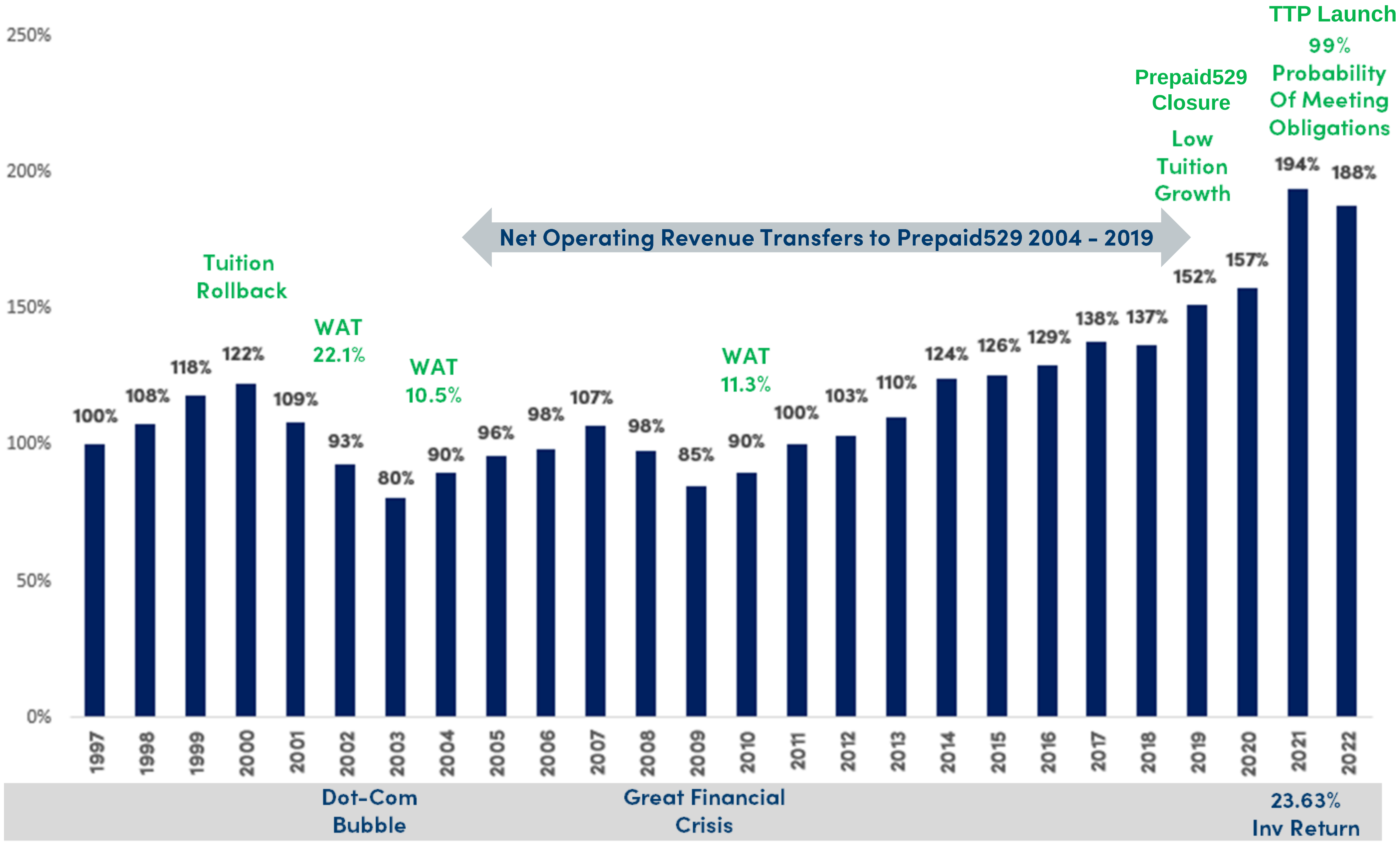
(as of 5/31/23)

