



welcome to brighter

Investment management services

Foundation for Lincoln Public Schools

Response to request for proposal

October 11, 2024

This proposal has been prepared for the sole use of **Foundation for Lincoln Public Schools**. It is not for further distribution or communication to any other person or entity.



A business of Marsh McLennan

Contents

1. Executive summary	1
2. Questionnaire	2
A. Profile of manager and firm	2
B. Investment management process	6
C. Administrative services	13
D. Performance Results	14
E. Conflicts and conduct	15
F. Environmental, social and governance (ESG) investing	17
G. Education and value added services	18
H. Fees	18
I. Other	20

Appendix/exhibit list

Appendix A:	Team Biographies
Appendix B:	Sample Monthly Performance Report
Appendix C:	Sample Quarterly Performance Report (VIAS 70/30)
Appendix D:	Mercer GIPS-Compliant Presentation
Appendix E:	How Diversity and Culture Impact Mercer's Manager Ratings
Exhibit 1:	VIAS 7/30 Nonprofit Composite
Exhibit 2:	Question 13 Response
Exhibit 3:	Question 20 Response

Section 1

Executive summary

Mercer is pleased to have the opportunity of providing investment management services, to the **Foundation for Lincoln Public Schools (“FLPS”)**. As you evaluate our proposal, we ask that you keep five key differentiating factors in mind:

1. Forward-thinking perspectives implemented through independent investment managers

As a client, you should never be left wondering whether the business priorities of your advisor are at odds with the investment priorities of your organization. Mercer develops portfolio strategy ideas in-house but delegates implementation through external managers that have the specialization and independence to execute those ideas successfully for our clients.

2. Global resources to help generate differentiated ideas

Your portfolio’s success requires a partner that can leverage a global network of colleagues who have the skill and resources to discover exceptional managers no matter where they are located. Mercer’s research team has substantial experience in screening, sourcing and overseeing managers of all sizes on a global scale, with coverage in public equities, fixed income, hedge funds and private market investments, including private equity, debt, infrastructure and real assets.

3. Scale that delivers cost and operational efficiencies

You hire an investment advisor to help your institution grow and allow you to focus on the things you do best. Every dollar saved on investment expenses is a dollar more to compound over time in support of your mission, and every hour saved on operational tasks is an hour you can allocate to other priorities. Our scale allows us to potentially negotiate lower fees with external managers and provides us with the resources to invest in an infrastructure that can help streamline operational tasks and alleviate much of the administrative burden on clients.¹

4. Service aligned with your needs

However you choose to work with us, Mercer commits a team of investment professionals and strategy specialists with deep endowment and foundation experience to address all of your portfolio’s needs and challenges. Our expansive and flexible service model adapts to your governance preferences and meets you where you are, combining personalized hands-on support with the operational and investment scale that few institutions can provide.

¹ Fee savings cannot be guaranteed.

Section 2

Questionnaire

A. Profile of manager and firm

1. Name and address of respondent's firm and any affiliates.

Mercer Investments LLC, 99 High Street, Boston, MA 02110.

Affiliates – [Marsh McLennan](#) is a global leader in risk, strategy and people, advising clients in 130 countries across four businesses: [Marsh](#), [Guy Carpenter](#), [Mercer](#) and [Oliver Wyman](#). With annual revenue of \$23 billion and more than 85,000 colleagues (as of July 2024), Marsh McLennan helps build the confidence to thrive through the power of perspective. For more information, visit marshmclennan.com, or follow us on [LinkedIn](#) and [X](#).

2. History of firm including business type/structure, public or private, and how long it has been doing business under its present name.

Mercer's Not-for-Profit Investment Practice is focused on designing and implementing investment solutions for US endowments, foundations and not-for-profit healthcare systems. We have been working with our clients to address their investments needs since the 1970s, and work with the fiduciaries of charitable groups and institutional retirement plans and wealth management programs in many countries around the world. Our clients gain intellectual capital, thought leadership and significant resources and capabilities through a global footprint and marketplace presence. We can assist with these important aspects of institutional investing — strategy, structure and implementation — advising clients across the investment continuum through research and tools, advice and outsourced chief investment officer (OCIO) services.

Firm history - We trace our roots back to 1937, when Marsh McLennan, the US insurance brokerage firm, established an employee benefits department. Mercer began providing investment advisory services in the US in the 1970s. To meet our clients' evolving needs, we began offering OCIO services globally in 1995 and in the US in 2005.

In 2011, **Mercer's Not-for-Profit Investment Practice** was formed to serve endowments, foundations, and not-for-profit healthcare systems through a consolidated specialist team. We continue to invest in resources for our mission-driven not-for-profit client base by growing our team and client base.












Ownership structure - Mercer Investments LLC, one of several associated legal entities that provide investment services to clients as part of a global investment advisory and investment management business, is part of Marsh McLennan, a publicly held company (ticker symbol: MMC) listed on the New York and NYSE Chicago stock exchanges.

3. Firm's principals, their education, their professional backgrounds and years in the investment management business including endowment management experience.

See Mercer's Investment Leaders at: [Investments \(mercer.com\)](https://investments.mercer.com). Our NFP Team includes: (as of 09/2024)

Mercer's US National Not-for-Profit Investments Team

42 Investment Consultants + and 51 Associates, Analysts, and Administration Team
across 16 locations across the U.S.:
Austin, Boston, Charlotte, Chicago, Dallas, Kansas City, Los Angeles, Louisville, Minneapolis, Nashville, New Orleans, New York City, Norwalk (Connecticut), Portland (Oregon), Salt Lake City, St. Louis

Practice Leaders		National Market Leaders	
 Russ LaMore E&F St. Louis 27 years with Mercer 30+ years of industry experience	 Chris Cozzoni Healthcare St. Louis 19 years with Mercer 25+ years of industry experience	 Cori Trautvetter E&F St. Louis 24 years with Mercer 25+ years of industry experience	 Meggan O'Shea Healthcare Minneapolis 30 years with Mercer 30+ years of industry experience
Senior Segment Strategist			
 Geoff Wilson E&F St. Louis 18 years with Mercer 19+ years of industry experience	 Chris Kuhlman Healthcare Chicago 13 years with Mercer 14+ years of industry experience	 Ronak Patel E&F Chicago 8 years with Mercer 16+ years of industry experience	 David Peden NFP Portfolios St. Louis 7 years with Mercer 22+ years of industry experience
Business Leaders			
 Don Wehrmann Consulting Leader St. Louis 19 years with Mercer 19+ years of industry experience	 Texas Hemmaphlardh Business Leader New York City 27 years with Mercer 27+ years of industry experience	 Travis Pruitt OCIO Leader Portland, Oregon 11 years with Mercer 28+ years of industry experience	

4. The professional(s) who would be directly involved with FLPS accounts and their role(s).

Michael Doyle and **Matthew Burke** will serve as the primary liaisons for our organization and will attend all investment committee meetings. Both currently work with 11 secondary school and higher education clients (as of September 2024) like FLPS and have worked closely on client teams for more than 20 years. Michael and Matthew will lead the relationship with FLPS, working with the investment committee on strategic positioning, overall risk posture, liquidity planning and portfolio implementation.

