



Teachers' Retirement System
of the City of New York

2022 Fund Profiles

PASSPORT FUNDS
TRS NYC

Who is eligible to invest in the Passport Funds?

All TRS members, regardless of tier, may invest their Tax-Deferred Annuity (TDA) Program contributions in the Passport Funds. Tiers I/II members may invest Qualified Pension Plan (QPP) contributions (that is, contributions to the Annuity Savings Fund and Increased-Take-Home Pay accounts) in the Passport Funds.

New investments are not permitted after retirement. However, all members—both in-service and retired—may change their investment allocations within the Passport Funds at any time.

Fixed Return Fund

Inception Date

January 1968

Objective

To provide a fixed rate of return determined by the New York State Legislature.

Strategy

Not applicable

Investment Managers

Not applicable

Risk

The crediting rate on the Fixed Return Fund is guaranteed in accordance with applicable laws.

Annual Crediting Rate

- 8.25% for all QPP investments (available to Tiers I/II members only)
- 7% for TDA investments by members who are serving in (or resigned/retired from) titles represented by the United Federation of Teachers
- 8.25% for TDA investments by all other members

Historical rates are published on our website.

Fees and Expenses

See page 15.

Additional Information

More information about the investment of the assets of TRS' Pension Fund (which includes members' investments in the Fixed Return Fund) is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

Diversified Equity Fund

Inception Date

January 1968

Objective

To achieve a rate of return comparable to the return of the broad equity market.

Strategy

The Fund invests primarily in the stocks of U.S. companies. The Fund uses both passively and actively managed strategies. Cost-effectiveness and controlling risk are important focuses of the investment structure.

Of the total Fund assets, more than 60% is passively managed against the Russell 3000 Index. Up to 15% is actively managed by different domestic investment managers who employ a range of investment strategies across the market capitalization and investment style spectrum.

23% of the Fund is invested in non-U.S. companies, divided between an index strategy, a group of non-U.S. developed markets active managers, and three active emerging markets managers.

The Fund has two benchmarks, the Russell 3000 Index and a hybrid benchmark that reflects the Fund's target allocations to non-U.S. equities and defensive strategies.

As of July 1, 2021, the Global Market Composite Benchmark replaced the Russell 3000. By early 2022, the sector mix of this Fund changed to 62% passive U.S. equity, up to 15% active U.S. equity, and 23% international equity strategies. The defensive strategies composite was eliminated, and the hybrid benchmark was adjusted at that time.

Investment Managers

The Fund has multiple investment managers selected by the Teachers' Retirement Board.

Risk

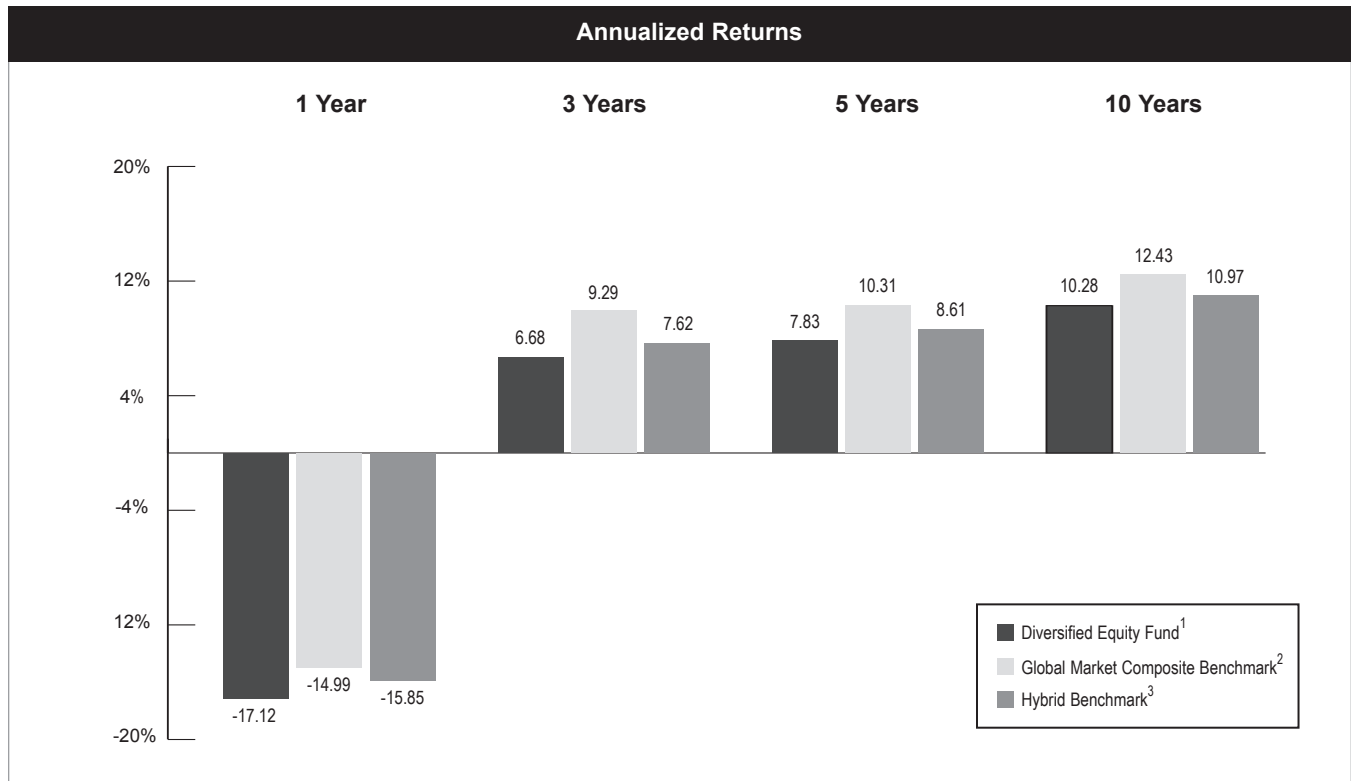
The value of an investment in this Fund will fluctuate in response to U.S. and non-U.S. stock market movements, as well as individual active manager performance. This Fund does not provide any type of principal protection or guaranteed level of return, and it is possible to lose money by investing in the Fund.