Tuition Track Portfolio (TTP) Units



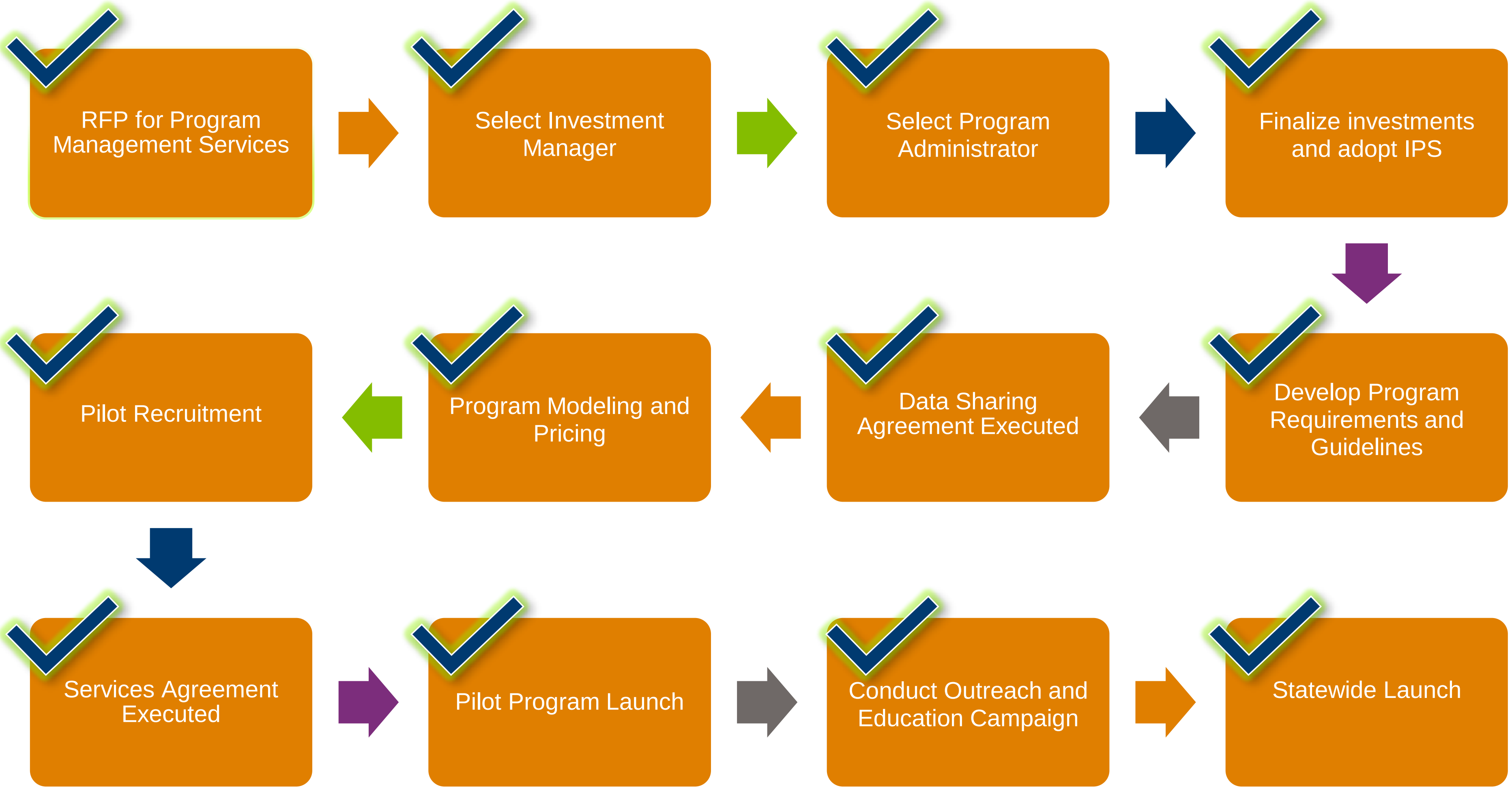
*Data obtained from SCHEV
** # AT Units needed to cover 4 years of tuition and mandatory fees; Max TTP Units reflects the maximum amount (1,000) an account holder can purchase
***Private university rates obtained from: educationdata.org

DB529 Historical Actuarial Funded Status by Fiscal Year



*WAT – Weighted Average Tuition for Virginia 4-year public institutions

RetirePath Virginia Major Milestones 2022-2023



Retirement Program Advisory Committee

Lauren Kent Stack
Co-Founder and COO
HyperSpectral.ai
Virginia529 Board Chair

Kelly L. Hiers
Defined Contribution Plans Administrator
Virginia Retirement System

Dante Jackson
Vice President
Atlantic Union Bank
Virginia529 Board Vice-Chair
Chair, Retirement PAC

Wendy Carter
Vice President, Defined Contribution Director
Segal Company (Retired)

LaJuanna Y. Russell
President and CEO
Business Management Associates, Inc.