Michael and Matthew will lead education sessions with the investment committee and may engage other Mercer subject matter specialists to assist in developing depth in particular areas such as alternatives. Additional staff for FLPS include a consulting analyst, performance measurement analyst and operations analyst.

This team is available to your staff and investment committee and will be proactive in identifying potential opportunities as well as potential issues. They will work closely to provide portfolio oversight and connectivity with our investment and governance teams and will be responsible for maintaining regular communication with FLPS. You may contact either of them via telephone or email at any time. Additionally, you may also directly contact Mercer's support team, performance analyst, and research group with any questions or service needs you may have. All not-for-profit OCIO teams report to the **Not-for-Profit Investment Committee (NFP IC)** for rigorous oversight. Please see team biographies in **Appendix A**.

5. Describe the turnover among professional staff over the past three years.

Voluntary turnover averaged 5.9% in 2023, compared to 11% in 2022. This rate is lower than in previous years, creating more of an opportunity to invest in current Mercer talent.

Voluntary turnover for Partners and our highest-performing colleagues is lower than overall Mercer US Wealth. Mercer's colleague retention rates reflect our commitment to an inclusive culture where all colleagues have the opportunity to learn and grow.

6. What is the client -to-consultant ratio? Discuss how the firm manages growth, including any limits to client/consultant ratio.

FLPS will receive all the dedicated attention, appropriate resources and ample capacity that's needed to help exceed your expectations and to successfully support this assignment. While we do not set a formal limit on the number of client relationships any consultant may lead, we monitor the capacity of our senior investment consultants very closely.

7. Provide number of clients lost during the last three years and the cause for the loss.

US OCIO clients lost: 2020 (1), 2021 (4), 2022 (1).

Our partnerships with clients are sometimes terminated (by either party) for a variety of reasons — including, but not limited to changes in client business strategy; mergers and acquisitions; changes in Mercer's business strategy; or when projects are completed.

8. Ten (10) year history of assets under management by the firm. Ten (10) year history of assets managed by the professionals identified in # 4 or maximum years if less than ten.

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
\$141.2 b	\$129.1b	\$150.2 b	\$133.4b	\$125.8b	\$105b	\$87.5b	\$62.3b	\$53.9b	\$46.5b

Our OCIO business has experienced healthy growth over the last 20 years in both client count and assets under management (AUM). Specifically, in the past decade, we've grown from approximately 550 clients representing \$66 billion in AUM (as of December 31, 2012) to more than 2,000 clients with more than \$419 billion in AUM (as of December 31, 2023) on a global basis. This expansion has led to Mercer becoming one of the largest OCIO providers.²

Our OCIO business in the US has seen tremendous growth during that same time period as well. From December 31, 2012 to December 31, 2023, we grew from approximately 100 clients with \$22 billion in AUM to 343 clients with more than \$141 billion in AUM.³

Matthew Burke worked in asset management for 9 years. Over the past 4 years, he was a co- consultant for an average of \$947M in educational client assets. Michael Doyle has worked in financial services for nine years and managed non-profit investment assets for five years. Currently, he manages approximately \$700M in assets.

9. For foundation assets managed, provide statistics on number of clients/foundations, median/average account size and range of assets managed (largest to smallest account).

Client Total	Asset Total	Mean	Median	Largest	Smallest
224	\$21.9b	\$98m	\$23m	\$2.5b	\$471,043

Data as of March 31, 2024, US AUM.

10. Describe five (5) of the firm's foundation accounts of a size similar to FLPS, including owner type, length of relationship, and assets managed for each account. Provide

² Source: *Pensions & Investments (P&I)* magazine's 2023 Outsourcing Survey, worldwide outsourced assets under management as of March 31, 2023 as reported by 57 participating firms to P&I (<https://researchcenter.pionline.com/v3/rankings/outsourcing-manager/datatable>). AUM data as of March 31, 2023. US AUM for the same period March 31, 2023 was \$123.9 billion. Mercer did not pay a fee to be included in this survey. This survey is not indicative of future performance.

Note: In providing OCIO services, Mercer typically exercises investment discretion by hiring and overseeing third party asset managers on behalf of client portfolios. **See Important Notices for important information about Assets under Advisement and Assets under Management.**

³ **Please see Important Notices for important information about Assets under Management.**

contact information (telephone and email) for three (3) to five (5) who FLPS may contact for a reference.

	Asset Total (M)	Owner Type	Tenure (yrs)
1	\$12.0	Private	8.4
2	\$12.2	Private	23.4
3	\$12.4	Private	15.7
4	\$12.6	Private	8.7
5	\$12.7	Private	6.2

As of March 31, 2024.

Out of consideration for our clients' busy schedules and numerous requests for their feedback, we typically do not provide client references at this stage of the evaluation process. We will provide FLPS with references if Mercer is selected as a finalist for this engagement.

11. Provide information regarding all relevant national and state licenses held by firm as well as the individuals identified in # 3 and # 4 along with the CRD number for each individual, if applicable.

Mercer Investments LLC ("Mercer") is registered as an investment adviser with the Securities Exchange Commission (SEC) under the Investment Advisers Act of 1940 (SEC File Number: 801-63730; CRD Number: 133449).⁴ Mercer is also registered as a commodity trading adviser and commodity pool operator with the Commodity Futures Trading Commission under the Commodity Exchange Act and a member of the National Futures Association in such capacities. As a subsidiary of Marsh McLennan, Mercer has many affiliated entities that are subject to regulatory bodies around the world. Please see Mercer's Form ADV Brochure for information about certain of these affiliated entities with which Mercer has material arrangements.

12. Does your firm assume fiduciary responsibility in its investment management and advisory role? If Yes, please specify which services you are proposing for which your firm will act as a fiduciary.

As a registered investment adviser, we are a fiduciary under both advice (traditional consulting) and OCIO relationships with respect to the investment advice we provide to clients and decisions made regarding investments we manage. In both models, we seek to provide high-level transparency with respect to investments, employing a system of thorough, timely and clear performance reporting. We also have policies and processes designed to help mitigate conflicts of interest. When engaged to provide delegated investment management services (OCIO), we serve as fiduciary and investment manager, and will assume responsibility for the assessment, selection, ongoing oversight and replacement of investment managers. Mercer does not manage securities directly, but rather we engage third-party investment managers (sometimes referred to as our sub-advisors) that have been highly rated by our asset class teams for the investment strategies we manage on behalf of our clients.⁵

⁴ Please see Important Notices for further information on registration.

