

Pension Funded Status Tracker

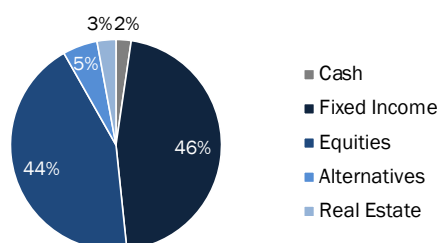
February 2021

ASSET MANAGEMENT | REPORT

The funded status of the average US corporate defined benefit pension plan improved by 3% from 90% to 93% funded, between the beginning and end of February 2021.

- » The asset portfolio decreased in value mainly due to the performance of the hedging portfolio:
 - Global equity markets rallied over the month, led by U.S. small cap equities and, within alternative assets, private equity had the strongest returns of any asset class over the month.
 - Within fixed income, both US Treasury and corporate bonds underperformed as long-term interest rates surged towards the end of February.
- » Liabilities also decreased in value, but by more than the hedging portfolio losses and was primarily driven by an increase in interest rates:
 - The sizeable increase in interest rates was coupled with a slight narrowing in the high quality corporate bond spread.
 - As a result, the effective discount rate increased by 27 basis points in February.

Asset Allocation



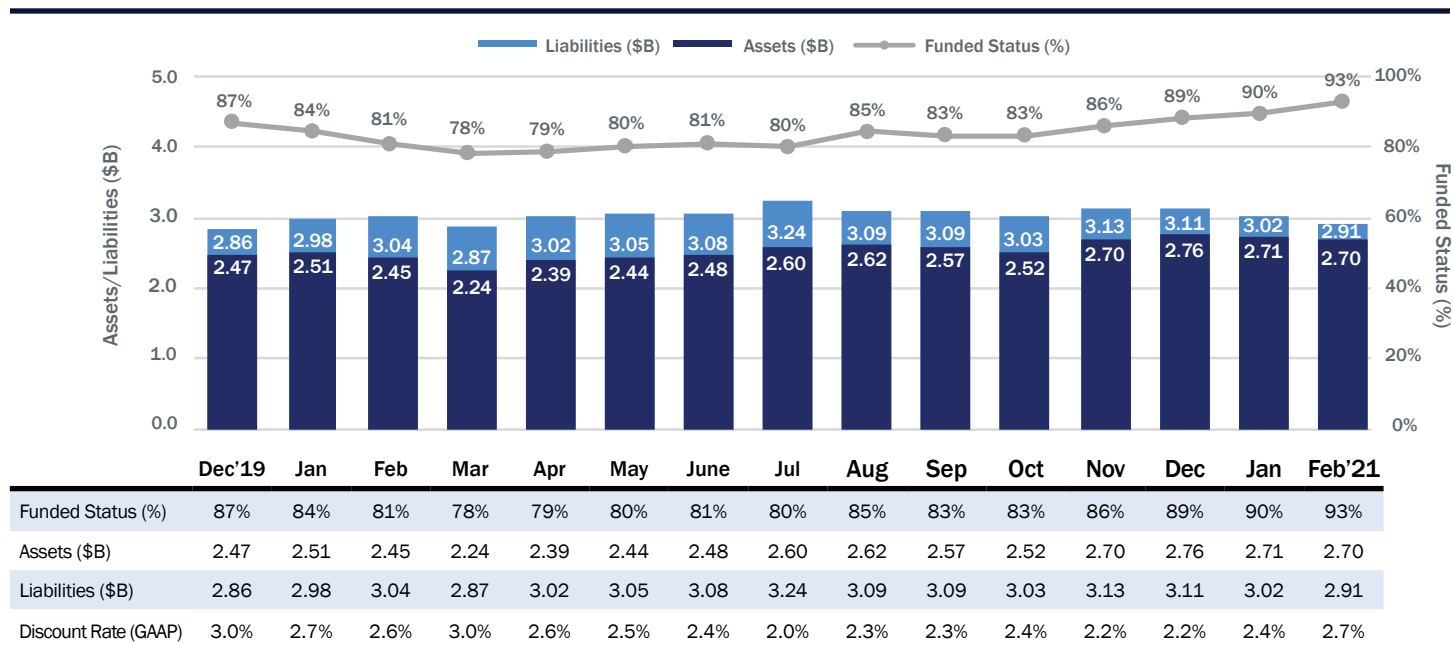
Prepared by Conning, Inc. Source: ©2020 Bloomberg, L.P. As of February 28, 2021.

