welcome to brighter

Investment Review

Episcopal Foundation of Dallas

May 1, 2024

Client Team:

Nick Piccarreta, CFA, CFP, CAIA
Principal, Senior Investment Consultant

Contents

Performance Summary

1

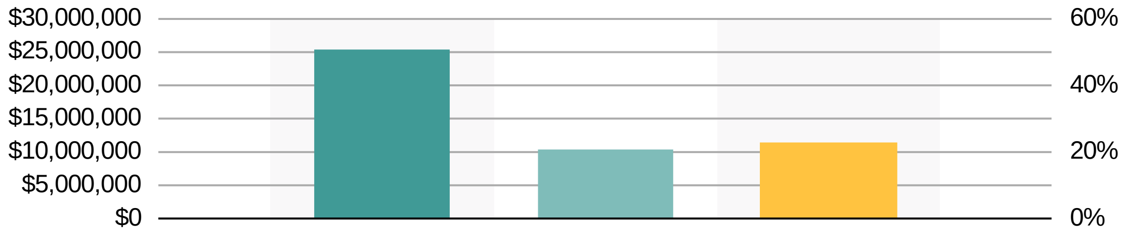
Portfolio monthly snapshot

Episcopal Foundation of Dallas
As of March 31, 2024

Cash flow and market activity by portfolio

	One Month	Year-to-Date	One Year
Beginning Market Value	$45,668,979.90	$45,434,591.27	$41,608,705.49
Net Cash Flow	-$285,313.50	-$1,187,477.35	-$1,880,472.61
Net Capital Appreciation	$1,246,460.69	$2,312,215.46	$5,995,189.10
Investment Income	$100,299.03	$171,096.74	$1,007,004.13
Ending Market Value	**$46,730,426.12**	**$46,730,426.12**	**$46,730,426.12**

Current asset allocation by sub-asset class



	U.S. Equity	Non-U.S. Equity	U.S. Fixed Income
Current $	25,226,552	10,260,696	11,243,178
Current %	53.98%	21.96%	24.06%
Policy %	53.00%	22.00%	25.00%
Difference	0.98%	-0.04%	-0.94%

Performance summary

	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	2.95	5.56	5.56	17.24	4.43	8.98	-	8.10	06/30/15
Client portfolio (net)	2.95	5.51	5.51	17.05	4.30	8.85	-	7.98	06/30/15
Policy benchmark	2.62	6.03	6.03	18.55	4.70	8.50	-	7.81	06/30/15

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark represents. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

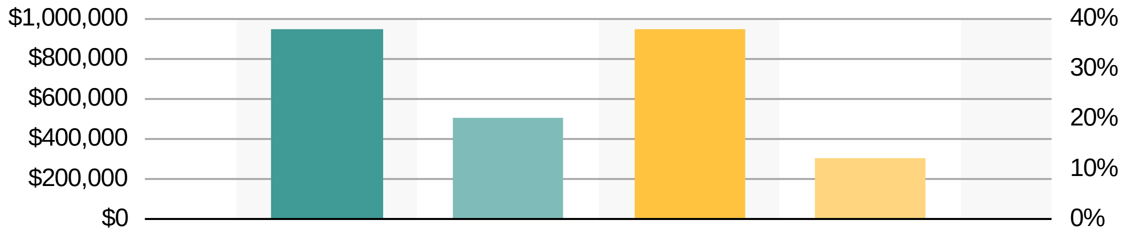
Portfolio monthly snapshot

Episcopal Foundation of Dallas - SJES Operating Reserves
As of March 31, 2024

Cash flow and market activity by portfolio

	One Month	Year-to-Date	One Year
Beginning Market Value	$2,623,047.76	$2,651,341.78	$2,455,561.22
Net Cash Flow	$0.00	-$64,825.35	-$77,929.91
Net Capital Appreciation	$53,664.90	$83,221.54	$232,240.22
Investment Income	$6,568.43	$13,543.12	$73,409.56
Ending Market Value	**$2,683,281.09**	**$2,683,281.09**	**$2,683,281.09**

Current asset allocation by sub-asset class



	U.S. Equity	Non-U.S. Equity	U.S. Fixed Income	Non-U.S. Fixed Income
Current $	938,603	500,570	943,441	300,668
Current %	34.98%	18.66%	35.16%	11.21%
Policy %	31.00%	19.00%	38.00%	12.00%
Difference	3.98%	-0.34%	-2.84%	-0.79%

Performance summary

	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	2.30	3.73	3.73	12.60	-	-	-	0.91	07/31/21
Client portfolio (net)	2.30	3.69	3.69	12.42	-	-	-	0.80	07/31/21
Policy benchmark	2.06	3.61	3.61	12.61	-	-	-	0.72	07/31/21

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark represents. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. **Past performance is not a guarantee of future results.** Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Performance summary (continued)

Episcopal Foundation of Dallas

For the periods ended March 31, 2024

	Mkt value ($)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	46,730,426	100.0	100.0	2.95	5.56	5.56	17.24	4.43	8.98	-	8.10	06/30/15
Client portfolio (net)				2.95	5.51	5.51	17.05	4.30	8.85	-	7.98	06/30/15
Policy benchmark				2.62	6.03	6.03	18.55	4.70	8.50	-	7.81	06/30/15
Equity	**35,487,248**	**75.9**	**75.0**	**3.59**	**7.55**	**7.55**	**22.26**	**6.45**	**11.68**	**-**	**10.05**	**06/30/15**
Equity - Policy benchmark				3.19	8.33	8.33	24.54	6.91	11.25	-	9.77	06/30/15
Domestic Equity	**25,226,552**	**54.0**	**53.0**	**3.96**	**8.80**	**8.80**	**26.98**	**9.83**	**14.22**	**-**	**12.40**	**06/30/15**
International Equity	**10,260,696**	**22.0**	**22.0**	**2.68**	**4.50**	**4.50**	**11.17**	**0.36**	**7.16**	**-**	**6.09**	**06/30/15**
Fixed Income	**11,243,178**	**24.1**	**25.0**	**0.97**	**-0.36**	**-0.36**	**3.08**	**-1.69**	**0.83**	**-**	**1.76**	**06/30/15**
Fixed Income - Policy benchmark				0.91	-0.72	-0.72	1.77	-2.23	0.41	-	1.53	06/30/15
Domestic Fixed Income	**11,243,178**	**24.1**	**25.0**	**0.97**	**-0.36**	**-0.36**	**3.08**	**-1.66**	**1.02**	**-**	**1.74**	**06/30/15**

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results**. Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Performance summary–by securities (continued)

Episcopal Foundation of Dallas

For the periods ended March 31, 2024

	Mkt value ($)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Client portfolio (gross)	46,730,426	100.0	100.0	2.95	5.56	5.56	17.24	4.43	8.98	-	8.10	06/30/15
Client portfolio (net)				2.95	5.51	5.51	17.05	4.30	8.85	-	7.98	06/30/15
Policy benchmark				2.62	6.03	6.03	18.55	4.70	8.50	-	7.81	06/30/15
Equity	**35,487,248**	**75.9**	**75.0**	**3.59**	**7.55**	**7.55**	**22.26**	**6.45**	**11.68**	**-**	**10.05**	**06/30/15**
Equity - Policy benchmark				3.19	8.33	8.33	24.54	6.91	11.25	-	9.77	06/30/15
Domestic Equity	**25,226,552**	**54.0**	**53.0**	**3.96**	**8.80**	**8.80**	**26.98**	**9.83**	**14.22**	**-**	**12.40**	**06/30/15**
Domestic Equity - Policy benchmark				3.22	10.01	10.01	29.33	9.64	14.25	-	12.64	06/30/15
- Vanguard Total Stock Market Index Fund Institutional Shares	**12,610,616**	**27.0**	**-**	**3.21**	**10.00**	**10.00**	**29.37**	**9.64**	**14.25**	**-**	**12.64**	**06/30/15**
Spliced Total Stock Market Index				3.22	10.01	10.01	29.33	9.64	14.25	-	12.64	06/30/15
Multi-Cap Core Funds Average				3.41	9.89	9.89	25.77	8.12	12.18	-	10.16	06/30/15
- Vanguard Windsor Fund Admiral Shares	**6,313,565**	**13.5**	**-**	**5.34**	**6.03**	**6.03**	**18.50**	**10.41**	**13.75**	**-**	**10.30**	**06/30/15**
Russell 1000 Value Index				5.00	8.99	8.99	20.27	8.11	10.31	-	9.23	06/30/15
Multi-Cap Value Funds Average				5.36	9.24	9.24	21.38	8.66	10.36	-	8.62	06/30/15
- Vanguard PRIMECAP Fund Admiral Shares	**6,302,371**	**13.5**	**-**	**4.12**	**9.17**	**9.17**	**30.82**	**9.58**	**14.43**	**-**	**13.87**	**06/30/15**

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results**. Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Performance summary–by securities (continued)

Episcopal Foundation of Dallas

For the periods ended March 31, 2024

	Mkt value ($)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
S&P 500 Index				3.22	10.56	10.56	29.88	11.49	15.05	-	13.34	06/30/15
Multi-Cap Growth Funds Average				2.20	11.76	11.76	33.24	4.23	12.62	-	11.69	06/30/15
Russell 1000 Growth Index				1.76	11.41	11.41	39.00	12.50	18.52	-	16.44	06/30/15
International Equity	**10,260,696**	**22.0**	**22.0**	**2.68**	**4.50**	**4.50**	**11.17**	**0.36**	**7.16**	**-**	**6.09**	**06/30/15**
International Equity - Policy benchmark				3.13	4.34	4.34	13.53	2.05	6.29	-	5.17	06/30/15
- **Vanguard Total International Stock Index Fund Institutional Shares**	**5,133,935**	**11.0**	**-**	**3.04**	**4.32**	**4.32**	**13.00**	**1.91**	**6.19**	**-**	**5.10**	**06/30/15**
Spliced Total International Stock Index				3.13	4.34	4.34	13.53	2.05	6.29	-	5.17	06/30/15
International Funds Average				3.26	5.44	5.44	13.23	2.30	6.63	-	4.99	06/30/15
- **Vanguard International Growth Fund Admiral Shares**	**2,579,298**	**5.5**	**-**	**1.59**	**5.29**	**5.29**	**7.46**	**-5.68**	**8.70**	**-**	**8.68**	**06/30/15**
Spliced International Index				3.13	4.69	4.69	13.26	1.94	5.97	-	4.93	06/30/15
International Funds Average				3.26	5.44	5.44	13.23	2.30	6.63	-	4.99	06/30/15
- **Vanguard International Value Fund**	**2,547,463**	**5.5**	**-**	**3.09**	**4.01**	**4.01**	**11.20**	**2.91**	**6.68**	**-**	**5.00**	**06/30/15**
Spliced International Index				3.13	4.69	4.69	13.26	1.94	5.97	-	4.93	06/30/15
International Funds Average				3.26	5.44	5.44	13.23	2.30	6.63	-	4.99	06/30/15

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results**. Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Performance summary–by securities (continued)

Episcopal Foundation of Dallas

For the periods ended March 31, 2024

	Mkt value ($)	% of portfolio	Policy benchmark	1 mo (%)	3 mo (%)	YTD (%)	1 yr (%)	3 yrs (%)	5 yrs (%)	10 yrs (%)	Since inception	Inception date
Fixed Income	**11,243,178**	**24.1**	**25.0**	**0.97**	**-0.36**	**-0.36**	**3.08**	**-1.69**	**0.83**	**-**	**1.76**	**06/30/15**
Fixed Income - Policy benchmark				0.91	-0.72	-0.72	1.77	-2.23	0.41	-	1.53	06/30/15
Domestic Fixed Income	**11,243,178**	**24.1**	**25.0**	**0.97**	**-0.36**	**-0.36**	**3.08**	**-1.66**	**1.02**	**-**	**1.74**	**06/30/15**
Domestic Fixed Income - Policy benchmark				0.91	-0.72	-0.72	1.77	-2.39	0.43	-	1.36	06/30/15
Vanguard Total Bond Market Index Fund Institutional Shares	**5,841,300**	**12.5**	**-**	**0.83**	**-0.79**	**-0.79**	**1.67**	**-**	**-**	**-**	**-3.81**	**10/31/21**
Spliced Bloomberg U.S. Aggregate Float Adjusted Index				0.91	-0.72	-0.72	1.77	-	-	-	-3.74	10/31/21
Spliced Intermediate Investment-Grade Debt Funds Average				0.93	-0.43	-0.43	2.28	-	-	-	-3.80	10/31/21
Vanguard Intermediate-Term Investment-Grade Fund Admiral Shares	**3,612,386**	**7.7**	**-**	**1.32**	**-0.16**	**-0.16**	**4.45**	**-1.40**	**1.65**	**-**	**2.38**	**06/30/15**
Bloomberg U.S. 5-10 Year Credit Bond Index				1.29	-0.29	-0.29	4.39	-1.50	1.70	-	2.63	06/30/15
Spliced Core Bond Funds Average				0.93	-0.43	-0.43	2.28	-2.49	0.51	-	1.31	06/30/15
Vanguard Short-Term Investment-Grade Fund Admiral Shares	**1,789,492**	**3.8**	**-**	**0.73**	**0.67**	**0.67**	**4.90**	**0.29**	**1.82**	**-**	**1.98**	**06/30/15**
Bloomberg U.S. 1-5 Year Credit Bond Index				0.65	0.51	0.51	4.67	0.19	1.83	-	2.01	06/30/15
1-5 Year Investment-Grade Debt Funds Average				0.57	0.84	0.84	4.69	-0.28	1.16	-	1.36	06/30/15

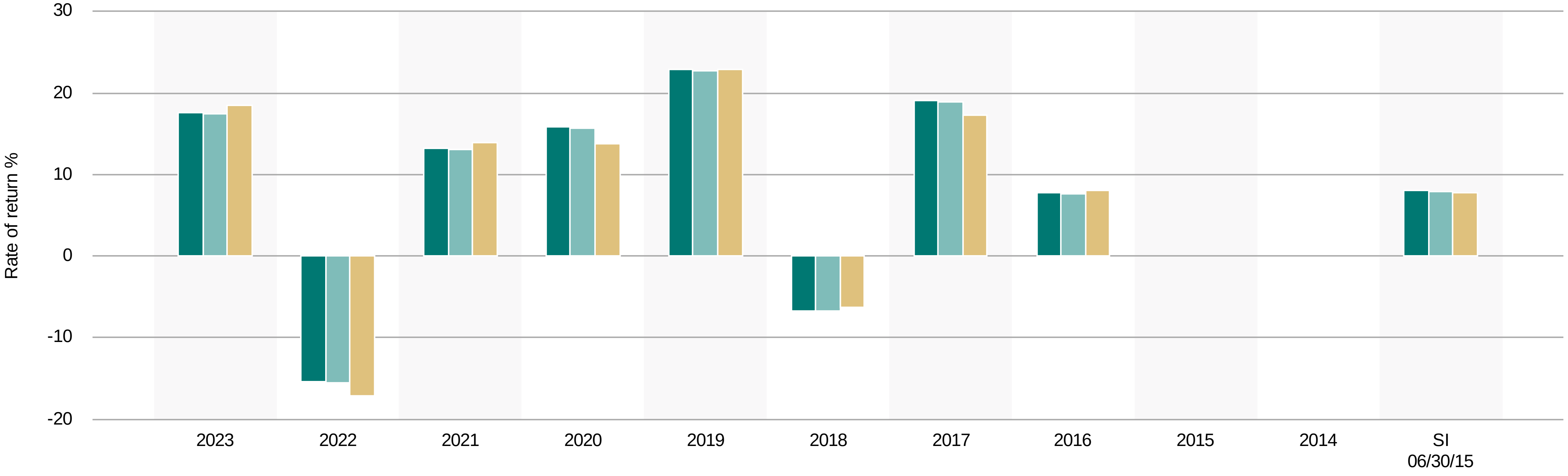
Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results**. Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Portfolio performance–annual periods (continued)

Episcopal Foundation of Dallas

For the period ended March 31, 2024

Gross versus net of fees



	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	Since Inception
Gross return	17.66%	-15.37%	13.16%	15.88%	22.85%	-6.66%	19.11%	7.74%	-	-	8.10%
Net return	17.51%	-15.47%	13.04%	15.76%	22.73%	-6.76%	18.97%	7.62%	-	-	7.98%
Policy benchmark	18.47%	-17.06%	14.00%	13.85%	22.85%	-6.31%	17.36%	8.11%	-	-	7.81%