Dr. Elliot Dubin
Retired Policy, Tax and Economics Executive
(Board Member, Virginia529)

Michael L. Hadley
Partner
Davis & Harman LLP

Evelyn Small Traub
Partner (Retired)
Troutman Pepper

David L. Richardson
State Treasurer
Virginia Department of Treasury
(Board Member, Virginia529)

Mary G. Morris
CEO
Virginia529

Peter S. Thompson
Program Director

Investment Management

Investment Management

Investment Committee

Timothy Berry, CFA
Managing Director
Lighthouse Partners
IAC Chair

Sharon H. Lawrence, CPA, CGMA
Acting Comptroller
Commonwealth of Virginia

Frederic Nolde, CFA
Managing Director Investure
IAC Vice-Chair

David Richardson
Treasurer
Commonwealth of Virginia

Farrah Holder
Managing Director
IMB Partners

Dante Jackson
Vice President
Atlantic Union Bank
Virginia529 Board Vice-Chair

Sheila Corcoran
Former Partner, Empyrean Capital Partners

Lauren Kent Stack
Co-founder and COO
HyperSpectral.ai
Virginia529 Board Chair

Dr. Elliot Dubin
Retired Policy, Tax & Economics Executive

Chris Culbertson, CFA
Managing Director
Bespoke Strategies & Lowe, Brockenbrough & Co.