Key Metrics

Pension Plan	Assets	Liabilities†	Funded Status†
Valuation (\$B)	2.70	2.91	93%
Duration (Yr)	6.6	13.5	Interest Rate Hedge Ratio
Dollar Duration (\$mm)	1.8	3.9	
Yield* / Discount Rate	2.7%	2.7%	45%

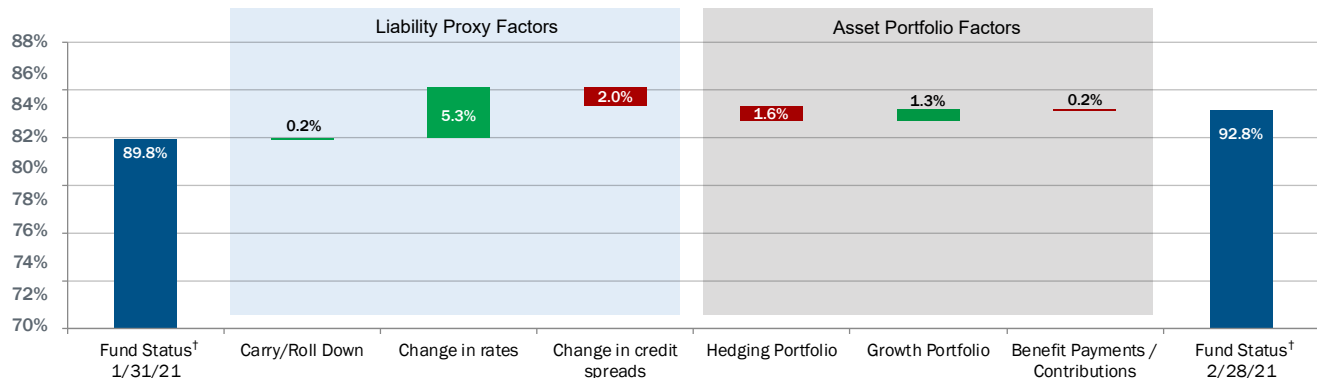
Prepared by Conning, Inc. Source: ©2021 Bloomberg L.P. February 28, 2021. *Yield quoted is duration-weighted yield † Funded Status is hypothetical and calculated according to the Data and Methodology section outlined on Page 3. Refer to the Hypothetical Model Disclosures (page 3) for more important information.

Pension Plan Tracker (February 28, 2021)†



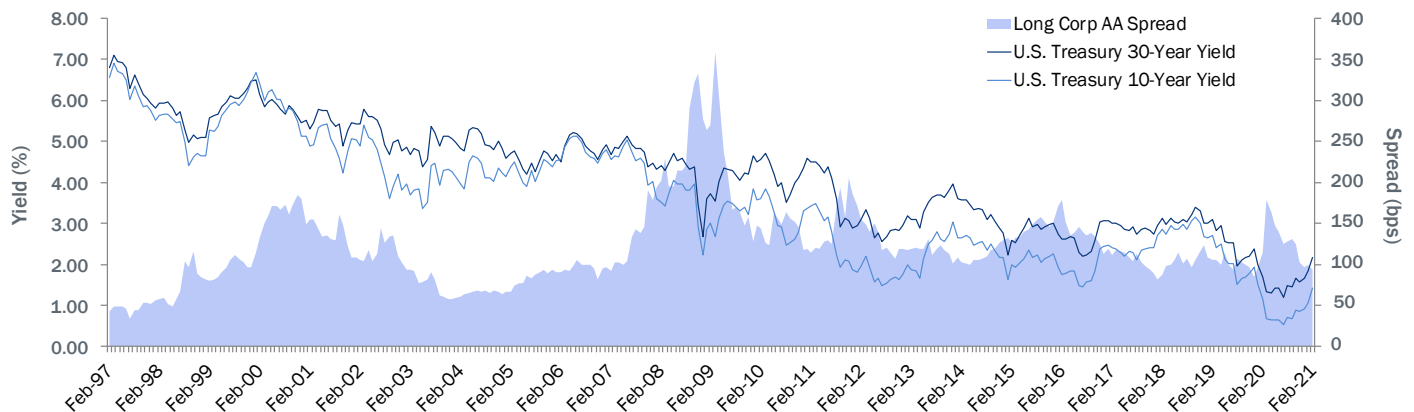
† Pension Plan Tracker results presented do not reflect actual performance. The results are hypothetical, and are generated according to the Data and Methodology section outlined on Page 3. Refer to the Hypothetical Model Disclosures (page 3) for more important information. Prepared by Conning, Inc. for illustrative purposes only. Source: ©2019-2021 Bloomberg, L.P.