Fees and Expenses

See page 15.

Performance as of June 30, 2022

Fund Performance by Fiscal Year										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Diversified Equity Fund ¹	-17.12%	43.01%	2.44%	7.10%	12.12%	18.09%	-0.62%	4.85%	23.56%	20.05%
Global Market Composite Benchmark ²	-14.99%	44.16%	6.53%	8.98%	14.78%	18.51%	2.14%	7.29%	25.22%	21.46%
Hybrid Benchmark ³	-15.85%	41.65%	4.58%	7.42%	12.84%	18.60%	0.77%	5.25%	24.24%	19.87%



¹ Note that investment strategies used within the Diversified Equity Fund have changed and will change over time, and the historical returns of the Diversified Equity Fund reflect the historical investment strategies.

² The Global Market Composite Benchmark is 77% Russell 3000 Index and 23% MSCI ACWI ex-US IMI Index as of January 1, 2022. Prior to January 1, 2022, the performance history reflects the Russell 3000 Index.

³ The Hybrid Benchmark is rebalanced monthly to the Fund's target weights of its underlying composites, which are 65% Russell 3000/23% International Composite Benchmark/12% Active US Equity Composite Benchmark.

Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so your investment, when redeemed, may be worth more or less than your original contributions. Performance is reported net of all fund fees and expenses. No fees are reflected in either benchmark.

Additional Information

In some TRS materials, the Diversified Equity Fund may be referred to by its original name, Variable A.

More information about this Fund, including a statement of investments and a listing of investment managers, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

Balanced Fund

Inception Date

January 1, 2018

Objective

The investment objective of the Balanced Fund is to seek current income and some capital appreciation.

Strategy

The Balanced Fund invests in stocks and bonds and targets a conservative mix of approximately 70% bonds and 30% stocks.

The Fund's bond allocation includes U.S. Treasuries, Agencies, short-term investment-grade Corporate Bonds, and some foreign securities. The Fund's bond allocation is passively managed and benchmarked to the Bloomberg Barclays US 1-5 Year Government/Credit Float Adjusted Index.

The Fund's stock allocation is composed of U.S. and non-U.S. companies located in developed and emerging markets, traded on a variety of stock exchanges and denominated in a variety of currencies around the world. The Fund's stock allocation is passively managed against the FTSE Global All Cap Index.

The Fund has a custom benchmark that reflects the target allocation of 70% bonds and 30% stocks.

Investment Managers

The Fund has investment managers selected by the Teachers' Retirement Board.