⁵ Please see the Guide to Mercer's Investment Strategy Ratings: https://www.mercer.com/assets/us/en_us/shared-assets/local/attachments/pdf-wealth-guide-to-mercers-investment-strategy-research-ratings-merc-2023.pdf.

B. Investment management process

1. Discuss firm philosophy regarding the Outsourced Chief Investment Officer Model.

Our service model is designed to be flexible and can be tailored.

Strategy	Traditional model		OCIO solution	
	FLPS	Mercer	FLPS	Mercer
Define objectives	●		●	
Strategic asset allocation	●	●	●	●
Asset/liability modeling (ALM)	●	●	●	●
Portfolio construction	●	●	●	●
Implementation				
Manager selection, termination and transition	●	●		●
Global scale	●	●		●
Contract and fee negotiation	●	●		●
Strategy execution	●	●		●
Liability-driven investment hedging	●	●		●
Rebalancing	●	●		●
Evaluation				
Performance reporting	●	●		●
Operations (liquidity and cash flow management)	●			●
Financial reporting support (FAS 157, 5500, audit)	●			●
Advisor/OCIO monitoring	●		●	

2. For how many organizations does firm act as the OCIO? 1598 clients (as of March 31, 2024).

3. Describe firm's overall investment philosophy and provide model investment policy statement and model portfolios for a foundation.

Please see **Exhibit 1** VIAS Nonprofit 70/30 Composite.

Investment philosophy - Our investment philosophy and advice are based on the following core investment principles:

- **Strategic asset allocation is the most impactful portfolio decision.** Long-term results will be broadly determined by your asset allocation.
- **Broad diversification is critical.** Whether considering global equity, global investment grade fixed income, or private markets, obtaining effective diversification is the key to capturing asset class returns while reducing the probability of unwanted outcomes.⁶
- **Long-term success requires strategic discipline.** We stay focused on managing your strategic asset allocation and interest rate risk across dynamic markets, and rebalancing opportunistically. Our steadfast commitment to discipline sets Mercer apart from other firms.

⁶ Diversification does not guarantee a profit or protect against a loss

- **Active management and private markets (if appropriate) can be additive.** If time horizons, liquidity parameters, operational needs and investment committee patience align, active management can help lead to meaningful potential incremental returns.
- **Strong financial and fiduciary controls.** Mercer takes a holistic approach to risk and factors it into everything we do: portfolio construction, information security and data transmission, custodial relationships and our global enterprise. Investment policy statement.

We have extensive experience developing and reviewing investment policy statements (IPS) for our clients and will work diligently to refine your existing IPS to help achieve those objectives. We will work closely with you to evaluate and construct what we believe will be an effective, concise and broad IPS.

4. Describe firm's risk management process.

Overview - Mercer takes a multifaceted approach to risk management, considering it at every step of the investment process, including the broad capital markets outlook, determination of the strategic asset allocation and dynamic asset allocation tilts, as well as manager selection and implementation. Our process is designed to help clients understand and manage risks in their portfolios and in relation to the obligations those portfolios are supporting, effectively including how those risks are allocated, the efficiency of the allocation and the potential implications associated with that allocation. Our robust risk management process is forward-looking and consistently improving as we continue to invest in and develop sophisticated tools.

Ongoing oversight - Ongoing oversight is crucial in investment risk management. It involves monitoring decisions, taking action when needed and continuously seeking to improve the investment decision-making process.

Qualitative aspects of our review include:

- Assessing organizational circumstances to help ensure the risk budget is still appropriate
- Exploring new asset classes for enhanced returns and diversification within the strategic and dynamic risk budget
- Evaluating market conditions and return expectations to adjust asset allocation or dynamic asset allocation tilts, as appropriate
- Reviewing changes in managers' organizational structure, process or personnel that may invalidate any of the forward-looking assumptions such as tracking errors, information ratios and alpha correlations underlying the risk budget allocation

Evaluating, measuring and reporting risk - Mercer's expertise in investment risk management, which is focused on the assets and the obligations being supported, is at both the strategic and implementation level. The strategic level is established and evaluated during our asset allocation process.

We then dive deeper into the portfolio, assessing factors at a more granular level to confirm the desired factors are implemented. While this exercise shares a lot with the strategic stage, the reviewed underlying attributes and analyses become more tailored to the underlying investment.

Our **Portfolio Management and Portfolio Design, Analytics and Risk** teams use a combination of MSCI BarraOne, Style Research and proprietary tools for monitoring purposes. These teams regularly review managers, portfolios, risk management guidelines, rebalancing and performance. We also utilize other **portfolio-level** analyses to monitor risk, including:

- Heat map analysis of quantitative return drivers and factors at the portfolio level and underlying slices
- Region and country look-through analyses
- Industry and sector look-through analyses
- Actual allocation versus policy to identify out-of-balance situations
- Asset and manager weights to help ensure prudent diversification

At the **asset class** level:

- Sector allocation versus benchmark
- Portfolio characteristics (e.g., P/E, P/B, Beta)
- Top 10 holdings
- Allocation by quality, maturity and sector
- Private equity performance by vintage year and fund
- Hedge fund manager mix and look-through strategy mix
- Strategy weights to help ensure prudent manager diversification

At the **manager level**:

- Ongoing manager due diligence monitoring with reports in our proprietary manager database
- ESG ratings⁷
- Sector allocation versus benchmark
- Portfolio characteristics (P/E, P/B, Beta)
- Top 10 holdings
- Allocation by quality, maturity and sector
- Private equity performance versus vintage year peers
- Hedge fund manager exposures

5. Does firm recommend a process for rebalancing the portfolio, what is it and why?

Yes, we believe rebalancing is a key tool in managing risk and adding value to the portfolio.

The process calculates the rebalancing ranges for each asset class by considering the risk impact of a deviation from target in that asset class, where risk is measured as the probability of returns differing from the portfolio's target asset allocation. Asset classes whose performance is very different from the rest of the total portfolio (such as fixed income in an equity-heavy portfolio) will tend to have narrow weight ranges, as they tend to act very differently from the overall portfolio objective. Conversely, assets whose performance is similar to the total portfolio have wider weight ranges, since deviating from the target won't typically cause total portfolio performance to differ meaningfully from the objective.

To help avoid unnecessary transaction costs, cash flows (for example, spending distributions or portfolio contributions) can be used to realign the portfolio exposures toward the targets, as this essentially rebalances the portfolio naturally and can help reduce the need for additional or excessive rebalancing trades.

6. Describe the process, if respondent has helped draft or modify an investment policy statement for a foundation.

⁷ Please see Mercer's Guide to ESG Ratings at <https://www.mercer.com/en-us/insights/investments/investing-sustainably/merc-esg-ratings/>.

We recommend an annual formal review of the investment policy statement. The policy may be updated more frequently if there are changes to the investment objectives, risk tolerance or changes to the organization.