Source: Vanguard. See Benchmark allocation history for description of what the policy benchmark and asset-class benchmarks represent. Policy Benchmark is rebalanced monthly. Portfolio is generally rebalanced quarterly, but may vary. All Returns greater than one year are annualized. **Past performance is not a guarantee of future results**. Diversification and asset allocation can not ensure profit or prevent loss. All returns shown are time-weighted (TWR). Gross Portfolio returns include the deduction of all underlying fund expense ratios, but are gross of advisory, service fees, and purchase/redemption fees applied to the client portfolio. Net Portfolio returns are net of all advisory and security-level fees and expenses. Both Gross and Net returns do reflect the reinvestment of dividends, capital gains, and interest but do not reflect the deduction of taxes. Had those expenses been deducted then performance would have been lower. Indexes are unmanaged; therefore direct investment is not possible. Unless otherwise noted, index returns do not reflect deduction of fees and expenses but do reflect reinvestment of dividends, capital gains, and interest. **Read additional information in Benchmark and Disclosures sections.**

Portfolio risk analysis (continued)

Episcopal Foundation of Dallas

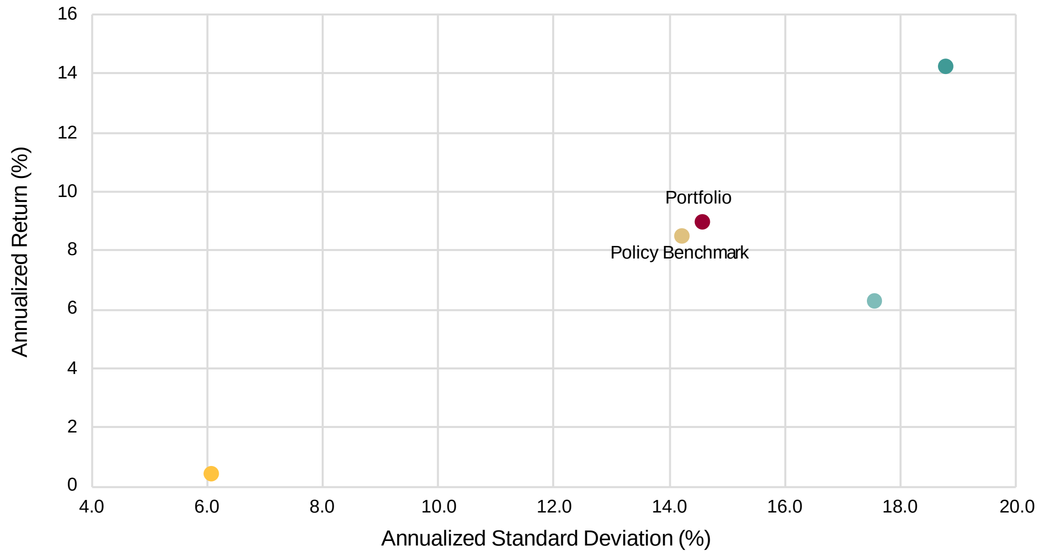
For the five-year period ended March 31, 2024

Risk analysis

	Portfolio	Policy
Annualized return (%)	8.98	8.50
Annualized standard deviation (%)	14.57	14.22
Annualized Sharpe ratio	0.47	0.45
Annualized tracking error (%) vs benchmark	1.41	-
Annualized Information ratio vs benchmark	0.34	-
Annualized Jensen's Alpha (%) vs benchmark	0.35	-
Beta vs benchmark	1.02	1.00
R-Squared vs benchmark	0.9910	1.0000

Returns and risk for the “Risk Analysis” chart are gross of advisory fees and are time-weighted. Returns and risk for the “Risk versus returns” chart represent the assigned sub-asset class benchmarks for the client’s portfolio, of which there may be more than one per sub-asset class.

Risk versus returns

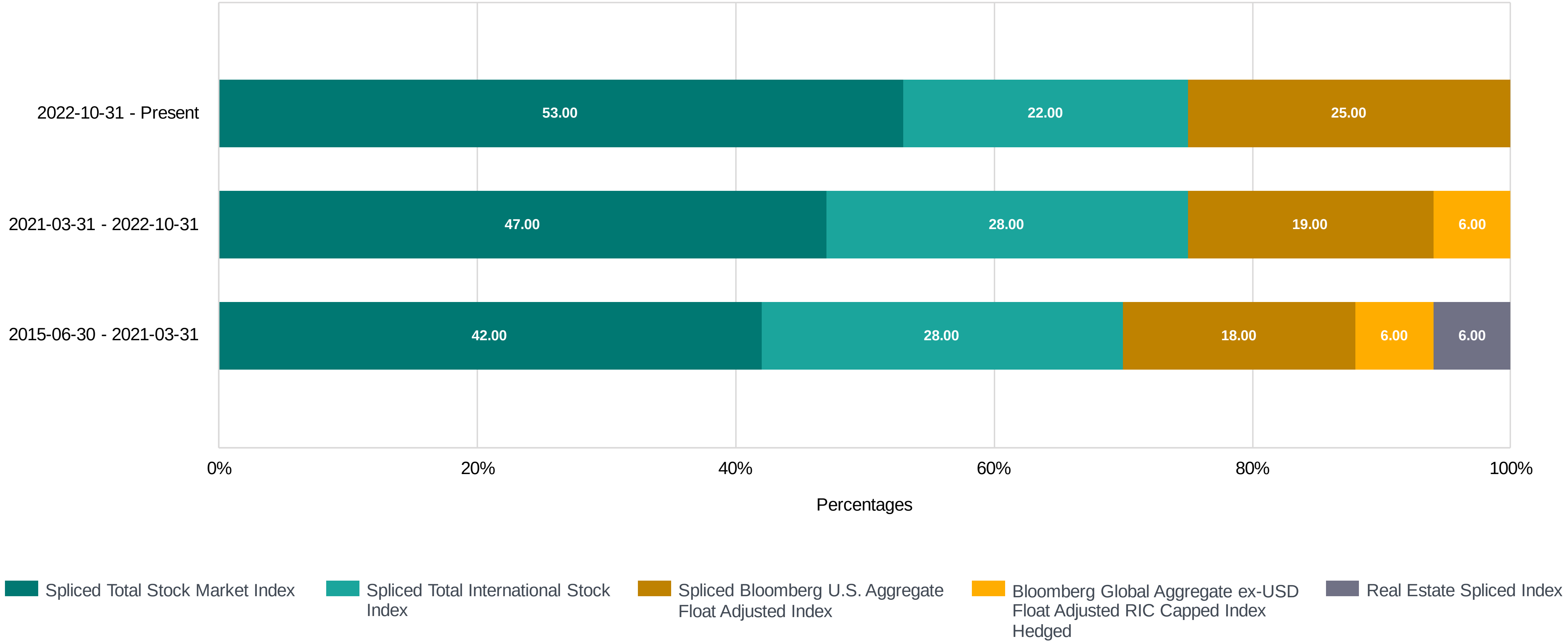


Sub-asset class	Benchmark	Return	Risk
Domestic Equity	Spliced Total Stock Market Index	14.3%	18.8%
International Equity	Spliced Total International Stock Index	6.3%	17.5%
Domestic Fixed Income	Spliced Bloomberg U.S. Aggregate Float	0.4%	6.1%
Client portfolio		9.0%	14.6%
Policy benchmark		8.5%	14.2%

Benchmark allocation history (continued)

Episcopal Foundation of Dallas

Policy benchmark allocations up to March 31, 2024



Policy Benchmark is a weighted set of indices that align to the Investment Management Agreement Schedule B which sets forth the strategic asset allocation for the client portfolio. The Policy Benchmark is rebalanced monthly. Allocations may change overtime as the investment strategy changes. The most recently policy benchmark composition is in the top row. Neither asset allocation nor diversification can guarantee a profit or prevent loss. Indexes are unmanaged; direct investment is not possible. **Please read additional information in Benchmark and Disclosure sections.**

Advisory fee schedule

Fee schedule

Asset level

First $25 million	0.25%
Next $25 million	0.10%
Next $50 million	0.09%

All-in fee review

Advisory fee*	0.176%	$86,914
Fund expense ratio estimates	0.155%	$76,775
Approximate all-in fees	**0.331%**	**$163,689**

Notes:

*Estimated advisory fee is for the entire portfolio and expense ratio based on public assets only. Value as of 3/31/2024 of $49,413,707

NACUBO Comparison

2

2023 NACUBO Study of Endowments

Survey Respondents

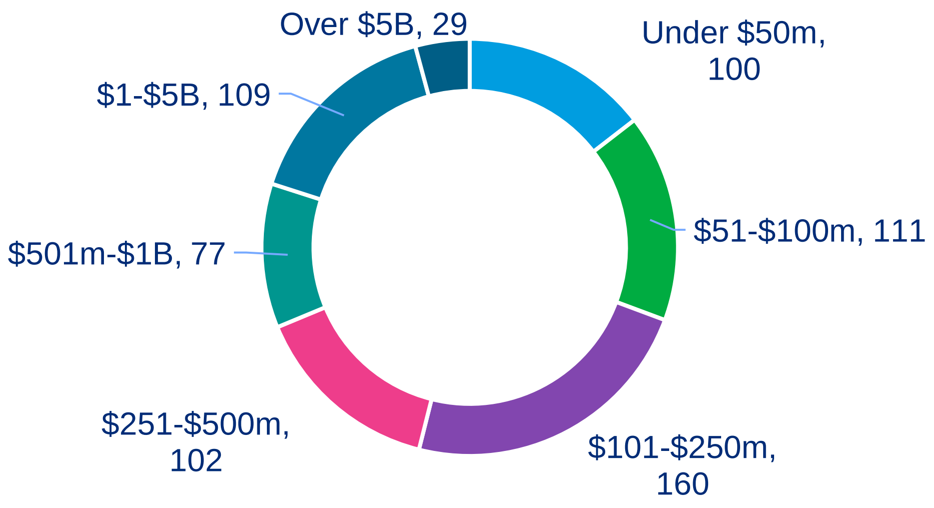
Survey Facts and Figures

688 colleges, universities and education-related foundations completed the Survey

Total Assets Represented: $839 billion
Average Endowment Size: $1.2 billion | Median Endowment Size: $209 million

Data is through June 30, 2023

Distribution of Survey Respondents



2023 NACUBO Study of Endowments

Takeaways – At a Glance

Size Matters

- FY 2023 saw strong absolute results, in contrast to what was experienced in FY 2022.
- Higher exposure to public markets led to higher returns in FY 2023; Higher exposure to private markets continue to drive performance over longer time periods.
- Larger endowments lagged smaller peers in the most recent year but continue to outperform over longer term periods.

Spending Rates Increased

- Endowment funding for the operating budget remained at 11%.
- The effective spending rate increased from 4.0% to 4.7%, primarily due to endowment market value changes, rather than policy changes.
- FY 2023 market volatility further illustrates a need for a well-informed spending policy.

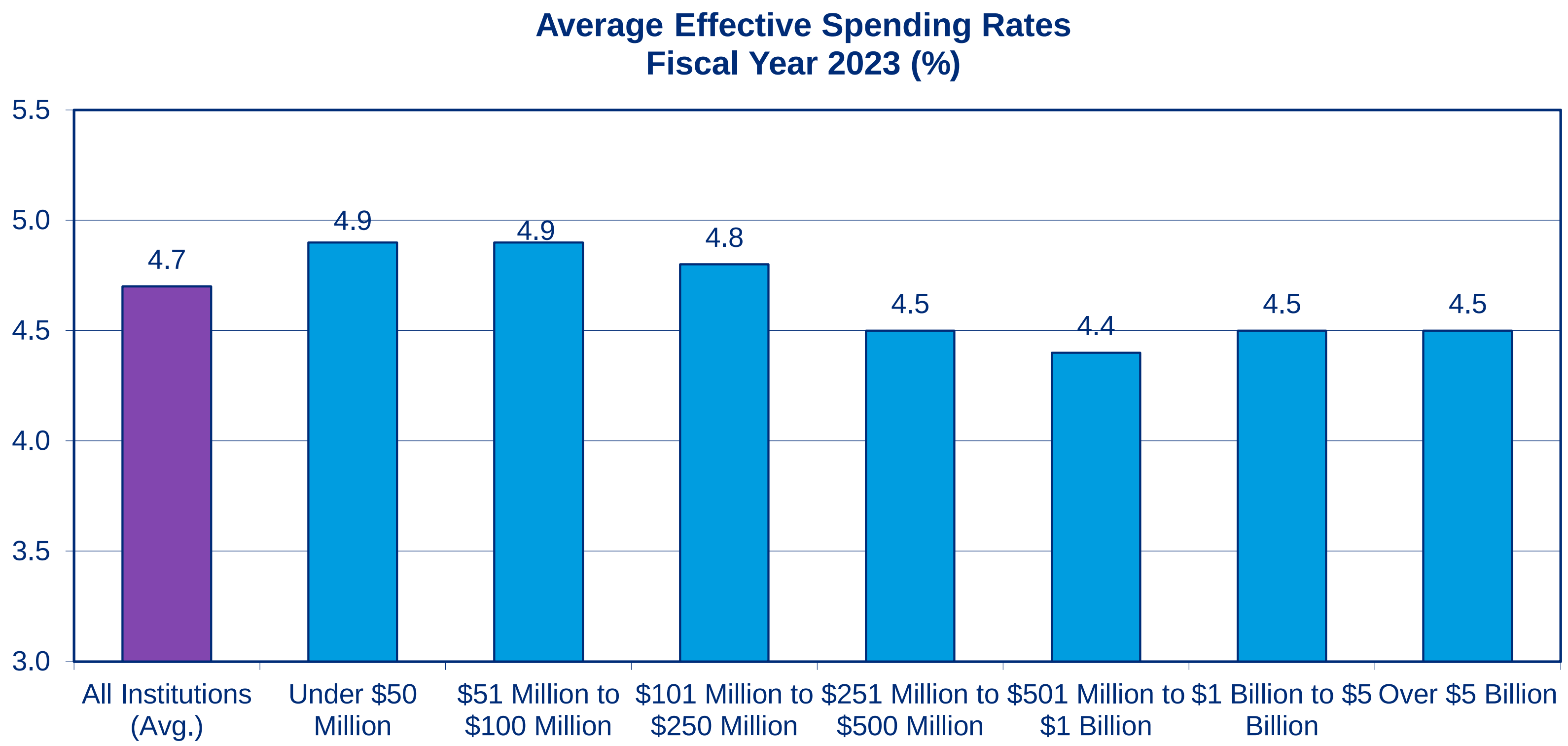
Gifts Down

- Gifts down 10% YoY and withdrawals up 8% YoY.
- Increased importance of investment returns to support the organization.

2023 NACUBO Study of Endowments
Endowment spending

Key Takeaway

✓ **The effective spending rate rose to 4.7% in 2023. This higher rate does not appear to be a decision to increase the policy rate, but instead the impact of the lower market value at the beginning of the fiscal year.**

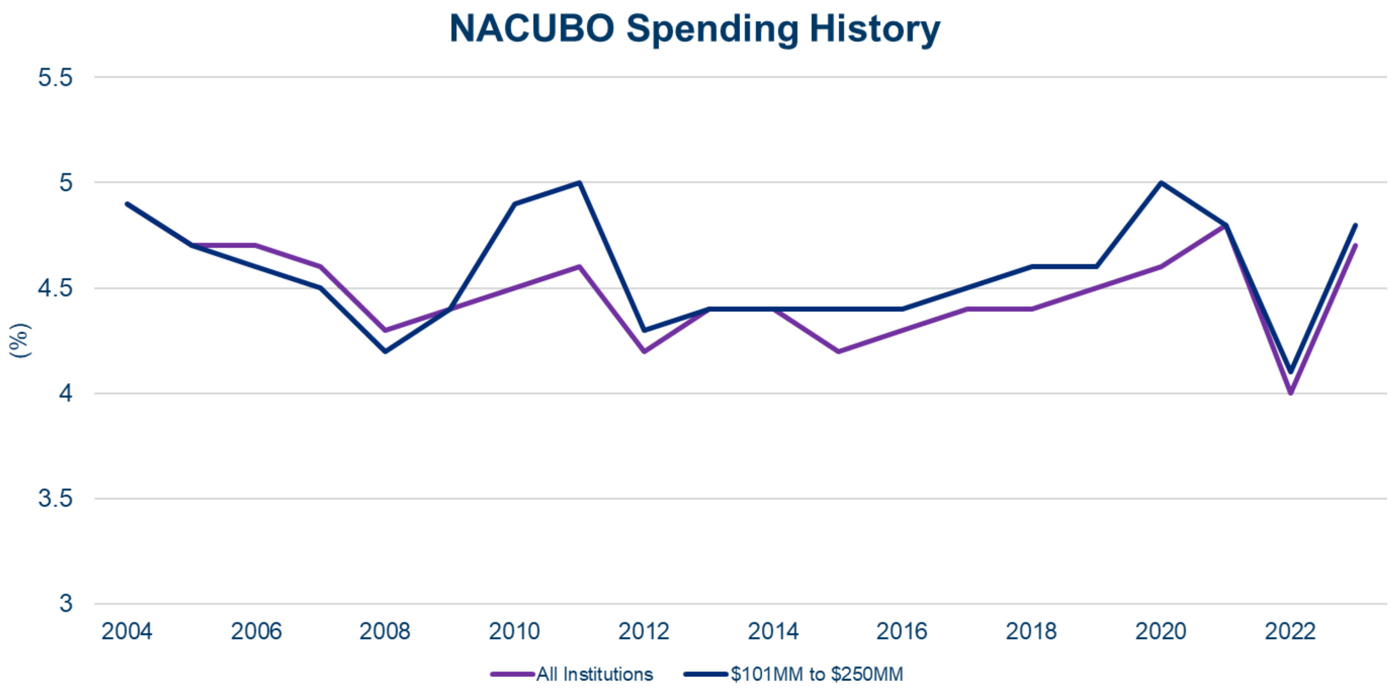


Source: 2023 NACUBO-Commonfund Study of Endowments. The effective spending rate is the total endowment spending divided by the endowment's beginning-of-year market value. Spending should include all withdrawals from the endowment, including other recurring and non-recurring withdrawals. Fees and expenses for managing the endowment should not be included.