In-House Support

Mary G. Morris
CEO

Michael Swink, CFA, CPA
Investment Director
Commonwealth of Virginia

Victoria Rikkola, CFA
Sr. Investment Analyst

Maria Slowe, APMA
Sr. Investment Analyst

Mason Antrim
Sr. Investment Analyst

Marek Harris
Sr. Investment Analyst

Oscar Guardado
Investment Analyst

Mercer – Consultants

Nick Davies, CAIA
Partner (USA)
Interim IMETA Wealth Business Leader

Jordan McGriff
Associate

Andrew Scheufele, CFA
Partner

Bryce McLain
Investment Analyst

Ruhid Gillani
Principal

Alecia DeCuollo, CFA, CAIA
Senior Associate

Hamilton Lane – Portfolio Construction

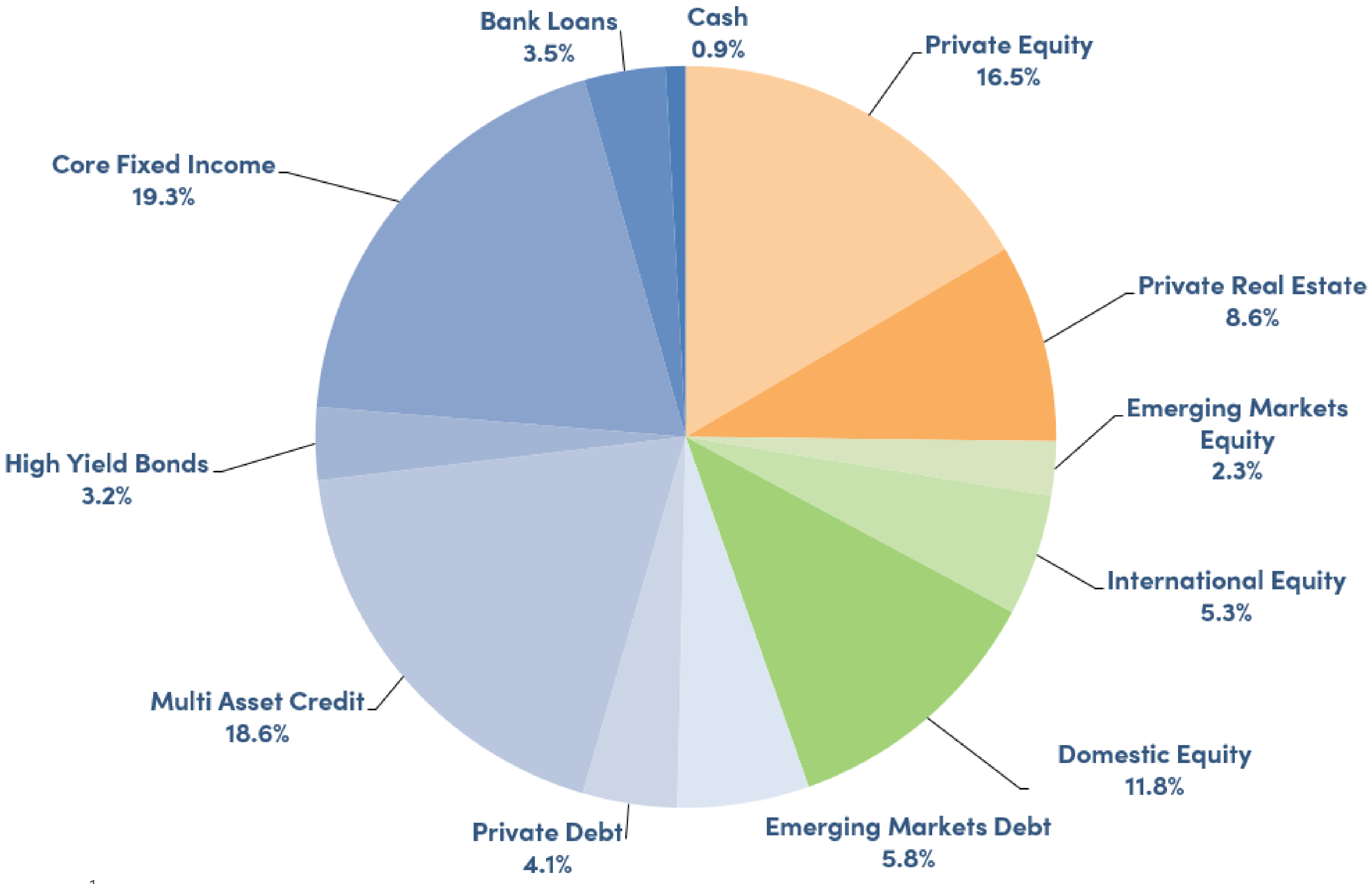
Ilene Levinson
Managing Director

Robert Reed
Vice President

John Lawlor
Associate

Investment Details – Defined Benefit 529 Program[1]

(as of 3/31/23)



Asset Category	% of Fund	% Target
Alternatives	25.2%	23.0%
Equities	19.4%	22.0%
Fixed Income	55.4%	55.0%

[1] May not total 100% due to rounding

Defined Benefit 529 Program Net of Fee Performance

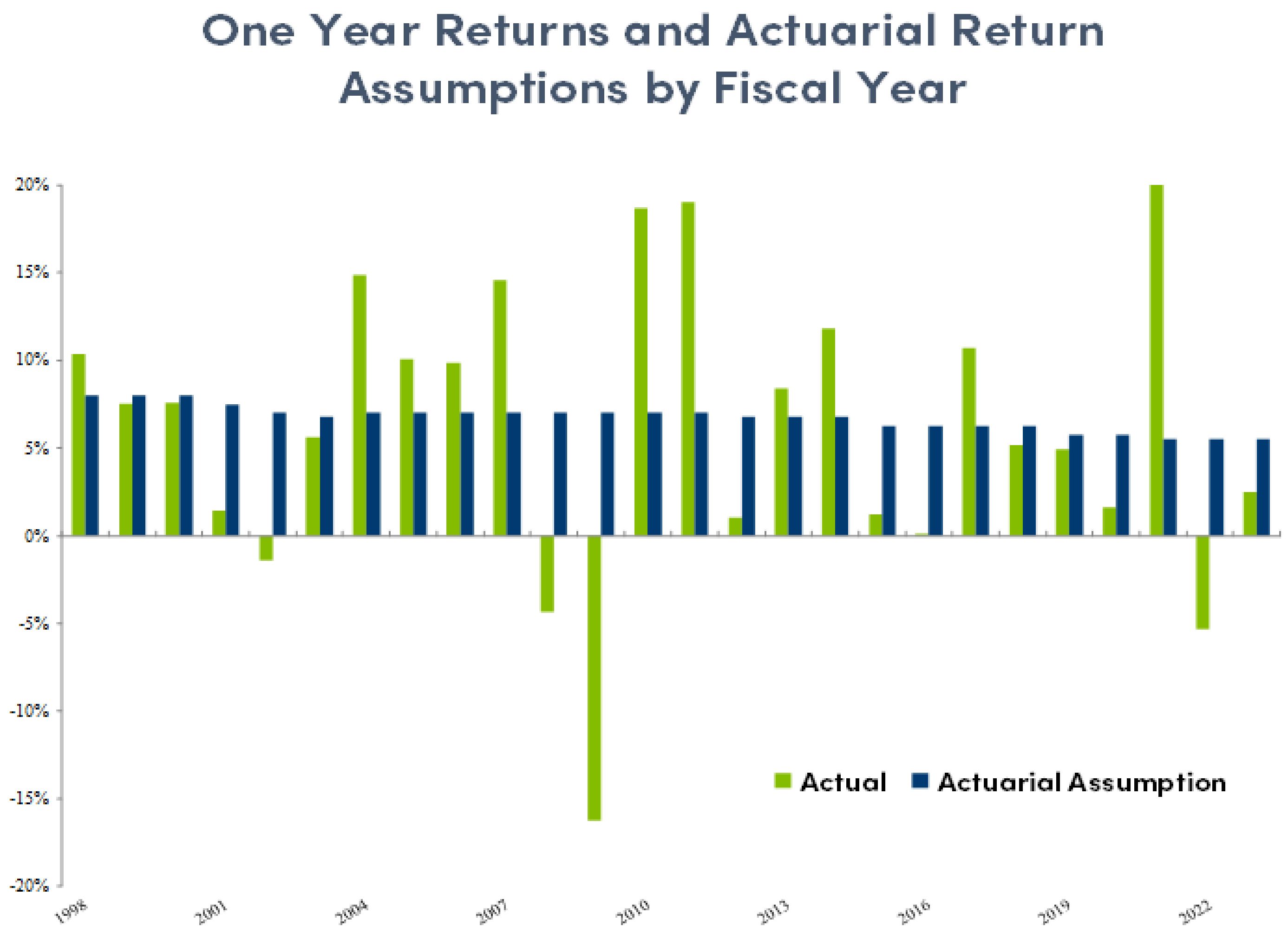
(as of 5/31/2023)