7. Describe firm’s investment selection process.

Due diligence process - The investment due diligence process involves a combination of on-site and virtual visits to investment managers, statistical analysis and the direct experience of Mercer’s research professionals. We evaluate an investment strategy both quantitatively and qualitatively.

Quantitative measures

- | | |
|--|---|
| <ul style="list-style-type: none">• Tracking error to benchmark• Information ratio• Excess return versus an optimized style benchmark• Standard deviation versus benchmark• Consistency of excess returns over rolling• 1-year and 3-year periods | <ul style="list-style-type: none">• Beta• Performance in different market environments• Peer-relative performance• Fundamental characteristics (average market capitalization, P/E, P/CF, debt/equity, etc.) |
|--|---|

Risk-adjusted analysis is used to confirm our evaluation of manager performance. A few of the metrics we consider include:

- **Alpha:** Manager’s excess return over an appropriate benchmark adjusted for the risk taken relative to the benchmark. We separately evaluate a manager’s ability to add value in down markets to help clients gauge how well a manager protects assets in a declining market.
- **Sharpe ratio:** Measures return compensation per unit of relative risk. A higher Sharpe ratio means that the manager is achieving greater performance per unit of volatility (such as, risk). We analyze both historical and expected Sharpe ratios.
- **Batting average:** Measures the percentage of time a manager outperformed their benchmark over various measurement periods, thus indicating performance consistency.

Additionally, we use **Style Research Portfolio Analyzer (SRPA)** to assist in our evaluation of a strategy’s return/risk characteristics. This tool provides a clear view of a single or combined equity portfolio’s composition with respect to the style factors influencing performance in each market. This software package enables us to analyze portfolios at the security level.

Qualitative measures

The following four factors encompass the qualities that investment managers need to demonstrate in order to have strong prospects for outperforming for our clients:

Factor ⁸	Core belief
Idea generation	To outperform, managers must be able to generate value-adding investment ideas. The quality and breadth of these ideas are the key drivers of long-term success.

⁸ Factors vary by asset class, the framework illustrated refers to actively managed liquid strategies.
© 2024 Mercer (US) LLC. All rights reserved

Factor ⁸	Core belief
Portfolio construction	The quality of a manager's portfolio construction process will determine how effectively their value-adding investment ideas are converted into consistent outperformance. Key elements are how well the managers calibrate active positions in the portfolio, the extent to which these reflect their highest conviction ideas and how well they manage risk.
Implementation	For managers to outperform, the value added through their investment ideas and portfolio construction process must outweigh the drag on their performance due to transaction costs.
Business management	Well-managed investment firms are more likely to maintain and enhance the competitiveness of their strategies over time than poorly managed firms.

Manager ratings process - Each peer reviewed rating recommendation and supporting research report is uploaded to MercerInsight® making it available to Mercer's consultants and clients. It is also forwarded to the Ratings Review Committee (RRC), composed of representatives from research, consulting and OCIO. The RRC is charged with confirming that the strategy has been subjected to our high research standards and that there is sound logic underpinning our investment recommendation. It also helps ensure consistency of assessment across managers and over time. All rating recommendations must be approved by a majority vote of the RRC.

Our Not-For-Profit Investment Committee (NFP IC) maintain(s) a select list of "A" rated managers for use in portfolios.⁹

8. Describe firm's process for manager monitoring and manager replacement.

Manager monitoring process - Our full-time Portfolio Management Team is responsible for both the selection and ongoing monitoring and due diligence of investment managers in our OCIO program. The first level of monitoring is research conducted by Mercer's global Asset Class Teams and Ratings Review Committees, which regularly meet with all "A" rated managers, including the sub-advisors in our OCIO client programs.¹⁰ Building on this underlying research, our Portfolio Management and Operations Teams support our lead consultants in the scheduled monitoring of investment managers in our OCIO client programs. In addition, we conduct periodic on-site investment manager visits to meet with portfolio management teams and/or to review operational procedures related to the program. Mercer also conducts quarterly detailed performance and holdings-based analyses in anticipation of portfolio review meetings and analyzes and reports monthly performance on an ongoing basis.

Manager replacement process - There are times when manager performance falls below expectations. Our objective in these situations is to determine if the prospects for future strong

⁹ Pursuant to Mercer's proprietary rating process the rating assigned to a strategy may or may not be consistent with its past performance. Although the rating reflects our expectations on future performance over a time frame appropriate for the particular strategy, we do not guarantee that these expectations will be fulfilled. Please see the Guide to Mercer's Investment Strategy Ratings: https://www.mercer.com/assets/us/en_us/shared-assets/local/attachments/pdf-wealth-guide-to-mercers-investment-strategy-research-ratings-merc-2023.pdf.

¹⁰ Pursuant to Mercer's proprietary rating process the rating assigned to a strategy may or may not be consistent with its past performance. Although the rating reflects our expectations on future performance over a time frame appropriate for the particular strategy, we do not guarantee that these expectations will be fulfilled. Please see the Guide to Mercer's Investment Strategy Ratings: https://www.mercer.com/assets/us/en_us/shared-assets/local/attachments/pdf-wealth-guide-to-mercers-investment-strategy-research-ratings-merc-2023.pdf.

performance have weakened and action is required. If performance is not meeting expectations in the short run, we meet with the investment manager to gain insight into performance attribution. If underperformance persists, we continue to meet regularly and monitor the firm for any loss of confidence or issues within the organization that could impact performance. Underperformance is rarely a clear-cut issue, but we spend the time necessary to develop a clear and detailed understanding and provide clients with specific recommendations.

Our investment manager recommendations may fall into one of the following categories:

- **Retain:** We have confidence in the investment manager's ability to add future value. The manager's investment performance is satisfactory, and there are no significant organizational or strategic issues.
- **Terminate:** We do not have confidence in the manager's ability to add value over a benchmark in the future. We may recommend terminating a manager if significant concerns exist as to the organization or strategy.

If a strategy rating is lowered in our database, this triggers an action that affects our entire client base. At the sub-advisor level, knowing when to exit a strategy is as important as knowing when to hire one. When managers appear to be losing their edge, we aim to get out quickly. Detailed manager assessments are made on an ongoing and individual basis, where each strategy is compared to its historical experience and our expectations, as opposed to a single comparison against their peer group.

These areas of focus are broad and capture both historic metrics and forward-looking proactive measures. We are conscious of key catalysts to terminate/downgrade a strategy. And compared to the typical time frame of up to nine months for an investment committee replacing a strategy on its own, our time frame averages one to three months.

9. Describe your manager due diligence/research/search process. How often does your staff visit with money managers in-house or onsite?

Please refer to our responses for above **Question 7**.