2023 NACUBO Study of Endowments
Endowment spending history (2004-2023)

Key Takeaway

- ✓ **The effective spending rate has hovered between 4.25% – 4.75% for most of these periods.**
- ✓ **In some years, smaller institutions have had a meaningfully higher effective spend vs. the total set of respondents, which is function of higher market value volatility that impacts the calculation.**



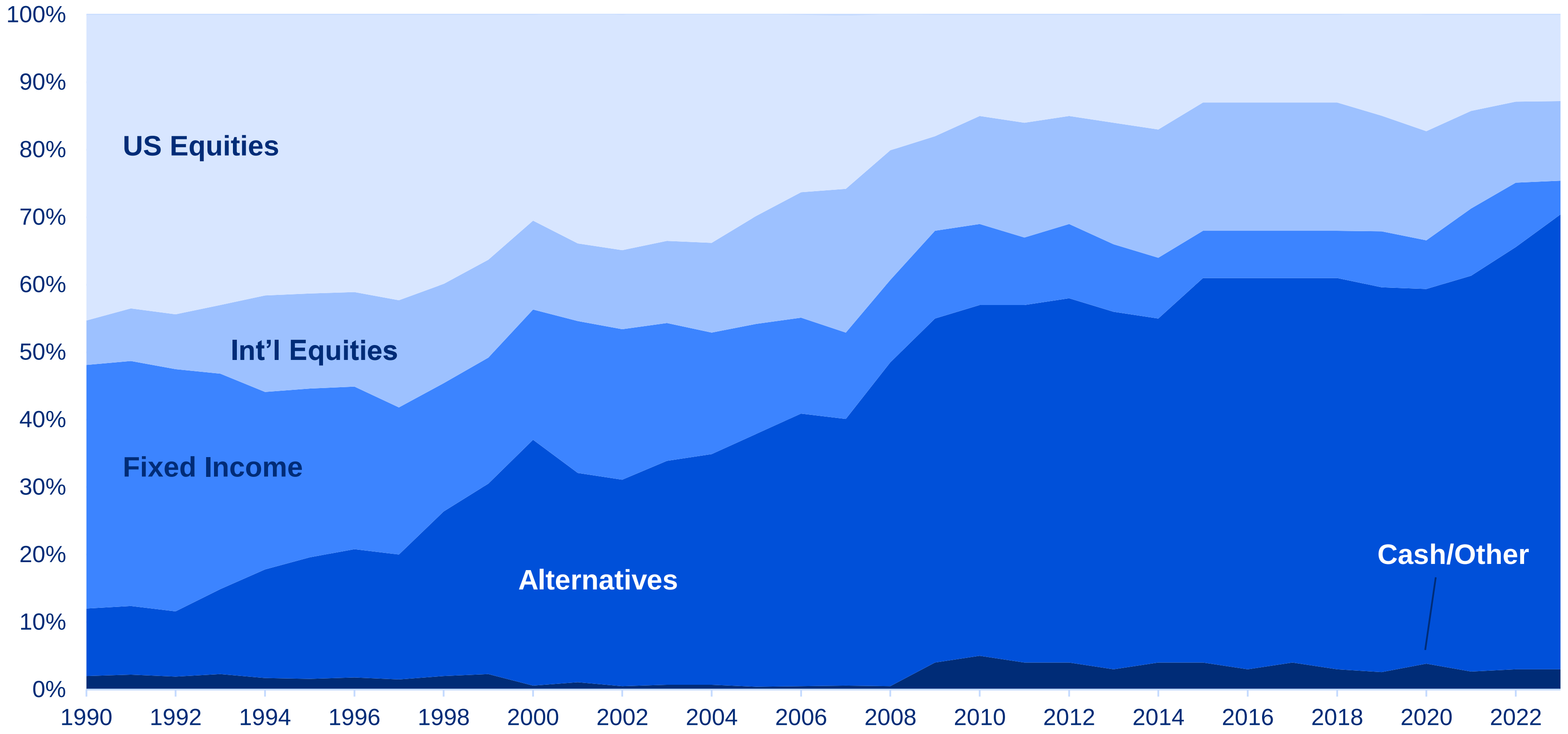
Source: 2023 NACUBO-Commonfund Study of Endowments. Represents average annual effective spending rate by year.

2023 NACUBO Study of Endowments

Asset allocation for largest institutions

Key Takeaway

- ✓ **Large institutions have increased their allocation to alternative investments significantly over time.**
- ✓ **In 1990, the dollar-weighted average allocation to alternatives was approximately 10%. As of June 30, 2023, it stood at approximately 69%.**

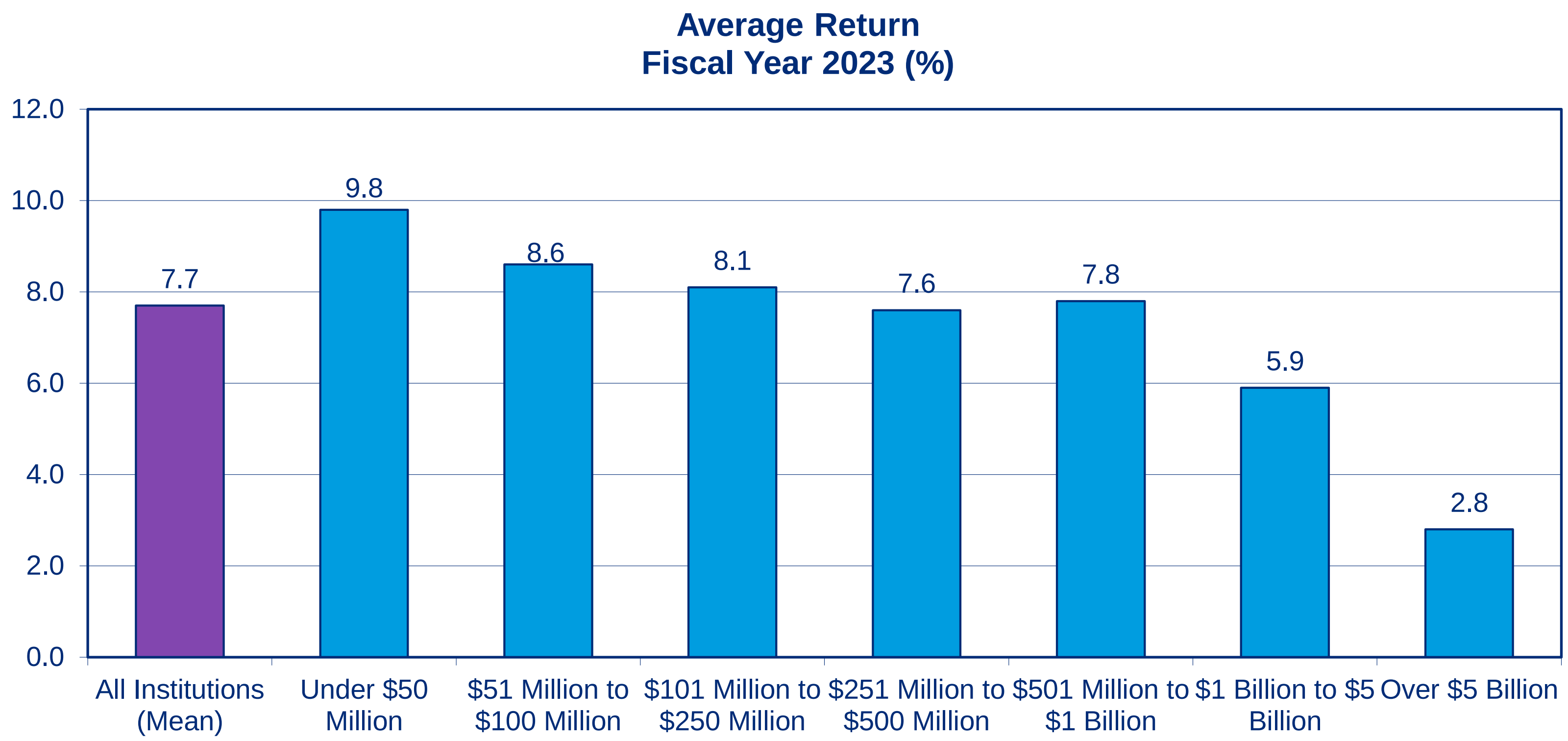


Source: 2023 NACUBO-Commonfund Study of Endowments. From 1990 through 1997, largest NACUBO reporting institution category exceeded $400 million. For 1998 through 2022, the largest category exceeded $1 billion. For 2023, the largest category exceeded $5 billion.

2023 NACUBO Study of Endowments
Fiscal year return comparison

Key Takeaway

✓ **Smaller organizations outperformed larger organizations this fiscal year, primarily due to a higher allocation to public markets. Over the longer time periods larger organizations have maintained their stronger returns.**



Source: 2023 NACUBO-Commonfund Study of Endowments. Returns are equal-weighted and net of management fees and expenses.

2023 NACUBO Study of Endowments
Asset allocation comparison

Key Takeaway

- ✓ Larger organizations have incrementally larger allocations to alternative assets than smaller peers.
- ✓ Private equity allocations have the widest difference between small to large organizations.

Investment Pool Asset Allocation (%)
As of June 30, 2023

	U.S. Stocks	Int'l Stocks	Global Stocks	Fixed Income	Cash	Total Alternatives	Alternative Breakout: Private Equity	Marketable Alts*	Private Debt	Real Assets	Other
In Aggregate:											
Dollar-Weighted Mean	13	10	8	6	3	60	29	16	1	11	3
By Investment Pool Size:											
(Dollar-Weighted Mean)											
Under $50 Million	41	15	4	23	2	15	4	4	1	4	2
Episcopal FDN of Dallas	53	22	0	25	0	0	0	0	0	0	0
$51 Million to $100 Million	36	12	7	20	4	22	7	6	1	6	2
$101 Million to $250 Million	29	13	9	15	3	31	12	9	1	7	2
$251 Million to $500 Million	24	12	9	12	3	41	16	10	1	8	5
$501 Million to $1 Billion	23	14	7	10	4	43	20	11	2	9	1
$1 Billion to $5 Billion	15	11	9	6	4	54	27	15	2	10	1
Over $5 Billion	8	9	7	5	3	69	34	18	1	13	4

Source: 2023 NACUBO-Commonfund Study of Endowments. Total of individual alternative asset classes may not add to Total Alternatives due to rounding. All data are dollar-weighted unless otherwise specified. Due to rounding, details may not sum to 100%.

2023 NACUBO Study of Endowments

Trailing period return comparison

Key Takeaway

- ✓ **Smaller organizations outperformed larger organizations this fiscal year, primarily due to a higher allocation to public markets. Over the longer time periods larger organizations have maintained their stronger returns.**

As of June 30, 2023					
	# of Institutions	Average Annual Compound Returns			
		1 Year	3 Year	5 Year	10 Year
In Aggregate:	688				
Equal-Weighted Average		7.7	9.3	7.0	7.2
Equal-Weighted Median		8.0	9.1	6.8	7.1
By Endowment Size: *(Equal-Weighted Mean)*					
Under $50 Million	100	9.8	7.3	6.0	6.5
Episcopal FDN of Dallas		12.3	8.2	6.7	
$51 Million to $100 Million	111	8.6	7.9	6.1	6.6
$101 Million to $250 Million	160	8.1	8.7	6.5	6.8
$251 Million to $500 Million	102	7.6	9.4	7.0	7.2
$501 Million to $1 Billion	77	7.8	10.5	7.5	7.5
$1 Billion to $5 Billion	109	5.9	11.2	8.2	8.0
Over $5 Billion	29	2.8	12.2	9.4	9.1

Source: 2023 NACUBO-Commonfund Study of Endowments. Returns are equal-weighted and net of management fees and expenses.

Market Review and Outlook

3

Market review & outlook

Stocks perform strongly but bonds suffer as rate cut expectations are dialed down

- Global equity markets performed strongly during the first quarter. Even though the Federal Reserve shifted gears on rate cuts, equity markets focused on the AI narrative and a generally solid economy, which benefited US large growth stocks the most. Returns for small cap, value and non-US were more subdued, yet positive. Equity volatility remained low and declined during the quarter as equities had positive returns across the board.
- Treasury yields rose sharply during the quarter as markets positioned for a slower pace in rate cuts than expected at the end of 2023. The 2-year Treasury yield rose by 40 bps from 4.2% to 4.6% during Q1, while the 30-year Treasury yield also rose by 30 bps from 4.0% to 4.3%. Credit spreads declined during this risk-on quarter.
- The Bloomberg US Aggregate Bond Index returned -0.8% in Q1, while the MSCI ACWI returned 8.2%. As a result, a traditional 60/40* portfolio returned 4.6%.

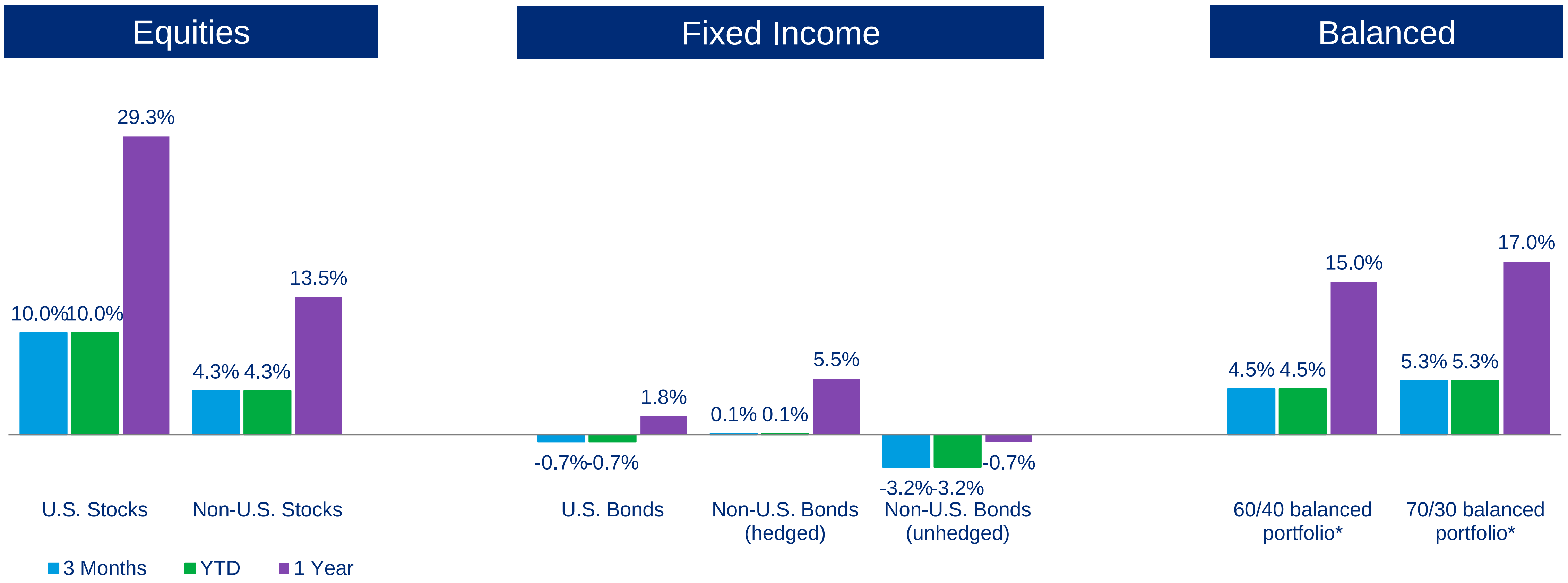
Resilient economic growth, higher than expected inflation readings inform central bank caution

- US economic growth remained strong over the first quarter. Growth has been weaker in developed countries outside the US. China's economy continued to struggle but exited a multi-month deflation spell in Q1. Overall, this paints a picture of a resilient global economy and aligns with our expectations of a moderate slowdown in global growth in 2024 and 2025 while avoiding a hard landing.
- US inflation was above expectations in the first quarter of 2024. Headline CPI was 3.5% year-over-year through March, while core CPI came in at 3.8%, a more than two-year low. Inflation is expected to decline further as remaining inflationary components such as shelter roll over. Labor markets have shown signs of softening from tight levels as seen by the unemployment rate increasing slightly, which also should help inflation fall back to target.
- Resilient inflation figures caused the Fed to pivot back towards more cautionary rhetoric and deferring rate hikes to future meetings. Nonetheless, the Fed left the fund rate projection for year-end unchanged, which implies up to three cuts this year. Outside the US, the Swiss Central Bank became the first major developed market central bank to cut rates while the Bank of England and European Central Bank are expected to start cutting rates later this year but remain cautious as well. Japan on the other hand exited yield curve control as inflationary pressures are mounting, albeit from very low levels.
- There were plenty of geopolitical events this quarter including ongoing conflicts in the Middle East and Eastern Europe and a major terror attack in Russia. Oil prices increased over Q1, driven primarily from a shifting assessment of the demand and supply outlooks.
- Over the quarter, strong equity returns pushed equity valuations further into richly valued territory. Weak fixed income performance has made those valuations more attractive on a rate level but the risk on environment has pushed credit spreads towards historic tights.