	Since Inception	10 Years	5 Years	3 Years	1 Year	Fiscal YTD	Calendar YTD	3 Month	1 Month	Inception Date
Total Fund	6.02%	5.10%	4.99%	6.60%	-1.22%	2.50%	2.38%	1.13%	-0.21%	Oct-97
Total Fund Benchmark[1]	5.61%	5.69%	5.57%	6.67%	0.72%	4.03%	4.32%	1.32%	-0.99%	Oct-97
Total Equity	6.84%	6.73%	5.55%	10.20%	0.02%	9.55%	6.78%	2.93%	-1.05%	Oct-97
Total Equity Benchmark[2]	5.96%	7.76%	6.41%	10.22%	1.38%	10.66%	7.95%	3.64%	-1.00%	Oct-97
Total Domestic Equity	8.08%	9.59%	8.09%	12.68%	2.98%	12.27%	9.73%	5.54%	0.65%	Oct-97
Domestic Equity Benchmark[3]	7.87%	11.45%	10.07%	12.24%	2.30%	11.59%	9.58%	5.41%	0.60%	Oct-97
Developed Markets Equity (EAFE)	5.59%	4.39%	2.47%	7.02%	-4.52%	6.50%	1.47%	-2.22%	-4.89%	Oct-97
MSCI EAFE	4.76%	5.06%	3.71%	9.08%	3.61%	14.18%	7.22%	1.28%	-4.10%	Oct-97
Emerging Markets Equity	4.43%	1.96%	1.46%	4.55%	-4.88%	1.80%	4.35%	1.70%	-0.89%	Nov-09
MSCI EM (Emerging Markets)	3.12%	2.27%	-0.29%	3.86%	-8.07%	-1.61%	1.16%	0.24%	-1.65%	Nov-09
Total Fixed Income	4.75%	2.46%	1.94%	0.97%	0.43%	3.66%	2.91%	1.49%	-0.09%	Oct-97
Total Fixed Income Benchmark[4]	4.75%	2.86%	2.69%	1.55%	0.50%	4.02%	2.91%	1.34%	-0.73%	Oct-97
Non-Core Fixed Income	4.46%	3.10%	2.57%	2.48%	2.09%	6.18%	3.11%	1.28%	0.39%	May-05
Non-Core Fixed Income Benchmark[5]	5.12%	4.11%	3.69%	3.95%	2.00%	6.71%	3.16%	0.94%	-0.53%	May-05
Core Fixed Income	3.97%	1.21%	0.81%	-1.86%	-1.57%	0.03%	2.64%	1.97%	-0.85%	Oct-97
Core Fixed Income Benchmark[7]	3.80%	1.07%	0.75%	-3.12%	-2.14%	-0.58%	2.46%	2.04%	-1.09%	Oct-97
Alternatives	7.25%	9.74%	13.03%	16.77%	-4.26%	-4.55%	-1.69%	-0.91%	0.19%	May-05
Alternatives Benchmark[8]	6.78%	8.82%	9.83%	13.35%	-0.72%	-2.95%	4.03%	-1.00%	-1.62%	May-05