10. Describe the capabilities and differentiating features of your firm's manager research database.

Mercer maintains a proprietary cloud-based digital platform, MercerInsight® an alliance with Nasdaq, that serves as a central repository for manager and strategy data and assessments. The database incorporates manager-provided data and information including firm-wide demographic details, investment product details, performance and holdings augmented by our own research including published investment and operational due diligence assessments, meeting notes, news items and manager ratings resulting from our rigorous investment due diligence process. The database is a sophisticated, simple-to-use platform that allows users to analyze the data housed within it. MercerInsight® includes data and research coverage across all major asset classes, styles and global regions.

MercerInsight® allows consultants to easily screen on common manager details using standard or custom queries. A key differentiator of our in-house database is the real-time environment. MercerInsight® provides real-time information to all clients, researchers, investment managers and consultants. Consultants and analysts receive an email alert when new research has been published to MercerInsight® for one of our clients' investment managers, helping us to quickly understand and address any changes that may impact client investment strategies.

11. In producing investment results for your endowment/foundation clients, clearly articulate firm's competitive edge based on your approach compared to your competition.

Mercer has been providing OCIO solutions in the US since 2005 and globally since 1995. Our highly tenured investment and operational teams have weathered several market cycles and will apply this time-tested experience to your portfolio.

FLPS may potentially benefit from **our dedicated portfolio management professionals who focus solely on building intelligently diversified portfolios** of active equity and fixed income managers. We will apply investment acumen and powerful statistical tools that seek the specific portfolio characteristics we believe will increase the probability of generating both absolute and risk-adjusted outperformance over time. Our dedicated portfolio management teams will strive to work seamlessly with your investment team to design and implement investment strategies tailored to FLPS's risk and return objectives.

Our global footprint, coupled with a broad and deep network of contacts, aids us in identifying and engaging **highly rated alternatives managers** for FLPS. You'll gain the potential to benefit from our **12+ year track record of implementing discretionary alternatives portfolios** and access to tenured portfolio managers with a history of strong performance driven by solid research and portfolio management skills.

Our global scale provides us the ability to negotiate manager fees. In a lower return environment, we can potentially offer FLPS lower investment manager fees and access to institutional investment managers with whom it can be difficult for small and mid-sized investors to connect.

You will have the flexibility to keep or delegate responsibility across all parts of your portfolio, creating a governance model fine-tuned to your needs. At the core, our services will focus on constructing a portfolio populated with highly rated managers designed to align with your implementation preferences and long-term goals. Because the needs of our 1250 not-for-profit clients¹¹ vary widely and evolve as their institutions do, we'll use our deep and diverse experience to customize governance design for FLPS's situation.

We're determined to create investment solutions tailor-made for FLPS, built on our knowledge and understanding of the role your investment portfolio plays in supporting your mission. You can rely on the expertise of our team which includes 75 investment consultants and 71 associates, analysts and administration personnel.¹² Their **experience spans decades of work with not-for-profit organizations just like yours.**

12. Describe firm's process for monitoring performance of a client's account(s), including as related to client's goals, objectives and investment policy.

Please refer to our response for **Question 8** in same section under heading **Manager monitoring process**. Also, Mercer monitors compliance with each client's investment policy guidelines as part of our standard monthly and quarterly reporting process. Performance attribution analysis is used

¹¹ Effective March 15, 2024, Mercer completed the acquisition of Vanguard Institutional Advisory Services (VIAS). Prior to the acquisition, Mercer's U.S. Not-for-Profit Practice had 208 advisory clients representing \$418.7 billion in assets under advisement (AUA) and 85 OCIO clients representing \$16.4 billion in assets under management (AUM) as of December 31, 2023. Please see Important Notices for important information about Assets under Advisement and Assets under Management.

¹² As of August 1, 2024.

to analyze sources of excess return. We track manager performance relative to benchmark index returns and a universe of managers with similar investment mandates.

The process of monitoring adherence to investment policy and guidelines is specific to each client. Many of our clients have unique investment guidelines as dictated by their specific situations and investment policy statements. The consulting team reviews monthly and/or quarterly reports to monitor portfolio compliance with each client's investment policy allocation guidelines. We track manager performance relative to benchmark index returns and a universe of managers with similar investment mandates. We then review the strategy at least annually to confirm the policy goals are consistent with each client's changing needs. To promote greater integrity in the process, the investment policy statement is typically reviewed and reaffirmed annually.

13. If available, provide a representative portfolio for up to three (3) endowment/foundation clients with characteristics and size comparable to FLPS.

Please see **Exhibit 2 – Question 13** for our representative portfolio.

14. Describe the firm's watch list and termination decision-making process as it relates to fund managers.

Please refer to our response for **Question 8** in the same section under the heading **Manager termination process**.

15. Does the firm comply with the Global Investment Performance Standards (GIPS)?

Yes, Mercer Investments LLC is Global Investment Performance Standards (GIPS®)¹³ compliant.

C. Administrative services

16. Are monthly account statements available on-line? If yes, how soon after the last day of the preceding month?

Yes, monthly account statements and performance reports are available online. Monthly performance reports are typically available 15-20 days following month-end.

17. Include a sample monthly accounting statement/client report and, in addition, a quarterly meeting report with demonstrated capabilities to monitor performance to investment policy benchmark with your proposal.

Please see **Appendix B** for a sample quarterly performance report and **Appendix C** for a sample monthly performance report.

18. Are benchmarks and report formats customizable?

Benchmark customization - We are capable of constructing customized benchmarks for broad asset class composites weighted either at a static mix (such as, total stocks might be a blend of the Russell 3000, EAFE developed markets international stocks and the MSCI Emerging Markets indices) or at the manager's actual allocation.¹⁴ Custom benchmarks for the total portfolio are also tracked based on the asset allocation target mix. In this way, we can help separate differences

¹³ GIPS® is a registered trademark owned by CFA® Institute. CFA® Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

¹⁴ Please see the following link for information on indexes: <https://www.mercer.com/content/dam/mercer/attachments/private/nurture-cycle/gi-investment-management-index-definitions-mercer.pdf>

between returns from the manager's portfolio and those of the policy portfolio into the effects of allocation drift and the results genuinely attributable to stock selection. This approach simplifies the oversight and review process.

Customized reporting - Our flexible reporting package can provide FLPS with custom reports based on your preferences or requirements. Some potential benefits include:

- A **customizable template** with client-ready branding options, fully customizable colors, fonts and other style components
- Access to our **extensive library of charts** for performance analysis, asset allocation, risk/return and peer group analysis
- The option to submit **changes in reporting format and report content at any time**

D. Performance Results

19. Using a June 30, 2024, end date, provide ten (10) years of gross and net annual returns by asset class and overall for firm's foundation clients identified in Section B. 13. In addition, provide comparisons against the benchmarks by investing strategy. Performance history should include composite performance of accounts managed in a similar manner to that proposed for FLPS.

Please see **Exhibit 1** VIAS Nonprofit 70/30 Composite.