*60% MSCI ACWI, 40% Bloomberg US Aggregate

Global market returns - overview

Global market returns as of March 31, 2024 (%)



Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Sources: Bloomberg, FTSE, MSCI, Russell, CRSP and Dow Jones.

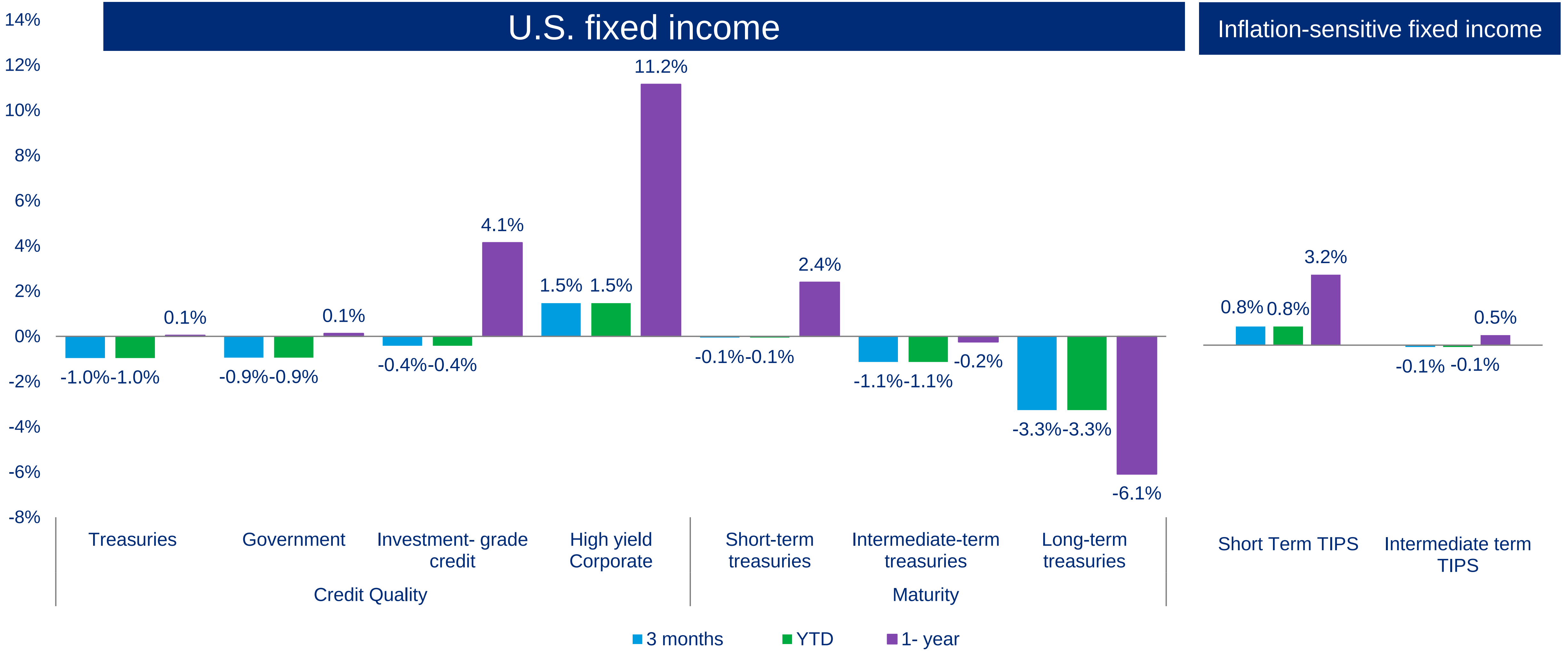
US Stocks (CRSP US Total Market Index), Non-US Stocks (FTSE Global All-Cap ex-US Index), US Bonds (Bloomberg US Aggregate Float Adjusted Index), Non-US Bonds hedged (Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index hedged), Non-US Bonds unhedged (Bloomberg Global Aggregate Index ex-USD).

*60/40 balanced portfolio Static Composite (36% U.S. stocks, 24% international stocks, and 28% investment-grade U.S. bonds, 12% investment-grade international bonds).

*70/30 balanced portfolio Static Composite (42% U.S. stocks, 28% international stocks, and 21% investment-grade U.S. bonds, 9% investment-grade international bonds).

Global market returns – fixed income

Global market returns as of March 31, 2024 (%)



Source: Refinitiv, Bloomberg; as of 3/31/24

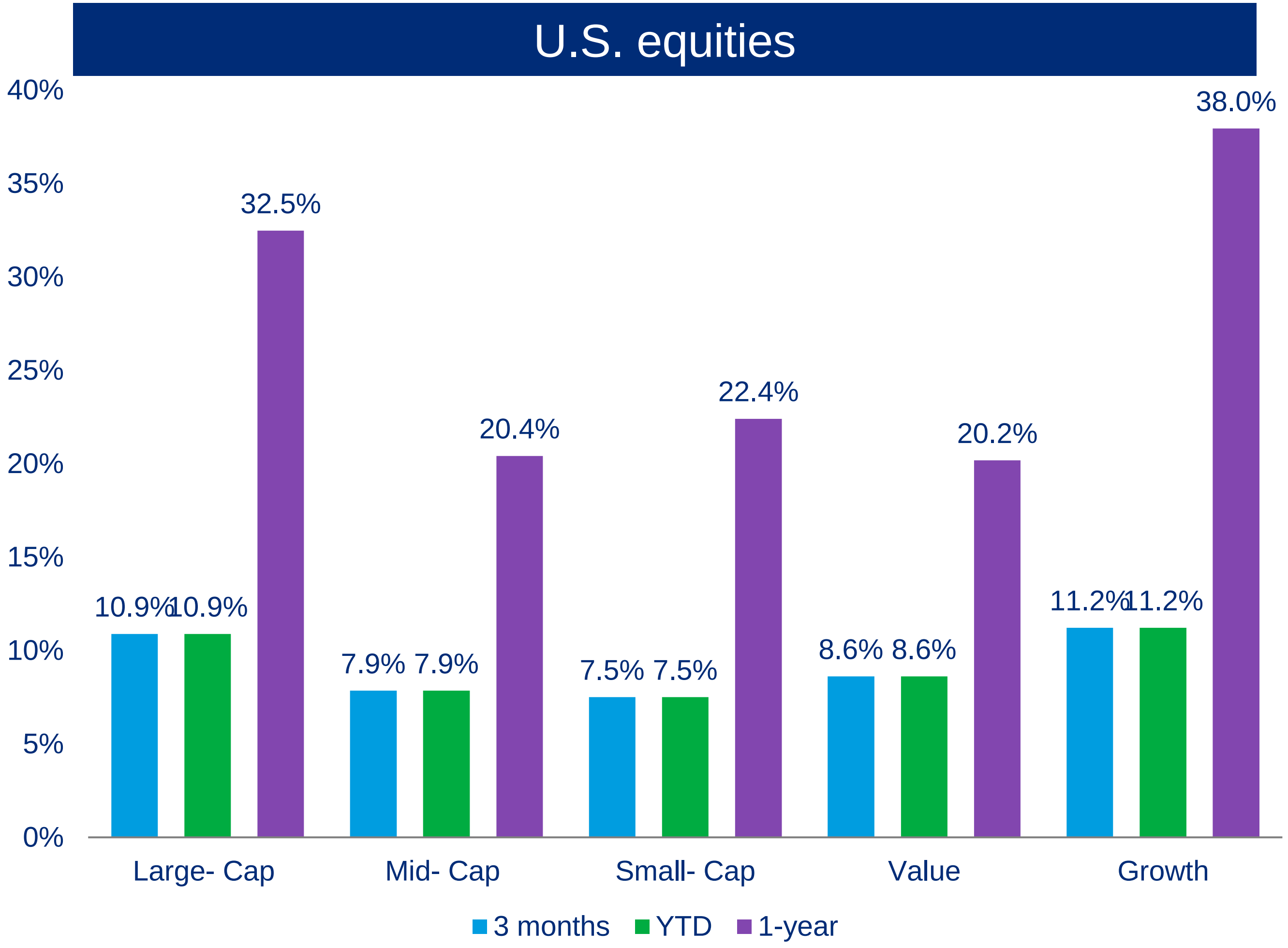
Treasuries (Bloomberg US Treasury Index), Government (Bloomberg US Government Index), Investment- grade credit (Bloomberg US Credit Index), High Yield Corporate (Bloomberg US High Yield Corporate index), Short Term treasuries (Bloomberg US 1-5yr Treasury Index), Intermediate term treasuries (Bloomberg US 5-10yr Treasury Index), Long term Treasuries (Bloomberg US Long Treasury Index), Short Term TIPS (Bloomberg US Treasury 0-5yr TIPS Index), Intermediate term TIPS (Bloomberg US TIPS Index)

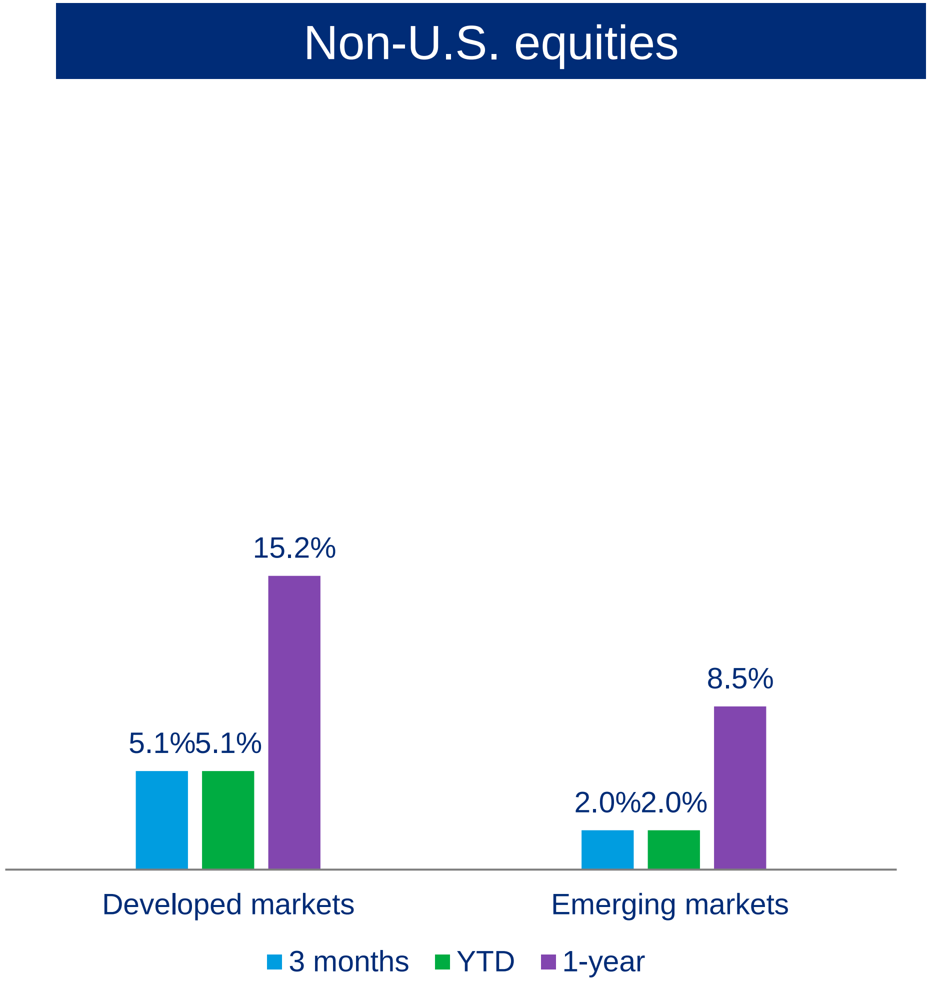
Mercer

Past performance is no guarantee of future results

Global market returns - equities

Global market returns as of March 31, 2024 (%)





Source: Refintiv, Bloomberg; as of 3/31/24

Large-Cap (CRSP US Mega Cap Index), Mid-Cap (CRSP US Mid Cap Index), Small-Cap (CRSP US Small Cap Index), Value (Russell 3000 Value Index),Growth (Russell 3000 Growth Index), Developed Markets (FTSE Developed All Cap ex US Index), Emerging Markets (FTSE Emerging Markets All Cap China A Inclusion Index)

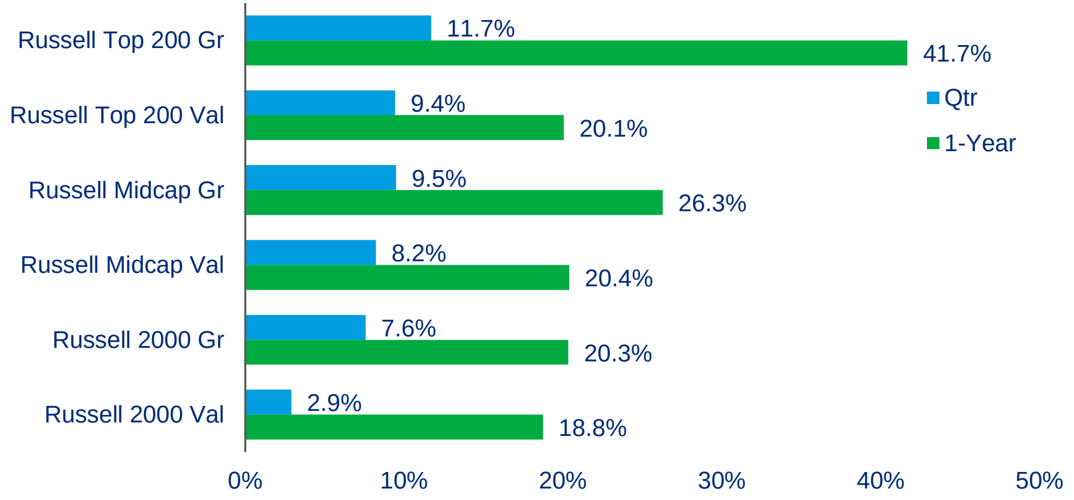
Past performance is no guarantee of future results