Source: Bank of New York Mellon

Notes: Past performance is no guarantee of future results; Performance is presented net of investment management fees

Defined Benefit 529 Program Net of Fee Performance



***2023 FYTD Return through May 31: 2.5%**

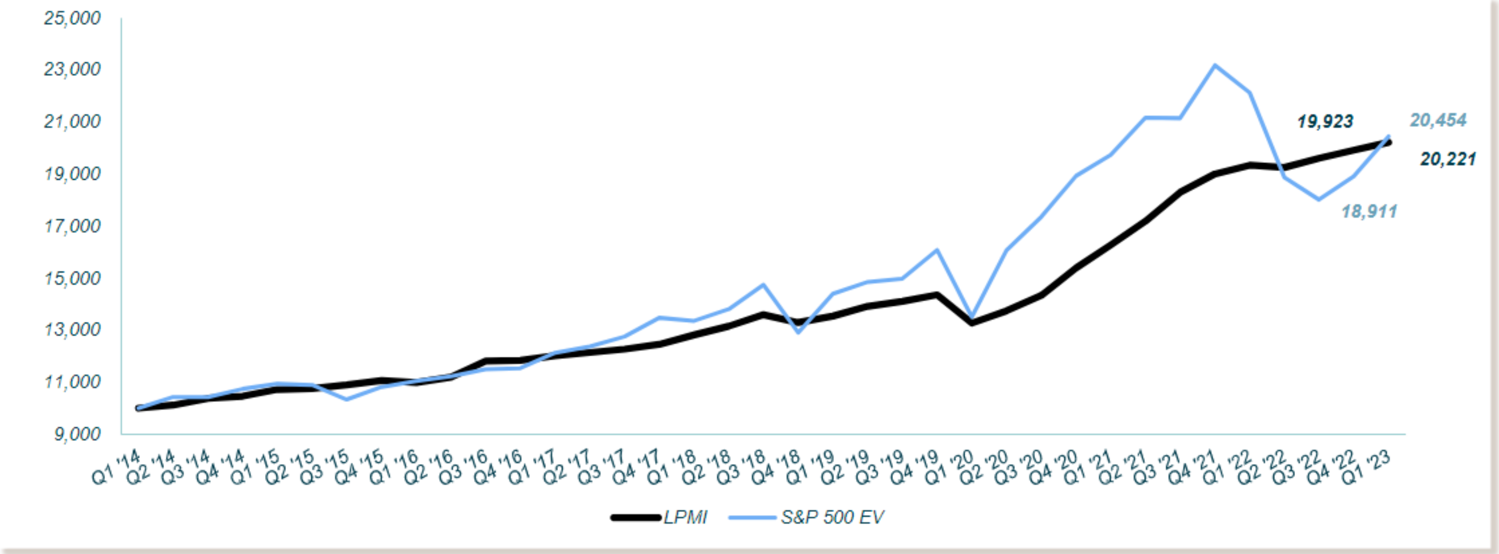
Source: Bank of New York Mellon

Notes: Past performance is no guarantee of future results; Performance is presented net of investment management fees

Public vs Private Markets Valuations

Lincoln Private Market Index

Index vs. S&P 500 Enterprise Values



	Q2 '22	Q3 '22	Q4 '22	Q1 '23	LTM
LMPI	(0.4%)	1.9%	1.6%	1.5%	4.6%
S&P 500 EV	(14.7%)	(4.6%)	5.0%	8.2%	(7.6%)

- **Both the LPMU and the S&P500 increased over the past year. However, the LPMI increase was modest in comparison to the S&P500.**
- **The lag in Private Markets valuations lead to a larger returns' disparity in the short term.**

Source: Lincoln Valuation & Opinions Group Proprietary Database.
Note: LPMI reflects a subsection of the companies valued each quarter, including private companies each generating earnings before interest, taxes, depreciation and amortization of less than $100.0 million, disregarding venture-stage businesses and non-operating entities, such as special purpose entities that own real estate and specialty finance assets; S&P 500 EV excludes financial companies for which enterprise value is generally not meaningful; including such companies produces qualitatively similar results.