20. Using a March 31, 2024, end date and a June 30, 2024, end date, provide for each of those two calendar quarters the gross and net returns by asset class and overall for the firm's foundation clients identified in Section B.13. In addition, provide comparisons against the benchmarks by investing strategy. Performance history should include composite performance of accounts managed in a similar manner to that proposed for FLPS.

Please see our response in **Exhibit 3 – Question 20.**

21. Please advise if your response to the above is GIPS® compliant. If yes, please attach a GIPS-compliant presentation.

The VIAS (Vanguard) Composite Report is not GIPS client.

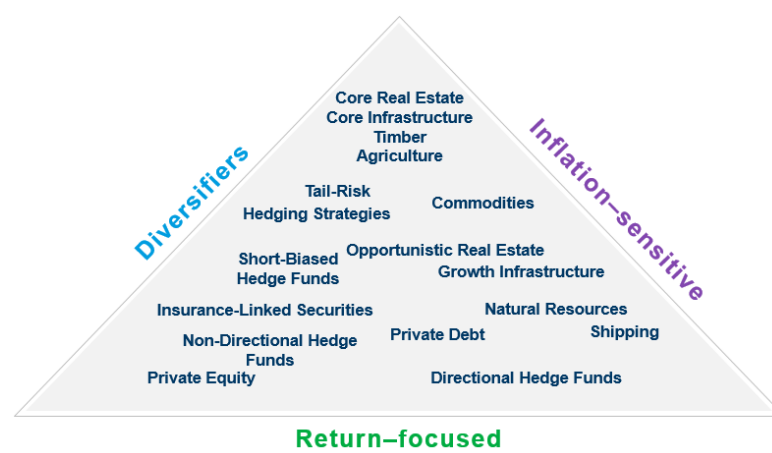
Please refer to **Appendix D** for Mercer's GIPS-Compliant presentation.

22. Which of those client returns identified in # 1 most closely approximates FLPS investment policy and asset allocation and why?

Please see **Exhibit 1** VIAS Nonprofit 70/30 Composite which is most similar to FLPS.

23. Describe firm's philosophy and capabilities regarding alternative investments.

Alternatives can play a variety of roles in an institutional portfolio and the type of alternative selected should be related to a specific portfolio strategy. There are three main roles for alternatives:



One of Mercer's key beliefs is that for long-term investors, private markets can offer certain advantages over public markets, including the potential for higher returns and value creation via a broadened opportunity set with unique characteristics. Key to achieving this is relationship-building with managers, thorough due diligence, risk management and alignment of interests. Additionally, we believe that hedge funds can potentially provide a valuable source of alpha and can effectively diversify both equity market and interest rate risks simultaneously.

24. Please discuss firm's philosophy regarding and use of low-cost index funds?

We believe low-cost index funds are an efficient way to capture potential market returns. Given the fee hurdle that most active funds need to overcome in order to outperform their benchmark, index funds are setup to perform well relative to their active counterparts. Research has shown that indexing is a top quartile strategy over the long-term.

In terms of portfolio construction, tracking error is an important consideration, especially for organizations that have perpetual spending needs. For example, implementing a fully active portfolio with concentrated positions introduces the opportunity for large tracking error relative to the benchmark. For organizations that regularly draw from the portfolio, this introduces the chances for selling from the portfolio when the active managers are out of favor compared to the index. This risk can be mitigated by introducing passive strategies into the portfolio allocation. Passive management reduces the tracking error profile of the portfolio and provides a lever to pull when spending is required and active is underperforming. We will work with FLPS to understand your ability and willingness to take on tracking error risk when making a final portfolio recommendation.

E. Conflicts and conduct

1. Has firm adopted the CFA Institute's Code of Ethics and Standards of Professional Conduct? If not, why not?

Mercer has not formally adopted the CFA[®] Institute's Code of Ethics and Standards of Professional Conduct. We instead require all Mercer staff to adhere to the Marsh McLennan Code of Conduct, *The Greater Good*. Certain Mercer colleagues are CFA[®] charterholders, and as a condition of their holding this designation, they have a personal obligation to comply and follow the CFA[®] Institute's Code of Ethics and Standards of Professional Conduct in every aspect of their employment, including their interactions with clients, colleagues, competitors and vendor firms. There are approximately 140 US Investments professionals within Mercer who are CFA[®] charterholders and,

therefore, required to follow the CFA® Institute's Code of Ethics and Standards of Professional Conduct.¹⁵

2. Please provide details of any legal proceedings or litigation involving the firm or its employees within the past 10 years.

In the ordinary course of business, Mercer may be involved with litigation and/or other legal or regulatory proceedings, investigations, and inquiries, some of which are conducted on an industry-wide basis. Based on information currently available, the outcomes of any currently pending litigation, proceedings, investigations, and inquiries are not expected to have any material adverse effect upon Mercer or its ability to service its clients. Details regarding certain outstanding legal and/or regulatory proceedings pertaining to Mercer and its affiliates are disclosed, when required, in the public [Securities and Exchange Commission filings of Marsh McLennan](#), Mercer's parent company, and/or Mercer's Form ADV, as applicable.

3. Does any part of the firm directly or indirectly sell data, research, services, or information to investment managers or mutual fund companies?

Our relationship with investment managers - We provide discretionary investment management services utilizing independent, unaffiliated investment managers as sub-advisors. These managers may be used as sub-advisors to Mercer's Multi-Manager Funds or for direct investments in their strategies.

We do not receive any 12b-1 fees or other revenue sharing from third-party investment funds that we recommend to clients.

However, certain investment managers that Mercer rates, reviews or recommends may also be clients, or affiliated with clients, of Mercer or its affiliates. These services are typically provided on a fee-for-service basis and include health, wealth and career consulting.

Mercer or its affiliates may receive indirect compensation in the form of fees paid by investment managers in connection with attendance at Mercer's Global Investment Forum and other events. These may be attended by representatives, or in connection with, software subscriptions and other services to investment management firms.

Mercer or its affiliates may also provide operational risk consulting for investment managers, and, in a limited number of non-US jurisdictions, affiliates of Mercer may evaluate retail investment strategies offered by investment managers at the request of the investment manager. Compensation for these services is provided by the investment managers or their affiliates.

Consistent with our fiduciary duty and in accordance with applicable law, we may review, evaluate, recommend or select such investment managers, as appropriate. We have established protocols and procedures in place to address and mitigate potential conflicts of interest arising from these relationships.

For more information, please refer to our [Conflicts of Interest Statement](#), which details our approach to minimizing potential conflicts of interest.

¹⁵ As of January 2024.

4. Are there any circumstances where the firm, its officers, principals or employees receive direct or indirect payments from investment managers or broker/dealers? If so, explain in detail.

No. FLPS can rest assured that we'll strive to recommend investments services, products and solutions based **only** on our understanding of your best interests. For more information, please refer to our response above to **Question 3** in the same section.