Risks

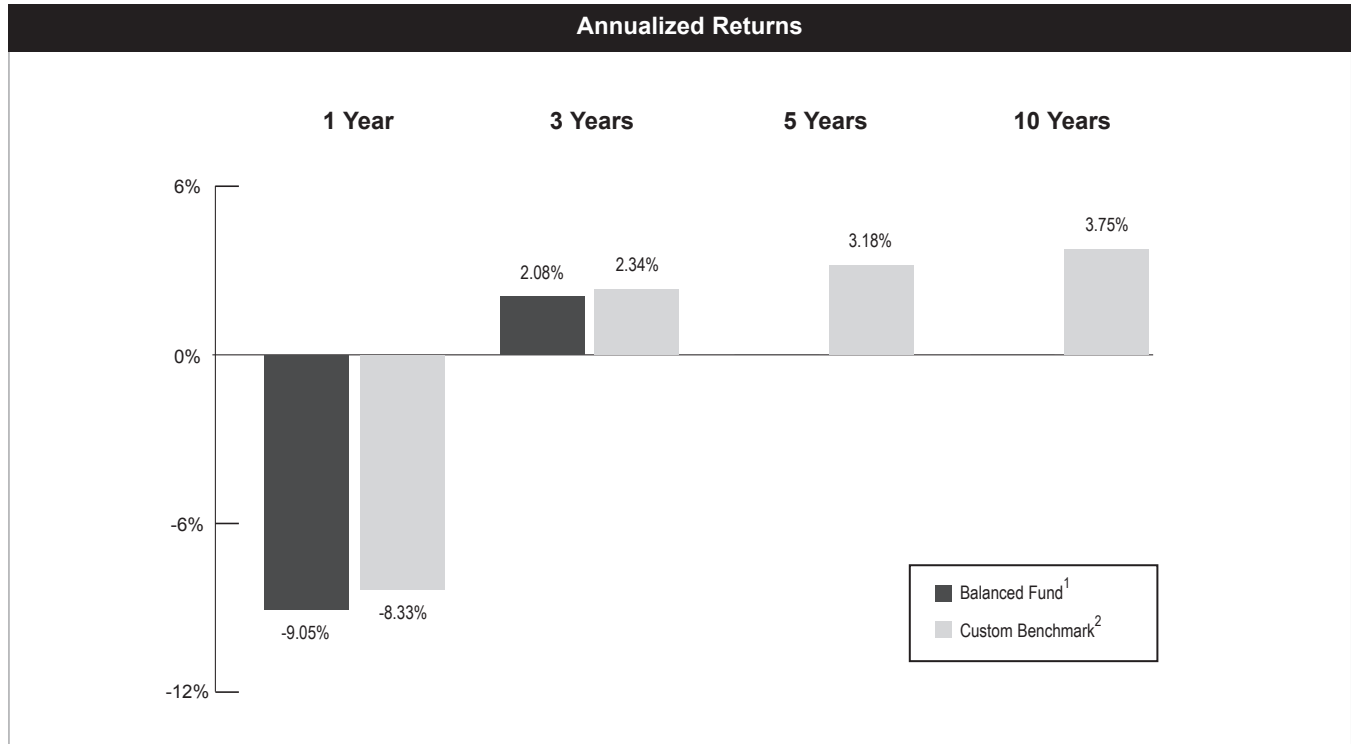
The value of an investment in this Fund will fluctuate in response to U.S. and non-U.S. stock and bond market movements. The Fund is subject to a variety of risks, including but not limited to equity, interest rate, inflation, currency exchange rate, economic, and political risk. This Fund does not provide any type of principal protection or guaranteed level of return, and it is possible to lose money by investing in the Fund.

Fees and Expenses

See page 15.

Performance as of June 30, 2022

Fund Performance by Fiscal Year										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Balanced Fund ¹	-9.05%	12.09%	4.35%	5.12%	N/A	N/A	N/A	N/A	N/A	N/A
Custom Benchmark ²	-8.33%	11.50%	4.88%	5.65%	3.26%	5.62%	1.05%	1.41%	8.16%	5.53%



¹ The Balanced Fund has existed since January 1, 2018. Performance of the Fund's benchmark is representative of how the Fund would have performed prior to Fund inception; this is because the Fund is passively managed. The Fund's actual returns may vary from the benchmark returns due to the timing of cash flows.

² The Custom Benchmark return is composed of 70% Bloomberg U.S. Government/Credit 1-5 Year Float Adjusted Index, and 30% FTSE Global All Cap Index.

Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment are not guaranteed, so your investment, when redeemed, may be worth more or less than your original contributions.

Additional Information

In some TRS materials, the Balanced Fund may be referred to by its original name, Variable B.

More information about this Fund, including a statement of investments and a listing of investment managers, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

International Equity Fund

Inception Date

July 2008

Objective

To provide long-term capital growth and to achieve a rate of return comparable to the return of the non-U.S. equity markets over a full market cycle.

Strategy

The Fund invests primarily in the stocks of non-U.S. companies located in developed markets, traded on a variety of stock exchanges and denominated in a variety of currencies around the world. There are three active emerging market managers in the Fund; consequently, approximately 24% of the Fund is invested in emerging markets.

The Fund uses both an index strategy and actively managed strategies using multiple investment managers of different styles and approaches. Controlling risk and cost-effectiveness are important focuses of the investment structure.

The Fund's benchmark is the International Equity Composite Benchmark.

Investment Managers

The Fund has multiple investment managers selected by the Teachers' Retirement Board.