Funded Status Attribution (January 31, 2021 – February 28, 2021)



† Funded Status Attribution presented does not reflect actual performance. The results are hypothetical, and are generated according to the Data and Methodology section outlined on Page 3. Refer to the Hypothetical Model Disclosures (page 3) for more important information. Chart shows the liability proxy and asset portfolio factors that contributed to the change in funded status over the month. Prepared by Conning, Inc., for illustrative purposes only. Source: ©2021 Bloomberg, L.P.

Yields and Corporate Spreads



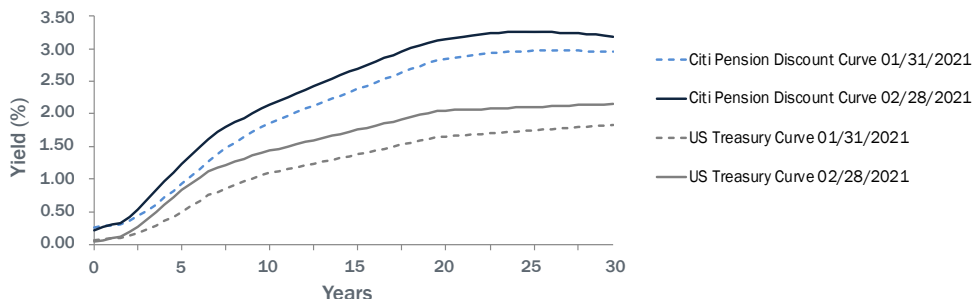
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Market Performance (February 28, 2021)

	MTD	QTD	YTD	
Equities	S&P 500	2.8%	1.7%	1.7%
	Russell 2000	6.2%	11.6%	11.6%
	MSCI World ACWI	2.3%	1.9%	1.9%
	EAFE	2.3%	1.2%	1.2%
	MSCI Emerging Markets	0.8%	3.8%	3.8%
Alternatives	Private Equity	6.9%	5.9%	5.9%
	Hedge Funds	4.1%	5.4%	5.4%
	Real Estate	2.2%	1.9%	1.9%
Fixed Income	High Yield	0.4%	0.7%	0.7%
	US Aggregate	-1.4%	-2.2%	-2.2%
	US Long Gov/Credit	-2.2%	-2.0%	-2.0%
	US Long Credit	-3.3%	-5.8%	-5.8%
	US Long Corporate AA	-4.1%	-2.2%	-2.2%
	US Treasury 10 Yrs	-2.9%	-4.2%	-4.2%
	US Treasury 30 Yrs	-6.2%	-10.3%	-10.3%

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Liability Discount Curve



Prepared by Conning, Inc. Source: ©2021 Bloomberg L.P. and ©2021 Analytics provided by "The Yield Book"® Software and Services/London Stock Exchange Group plc

Conning's LDI Team

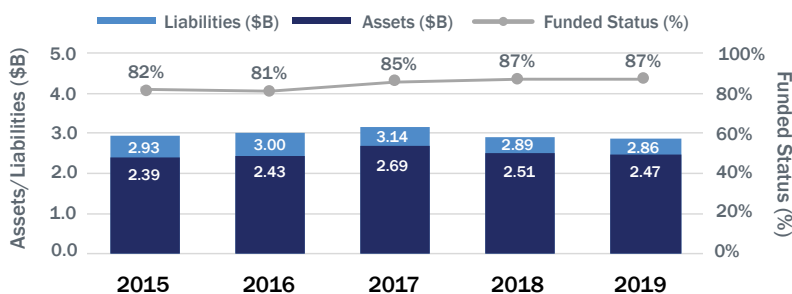
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Pension Plan Tracker (Annual 2015 - 2019)



Funded Status (%)	82%	81%	85%	87%	87%
Assets (\$B)	2.39	2.43	2.69	2.51	2.47
Liabilities (\$B)	2.93	3.00	3.14	2.89	2.86
Discount Rate (GAAP)	4.1%	3.9%	3.6%	3.8%	3.0%

Prepared by Conning, Inc. Source: ©2015-2019 Bloomberg, L.P.