Market Highlights- Equity

Magnificent 7 Market cap vs. rest of S&P 500

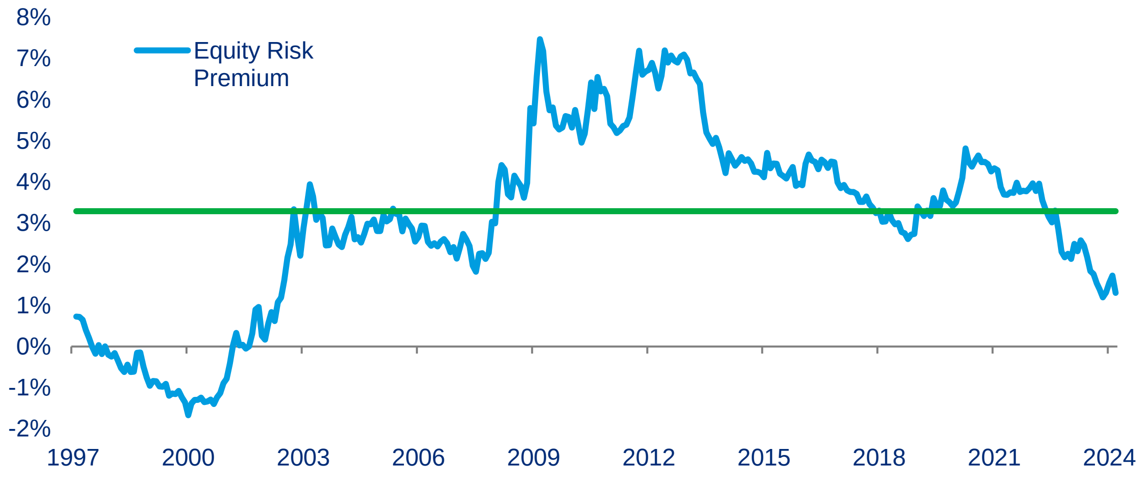
Source: Bloomberg; as of 3/31/24

US Style Performance



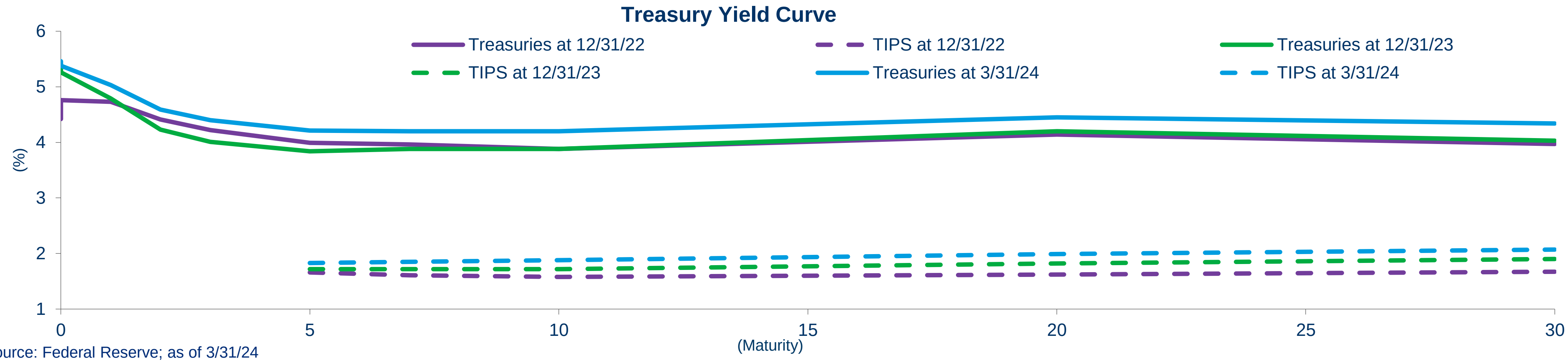
Source: Refinitv; as of 3/31/24

S&P 500- Equity Risk Premium vs. Long- Term Treasuries

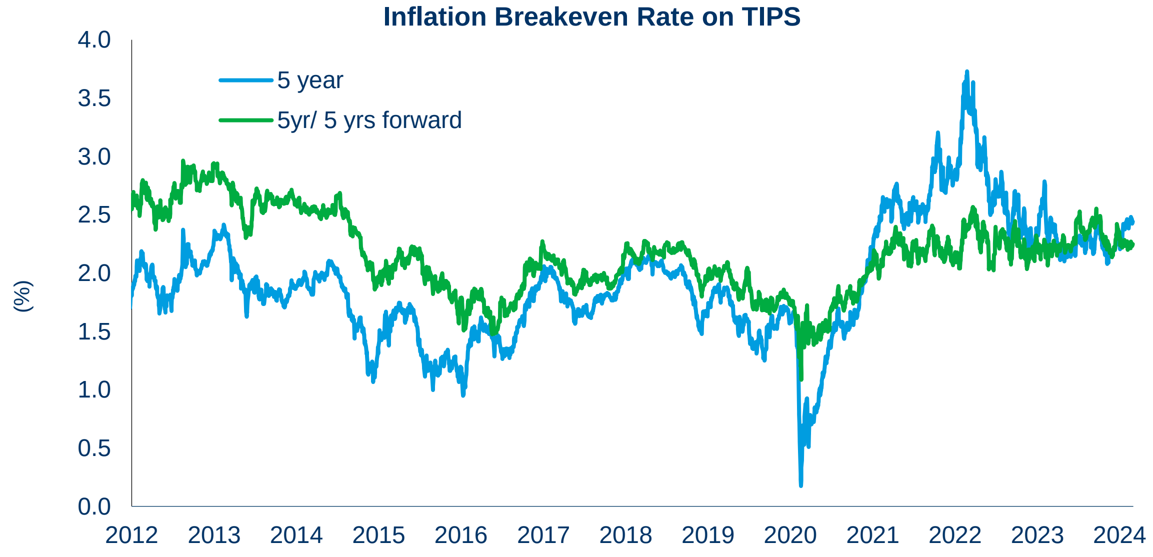


Source: Bloomberg, Refinitive, Mercer; as of 3/31/2024

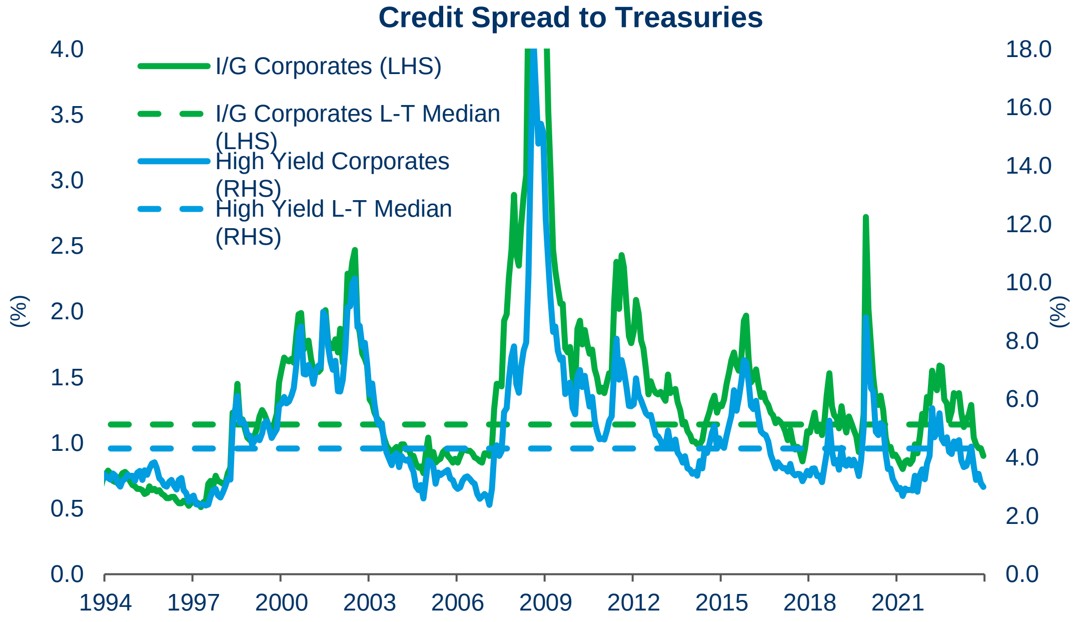
Market Highlights- Fixed Income



Source: Federal Reserve; as of 3/31/24

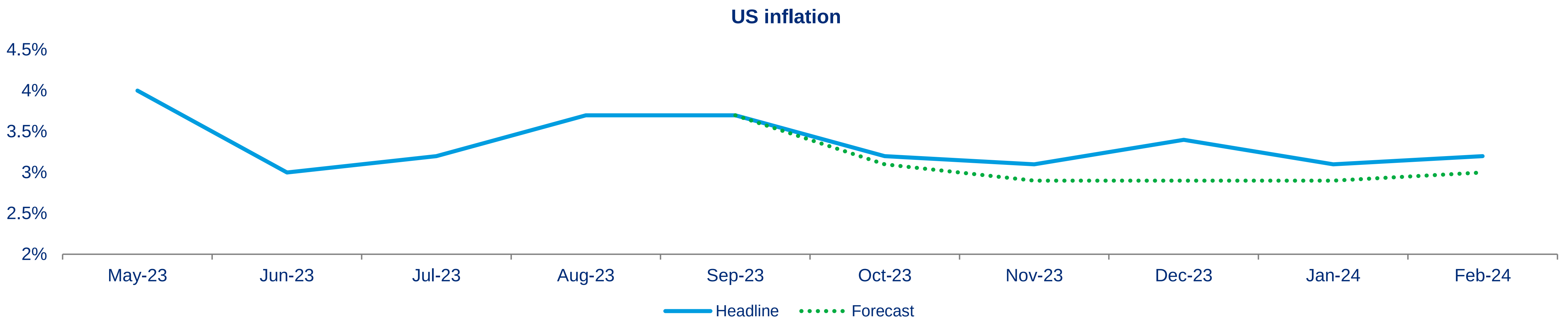


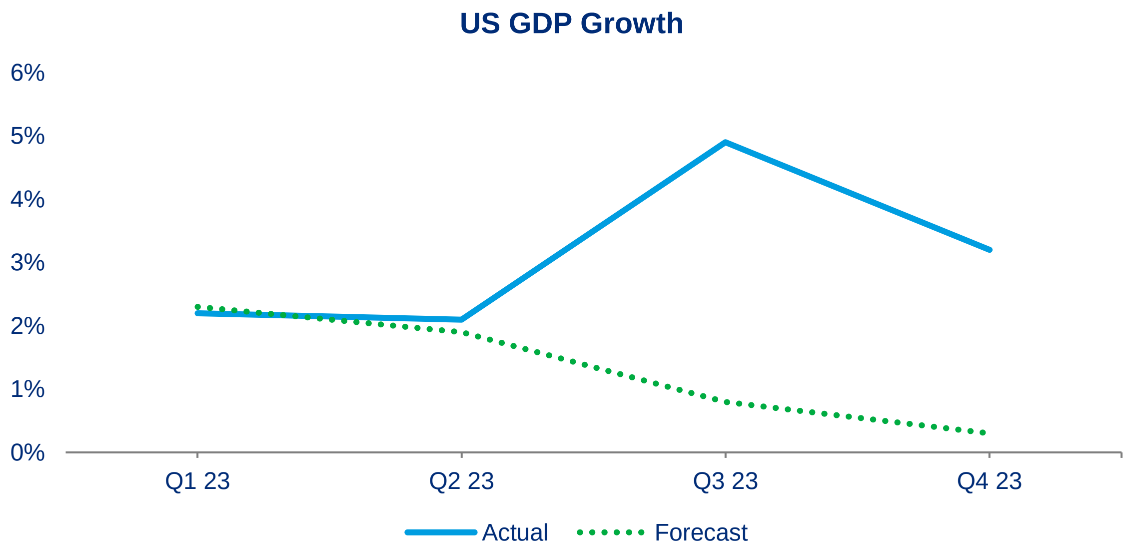
Source: Bloomberg, Mercer; as of 3/31/24

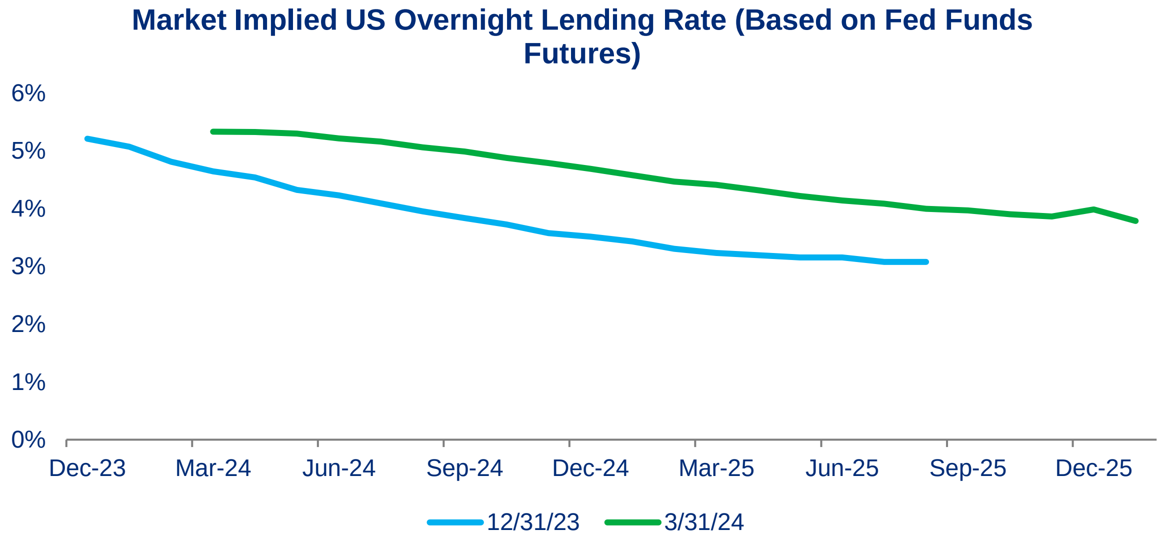


Source: Bloomberg; as of 3/31/24.

Macro Highlights





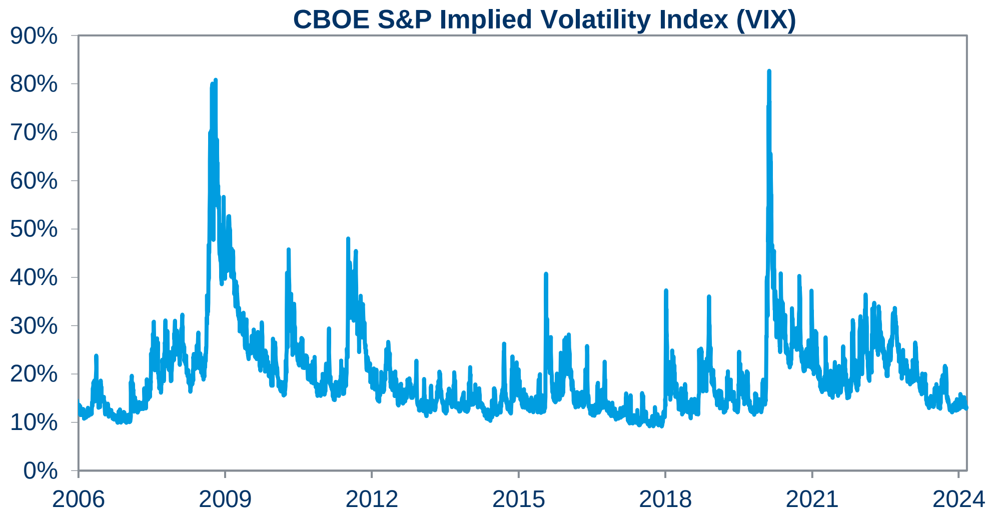


Source: Bloomberg; data as of 3/31/24. Past performance is no guarantee of future results

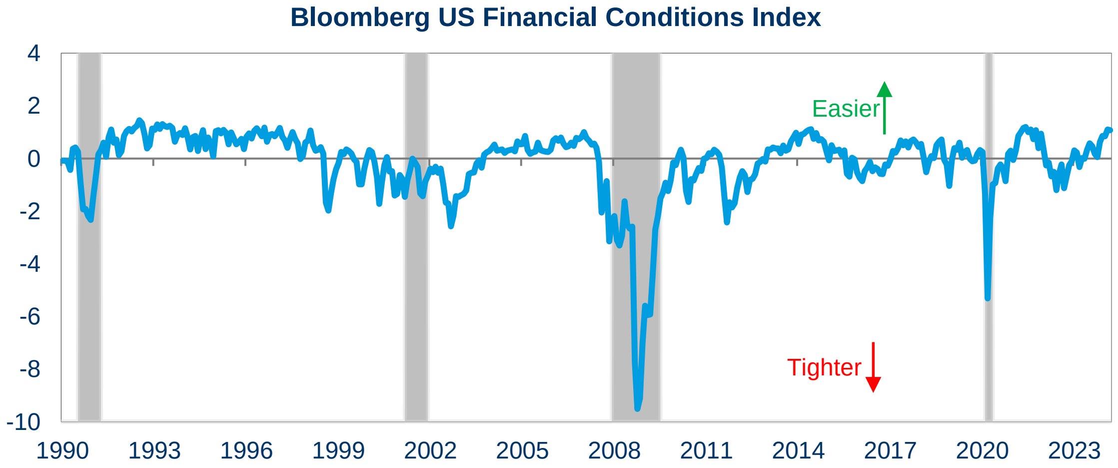
Risk factors

Long-term interest rates rise but financial conditions remain easier than two years ago

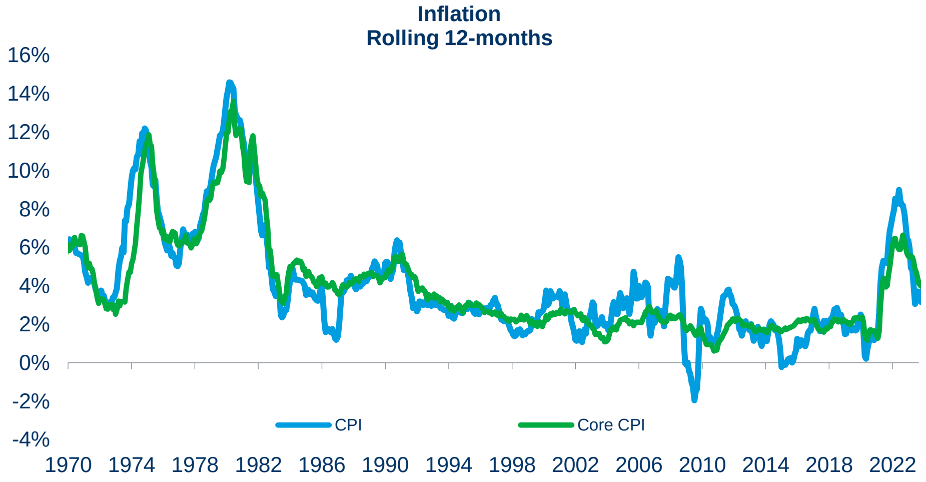
- Long-term interest rates have risen again this quarter as markets dialed back overly optimistic rate hike expectations.
- Geopolitical risks remained elevated with numerous conflicts across the Middle East and Eastern Europe. The risk of further escalation has the potential to impact the oil markets.
- US headline inflation came in at 3.5% in March, while core CPI declined to 3.8%, slightly lower than the end of 2023.
- The CBOE Volatility Index (VIX) volatility index marginally increased from 12.5 to 13.0, still the lowest level since 2019.[1]
- The Bloomberg US Financial Conditions Index rose during the quarter to levels above March 2022 when the rate hiking cycle began.