Risk

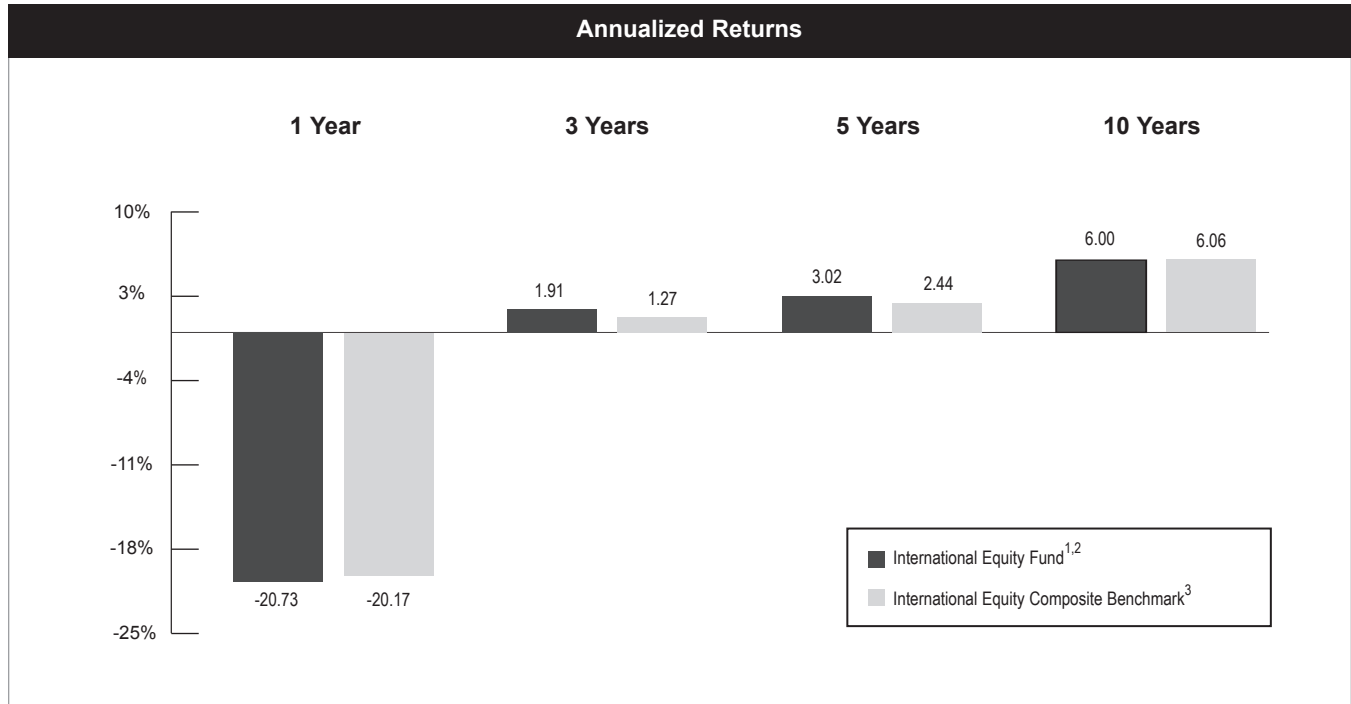
The value of an investment in this Fund will fluctuate in response to non-U.S. and U.S. stock market movements, as well as individual active manager performance. Investments in non-U.S. companies and in foreign currencies are also subject to interest rate, currency exchange rate, economic, and political risks. This Fund does not provide any type of principal protection or guaranteed level of return, and it is possible to lose money by investing in the Fund.

Fees and Expenses

See page 15.

Performance as of June 30, 2022

Fund Performance by Fiscal Year										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
International Equity Fund ^{1,2}	-20.73%	37.54%	-2.91%	2.35%	7.13%	20.89%	-6.65%	-3.94%	21.78%	16.85%
International Equity Composite Benchmark ³	-20.17%	35.78%	-4.18%	1.46%	7.04%	20.58%	-6.91%	-3.82%	24.09%	19.14%



¹ Note that investment strategies used within the Fund have changed and will change over time, and the historical returns of the Fund reflect the historical investment strategies.

² Returns of the International Equity Fund may differ from the results of the International Equity Sector of the Diversified Equity Fund due to the timing of cash flows, investment earnings on cash balances, and expenses.

³ The International Equity Composite Benchmark reflects the underlying strategy benchmarks at target and is currently comprised of 70% MSCI EAFE/15% MSCI Emerging Markets Index/11% MSCI ACWI ex USA Small Cap Index/4% S&P Developed ex US Small Cap Index. These weights have changed periodically over time with the strategy targets. Prior to January 2016, the benchmark was the MSCI EAFE.

Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so your investment, when redeemed, may be worth more or less than your original contributions. Performance is reported net of all fund fees and expenses.

Additional Information

In some TRS materials, the International Equity Fund may be referred to as Variable C.

More information about this Fund, including a statement of investments and a listing of investment managers, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

Sustainable Equity Fund

Inception Date

July 2008

Objective

To achieve positive long-term capital appreciation over a full market cycle, while focusing on sustainability characteristics including environmental, social, and governance (ESG) factors.

Strategy

The Sustainable Equity Fund invests in the common stock of large- and mid-cap U.S. companies that, in the manager's view, effectively implement sustainable business strategies to drive their prospects for future earnings growth.

The manager or managers invest in companies that they believe exhibit strong fundamental and financial characteristics, that also have durable business models, and that benefit from sustainable business advantages. In addition, a risk assessment on environmental, social, and governance-related risk factors is performed by the manager to identify undesired risks that might not be revealed by a traditional investment research approach.

The manager defines companies as sustainable if their:

- (1) Internal sustainability strategies are driving tangible business benefits, such as revenue growth, cost improvements, enhanced franchise value, or risk mitigation;
- (2) Products have a competitive advantage as a result of sustainability drivers such as resource-efficient design or manufacturing; or
- (3) Products or services offer solutions to long-term sustainability challenges.

The Sustainable Equity Fund's benchmark is the Russell 1000 Growth Index.

Investment Managers

Since October 1, 2019, this Fund has been managed by Brown Advisory. This can be changed at any time by the Teachers' Retirement Board.

