



FREQUENTLY ASKED QUESTIONS REGARDING PROMANAGE AND INVESTMENT OPTIONS

1. Who is ProManage?

A: SwedishAmerican Health System utilizes ProManage as the investment management program for its SwedishAmerican IncentiveSAVER Retirement Plans. ProManage is an investment management firm that has been in business since 1998 (first as Strategic Financial Concepts, then ProManage, Inc. and ProManage, LLC) and is located in Chicago. ProManage is independent; it does not sell investments and, therefore, provides unbiased investment diversification services. Its associates have, on average, approximately 20 years of experience in the investment, legal, and employee benefits design areas. ProManage is a federally registered investment adviser.

2. Why has SwedishAmerican Health System offered ProManage as an alternative option to self-directing IncentiveSAVER accounts?

A: SwedishAmerican Health System offers ProManage as an alternative option to self-directing IncentiveSAVER accounts to provide added flexibility. It is your decision to allow SwedishAmerican via the ProManage *PROgram*™ to create and maintain an asset allocation portfolio for you. If you decide not to participate in the ProManage *PROgram*, simply call T. Rowe Price at **1-800-922-9945** to request a ProManage *PROgram* Election Form to opt out so you can self-direct your investment options.

3. How much does ProManage's service cost?

A: The fees that SwedishAmerican Health System participants pay will depend on the total assets that ProManage manages in their accounts. As of July 31, 2022, participants using the ProManage *PROgram* pay 22.03 basis points (or 0.2203%) on an annual basis. Asset levels are reviewed monthly. Fees cannot exceed 33 basis points (0.33%). Fees are charged in arrears; for example, in August for the July 31 fee. ProManage fee rates are based on the combined participant account balances at the end of the month; fees will be deducted by T. Rowe Price from the participant accounts as soon as administratively feasible in the beginning of the following month for transmission to ProManage.

The following chart outlines a sample of monthly fees at various levels of participant account balances:

If your account balance is...	Then your monthly ProManage fee would be...
\$1,000	\$0.18
\$10,000	\$1.84
\$25,000	\$4.60
\$50,000	\$9.20

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At this fee level, to calculate the monthly fee amount, ProManage *PROgram* participants would multiply their account balance by 0.000184 (0.002203 divided by 12). Many advisers will work with you only if you have met their minimum account balance requirements. ProManage will manage your investments even if you have only \$5 in your account. Fees and expenses for the underlying investments will also apply, but are automatically netted out of the funds' performance, except for short-term trading fees where applicable.

4. What stocks does ProManage recommend?

A: ProManage doesn't give investment advice or recommend specific stocks; it makes investment decisions in the SwedishAmerican Health System plans for SwedishAmerican Health System, on behalf of participants. ProManage diversifies participants' account balances across the investment funds offered in the SwedishAmerican Health System plans, spreading risk and opportunity based on the financial profiles of the participants.

5. Can participants review the investment allocations that ProManage creates for them before they are implemented?

A: No. New entrants into ProManage will be invested in the default allocation, which is 60% equity funds and 40% fixed income funds. At the next annual ProManage rebalance, which is typically in the first calendar quarter of the year, ProManage receives current participant data to recalculate portfolios and update them for all participants, according to their circumstances. Participants can monitor their allocations and decide on any day if they would prefer to opt out and make their own investment decisions.

The default allocation effective January 1, 2022, is:

NY Life Guaranteed Interest Account	11%
T. Rowe Price Inflation Protected Bond Fund	5%
Loomis Sayles Core Plus Bond Fund N	8%
Metropolitan West Total Return Bond Plan	12%
Templeton Global Bond Fund R6	2%
BlackRock Systematic Multi-Strategy Fund, Inst'l	5%
Vanguard Total Stock Market Index Fund Inst'l	19%
T. Rowe Price Mid-Cap Growth Fund	3%
Vanguard Small-Cap Value Index Fund Inst'l	2%
T. Rowe Price Emerging Markets Stock Fund	2%
Harding Loevner Global Equity Fund Z	9%
Dodge & Cox Global Stock Fund	9%
Artisan International Fund Inst'l	3%
Vanguard Total International Stock Index Fund Inst'l	7%
Dodge & Cox International Stock Fund	3%

6. Which funds does ProManage use in building participants' portfolios?

A: ProManage uses 15 of the funds offered in the plans: Dodge & Cox Global Stock Fund, NY Life Guaranteed Interest Account, Vanguard Total Stock Market Index Fund Inst'l, Vanguard Total International Stock Index Fund Inst'l, Metropolitan West Total Return Bond Plan, Harding Loevner Global Equity Fund Z, Dodge & Cox International Stock Fund, Loomis Sayles Core Plus Bond Fund N, BlackRock Systematic Multi-Strategy Fund, Inst'l, Templeton Global Bond Fund R6, T. Rowe Price Inflation Protected Bond Fund, Artisan International Institutional, Vanguard Small-Cap Value Index Fund Inst'l, T. Rowe Price Emerging Markets Stock Fund, and T. Rowe Price Mid-Cap Growth Fund.