F. Environmental, social and governance (ESG) investing

1. What experience does firm have in working with clients that are involved in ESG Investing?

We consider Responsible Investment (RI) an umbrella term encompassing Socially Responsible Investing (SRI), Environmental, Social and Governance (ESG) investment and impact investment approaches, but did you know that sustainability is one of the five key pillars of our institutional investment philosophy? As an original consultant and signatory to the **United Nations on the Principles for Responsible Investment (PRI)**, we've been a leader in RI for more than a decade. **What does this mean to you?**

Because ESG issues can impact FLPS's investment performance, you'll gain access to our **Sustainable Investment (SI) team**, which includes 23 dedicated SI specialists based across Melbourne, Sydney, Canberra, Hong Kong, London, Bristol, Boston, Geneva, Seattle, and Toronto, who incorporate ESG issues into investment programs¹⁶. In addition, our SI team is further supported by 40 more SI/ESG "champions" among our colleagues across Asia, Europe and North America¹⁷.

We'll seek to incorporate a wide-range of ESG risk factors and ethical considerations into **all stages of FLPS's investment decision-making cycle**. This includes climate change as a component of risk management, manager selection and ongoing monitoring.

We believe FLPS can potentially benefit from our knowledge gained helping hundreds of clients develop and implement ESG criteria for commingled funds and separate accounts. We direct you to Mercer's website: [Sustainable investment \(mercer.com\)](https://www.mercer.com/en-us/insights/investments/investing-sustainably/mercer-esg-ratings/)

2. What resources, data sources and research has firm developed for conducting ESG investing?

Our asset class teams are committed to helping to ensure that ESG topics are covered in our research. All our manager research meetings include a discussion on incorporation of ESG considerations within the investment process (resulting in 5,700 strategies with ESG ratings across asset classes).¹⁸ All of our manager researchers have been trained on ESG issues and due diligence.

Our integrated strategy-level ESG ratings process — which has been in place since 2010 — informs the process of manager engagement and selection. ESG ratings can be used to screen for different strategy characteristics or as a tiebreaker between otherwise comparable investment options, and can be used in conjunction with our investment ratings, as the *de facto* recommended

¹⁶ As of December 31, 2023.

¹⁷ As of December 31, 2023.

¹⁸ As of June 30, 2024. Please see Mercer's Guide to ESG Ratings at <https://www.mercer.com/en-us/insights/investments/investing-sustainably/mercer-esg-ratings/>.

list of strategies meeting certain responsible investing criteria. We direct you to additional information found on Mercer's website: [Sustainable investment \(mercer.com\)](https://www.mercer.com/sustainable-investment)

G. Education and value added services

1. Does firm offer education of board members relating to their fiduciary responsibilities? If yes, describe.

Yes. Investment committees face many challenges in managing their asset programs: knowledge requirements, resource and time scarcity, difficult operating environments and the growing complexity of the investment landscape often are top-of-mind concerns.

FLPS's investment committee will receive assistance from your consulting team to help meet your fiduciary obligations by providing the following support:

- Clear and extensive guidance in asset allocation and strategy development that is linked to the financial status of the organization
- Experienced professionals conducting unbiased manager selection, based upon robust databases and analytical tools
- Fiduciary knowledge and checklists to help your investment committee and staff complete and document its practices
- Clear, timely and thorough performance reporting

We also offer fiduciary training sessions for investment committees. These sessions include a review of fiduciary rules, best practices and commentary on the current fiduciary structure of the organization. We will point out areas where current practice deviates from Mercer's best practice.

2. Does firm offer education of investment committee members relating to their responsibilities? If yes, describe.

Yes. Our regular meeting cycle integrates education into the fiduciary process: we typically structure meetings with each client to include annual asset class reviews and assessment of governance, including policy and enterprise health. This creates an ongoing opportunity for education, particularly for new committee members, and helps ensure that objectives and implementation remain appropriate. We also offer onboarding training to new staff and committee members. Generally, this is comprised of performance reports, recent meeting materials, investment policy and overall organizational financials.

3. Describe any fee based additional services offered by firm.

In the event FLPS requests services not covered in the Statement of Work (SOW), we would provide a separate SOW with a fee estimate prior to commencing work. These types of ad hoc services are typically billed on an hourly basis.

4. Describe any value-added services firm provides to clients.

Please see our services outlined in the following question.

H. Fees

1. Outline all fees that firm would charge or receive to manage and custody FLPS assets. Be specific and disclose all fees and expense ratios including but not limited to, investment advisory fees, investment management fees, commissions, sales charges and 12b-1 fees associated with securities, mutual funds and ETFs. [Response should

begin with a breakdown of all management fees, transfer fees and any other costs associated with the management of an account.]

The table below outlines services offered in our OCIO arrangement. We strive to be flexible in how we structure client relationships and deliver services and our offerings can vary based on each client's unique needs.

Fiduciary portfolio management	Ongoing monitoring and reporting
<ul style="list-style-type: none"> • Advise on and implement strategic asset allocation • Implement dynamic asset allocation strategy • Select, hire, monitor and terminate managers • Design and implement alternatives portfolios • Provide risk management • Rebalance portfolios • Monitor, invest and report cash flows 	<ul style="list-style-type: none"> • Provide performance evaluation/risk monitoring • Provide monthly and quarterly investment reports • Provide monthly and quarterly market commentary • Provide quarterly market environment reports and conference calls • Provide proprietary research • Present client education and training
Policy and governance	Operational and administrative support
<ul style="list-style-type: none"> • Implement Mercer's best practices for fund governance • Develop and review investment policy • Perform spending policy analysis • Develop asset allocation ranges • Develop responsible investing strategy, if desired 	<ul style="list-style-type: none"> • Manager contracting and oversight • Reconcile monthly returns • Provide online access to portfolio assets • Establish and maintain client web portal • Work with auditors and assist with fund documents • Establish connectivity with client custodians for assets and trading reconciliation

OCIO fee schedule: our proposed OCIO fee for FLPS is 33 basis points (0.33%).

Advisory fee schedule: 0.25% on first \$25M, 0.15% on next \$75M - Minimum annual advisory fee of \$40,000. Third-party management fees and custody fees are not included in these calculations because we do not provide these services.

2. Describe the frequency and timing of firm's fees.

Mercer's standard is to send monthly invoices for services rendered and expenses incurred unless alternative payment arrangements have been approved per guidelines. Out-of-pocket expenses (such as travel) are billed at cost. Standard payment terms are 30 days from the date of the invoice and can be extended with approval per guidelines.

3. Please indicate whether firm would be willing to send a representative or representatives to FLPS business address for investment review meetings and related discussion at least two times per year and whether the costs associated with that attendance would be included in the fee described in # 1, above.

Yes. Mercer will comply and costs will be included in the fee.