Invest529 Net of Fee Performance

(as of 5/31/2023)

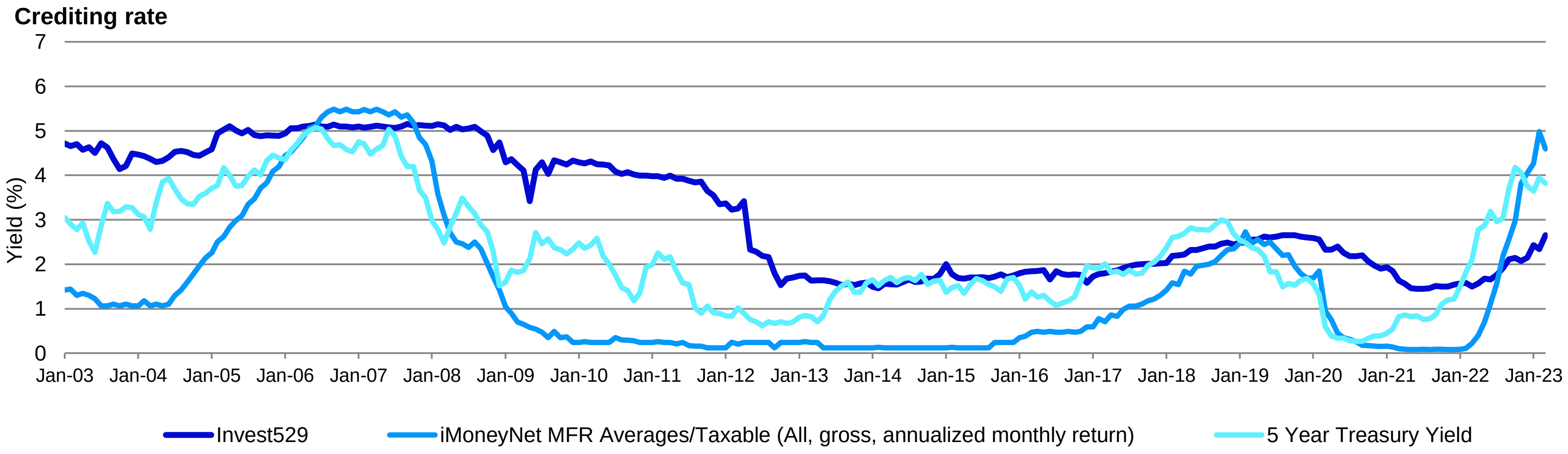
	Inception Ending	10 Year Ending	5 Year Ending	3 Year Ending	1 Year Ending	Cal Year Ending	3 Months Ending	Current Month	Inception Date
TARGET ENROLLMENT PORTFOLIOS									
2042 Portfolio	**4.63**					**4.63**	**0.66**	**-1.91**	**Jan-23**
2042 Benchmark	4.46					4.46	1.10	-1.49	
2039 Portfolio	**3.92**			**7.60**	**-1.02**	**4.11**	**0.65**	**-1.81**	**Jan-20**
2039 Benchmark	3.79			7.62	-0.09	4.38	1.10	-1.44	
2036 Portfolio	**6.13**		**4.39**	**7.06**	**-0.45**	**4.13**	**0.86**	**-1.54**	**Jan-17**
2036 Benchmark	6.55		4.75	7.01	0.32	4.32	1.24	-1.28	
2033 Portfolio	**5.14**		**4.04**	**6.10**	**-0.30**	**3.71**	**0.88**	**-1.33**	**Jan-14**
2033 Benchmark	5.40		4.41	6.09	0.62	4.09	1.31	-1.11	
2030 Portfolio	**5.76**	**5.23**	**3.76**	**5.16**	**0.12**	**3.61**	**1.04**	**-1.12**	**Jan-11**
2030 Benchmark	5.88	5.45	4.07	5.11	0.91	3.91	1.42	-0.95	
2027 Portfolio	**4.59**	**4.80**	**3.51**	**4.36**	**-0.02**	**2.74**	**0.98**	**-0.84**	**Feb-08**
2027 Benchmark	4.65	5.02	3.87	4.39	1.17	3.42	1.45	-0.72	
2024 Portfolio	**4.75**	**4.31**	**3.09**	**3.30**	**0.28**	**1.89**	**0.95**	**-0.36**	**Aug-05**
2024 Benchmark	4.57	4.51	3.49	3.45	1.78	2.78	1.46	-0.33	
2021 Portfolio	**4.84**	**3.57**	**2.45**	**1.86**	**1.37**	**1.17**	**0.66**	**0.23**	**Jan-02**
2021 Benchmark	4.62	3.79	2.91	2.16	3.34	2.36	1.48	0.25	