7. Why did ProManage choose the specific funds from the SwedishAmerican Health System plans' investment fund lineup that are used in participant allocations?

A: ProManage ensures that there is an appropriate representation of investments in large companies, small and mid-size companies, growth companies, value companies, foreign companies, and fixed income investments.

8. Can participants choose to elect ProManage for a portion of their SwedishAmerican Health System IncentiveSAVER account balances at T. Rowe Price AND elect to self-direct another portion of their account balances?

A: No. If a participant has balances in one or more of the SwedishAmerican Health System IncentiveSAVER Plans (401(k), 403(b), and nonqualified deferred compensations plans) at T. Rowe Price, their ProManage election will apply to **all** account balances. You can opt in to the ProManage *PROgram* OR opt out of the ProManage *PROgram* and self-direct your investments.

9. How is ProManage's investment performance measured?

A: ProManage does not slot participants into a set of fixed portfolios; participants are allocated in different allocations according to their circumstances (see question 10.) Therefore, there is no single performance measurement for the many different allocations they create for participants. Each quarter when you receive your statement of account(s) from T. Rowe Price, you'll see exactly how ProManage has invested your account(s) using the funds in each of the SwedishAmerican Health System plans. Each fund will have its own specific investment performance for that quarter.

10. What does ProManage consider when calculating participant investment allocations?

A: ProManage's methodology looks primarily at each participant's investment time horizon - that is, the amount of time the participant will be invested in the market - using life expectancy projections. ProManage selects an appropriately diversified portfolio for that time horizon, setting a fixed income and equity ratio for the participant. In addition, ProManage takes into account the estimated value of the participant's projected Social Security benefit and the size of the participant's account balances in the SwedishAmerican Health System IncentiveSAVER Plans in determining the appropriate allocation. In assessing all these SwedishAmerican Health System-based assets, ProManage treats the value of projected Social Security benefits as fixed income. The assets in the plans will be allocated to reach the overall fixed income/equity ratio set by the investment time horizon for the participant. The larger

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the relative balance of the projected Social Security, the less fixed income is required in the SwedishAmerican Health System IncentiveSAVER Plan allocations to meet the original ratio determined for the participant. Therefore, the ProManage *PROgram* may result in different allocations for participants who may be the same age but have different salaries and plan balances. For example, participants with a greater projected Social Security benefit may have a greater equity portion in their ProManage portfolio than participants with lesser projected Social Security benefits.

The allocations are recalculated typically once each year, factoring new inputs as participants get older, salaries change, and their plan balances rise or fall with contributions and withdrawals. Even if new data inputs do not result in a change to the investment allocation in a given year, the *PROgram* makes sure its participants have an annual rebalance. ProManage may also trigger an off-cycle rebalance if market conditions warrant.

See question 12 to see how the fixed income and equity portions of the allocations are invested. See question 5 to see how allocations are determined for new entrants into the ProManage *PROgram*.

11. Does ProManage determine psychological risk tolerance?

A: No. Risk tolerance is exceptionally difficult to assess accurately and can change for a given participant literally from day to day, especially in periods of highly volatile market conditions. That is, many participants consider themselves risk tolerant in up markets and intolerant in down markets. Participants who feel that their personal risk tolerance would point them to a portfolio that is significantly different than the one that ProManage develops for them may wish to opt out of the ProManage *PROgram* and make their own investment decisions.

12. How does ProManage invest the fixed income and equity portion of the portfolios?

A: ProManage currently allocates the fixed income portion of each participant's portfolio among five fixed income funds: NY Life Guaranteed Interest Account, Metropolitan West Total Return Bond Plan, T. Rowe Price Inflation Protected Bond Fund, Loomis Sayles Core Plus Bond Fund N and Templeton Global Bond Fund R6. ProManage allocates assets in the equity portion of each participant portfolio among nine equity investment funds in the SwedishAmerican Health System plans: Vanguard Total Stock Market Index Fund Inst'l, Vanguard Total International Stock Index Fund Inst'l, Dodge & Cox Global Stock Fund, T. Rowe Price Mid-Cap Growth Fund, Vanguard Small-Cap Value Index Fund Inst'l, T. Rowe Price Emerging Markets Stock Fund, Harding Loevner Global Equity Fund Z, Dodge & Cox International Stock Fund and Artisan International Fund Inst'l. The equity portion of the allocation provides investments featuring global diversification and a wide variety of capitalization, styles and managers. Finally, ProManage allocates a portion of the portfolio to a tactical allocation fund: BlackRock Systematic Multi-Strategy Fund, Inst'l. This fund invests in both fixed income and equities.