4. For any client services identified in Section G, describe the fees and costs associated with each service.

Please see our response above to **Questions 1 and 2** in this section.

I. Other

1. Describe all insurance maintained as coverage for firm fiduciary, errors and omissions, professional liability, etc.

Mercer is covered under a comprehensive insurance program designed by Marsh McLennan, our parent company. The insurance program provides limits of coverage that meet or exceed usual and customary standards of insurance for similar firms insuring similar risks.

Mercer is covered as follows: Commercial **General Liability** for a limit of \$3,000,000 per occurrence and \$6,000,000 aggregate; **Automobile Liability** for a limit of \$5,000,000 per accident; **Statutory Workers' Compensation and Employer's Liability** for a limit of \$2,000,000 per occurrence; **Umbrella Liability** for a limit of \$5,000,000 per occurrence and aggregate; **Professional Liability** for a limit of \$10,000,000 per claim and aggregate; and **Cyber Liability** for a limit of \$10,000,000 per claim and aggregate

2. Please identify current or pending litigation involving firm and/or individual with the firm as well as litigation or censure by the SEC, Department of Labor, or any other regulatory authority during the past ten (10) years.

In the ordinary course of business, Mercer may be involved with litigation and/or other legal or regulatory proceedings, investigations, and inquiries, some of which are conducted on an industry-wide basis. Based on information currently available, the outcomes of any currently pending litigation, proceedings, investigations, and inquiries are not expected to have any material adverse effect upon Mercer or its ability to service its clients. Details regarding certain outstanding legal and/or regulatory proceedings pertaining to Mercer and its affiliates are disclosed, when required, in the public [Securities and Exchange Commission filings of Marsh McLennan](#), Mercer's parent company, and/or Mercer's Form ADV, as applicable.

3. What sets firm's services apart from the competition?

Please refer to our response for **Question 11** in **Section B**.

4. How would firm help FLPS further its mission?

Mercer will seek to efficiently apply our best investment thinking, powerful investment solutions and dedicated service to support your goals. We will apply investment acumen and powerful statistical tools that seek the specific portfolio characteristics we believe will increase the probability of generating both absolute and risk-adjusted outperformance over time.

In terms of supporting your donor base, our consultants, Michael Doyle and Matthew Burke, are available and willing to have conversations with donors, present at potential donor dinners, and help those that contribute to your mission feel comfortable with the investment strategy employed with their gifted dollars. Their experience spans decades of work with not-for-profit organizations just like yours.

Important notices

References to Mercer shall be construed to include Mercer (US) LLC and/or its associated companies.

© 2024 Mercer (US) LLC. All rights reserved.

This does not constitute an offer to purchase or sell any securities.

This does not contain investment advice relating to your particular circumstances. No investment decision should be made based on this information without first obtaining appropriate professional advice and considering your circumstances. Mercer provides recommendations based on the particular client's circumstances, investment objectives and needs. As such, investment results will vary and actual results may differ materially.

This contains confidential and proprietary information of Mercer and is intended for the exclusive use of the parties to whom it was provided by Mercer. Its content may not be modified, sold or otherwise provided, in whole or in part, to any other person or entity, without Mercer's prior written permission.

The assets under advisement data (AUA Data) reported here include aggregated assets under advisement for Mercer Investments LLC and their affiliated companies globally (Mercer). The AUA Data have been derived from a variety of sources, including, but not limited to, third-party custodians or investment managers, regulatory filings, and client self-reported data. Mercer has not independently verified the data sourced from third parties in compiling the AUA Data. Where available, the AUA Data are provided as of the date indicated (the Reporting Date). To the extent information was not available as of the Reporting Date, information from a date closest in time to the Reporting Date, which may be of a date more or less recent in time than the Reporting Date, was included in the AUA Data. The AUA Data include assets of clients that have engaged Mercer to provide ongoing advice. Global AUA includes clients that have engaged Mercer to provide project-based services at any time within the 12-month period ending on the Reporting Date, as well as assets of clients that subscribe to Mercer's Manager Research database delivered through the MercerInsight® platform as of the Reporting Date.

The assets under management data (the AUM Data) reported here include aggregated assets for which Mercer Investments LLC (Mercer Investments) and their global affiliates provide discretionary investment management services as of the dates indicated. The AUM Data reported here may differ from regulatory assets under management reported in the Form ADV for Mercer Investments. For regulatory assets under management, please see the Form ADV for Mercer Investments which is available upon request by contacting Compliance Department, Mercer Investments, 99 High Street, Boston, MA 02110.

Mercer does not provide tax or legal advice. You should contact your tax advisor, accountant and/or attorney before making any decisions with tax or legal implications.

The findings, ratings and/or opinions expressed herein are the intellectual property of Mercer and are subject to change without notice. They are not intended to convey any guarantees as to the future performance of the investment products, asset classes or capital markets discussed. Past performance does not guarantee future results. Mercer's ratings do not constitute individualized investment advice.

Information contained herein may have been obtained from a range of third party sources. While the information is believed to be reliable, Mercer has not sought to verify it independently. As such, Mercer makes no representations or warranties as to the accuracy of the information presented and takes no responsibility or liability (including for indirect, consequential or incidental damages), for any error, omission or inaccuracy in the data supplied by any third party.

Past performance is no guarantee of future results. The value of your investments can go down as well as up, and you may not get back the amount you have invested. Investments denominated in a foreign currency will fluctuate with the value of the currency. Certain investments, such as securities issued by small capitalization, foreign and emerging market issuers, real property, and illiquid, leveraged or high-yield funds, carry additional risks that should be considered before choosing an investment manager or making an investment decision.

For the most recent approved ratings of an investment strategy, and a fuller explanation of their meanings, contact your Mercer representative.

For Mercer's conflict of interest disclosures, contact your Mercer representative or see www.mercer.com/conflictsofinterest.

Investment management and advisory services for U.S. clients are provided by Mercer Investments LLC (Mercer Investments). Mercer Investments LLC is registered to do business as "Mercer Investment Advisers LLC" in the following states: Arizona, California, Florida, Illinois, Kentucky, New Jersey, North Carolina, Oklahoma, Pennsylvania, Texas, and West Virginia; as "Mercer

Investments LLC (Delaware)” in Georgia; as “Mercer Investments LLC of Delaware” in Louisiana; and “Mercer Investments LLC, a limited liability company of Delaware” in Oregon. Mercer Investments LLC is a federally registered investment adviser under the Investment Advisers Act of 1940, as amended. Registration as an investment adviser does not imply a certain level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser. Mercer Investments’ Form ADV Part 2A & 2B can be obtained by written request directed to: Compliance Department, Mercer Investments, 99 High Street, Boston, MA 02110.



Mercer Investments LLC

99 High Street
Boston, MA 02110
www.mercer.com

Copyright © 2024 Mercer (US) LLC. All rights reserved.