Source: Bloomberg; as of 3/31/24



Source: Bloomberg; as of 3/31/24



Source: Bloomberg; through to 03/31/24.

[1] Source: Bloomberg; as of 3/31/24

Periodic table of returns

Global market returns as of December 31, 2023 (%)

Periodic Table of Index Returns

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Small Cap Core Equity 38.8%	US REITS 28.0%	Private Equity All 10.1%	Small Cap Core Equity 21.3%	Emerging Market Equity 37.3%	Private Equity All 19.2%	Large Cap Core Equity 31.5%	Private Equity All 29.9%	Private Equity All 53.1%	Commodity 16.1%	Large Cap Core Equity 26.3%
Mid Cap Core Equity 34.8%	Private Equity All 15.1%	US REITS 2.8%	High Yield Bonds 17.1%	Developed Intl Equity 25.0%	Treasury Bonds 0.9%	Mid Cap Core Equity 30.5%	Small Cap Core Equity 20.0%	US REITS 41.3%	Private Equity All 0.5%	Global Equity 22.2%
Large Cap Core Equity 32.4%	Large Cap Core Equity 13.7%	Large Cap Core Equity 1.4%	Mid Cap Core Equity 13.8%	Global Equity 24.0%	Aggregate Bonds 0.0%	US REITS 28.7%	Large Cap Core Equity 18.4%	Large Cap Core Equity 28.7%	Hedge Fund of Funds -5.6%	Developed Intl Equity 18.2%
Global Equity 22.8%	Mid Cap Core Equity 13.2%	Blended 60/40 1.3%	Large Cap Core Equity 12.0%	Large Cap Core Equity 21.8%	High Yield Bonds -2.1%	Global Equity 26.6%	Emerging Market Equity 18.3%	Commodity 27.1%	High Yield Bonds -11.2%	Blended 60/40 17.7%
Developed Intl Equity 22.8%	Blended 60/40 11.0%	Treasury Bonds 0.8%	Commodity 11.8%	Mid Cap Core Equity 18.5%	Blended 65/35 -2.5%	Small Cap Core Equity 25.5%	Mid Cap Core Equity 17.1%	Mid Cap Core Equity 22.6%	Emerging Debt Local -11.7%	Mid Cap Core Equity 17.2%
Private Equity All 22.0%	Aggregate Bonds 6.0%	Aggregate Bonds 0.6%	Emerging Market Equity 11.2%	Private Equity All 17.1%	Hedge Fund of Funds -2.6%	Blended 60/40 23.3%	Global Equity 16.3%	Global Equity 18.5%	Treasury Bonds -12.5%	Small Cap Core Equity 16.9%
Blended 60/40 19.3%	Treasury Bonds 5.0%	Hedge Fund of Funds -0.3%	Emerging Debt Local 9.9%	Blended 60/40 15.4%	US REITS -4.0%	Developed Intl Equity 22.0%	Blended 60/40 14.6%	Blended 60/40 15.9%	Aggregate Bonds -13.0%	Private Equity All 15.7%
Hedge Fund of Funds 9.0%	Small Cap Core Equity 4.9%	Developed Intl Equity -0.8%	Private Equity All 9.2%	Emerging Debt Local 15.2%	Large Cap Core Equity -4.4%	Emerging Market Equity 18.4%	Treasury Bonds 8.0%	Small Cap Core Equity 14.8%	Developed Intl Equity -14.5%	High Yield Bonds 13.4%
High Yield Bonds 7.5%	Global Equity 4.2%	Global Equity -2.4%	Blended 60/40 8.8%	Small Cap Core Equity 14.6%	Emerging Debt Local -6.2%	High Yield Bonds 14.3%	Developed Intl Equity 7.8%	Developed Intl Equity 11.3%	Blended 60/40 -15.8%	Emerging Debt Local 12.7%
US REITS 2.9%	Hedge Fund of Funds 3.4%	Mid Cap Core Equity -2.4%	US REITS 8.6%	US REITS 8.7%	Mid Cap Core Equity -9.1%	Emerging Debt Local 13.5%	Aggregate Bonds 7.5%	Hedge Fund of Funds 5.7%	Mid Cap Core Equity -17.3%	US REITS 11.4%
Aggregate Bonds -2.0%	High Yield Bonds 2.5%	Small Cap Core Equity -4.4%	Global Equity 7.9%	Hedge Fund of Funds 7.6%	Global Equity -9.4%	Private Equity All 11.9%	High Yield Bonds 7.1%	High Yield Bonds 5.3%	Large Cap Core Equity -18.1%	Emerging Market Equity 9.8%
Emerging Market Equity -2.6%	Emerging Market Equity -2.2%	High Yield Bonds -4.5%	Aggregate Bonds 2.7%	High Yield Bonds 7.5%	Small Cap Core Equity -11.0%	Aggregate Bonds 8.7%	Hedge Fund of Funds 6.7%	Aggregate Bonds -1.5%	Global Equity -18.4%	Aggregate Bonds 5.5%
Treasury Bonds -2.8%	Developed Intl Equity -4.9%	Emerging Market Equity -14.9%	Treasury Bonds 1.0%	Aggregate Bonds 3.5%	Commodity -11.3%	Commodity 7.7%	Emerging Debt Local 2.7%	Treasury Bonds -2.3%	Emerging Market Equity -20.1%	Hedge Fund of Funds 4.4%
Emerging Debt Local -9.0%	Emerging Debt Local -5.7%	Emerging Debt Local -14.9%	Developed Intl Equity 1.0%	Treasury Bonds 2.3%	Developed Intl Equity -13.8%	Treasury Bonds 6.9%	Commodity -3.1%	Emerging Market Equity -2.5%	Small Cap Core Equity -20.4%	Treasury Bonds 4.1%
Commodity -9.5%	Commodity -17.0%	Commodity -24.7%	Hedge Fund of Funds 0.5%	Commodity 1.7%	Emerging Market Equity -14.6%	Hedge Fund of Funds 6.2%	US REITS -5.1%	Emerging Debt Local -8.8%	US REITS -24.9%	Commodity -7.9%

Market Indices

10-Year Average Return

17.3%	**Private Equity All** Burgiss Private iQ All
12.0%	**Large Cap Core Equity** S&P 500
9.4%	**Mid Cap Core Equity** Russell Midcap
8.0%	**US REITS** NAREIT Equity REITs
7.9%	**Global Equity** MSCI ACWI Net
7.8%	**Blended 60/40** 60%S&P 500/40% Barc
7.2%	**Small Cap Core Equity** Russell 2000
4.6%	**High Yield Bonds** Bloomberg High Yield
4.3%	**Developed Intl Equity** MSCI EAFE Net
3.1%	**Hedge- Fund of Funds** HFRI Fund of Funds
2.7%	**Emerging Markets Equity** MSCI EMF Net
1.8%	**Aggregate Bonds** Bloomberg Aggregate
1.3%	**Treasury Bonds** Bloomberg Treasury
0.1%	**Emerging Debt Local** JP Morgan Emerging Market GBI-EM
-1.1%	**Commodity** Bloomberg Commodity

Ten-year average returns represent the 10-year period ending 12/31/2023
IRR for Private Equity are shown on a 1 quarter time lag
All the returns are in USD

Index Disclosure

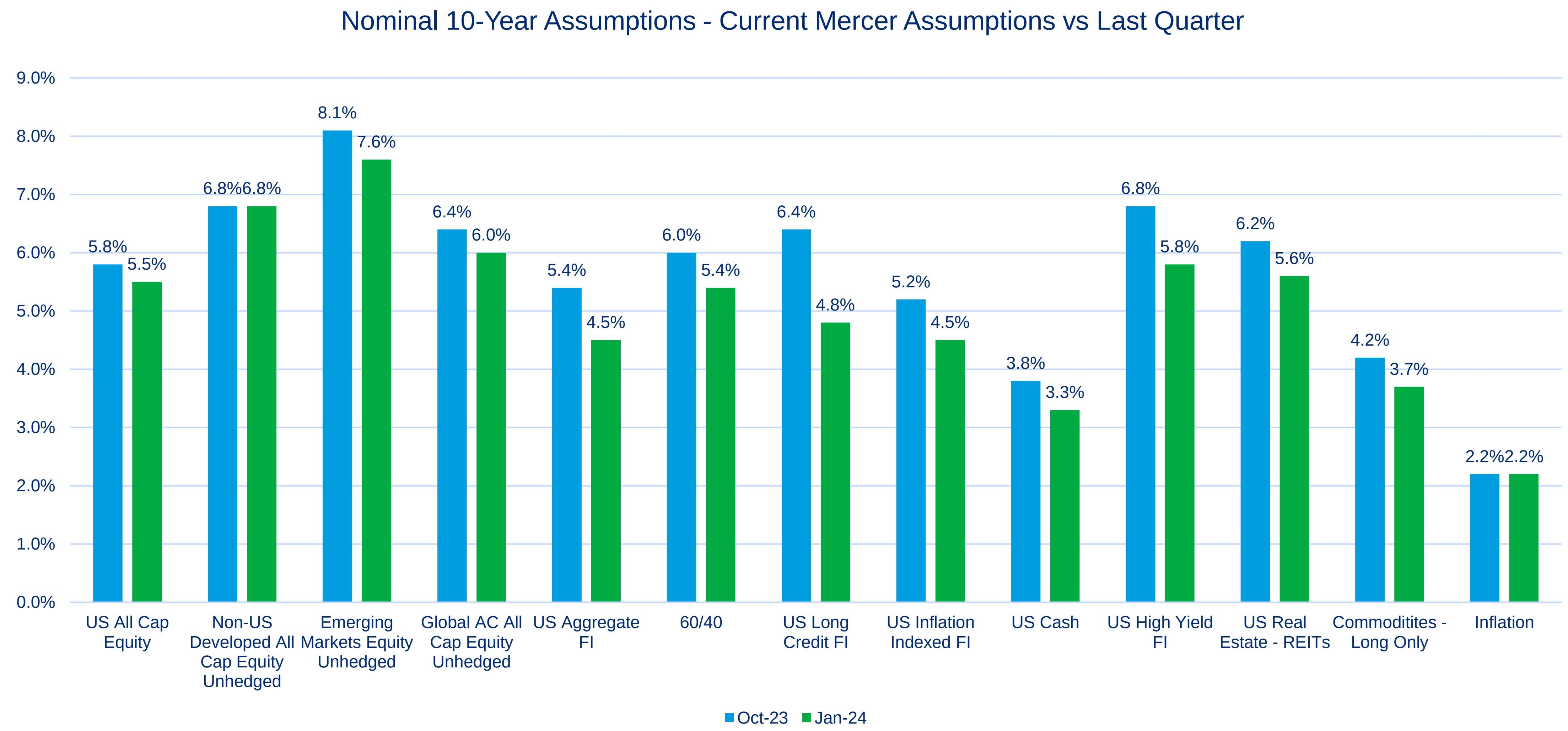
Important Notices

Source: Bloomberg, Refinitiv, JP Morgan, Barclays, ICE, Mercer Analysis; as of 12/31/23

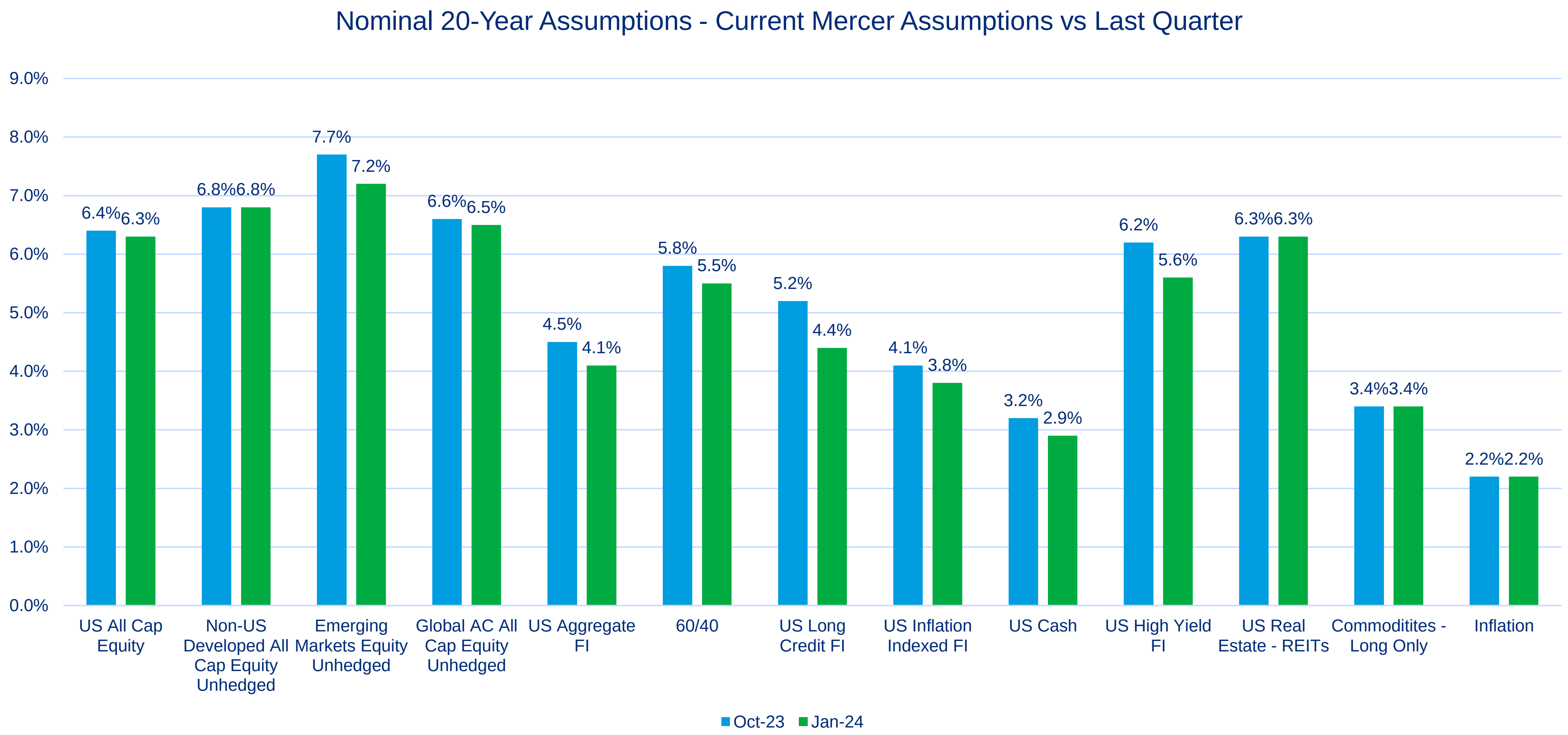
Asset Allocation Assumptions

4

Mercer's 10-Year Assumptions for key asset classes vs previous quarter (as of 12/31/23)



Mercer's 20-Year Assumptions for key asset classes vs previous quarter (as of 12/31/23)



Assumptions for key asset classes – Mercer compared to Vanguard – 10 years

Asset Class	10Y Mercer Jan-24	10Y Vanguard Jan-24	*Difference*	10Y Mercer Oct-23	10Y Vanguard* Oct-23	*Difference*
US All Cap Equity	5.5%	4.7%	*0.8%*	5.8%	5.2%	*0.6%*
Non-US Developed All Cap Equity Unhedged	6.8%	7.9%	*-1.1%*	6.8%	8.0%	*-1.2%*
Emerging Markets Equity Unhedged	7.6%	7.1%	*0.5%*	8.1%	7.6%	*0.5%*
ACWI**	6.1%	5.9%	*0.2%*	6.4%	6.3%	*0.1%*
US Aggregate FI	4.5%	4.4%	*0.1%*	5.4%	5.3%	*0.1%*
60/40***	5.4%	5.3%	*0.1%*	6.0%	5.9%	*0.1%*
US Long Credit FI	4.8%			6.4%	5.3%	*1.1%*
US Inflation Indexed FI	4.5%	3.5%	*1.0%*	5.2%	4.2%	*1.0%*
US Cash	3.3%	3.9%	*-0.6%*	3.8%	4.6%	*-0.8%*
US High Yield FI	5.8%	5.7%	*0.1%*	6.8%	6.8%	*0.0%*
US Real Estate - REITS	5.6%	5.1%	*0.5%*	6.2%	5.9%	*0.3%*
Commodities - Long Only	3.7%	6.9%	*-3.2%*	4.2%	7.4%	*-3.2%*
Inflation	2.2%	2.4%	*-0.2%*	2.2%	2.5%	*-0.3%*

* Vanguard 20 y returns estimated based on an average of 10 y and 30 y returns.