Risk

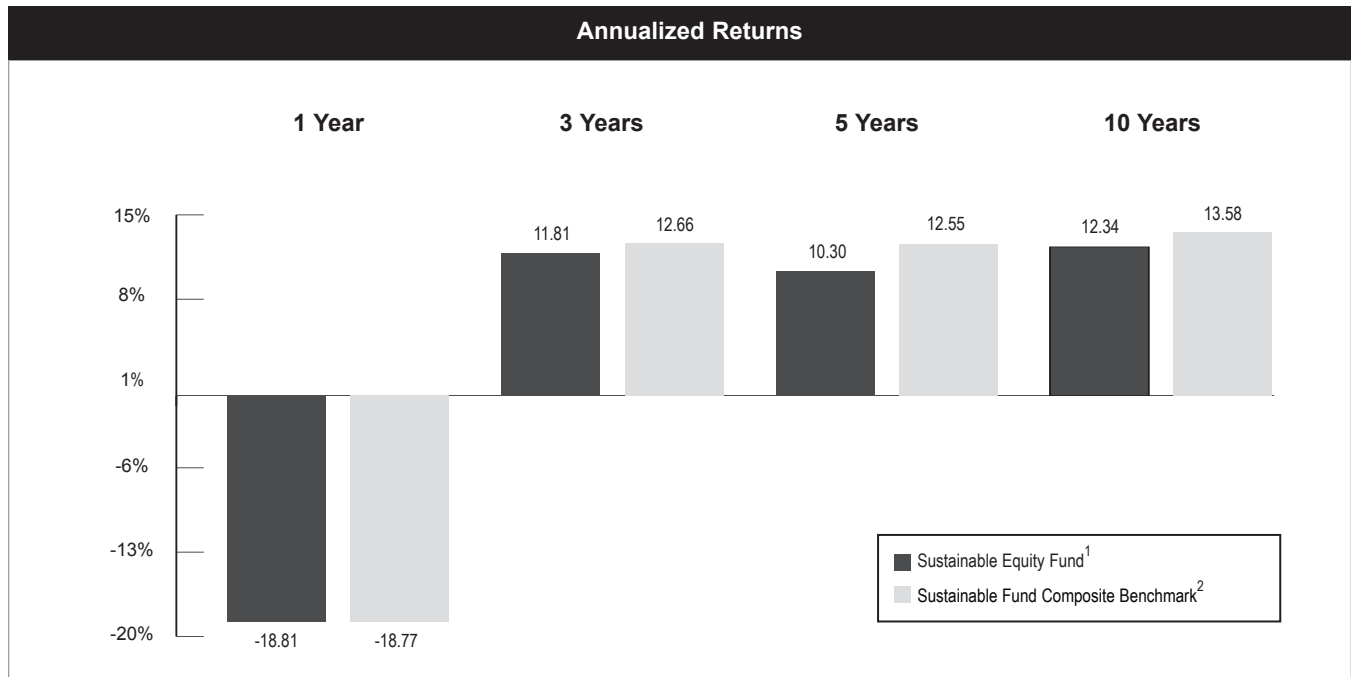
The value of an investment in this Fund will fluctuate in response to U.S. stock market movements. Securities of growth companies, on which this portfolio is more focused, can be more sensitive to a company's earnings and can be more volatile than the U.S. stock market in general. Funds with a focus on sustainability characteristics such as environmental, social, and governance (ESG) factors may underperform similar funds that do not have such a focus over some time periods. This Fund does not provide any type of principal protection or guaranteed level of return, and it is possible to lose money by investing in the Fund.

Fees and Expenses

See page 15.

Performance as of June 30, 2022

Fund Performance by Fiscal Year										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Sustainable Equity Fund¹	-18.81%	39.55%	23.38%	3.40%	12.96%	18.43%	0.93%	6.09%	23.11%	25.63%
Sustainable Fund Composite Benchmark²	-18.77%	42.50%	23.54%	10.42%	14.37%	17.90%	3.99%	7.42%	24.61%	20.60%



¹ Performance reflects the net-of-fees historical performance of the Sustainable Equity Fund since October 1, 2019 and, prior to that, the Socially Responsive Equity Fund.

² The Sustainable Fund Composite Benchmark was the S&P 500 Index through 9/30/19 and the Russell 1000 Growth Index thereafter.

Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so your investment, when redeemed, may be worth more or less than your original contributions. Performance is reported net of all fund fees and expenses. No fees are reflected in the benchmark.

Additional Information

In some TRS materials, the Sustainable Equity Fund may be referred to as Variable E.

More information about this Fund, including a statement of investments and the name of the investment manager, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

U.S. Equity Index Fund

Inception Date

January 1, 2020

Objective

The investment objective of the U.S. Equity Index Fund is to track the total return of the broad U.S. equity market, including large-, mid-, and small-capitalization stocks.

Strategy

The U.S. Equity Index Fund invests in the over 3,000 securities in the Dow Jones U.S. Total Stock Market Index. This Fund will remain fully invested in the broad U.S. stock market, with a small cash allocation for liquidity needs.

Investment Managers

The Fund is invested in the institutional share class of the Fidelity Total Market Index Fund. This can be changed at any time by the Teachers' Retirement Board.