Conning Pension Risk Analyzer®

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About Conning®

Conning (www.conning.com) is a leading investment management firm with approximately \$198 billion in global assets under management as of December 31, 2020.* With a long history of serving the insurance industry, Conning supports institutional investors, including insurers and pension plans, with investment solutions, risk modeling software, and industry research. Founded in 1912, Conning has investment centers in Asia, Europe and North America.

*As of December 31, 2020, represents the combined global assets under management for the affiliated firms under Conning Holdings Limited and Cathay Securities Investment Trust Co., Ltd. ("SITE"). SITE reports internally into Conning Asia Pacific Limited, but is a separate legal entity under Cathay Financial Holding Co., Ltd. which is the ultimate controlling parent of all Conning Holdings Limited controlled entities. ©2020 Conning, Inc. This document and the software described within are copyrighted with all rights reserved. No part of this document may be distributed, reproduced, transcribed, transmitted, stored in an electronic retrieval system, or translated into any language in any form by any means without the prior written permission of Conning. Conning does not make any warranties, express or implied, in this document. In no event shall Conning be liable for damages of any kind arising out of the use of this document or the information contained within it. This document is not intended to be complete, and we do not guarantee its accuracy. Any opinion expressed in this document is subject to change at any time without notice.

Data and Methodology

Conning's Funded Status Tracker is a monthly publication that tracks the performance of the average defined benefit pension plan (the "Plan") of select corporate sponsors comprising a subset of the Russell 3000 Index. The data in this monthly review was reported in the 10-Ks of 563 publicly traded companies from the Russell 3000 index for the 2019 year-end.† Further, the Funded Status Tracker was updated retroactively to reflect published 10-K data for the 2019 year-end. All months of 2020 have been restated to account for the, now known, 2019 year-end position. In addition, the annual tracking of the 10-K data for the years 2015-2019 have been restated to reflect the change of the underlying universe of 658 plans to the current universe of 583 plans. The monitoring of 2019 months will continue until 2020 10-Ks become available, at which point, the same methodology will be applied to include 2020 year-end position with the subsequent 2021 months retroactively updated. Note: these assets may include non-U.S. pension plans. In aggregate, these 583 entities reported \$1.44 trillion in plan assets and \$1.67 trillion in plan liabilities at year end 2019.

The average plan size of the subset of the Russell 3000 index universe outlined above is approximately \$2.47 billion in assets and \$2.86 billion in liabilities, as of December 31, 2019. The Plan's liability is a hypothetical cash flow generated from our proprietary model to reflect a 14-year duration and valuation equivalent to the Plan's PBO on a US GAAP valuation basis as at the end of 2019, but allowed to drift with market conditions during the following year.

It is important to note that asset definitions are not uniform. Conning's analysis of companies' financial statements has found that some firms only report individual stocks as equities, while other firms include stock mutual funds. A similar mixing of types occurs in fixed income. In this analysis, Conning has used the allocations as reported by the companies and not adjusted them. Funded status is the percentage of liabilities that are covered by assets. Interest rate hedge ratio is the dollar duration of assets as a percentage of liability dollar duration.

† For the periods 2015-2019, data from 583 publicly traded companies were used. These companies were selected because they had consistently filed pension data every year for the period from 2015 through to 2019.

LDI Hypothetical Model Disclosures

The proprietary model analysis presented herein is for illustrative purposes only. The model relies on a number of assumptions that are generally stated in the Data and Methodology and within the illustrations. The assumptions can be subject to significant uncertainties and contingencies, and such illustrations may change materially in response to small changes in one or more of such assumptions. The data used for this model was obtained from sources deemed reliable, and then organized by Conning, Inc. and was not audited by any third party. Errors could have occurred in the data, in the calculations, or in the preparation of this analysis. Therefore, information contained in this analysis may not be precise. C: 12441141