Source: Bank of New York Mellon

Notes: Past performance is no guarantee of future results; Performance is presented net of investment management fees

The Role of Stable Value in Invest529

- Preservation of principal
- Liquidity for intra-fund transfers
- Crediting rates that move in the general direction of market rates
  - When compared to money market funds and other capital preservation solutions focused on the extreme short end of the yield curve, stable value crediting rates are slower to respond to changes in market yields.
  - Stable Value returns tend to lag its benchmark in the rising interest rate environment and may experience short-term underperformance, but it delivers higher long-term returns than other capital preservation options, such as money market funds.



Access and Affordability

JLARC Report Comments on DB529 Fund Resources

2020

"It would be appropriate to reexamine how net operating revenue may best be used to support college affordability goals in Virginia"

2022

"Actuarial surplus funds… provide a unique opportunity for Virginia to support a wide variety of programs to enhance higher education access and affordability."

Virginia529 Board response to JLARC findings includes a promise to introduce legislation to implement some of the JLARC report recommendations

Virginia529 2023 Session Legislative Package

HB 2396 (Delegate Avoli)

Final disposition: failed to report

SB 1519 (Senator Barker)

Final disposition: reported out of Senate Education Committee and Finance and Appropriations Committees, passed by for the day

Copatrons

- Delegate Filler-Corn (chief)
- Delegate Wilt (chief)
- Delegate Bulova
- Delegate Carr
- Delegate Coyner
- Delegate Krizek
- Delegate McQuinn
- Delegate Simonds
- Delegate Subramanyam
- Delegate Ware
- Delegate Watts
- Delegate Willett
- Senator Saslaw

Directed the Board to continue agency's mission to increase accessibility, affordability, and attainability of education

Provided statutory authority for Prepaid529 benefits enhancement

Changed agency's legal name to "Commonwealth Savers Plan"

Access and Affordability Expansion Timeline

February 2021: Board authorizes expanded access initiatives

2022: Board launches 7 partnerships to increase postsecondary education access

March 2023: Board authorizes Enhanced Benefits and Access Fund with an initial $500 million allocation

May 2023: Board convenes first meeting of the Access Advisory Committee

June 2023: First meeting of Ad Hoc Legislative Working Group

Next Milestone: November 2023: Legislative Ad Hoc Working Group Report on DB529 Fund opportunities due to the General Assembly

Stakeholder Engagement

Access Advisory Committee Members:

Lauren Kent-Stack (ex officio, Virginia529 Board Chair)

Peter Blake (State Council of Higher Education for Virginia, Virginia529 Board Member)

Craig Herndon (Virginia Community College System, Virginia529 Board Member)

Dr. Megan Healy (George Mason University)

Lyons Sanchezconcha (Virginia College Access Network)

Kirk Cox (Retired High School Teacher)

Melissa Goodrich (Sentara)

Regina Barnett-Tyler (Virginia State University)

Jessica Costa (Instruction Partners)

Aaron Montgomery (The Power MBA)

Ad Hoc Legislative Working Group Members:

Delegate Brewer (Appropriations Committee)

Delegate Carr (Appropriations Committee, JLARC)

Delegate Coyner (Education and Appropriations Committees)

Delegate Reid (Appropriations Committee)

Delegate Ware (Finance Committee, JLARC)

Senator Deeds (Finance Committee)

Senator Hashmi (Education Committee)

Senator Locke (Education and Finance Committees, JLARC)

Senator Newman (Education and Finance Committees)

Senator Pillion (Education Committee)

Future Program Development

Town Hall Meetings

- July 13 - Central Virginia
  - Virginia529 office
- July 31 - Northern Virginia
  - George Mason University Fairfax Campus
- August 2 - Hampton Roads
  - Tidewater Community College Chesapeake Campus
- August 3 - Shenandoah Valley
  - Blue Ridge Community College
- August 4 - Southwest Virginia
  - Virginia Highlands Community College

Research with SIR

- Qualitative and quantitative research project regarding statewide and national access programs
- Interviews with stakeholders: access providers, educators, business community and general population
- Goal to identify what is working well, what is not working, and remaining gaps in education access to guide discussion on expanded initiatives