Risk

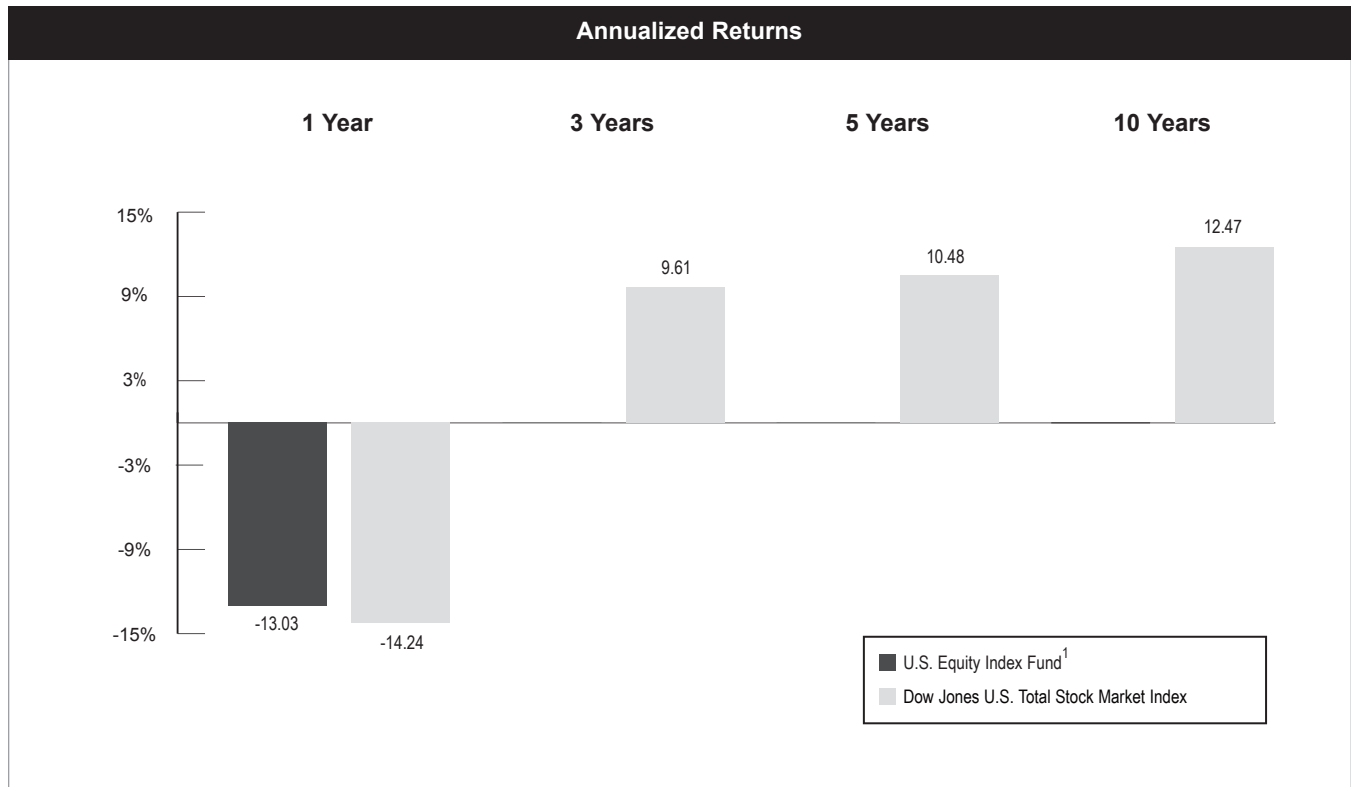
The value of an investment in this Fund will fluctuate in response to U.S. stock market movements, as well as cash flows into and out of the Fund. This Fund does not provide any type of principal protection or guaranteed level of return, and it is possible to lose money by investing in the Fund.

Fees and Expenses

See page 15.

Performance as of June 30, 2022

Fund Performance by Fiscal Year										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
U.S. Equity Index Fund ¹	-13.03%	47.11%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dow Jones U.S. Total Stock Market Index	-14.24%	44.29%	6.41%	8.88%	14.79%	18.52%	2.05%	7.18%	25.03%	21.46%



¹ The U.S. Equity Index Fund has existed since January 1, 2020. Performance of the Fund's benchmark is representative of how the Fund would have performed prior to Fund inception; this is because the Fund is passively managed.

Any difference between the returns of the Fund and that of its underlying mutual fund is due to the timing of cash flows.

Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment are not a guarantee.

Additional Information

In some TRS materials, the U.S. Equity Index Fund may be referred to as Variable F.

More information about this Fund, including a statement of investments and the name of the investment manager, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

International Equity Index Fund

Inception Date

January 1, 2020

Objective

The investment objective of the International Equity Index Fund is to track the total return of non-U.S. equity markets, including developed and emerging markets.