**Based on 60% US, 30% Non-US Developed, 10% EM. The figure may differ slightly from Mercer's actual ACWI figure as it uses the exact weights and allows for rebalancing

*** 60% ACWI and 40% US Aggregate

Assumptions for key asset classes – Mercer compared to Vanguard – 20 years

Asset Class	20Y Mercer Jan-24	20Y Vanguard Jan-24	*Difference*	20Y Mercer Oct-23	20Y Vanguard* Oct-23	*Difference*
US All Cap Equity	6.3%	5.5%	*0.8%*	6.4%	5.8%	*0.6%*
Non-US Developed All Cap Equity Unhedged	6.8%	7.9%	*-1.0%*	6.8%	7.9%	*-1.1%*
Emerging Markets Equity Unhedged	7.2%	7.8%	*-0.6%*	7.7%	8.1%	*-0.4%*
ACWI**	6.5%	6.4%	*0.1%*	6.7%	6.7%	*0.0%*
US Aggregate FI	4.1%	4.5%	*-0.4%*	4.5%	5.2%	*-0.6%*
60/40***	5.5%	5.6%	*-0.1%*	5.8%	6.1%	*-0.2%*
US Long Credit FI	4.4%			5.2%	5.5%	*-0.3%*
US Inflation Indexed FI	3.8%	3.6%	*0.2%*	4.1%	4.2%	*-0.1%*
US Cash	2.9%	3.7%	*-0.7%*	3.2%	4.2%	*-1.0%*
US High Yield FI	5.6%	6.0%	*-0.3%*	6.2%	6.8%	*-0.6%*
US Real Estate - REITS	6.3%	5.9%	*0.4%*	6.3%	6.6%	*-0.3%*
Commodities - Long Only	3.4%	6.6%	*-3.2%*	3.4%	7.0%	*-3.6%*
Inflation	2.2%	2.3%	*0.0%*	2.2%	2.4%	*-0.1%*

* Vanguard 20 y returns estimated based on an average of 10 y and 30 y returns.

**Based on 60% US, 30% Non-US Developed, 10% EM. The figure may differ slightly from Mercer's actual ACWI figure as it uses the exact weights and allows for rebalancing

*** 60% ACWI and 40% US Aggregate

Asset class return expectations

	Equilibrium Return	Standard Deviation	20-Year Horizon Return	10-Year Horizon Return	High Vol Standard Deviation	Lowest Likely Return
Growth Assets						
US Large Stocks	7.0	18.0	6.2	5.4	27.1	-35.1
US Large Value Stocks	7.0	18.0	6.2	5.4	27.1	-35.1
US Large Growth Stocks	7.0	18.0	6.2	5.4	27.1	-35.1
US Large Quality Stocks	7.1	13.7	6.3	5.5	20.6	-25.6
US Mid Stocks	7.3	19.6	6.5	5.7	29.5	-38.3
US Small / Mid Stocks	7.4	20.6	6.6	5.8	30.8	-40.1
US Small Stocks	7.6	22.2	6.8	6.0	33.2	-43.4
Intl Large Stocks	6.5	20.0	6.7	6.7	30.1	-38.1
Intl Large Quality Stocks	6.7	13.3	6.2	5.8	19.9	-24.3
Intl Small Stocks	7.1	22.4	7.4	7.3	33.6	-42.6
Emerging Market Stocks	6.6	26.4	7.2	7.6	39.6	-50.8
Global Stocks	6.8	18.4	6.5	6.0	27.6	-35.3
Emerging Market Debt (Local)	4.3	11.8	5.6	6.7	17.7	-20.0
US High Yield Fixed	5.5	11.1	5.6	5.8	16.7	-19.5
Private Debt - Core	6.5	8.1	6.9	7.2	12.1	-11.3
Private Equity / Special Situations	9.7	22.5	9.5	9.2	33.7	-40.8
Venture Capital	10.2	27.9	10.0	9.8	41.8	-51.7
Risk Reduction Assets						
Cash	2.5	1.3	2.9	3.3	1.9	0.3
US Treasuries	3.3	5.2	3.8	4.2	7.7	-7.7
US Short Duration Fixed Income	3.4	2.5	3.7	4.0	3.8	-1.9
US Long Treasuries	3.4	12.4	4.2	5.0	18.6	-23.1
US I/G Corporate Bonds	4.0	6.6	4.4	4.7	9.9	-10.5
US Senior/Leveraged Loans	5.0	8.3	5.4	5.8	12.5	-13.2
US Long I/G Corp	4.0	11.3	4.4	4.8	16.9	-20.9
US MBS	3.8	5.2	4.2	4.7	7.8	-7.4
US Broad Fixed Income	3.6	4.9	4.1	4.5	7.3	-6.7
US Municipal Bonds	3.0	5.7	3.3	3.5	8.5	-9.5
Global Fixed Income	3.4	5.6	3.6	3.8	8.4	-9.1
Defensive Hedge Funds	5.5	7.4	5.8	6.2	11.1	-10.8
Liquid Absolute Return	5.0	8.9	5.4	5.7	13.4	-14.7
Inflation Protected Assets						
US Inflation Protected Fixed	3.1	5.2	3.8	4.5	7.9	-7.5
Global Real Estate - Private	8.0	13.8	7.0	6.0	20.7	-25.2
Global Real Estate - REITS	6.8	20.0	6.3	5.8	30.1	-39.0
Infrastructure - Listed	7.0	16.5	6.4	5.8	24.8	-31.5
Infrastructure - Value Added	8.5	17.1	8.6	8.8	25.6	-29.7
Natural Resources - Listed	7.3	23.9	6.4	5.6	35.8	-47.4
Natural Resource Stocks - Private	8.8	24.3	8.9	8.9	36.4	-45.0
Liquid Real Assets	6.1	13.2	6.9	6.2	19.8	-39.8
Private Real Assets	8.6	13.9	9.2	9.3	20.9	-42.2

Equilibrium Expected Return: Equilibrium expected returns reflect the expected return on asset classes when interest rates and other valuation metrics are at our estimate of fair value. They are not affected by current conditions. When developing equilibrium assumptions for asset classes we analyze historical data and expected forward-looking conditions.

10-Year Horizon Return: The 10-year horizon return reflects returns based on current market conditions. We assume that interest rates and other valuation metrics revert from current levels to their equilibrium levels over a 10 year period.

20-Year Horizon Return: The 20-year horizon returns utilize the 10-year expected returns over the first 10 years (reversion period), and then assume equilibrium expected returns are earned over the next 10 years.

Standard Deviation: This statistic quantifies the expected variability of returns around their mean. Both returns above and below the expected return are included in this risk measure. There is roughly a two out of three chance that the return in any given year will fall within the range bounded by the expected return plus or minus the standard deviation. The standard deviation expectations are based on a combination of realized historical results and expected forward-looking conditions. The high volatility regime expectations represent our estimate of risk in an environment where volatility spikes and correlations between assets increase significantly.

Mercer's approach to developing equilibrium expected returns blends realized historical results and an examination of current conditions. In developing the forecasts, we begin by averaging historical data for the longest period available to determine how much investors have been rewarded for exposure to risk factors in the past. We then use internal and external research to identify structural reasons that risk premiums in the future might be different than those experienced in the past, and adjust our forecasts accordingly. This methodology generally results in lower return forecasts, particularly for equity asset classes, than have been experienced in the past. The return expectations do not include manager alpha except for absolute return strategies. The expected return in excess of cash for absolute return strategies consists mostly of expected alpha.

Expected return, volatility, and correlation are hypothetical projections and are derived using Mercer's forward-looking Capital Market Assumptions methodology. There can be no assurance that these results can be achieved. Actual results are likely to vary. Please see Important Notices for further information on Risk and Return Expectations.

Correlation assumptions

	US Large Stocks	US Mid Stocks	US Small Stocks	Intl Large Stocks	Intl Small Stocks	Emerging Market Stocks	Global Stocks	US Broad Fixed Income	US High Yield Fixed	US Municipal Bonds	US Inflation Protected Fixed	Cash	Emerging Market Debt (Local)	Global Fixed Income	Global Real Estate - Private	Global Real Estate - REITS	Private Equity / Special Situations	Infrastructure - Listed	Infrastructure - Core	Defensive Hedge Funds	Natural Resources - Listed	Natural Resource Stocks - Private	Private Debt - Core
US Large Stocks	1.00	0.97	0.91	0.77	0.74	0.75	0.97	0.12	0.57	0.17	-0.04	-0.02	0.56	0.12	0.49	0.70	0.83	0.74	0.52	0.70	0.69	0.70	0.44
US Mid Stocks		1.00	0.98	0.75	0.79	0.73	0.95	0.12	0.56	0.16	-0.04	-0.02	0.55	0.12	0.47	0.72	0.88	0.72	0.51	0.68	0.67	0.68	0.42
US Small Stocks			1.00	0.70	0.80	0.68	0.90	0.11	0.52	0.15	-0.04	-0.02	0.51	0.11	0.44	0.70	0.89	0.67	0.47	0.64	0.63	0.64	0.40
Intl Large Stocks				1.00	0.95	0.80	0.90	0.06	0.52	0.12	-0.08	-0.01	0.60	0.39	0.57	0.76	0.62	0.68	0.48	0.56	0.65	0.67	0.40
Intl Small Stocks					1.00	0.75	0.87	0.05	0.49	0.11	-0.08	-0.01	0.56	0.36	0.54	0.77	0.70	0.65	0.45	0.53	0.62	0.64	0.38
Emerging Market Stocks						1.00	0.86	0.01	0.49	0.07	-0.11	-0.03	0.78	0.24	0.49	0.66	0.61	0.63	0.42	0.54	0.64	0.66	0.38
Global Stocks							1.00	0.10	0.58	0.15	-0.07	-0.02	0.64	0.23	0.55	0.77	0.81	0.76	0.53	0.69	0.72	0.73	0.45
US Broad Fixed Income								1.00	0.44	0.75	0.59	0.20	0.27	0.65	0.28	0.23	0.10	0.14	0.12	0.09	0.04	0.00	0.20
US High Yield Fixed									1.00	0.45	0.08	0.03	0.58	0.35	0.36	0.47	0.46	0.49	0.34	0.49	0.41	0.41	0.72
US Municipal Bonds										1.00	0.45	0.15	0.28	0.51	0.26	0.23	0.14	0.17	0.14	0.14	0.09	0.07	0.25
US Inflation Protected Fixed											1.00	0.14	0.06	0.38	0.12	0.06	-0.03	-0.01	0.01	-0.05	0.04	0.03	-0.02
Cash												1.00	0.03	0.08	0.06	0.03	-0.01	0.00	0.01	-0.02	-0.03	-0.04	-0.01
Emerging Market Debt (Local)													1.00	0.44	0.43	0.54	0.46	0.46	0.32	0.43	0.50	0.51	0.42
Global Fixed Income														1.00	0.46	0.42	0.10	0.14	0.12	0.10	0.23	0.23	0.19
Global Real Estate - Private															1.00	0.91	0.39	0.56	0.49	0.34	0.42	0.43	0.24
Global Real Estate - REITS																1.00	0.62	0.68	0.54	0.50	0.56	0.58	0.34
Private Equity / Special Situations																	1.00	0.60	0.43	0.58	0.57	0.58	0.35
Infrastructure - Listed																		1.00	0.88	0.53	0.52	0.53	0.36
Infrastructure - Core																			1.00	0.37	0.36	0.36	0.25
Defensive Hedge Funds																				1.00	0.49	0.50	0.37
Natural Resources - Listed																					1.00	0.79	0.33
Natural Resource Stocks - Private																						1.00	0.33
Private Debt - Core																							1.00

Correlation coefficients measure the degree of co-movement between two asset classes. A correlation of 1.00 indicates that both assets move in lock-step with one another, while a correlation of (1.00) suggests that the assets move in opposite directions. A correlation of 0 means that there is no relation.

Diversified portfolios take advantage of the tendency of asset classes to behave in different ways relative to each other. Asset classes with low correlations to one another can be combined to produce portfolios with less risk than any specific asset class displays on a stand-alone basis.

Expected return, volatility, and correlation are hypothetical projections and are derived using Mercer's forward-looking Capital Market Assumptions methodology. There can be no assurance that these results can be achieved. Actual results are likely to vary. Please see Important Notices for further information on Risk and Return Expectations.

The Philanthropy Outlook 2024 and 2025

5

Lilly Family School of Philanthropy: The Philanthropy Outlook 2024 and 2025

What was Released?

The Lilly Family School of Philanthropy at Indiana University is a pre-eminent program in the United States.

- The School produces extensive research on Philanthropy
- In March it published "The Philanthropy Outlook 2024 and 2025," its latest update
- Its research underpins the Giving USA reports published every summer that review activity the prior year

What are the Findings?

Predicts total charitable giving will rise 4.2% in 2024 and 3.8% in 2025, driven by growth in personal income, the strong performance of the stock market in 2023, and average growth in net worth.

These growth rates are higher than historical 10-, 25-, and 40-yr annualized growth rates.

- Distribution of giving, by source, won't change much year over year
- The report sees an increase in year over year giving for all categories
- The rate of growth in individual giving has slowed dramatically over the past decade. Though still the largest category, observers are troubled by the trend, particularly since greater giving by wealthy individuals has masked declines in giving at other economic levels.

Expected Distribution of Giving

	2024	2025
Individuals/households	63.1%	62.8%
Foundations	22.6%	22.9%
Estates	8.5%	8.4%
Corporations	5.8%	5.8%

Yr/Yr Increase in Giving

	2024/2023	2025/2024
Individuals/households	2.6%	3.4%
Foundations	10.3%	5.3%
Estates	2.7%	5.5%
Corporations	1.9%	2.6%

Historical Annualized Rates of Change for Giving

1982-2022	10-yr	25-yr	40-yr
Individuals/households	0.2%	1.4%	2.0%
Foundations	5.9%	5.9%	6.2%
Bequests	3.8%	1.7%	2.7%
Corporations	3.0%	2.5%	2.9%
Total	1.7%	2.1%	2.6%

Target audience; background of information

- Most of Mercer's not-for-profit clients engage in fundraising
  - Private foundations generally don't, but do donate money to public charities

- The Lilly Family School of Philanthropy at Indiana University
  - Since its founding almost 40 years ago, has become pre-eminent program in the U.S.
  - Produces extensive research on philanthropy
  - In March it published "The Philanthropy Outlook 2024 and 2025," its latest update
  - Its research underpins the Giving USA reports published every summer that review activity the prior year

Findings

- Predicts total giving will rise 4.2% in 2024 and 3.8% in 2025, driven by growth in personal income, the strong performance of the stock market in 2023, and average growth in net worth.
  - These growth rates are higher than historical 10-, 25-, and 40-yr annualized growth rates.

- Distribution of giving, by source, won't change much, year/year

	2024	2025
Individuals/households	63.1%	62.8%
Foundations	22.6%	22.9%
Estates	8.5%	8.4%
Corporations	5.8%	5.8%

- The report sees increases in year/year giving for all four categories

Yr/Yr increase in giving		
	2024/2023	2025/2024
Individuals/households	2.6%	3.4%
Foundations	10.3%	5.3%
Estates	2.7%	5.5%
Corporations	1.9%	2.6%

Findings

- Except for individuals and estates, they see the next two years comparing favorably with long-term trends

Historical annualized average rates of change for giving, 1982-2022	10-yr	25-yr	40-yr
Individuals/households	0.2%	1.4%	2.0%
Foundations	5.9%	5.9%	6.2%
Bequests	3.8%	1.7%	2.7%
Corporations	3.0%	2.5%	2.9%
Total	1.7%	2.1%	2.6%

- The rate of growth in individual giving has slowed dramatically over the past decade. Though still the largest category, observers are troubled by the trend, particularly since greater giving by wealthy individuals has masked declines in giving at other economic levels.