13. When will the annual recalculation and rebalancing of investments in the SwedishAmerican Health System plans occur?

A: The annual process of updating ProManage investment portfolios in the SwedishAmerican Health System plans typically occurs each year during the first quarter. ProManage determines the timing of the annual update in consultation with SwedishAmerican Health System and T. Rowe Price in advance. In addition, ProManage does not attempt to “time the market” in determining when the annual update will occur.

14. Why aren't accounts rebalanced more frequently than annually?

A: Academic research suggests that rebalancing more frequently than annually does not produce significant improvements in diversification. In other words, the benefit to participants would be limited. However, ProManage does reserve the right to rebalance participants' portfolios at any time if, in the aggregate, portfolios are determined to be significantly out of line with the ProManage-determined allocations.

15. How are allocations determined for newly-hired employees who participate in the ProManage PROgram?

A: New entrants to the ProManage *PROgram* will have an allocation implemented immediately upon participation that is 60% equities and 40% fixed income until the next annual ProManage update. (See chart in question 5.) At the next annual ProManage update, participants who were invested in the default will be allocated in a new portfolio based on their circumstances.

16. What do I have to do to enroll or “opt in” to ProManage?

A: Unless you opt out of ProManage by completing and returning a ProManage *PROgram* Election Form, you will automatically be enrolled in the ProManage *PROgram* as a newly hired or newly eligible employee. If you decide to opt out but wish to return to the ProManage *PROgram* at a future date, you can contact a T. Rowe Price phone representative to request a ProManage *PROgram* Election Form to opt back into the ProManage *PROgram*. Your election to opt in will be effective the calendar quarter following the date your election is received by T. Rowe Price and this opt-in election will apply to all your future contributions and your current SwedishAmerican Health System account balances. You will be invested according to the default (see question 5) until the next annual update.

17. What do I have to do to “opt out” of ProManage and self-direct my investments?

A: Speak to a T. Rowe Price phone representative and request a ProManage *PROgram* Election Form to opt out. As soon as T. Rowe Price receives your completed opt-out form, you may choose to change the election that will apply to all future contributions to your SwedishAmerican Health System plan accounts with T. Rowe Price. Your existing account balances will remain in their current allocation unless you direct the T. Rowe Price representative to make fund allocation changes in each of the plans for which you have a balance.

18. How often can I opt into or out of ProManage?

A: If you choose, you can opt out of the ProManage *PROgram* on any day by contacting a T. Rowe Price phone representative to request the form to opt out. However, you can

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opt back into the ProManage *PROgram* only quarterly by calling a T. Rowe Price phone representative to request the election form.

19. Does SwedishAmerican Health System still contribute toward my retirement if I select ProManage?

A: Yes. SwedishAmerican Health System's contributions to your plan account are not affected by ProManage or your investment decisions.

20. When is the deadline for opting out of the ProManage *PROgram* without incurring a monthly fee?

A: Monthly fees will be assessed during the first few business days following the month-end. If you opt out by no later than 3 p.m. Central time on the last business day of the month, no fee for that month will be deducted by T. Rowe Price for transmission to ProManage.

21. I'm not saving for retirement. Is ProManage right for me?

A: No one financial concept or approach is right for everyone. ProManage invests for the longer-term, looking at life expectancy and assumes that even at retirement age, participants will not withdraw all of their retirement account on a single date, but remain invested throughout retirement.

ProManage may be right for you if:

- You do not feel comfortable making own investment decisions
- You are too busy to make your own investment decisions and you want to have a properly diversified allocation
- Your IncentiveSAVER Plan balances comprise the majority of your retirement savings

If you're not saving with retirement as your objective, ProManage may not be right for you. You may want to make your own elections or seek outside professional advice if, for example:

- You want to make your own investment decisions
- You have substantial retirement investments outside the IncentiveSAVER plans
- You do not want to use your benefit for retirement
- You anticipate making a large withdrawal within the next 10 years

22. Does ProManage have a website?

A: Yes, ProManage's website address is promanageplan.com. You are not required to use this website to benefit from the ProManage investment allocation service. All SwedishAmerican Health System Plan account information and data used by ProManage is provided by T. Rowe Price and SwedishAmerican; you don't enter data in a website, complete a questionnaire, or meet with someone from ProManage to use the ProManage *PROgram*. ProManage makes investment decisions for participant allocations without requiring any data input from participants. The process is automated for convenience. You can review ProManage's Investment Adviser brochure (Form ADV 2A) and the most recent update of this FAQ with current fee rate and fee sample calculations at promanageplan.com/swedishamerican-health-

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system. You may also obtain a copy of the ProManage Form ADV 2A by contacting your local HR representative.

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