Strategy

The International Equity Index Fund closely tracks its benchmark return by investing in the over 6,000 securities in the MSCI All Country World ex USA Investable Market Index (ACWI ex-US IMI). This Fund will remain fully invested in foreign stocks, with a small cash allocation for liquidity needs. The ACWI ex-US IMI benchmark is very broadly diversified, holding large-, mid-, and small-capitalization stocks in over 20 developed and emerging markets. As of June 30, 2022, about 24.4% of the strategy was invested in emerging markets, although this will change as market values of different developed and emerging markets change.

Investment Managers

The Fund is invested in the institutional share class of the Fidelity Total International Index Fund. This can be changed at any time by the Teachers' Retirement Board.

Risk

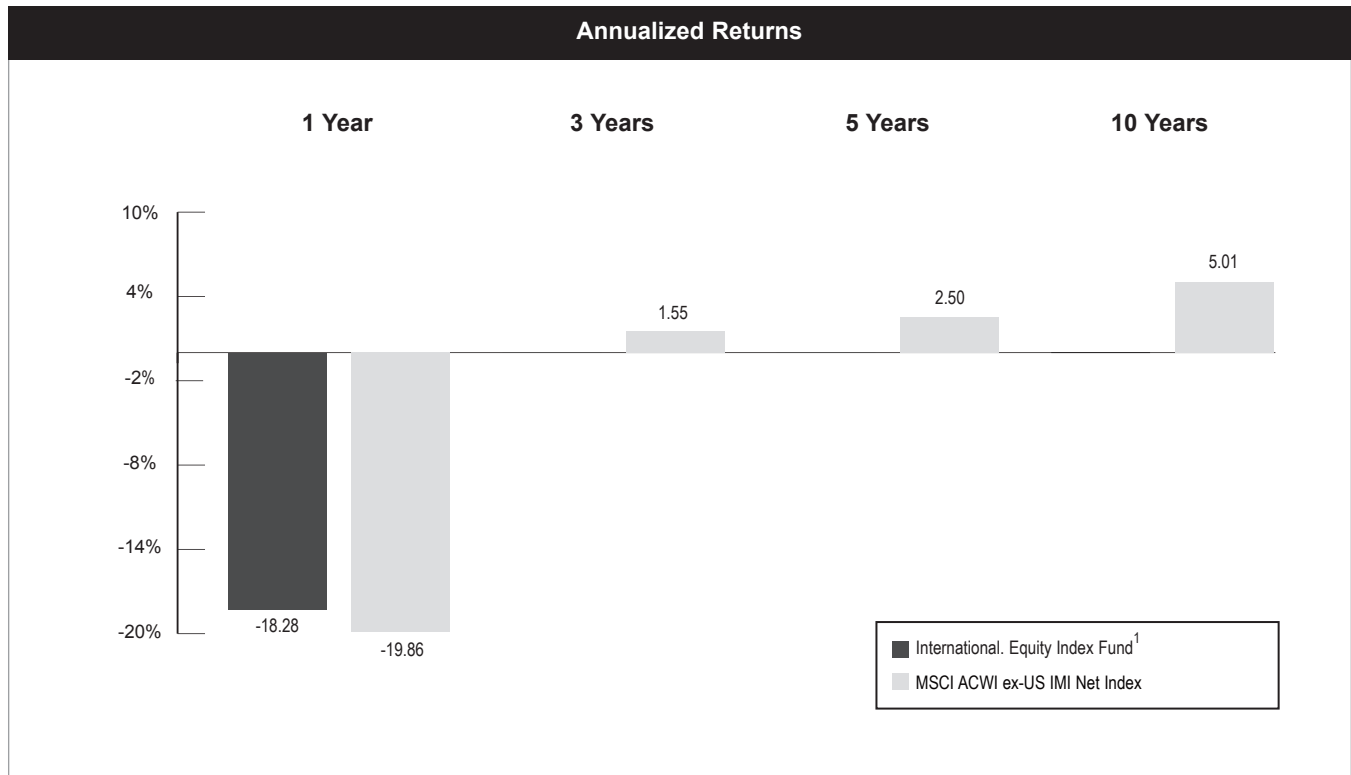
The value of an investment in this Fund will fluctuate in response to non-U.S. and U.S. stock market movements, as well as cash flows into and out of the Fund. Investments in non-U.S. companies and in foreign currencies are also subject to interest rate, currency exchange rate, economic, and political risks. This Fund does not provide any type of principal protection or guaranteed level of return, and it is possible to lose money by investing in the Fund.

Fees and Expenses

See page 15.

Performance as of June 30, 2022

Fund Performance by Fiscal Year										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
International Equity Index Fund ¹	-18.28%	36.53%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI ACWI ex-US IMI Net Index	-19.86%	37.18%	-4.74%	0.26%	7.75%	20.43%	-9.61%	-4.97%	22.28%	13.91%



¹ The International Equity Index Fund has existed since January 1, 2020. Performance of the Fund’s benchmark is representative of how the Fund would have performed prior to Fund inception; this is because the Fund is passively managed.

Any difference between the returns of the Fund and that of its underlying mutual fund is due to the timing of cash flows.

Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment are not a guarantee.

Additional Information

In some TRS materials, the International Equity Index Fund may be referred to as Variable G.