Appendix

6

What’s new at Mercer

Our thoughts on the economy and asset classes

Recent Publications

- Quarterly Market Environment Report – Q4 2023
- Global Economics & DAA Quarterly – Q1 2024
- Top considerations for alternative investments 2024
- Quarterly Alternatives Report – Fourth Quarter 2023
- Navigating the longevity economy: Financial resilience for an aging world
- Capital market monitor – January 2024
- How to approach a top-quartile private market portfolio
- Comparing public and private investment methodologies
- A guide to increasing allocations to private markets
- Capital market monitor – December 2023
- Global economic & DAA quarterly – Q4 2023
- Capital market monitor – October 2023
- Real estate global market summary – October 2023
- Mercer market environment webcast

- **Non-profit client website**

Intellectual Capital

Did you miss our recent publications?

How to approach a top-quartile private market portfolio

Comparing public and private investment methodologies

A guide to increasing allocations to private markets

2022 Healthcare Study

Periodic Table of Index Returns – Q3 2023

Credit:

Fitch Downgrade – August 2023

Inflation-linked bonds – A real opportunity?

Credit investing – Finding the right fit

A lasting first impression: The role of starting yield in short duration credit performance

Responsible/Sustainable Investing:

Navigating the longevity economy: Financial resilience for an aging world

Weathering any storm – Developing a spending policy to help portfolios remain resilient across different market environments

Calculating the return on governance for endowments and foundations

Alternative Assets:

Top considerations for alternative investments 2024

Quarterly Alternatives Report – Fourth Quarter 2023

Private debt marries access with opportunity for insurers

Quarterly Alternatives Report – Third Quarter 2023

Trends in private equity

Quarterly Alternatives Report and Briefing – Q2 2023

Venture capital then & now – Private markets insights

Private Debt Why Now?

Diversity, Equity & Inclusion:

Diversity dressing – Progress evaluation

Working towards better diversity – and returns

Making diversity, equity and inclusion work in private markets

Diversity Dressing: the Hidden Figures

Market Reports:

Quarterly Market Environment Report – Q4 2023

Global Economics & DAA Quarterly – Q1 2024

Capital market monitor – January 2024

Capital market monitor – December 2023

Reach out to your consultant if you need assistance with any of these publications.

Important notices

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

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.

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

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.

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

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.

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.

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.

Past performance is no guarantee of future results. The value of 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.

The expectations for the modelled portfolio are a compilation of return, volatility, and correlation expectations of the underlying asset classes. Expected return, volatility, and correlation are hypothetical projections and are derived using Mercer's forward-looking Capital Market Assumptions methodology. Actual return, volatility, and correlation may be lower or higher than the data quoted. The views expressed are provided for discussion purposes and do not provide any assurance or guarantee of future returns. Portfolio expectations are forward looking and reflective of Mercer's Capital Market Assumptions, as defined by asset class and incorporating return, standard deviation, and correlations. Our process for setting asset class expected returns begins with developing an estimate of the long term normal level of economic growth and inflation. From these two key assumptions, we develop an estimate for corporate earnings growth and the natural level of interest rates. From these values, we can then determine the expected long term return of the core asset classes, equity and government bonds. We combine current valuations with our expectations for long term normal valuations and incorporate a reversion to normal valuations over a period of 10 years. Volatility and correlation assumptions are based more directly on historical experience except in cases in which the market environment has clearly changed. Manager impact on performance is not incorporated into expectations.

Important notices (cont.)

Mercer universes: Mercer's universes are intended to provide collective samples of strategies that best allow for robust peer group comparisons over a chosen timeframe. Mercer does not assert that the peer groups are wholly representative of and applicable to all strategies available to investors.

BARCLAYS: © Barclays Bank PLC 2021. This data is provided by Barclays Bank PLC. Barclays Bank PLC and its affiliated companies accept no liability for the accuracy, timeliness or completeness of such data which is provided "as is." All warranties in relation to such data are hereby extended to the fullest extent permitted under applicable law.

BARCLAYS CAPITAL: The Barclays Indices are a proprietary product of Barclays. Barclays shall maintain exclusive ownership of and rights to the Barclays Indices and that inclusion of the Barclays Indices in this Service shall not be construed to vest in the subscriber any rights with respect to the Indices. The subscriber agrees that it will not remove any copyright notice or other notification or trade name or marks of Barclays that may appear in the Barclays Indices and that any reproduction and/or distribution of the Barclays Indices (if authorized) shall contain such notices and/or marks.

BARRA: © 2021 Barra International, Ltd. All rights reserved. This information may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used to create any financial instruments or products or any indices. This information is provided on an "as is" basis and the user of this information assumes the entire risk of any use it may make or permit to be made of this information. Neither MSCI, any of its affiliates or any other person involved in or related to compiling, computing or creating this information makes any express or implied warranties or representations with respect to such information or the results to be obtained by the use thereof, and MSCI, its affiliates and each such other person hereby expressly disclaim all warranties (including, without limitation, all warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any other person involved in or related to compiling, computing or creating this information have any liability for any direct, indirect, special, incidental, punitive, consequential or any other damages (including, without limitation, lost profits) even if notified of, or if it might otherwise have anticipated, the possibility of such damages. BARRA is a registered trademark of MSCI, Inc.

BLOOMBERG L.P.: © 2021 Bloomberg L.P. All rights reserved. BLOOMBERG, BLOOMBERG PROFESSIONAL, BLOOMBERG FINANCIAL MARKETS, BLOOMBERG NEWS, BLOOMBERG TRADEMARK, BLOOMBERG BONDTRADER, AND BLOOMBERG TELEVISION are trademarks and service marks of Bloomberg L.P. a Delaware Limited Partnership.

BURGISS: © 2021 Burgiss Group, LLC. All rights reserved. PRIVATE I, PRIVATE INFORMANT and PRIVATE IQ are trademarks and service marks of Burgiss Group, LLC.

CENTER FOR RESEARCH IN SECURITY PRICES (CRSP): Derived based upon data from Center for Research in Security Prices (CRSP®), The University of Chicago Booth School of Business.

Important notices (cont.)

CITIGROUP GLOBAL MARKETS (formerly SALOMON SMITH BARNEY): Smith Barney^{sm} and Citigroup Global Equity Index^{sm} are service marks of Citigroup Inc. "BECAUSE ACCURACY COUNTS®" is a registered service mark of Citigroup Inc. FloatWatch© is a trademark of Citigroup Inc. Citigroup Global Equity Index System^{sm} , Citigroup Broad Market Index^{sm}, Citigroup Primary Market Index^{sm}, Citigroup Extended Market Index^{sm}, Citigroup Cap-Range Index^{sm}, Citigroup Internet Index (NIX)^{sm}, Citigroup Style Indices (Growth/Value)^{sm}, Citigroup Property Index^{sm} are service marks of Citigroup Inc. ©2021 Citigroup Inc. All rights reserved. Any unauthorized use, duplication or disclosure is prohibited by law and may result in prosecution. Citigroup, including its parent, subsidiaries and/or affiliates ("the Firm"), usually makes a market in the securities discussed or recommended in its report and may sell to or buy from customers, as principal, securities discussed or recommended in its report. The Firm or employees preparing its report may have a position in securities or options of any company discussed or recommended in its report. An employee of the Firm may be a director of a company discussed or recommended in its report. The Firm may perform or solicit investment banking or other services from any company discussed or recommended in its report. Securities recommended, offered, or sold by SSB: (i) are not insured by the Federal Deposit Insurance Corporation; (ii) are not deposits or other obligations of any insured depository institution (including Citibank); and (iii) are subject to investment risks, including the possible loss of the principal amount invested. Although information has been obtained from and is based upon sources SSB believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute SSB's judgment as of the date of the report and are subject to change without notice. Its report is for informational purposes only and is not intended as an offer or solicitation for the purchase or sale of a security. Its report does not take into account the investment objectives or financial situation of any particular person. Investors should obtain advice based on their own individual circumstances before making an investment decision.

CREDIT SUISSE FIRST BOSTON LLC. (CSFB): Copyright © 1996 – 2021 Credit Suisse First Boston LLC and/or its affiliate companies. All rights reserved.

DATASTREAM: Source: ThomsonReuters Datastream.

DOW JONES: The Dow Jones Indexes^{SM} are proprietary to and distributed by Dow Jones & Company, Inc. and have been licensed for use. All content of Dow Jones Indexes^{SM} © 2021 is proprietary to Dow Jones & Company, Inc.

“End User” FTSE™: is a trademark of the London Stock Exchange PLC and The Financial Times Limited and is used by FTSE International Limited under license. Russell Investment Group Europe Ltd is licensed by FTSE International Limited to distribute FTSE Advanced Service and other FTSE indices. FTSE shall not be responsible for any error or omission in FTSE data. All copyright and database rights in FTSE products belong to FTSE or its licensors. Redistribution of the data comprising the FTSE products is not permitted. You agree to comply with any restrictions or conditions imposed upon the use, access, or storage of the data as may be notified to you by FTSE or Russell/Mellon Europe Ltd. You are not permitted to receive the FTSE Advanced Service unless you have a separate agreement with FTSE. “FTSE™”, “FT-SE™” and “Footsie™” are trademarks of London Stock Exchange PLC and The Financial Times Limited and are used by FTSE International Limited under license.

The FTSE Private Investor Indices are owned and calculated by FTSE International and are produced in association with APCIMS (Association of Private Client Investment Managers and Stockbrokers). ã FTSE International Limited 2021.

The UK Value and Growth Indices are owned and calculated by FTSE International Limited in association with Russell Investment Group. ã FTSE International Limited 2021.

HFRI: Source: Hedge Fund Research, Inc., © HFR, Inc. 2021, www.hedgefundresearch.com.

IMONEYNET: © iMoneyNet, an Informa Business.

INTERACTIVE DATA: © 2021 Interactive Data Pricing and Reference Data, Inc.

IPD: Fund information has not been independently validated by IPD. IPD did not produce this performance report.

Important notices (cont.)

JPMORGAN: The JPMorgan EMBI Index (i) is protected by copyright and JPMorgan claims trade secret rights, (ii) is and shall remain the sole property of JPMorgan, and (iii) title and full ownership in the JPMorgan EMBI Index is reserved to and shall remain with JPMorgan. All proprietary and intellectual property rights of any nature, including patents, copyrights, trademarks and trade secrets regarding the JPMorgan EMBI Index, and any and all parts, copies, modifications, enhancements and derivative works are owned by, and shall remain the property of JPMorgan and its affiliates. The JPMorgan EMBI Index and related materials and software were developed, compiled, prepared and arranged by JPMorgan through expenditure of substantial time, effort and money and constitute valuable intellectual property and trade secrets of JPMorgan. The JPMorgan EMBI Index shall not be used in a manner that would infringe the property rights of JPMorgan or others or violate the laws, tariffs, or regulations of any country.

LIPPER: Performance data was supplied by Lipper, A Thomson Reuters Company, subject to the following: Copyright 2021 © Thomson Reuters. All rights reserved. Any copying, republication or redistribution of Lipper Information, including by caching, framing or similar means, is expressly prohibited without the prior written consent of Lipper. Lipper shall not be liable for any errors or delays in the Information, or for any actions taken in reliance thereon. Lipper performance data is total return, and is preliminary and subject to revision. The data contained herein has been obtained from company reports, financial reporting services, periodicals, and other resources believed to be reasonable. Although carefully verified, data on compilations is not guaranteed by Lipper Inc. – A Reuters Company and may be incomplete. No offer or solicitations to buy or sell any of the securities herein is being made by Lipper. Portions of the information contained in this report were derived by Mercer using Content supplied by Lipper, A Thomson Reuters Company.

MERRILL LYNCH: The Merrill Lynch Indices are used with permission. Copyright 2021, Merrill Lynch, Pierce, Fenner & Smith Incorporated. All rights reserved. The Merrill Lynch Indices may not be copied, used, or distributed without Merrill Lynch's prior written approval.

MOODY'S INVESTORS SERVICE: Moody's © Copyright 2021, Moody's Investors Service, Inc. ("Moody's). Moody's ratings ("Ratings") are proprietary to Moody's or its affiliates and are protected by copyright and other intellectual property laws. Ratings are licensed to Distributor by Moody's. RATINGS MAY NOT BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. Moody's® is a registered trademark of Moody's Investors Service, Inc.

MORNINGSTAR: Copyright © 2021 Morningstar. Portions of this report are the property of Morningstar, Inc. or its Information Providers and are protected by copyright and intellectual property laws. All rights reserved.

MSCI®: Portions of this report are copyright MSCI 2021. Unpublished. All Rights Reserved. This information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used to create any financial instruments or products or any indices. This information is provided on an "as is" basis and the user of this information assumes the entire risk of any use it may make or permit to be made of this information. Neither MSCI, any of its affiliates or any other person involved in or related to compiling, computing or creating this information makes any express or implied warranties or representations with respect to such information or the results to be obtained by the use thereof, and MSCI, its affiliates and each such other person hereby expressly disclaim all warranties (including, without limitation, all warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any other person involved in or related to compiling, computing or creating this information have any liability for any direct, indirect, special, incidental, punitive, consequential or any other damages (including, without limitation, lost profits) even if notified of, or if it might otherwise have anticipated, the possibility of such damages. MSCI is a registered trademark of MSCI, Inc.

NAREIT: NAREIT® is the exclusive registered mark of the National Association of Real Estate Investment Trusts.

NCREIF: All NCREIF Data – Copyright by the National Council of Real Estate Investment Fiduciaries. This information is proprietary and may not be reported in whole or in part without written permission.

PRIVATE INFORMANT: © 2021 The Burgiss Group, LLC.

Important notices (cont.)

RUSSELL INVESTMENT GROUP: Russell Investment Group is the source and owner of certain of the data contained or reflected in this material and all trademarks and copyrights related thereto. The material may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a user presentation of the data. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in presentation thereof. Russell indices are trademarks/service marks of the Russell Investment Group. Russell® is a trademark of the Russell Investment Group.

STANDARD & POOR'S: Standard & Poor's information contained in this document is subject to change without notice. Standard & Poor's cannot guarantee the accuracy, adequacy or completeness of the information and is not responsible for any errors or omissions or for results obtained from use of such information. Standard & Poor's makes no warranties or merchantability or fitness for a particular purpose. In no event shall Standard & Poor's be liable for direct, indirect or incidental, special or consequential damages from the information here regardless of whether such damages were foreseen or unforeseen.

STYLE RESEARCH: Source: Style Research Ltd.

WILSHIRE ASSOCIATES: Copyright © 2021 Wilshire Associates Incorporated.

Investment management and advisory services for U.S. clients are provided by Mercer Investments LLC (Mercer Investments). In November, 2018, Mercer Investments acquired Summit Strategies Group, Inc. ("Summit"), and effective March 29, 2019, Mercer Investment Consulting LLC ("MIC"), Pavilion Advisory Group, Inc. ("PAG"), and Pavilion Alternatives Group LLC ("PALTS") combined with Mercer Investments. Certain historical information contained herein may reflect the experiences of MIC, PAG, PALTS, or Summit operating as separate entities. Mercer Investments 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

Important notices (cont.)

Expected Return and Risk Statistics

Expected return, volatility, and correlation are hypothetical projections and are derived using Mercer's forward-looking Capital Market Assumptions methodology. Actual return, volatility, and correlation may be lower or higher than the data quoted. The expectations for the modelled portfolio are a compilation of return, volatility, and correlation expectations of the underlying asset classes.

Portfolio expectations are forward looking and reflective of Mercer's Capital Market Assumptions, as defined by asset class and incorporating return, standard deviation, and correlations. Our process for setting asset class expected returns begins with developing an estimate of the long term normal level of economic growth and inflation. From these two key assumptions, we develop an estimate for corporate earnings growth and the natural level of interest rates. From these values, we can then determine the expected long term return of the core asset classes, equity and government bonds. We combine current valuations with our expectations for long term normal valuations and incorporate a reversion to normal valuations over a period of up to five years. Volatility and correlation assumptions are based more directly on historical experience except in cases in which the market environment has clearly changed. Manager impact on performance is not incorporated into expectations. The views expressed are provided for discussion purposes and do not provide any assurance or guarantee of future returns.

Expected return is shown [gross] of [investment advisory, investment manager fees, brokerage and other commissions] and [assumes/does not assume] the reinvestment of dividends and other earnings. Periods over one year are annualized.

Hypothetical performance results [and related statistics] do not represent the results of actual trading using client assets.. Actual results may significantly differ from the hypothetical returns being presented. Investors may experience loss. The time periods shown represent a variety of economic and market conditions, including the unpredictability of such conditions and includes periods of market volatility. There are limitations with the data presented below as each client would have its own investment objectives, risk tolerance, goals and benchmarks for its portfolios. Performance results for individual client portfolios will vary due to possible inclusion of cash and cash equivalents, reinvestment of dividends, interest and other earnings including timing of investments, withdrawals among other reasons.

Actual returns would be reduced by advisory and other expenses as brokerage commissions, custodial costs and other expenses. Actual fees would vary depending on, among other things, the applicable fee schedule, portfolio size and/or investment management agreement. Further information regarding investment advisory fees are described in our Form ADV, Part 2A.

There are substantial risks associated with investments classified as alternative investments. Investors should have the ability, investing sophistication and experience to bear the risks associated with such investments.