More information about this Fund, including a statement of investments and the name of the investment manager, is available in TRS’ *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS’ fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

Historical Risk & Return Analysis Five Years Ending June 30, 2022

	Annualized Standard Deviation	Annualized Return
Fixed Return Fund	N/A	7.00
Diversified Equity Fund	16.74	7.83
Balanced Fund ¹	5.18	3.18
International Equity Fund ²	15.56	3.02
Sustainable Equity Fund	18.12	10.30
U.S. Equity Index Fund ³	17.42	10.48
International Equity Index Fund ⁴	15.87	2.50
<i>Global Market Composite Benchmark⁵</i>	17.22	10.31
<i>Citigroup 3-Month T-Bill</i>	0.26	1.09

¹ The Balanced Fund has existed since January 1, 2018. Because the Fund does not yet have five years of history, annualized standard deviation and performance shown for this Fund reflect those of its Custom Benchmark, which is composed of 70% Bloomberg U.S. Government/Credit 1-5 Year Float Adjusted Index and 30% FTSE Global All Cap Index. Performance of the Fund's benchmark is representative of how the Fund would have performed prior to Fund inception; this is because the Fund is passively managed.

² Performance reflects the net-of-fees performance of the International Equity Fund. The past record does not reflect the current manager line-up, but rather the historical structure of the composite.

³ The U.S. Equity Index Fund has existed since January 1, 2020. Because the Fund does not yet have five years of history, annualized standard deviation and performance shown for this Fund reflect those of its benchmark, the Dow Jones U.S. Total Stock Market Index. Performance of the Fund's benchmark is representative of how the Fund would have performed prior to Fund inception; this is because the Fund is passively managed.

⁴ The International Index Fund has existed since January 1, 2020. Because the Fund does not yet have five years of history, annualized standard deviation and performance shown for this Fund reflect those of its benchmark, the MSCI ACWI ex-US IMI Index. Performance of the Fund's benchmark is representative of how the Fund would have performed prior to Fund inception; this is because the Fund is passively managed.

⁵ The Global Market Composite Benchmark is 77% Russell 3000 Index and 23% MSCI ACWI ex-US IMI Index as of January 1, 2022. Prior to January 1, 2022, the performance history reflects the Russell 3000 Index.

This chart presents TRS' investment vehicles and displays their net annualized five-year returns and their risk. Risk, as measured by standard deviation, is a measure of how much an investment vehicle's return will vary over time. Investment vehicles with higher return normally have greater risk (greater variation in their yearly rate of return). The exception to the higher-risk/higher-return normal expectation is the Fixed Return Fund; its return is guaranteed by the New York State Legislature in accordance with applicable laws.

Performance shown includes income and is net of operational fees (advisory and custody) and administrative expenses. Calculations are based on monthly returns.

Fees and Expenses

All performance results shown are net of all expenses and fees. No administrative or fund management expenses apply against the Fixed Return Fund.

Each fund (except the Fixed Return Fund) also bears investment management and custodial fees, which are reflected in the fund's unit value. The average annual fee for each fund for the fiscal year ending June 30, 2022 is listed below.

Diversified Equity Fund:	0.20%
Balanced Fund:	0.12%
International Equity Fund:	0.35%
Sustainable Equity Fund:	0.34%
U.S. Equity Index Fund:	0.02%
International Equity Index Fund:	0.06%

Administrative expenses for the Passport Funds (except the Fixed Return Fund) are set at 0.18% and are reflected in the unit value of each fund.

Important Information About Post-Retirement Payments

Fixed Return Fund

This paragraph describes how interest is determined for retired members receiving monthly payments under the QPP or TDA Program that include money from the Fixed Return Fund. The calculation of a QPP retirement allowance or TDA annuity is determined based on the balance of the member's Fixed Return Fund account and their life expectancy, as well as an assumed interest rate and other actuarial assumptions. The assumed interest rate is 7% if the annuity was calculated on a unisex mortality table, or 4% if the annuity was calculated based on the applicable male or female mortality table. By law, the mortality table that provides the highest payment to the member must be selected.

For a retired member, the amount paid monthly from the Fixed Return Fund will not normally change, unless the member changes the investment composition of the account.

Other Passport Funds

This paragraph describes how monthly post-retirement payments that include money from the Passport Funds (other than the Fixed Return Fund) are determined under the QPP or TDA Program. The calculation of this "variable" portion of a QPP retirement allowance or TDA annuity is determined based on the account balance held in each investment fund (other than the Fixed Return Fund), as well as an actuarial factor based on the member's life expectancy and an assumed 4% annual increase in the number of units. The member actually is credited with a set number of units each month; however, the payment amount may vary based on changes in the unit value of each investment fund.

For a retired member, the number of units paid monthly from these funds will not normally change, unless the member changes the investment composition of the account.

Fund Profiles is published annually and reports performance information for the Passport Funds on a fiscal-year basis. The Teachers' Retirement Board reserves the right to change or discontinue the investments described herein at any time.

The information published herein supersedes all previous information published about the Passport Funds. This publication should not be solely relied upon, as it is based on currently available information that is subject to change. In all cases, the specific provisions of the governing laws, rules, and regulations prevail.

**Teachers' Retirement System
of the City of New York**

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November 2022