

Mercer Investments

Conflicts of Interest Statement

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Introduction

Mercer, a Marsh business, is a global consulting leader in health, wealth and career. Mercer helps clients around the world advance the health, wealth, and performance of their most vital assets — their people. Mercer is a division of Marsh & McLennan Companies, Inc. (NYSE: MRSN). Mercer has been dedicated to meeting clients' needs for over 70 years.

Mercer's Wealth business is a leading global provider of investment and retirement services.

Investment services provided by the investments segment of Mercer's Wealth business ("Mercer Investments") include the provision of research, analytical tools and investment advice, as well as the implementation of investment advice, including discretionary management of investment portfolios and investment funds.

This Conflicts of Interest Statement ("Statement") summarizes general conflicts of interest that Mercer Investments has identified with respect to its investments business and describes how Mercer Investments manages and mitigates those conflicts. It is not intended to provide an exhaustive list of all conflicts that currently exist, or that could exist in the future. As a global disclosure document, this Statement is not intended to, and does not, address all conflicts of interest in each country or region where Mercer Investments provides investment services and is not intended to take precedence over separate conflicts of interest statements issued by Mercer Investments relating to specific services or jurisdictions that reflect in more detail the client services delivered and local regulations. It also is not intended to cover all conflicts of interest that may relate to your relationship with other Mercer or Marsh lines of business or segments.

Conflicts of interest — real or apparent — are instances where a person or firm has an incentive to serve one interest at the expense of another. Some of these conflicts are inherent in any large, diversified professional services firm, while others stem from the nature of the services Mercer Investments offers to clients. Mercer Investments is committed to conducting business ethically and transparently and, therefore, seeks to manage these conflicts primarily with practices, policies and procedures that are designed to protect client interests. In situations where Mercer Investments identifies a potential misalignment of interests that cannot be entirely prevented, the firm seeks to manage the potential conflict through disclosure of the conflict and how the firm intends to manage it.

If you have any questions or would like more information about specific topics after reading this Statement, please reach out to your Mercer Investments contact.

Definitions

Terms used in this Statement have the following meanings:

“Investment Solutions” (also known as “OCIO,” “fiduciary management”, or “delegated solutions”) refers to investment management services provided by Mercer Investments, typically where Mercer Investments exercises discretionary authority over a client’s portfolio or a portion thereof.

“Affiliate” refers to any legal entity within Marsh.

“Marsh ” refers to Marsh & McLennan Companies, Inc., together with its affiliates.

“Mercer” refers to a business of Marsh operating through various legal entities worldwide.

“Mercer Fund” refers to an investment fund organized, sponsored and/or managed by a Mercer entity.

“Mercer Investments” means the segment of Mercer Wealth that provides investment services.

“Mercer Wealth” refers to Mercer’s line of business that provides investment and retirement services.

“MRSH securities” refers to securities issued by Marsh & McLennan Companies, Inc.

Conflict awareness

The identification, avoidance, management and mitigation of conflicts of interest is an ongoing process. Mercer Investments creates a conflict-aware environment through its operational practices; governance and oversight processes; communications with clients; disclosure reviews; peer review procedures, and its ongoing training, monitoring and testing. Core to this process are the following elements:

- *Code of Conduct* — Employees are required to comply with Marsh's Code of Conduct, The Greater Good, as a condition of employment. The Greater Good has clear requirements and guidelines for dealing with ethical matters, including conflicts of interest.
- *Gifts and Entertainment Policy* — Employees are required to comply with a gifts and entertainment policy, which is designed to ensure that they are not unduly influenced by the receipt of gifts, meals or entertainment.
- *Confidentiality Obligations* — Employees are made aware of their obligations to protect client confidentiality, and to comply with insider trading and related applicable laws and regulations.
- *Personal Investing Reporting* — Employees of Mercer Investments are also subject to policies governing their personal investing which take into account applicable laws and regulations, prohibit certain personal investments, and may require other personal investments to be reported and/or pre-cleared.
- *Directorships and Outside Positions* — Employees are required to seek approval before accepting and holding external business positions that may create potential conflicts of interest.
- *Research and Ratings Process* — Researchers and relevant staff operate under policies and guidelines and are provided with training intended to protect the integrity of the investment research and ratings process. Research and ratings represent the specialist's or team's own opinion of a strategy or subject, without regard to Mercer's or Marsh's business relationships.

Types of conflicts

Conflicts can arise, for example, between:

- Mercer Investments and its clients
- Lines of business or legal entities within Mercer and/or Marsh
- Mercer Investments' management or employees and Mercer Investments' clients
- Clients or groups of clients

Conflicts of interest can occur, for example:

- Through earning higher revenues or profits from certain types of solutions or client arrangements, including through:
 - providing a more complex, higher-cost solution for clients when a simpler, lower-cost solution is available
 - providing solutions where Mercer or an affiliate earns additional fees for directly managing securities in Mercer Funds or client portfolios, where an alternative solution may be available
- From other relationships Mercer Investments has with providers of services or products to its clients, including fee arrangements or commissions
- Due to the receipt of confidential information from clients, service providers or asset managers
- Through performance, referral or sales-related remuneration paid to Mercer and/or Marsh employees
- Through personal relationships Mercer or Marsh employees have with clients or service providers
- From gifts or entertainment provided to clients or prospects, or received by employees from current or prospective service providers
- Due to employees holding external business positions
- Through collaboration among Mercer and/or Marsh entities

Specific conflicts

The following describes certain of Mercer Investments' potential conflicts and how they are managed and mitigated.

Conflicts between Mercer Investments and its clients

Mercer Investments' services are delivered along a continuum that allows clients to select their preferred level of interaction with Mercer Investments. While this business model provides significant flexibility for clients, Mercer Investments recognizes that it can create a conflict between Mercer Investments' own interests and those of its clients. The following describes key conflicts of this type and how they are managed and mitigated.

Fee arrangements with clients

Mercer Investments offers a wide range of investment services to its clients, with a variety of fee arrangements. Current fee arrangements include fixed fees, time-based fees, fees based on assets under advisement or management, and fees with performance adjustments.

Certain services or solutions in some asset classes may be more complex or involve Mercer or an affiliate directly managing securities. Mercer Investments may offer differing fee rates for such services or solutions. In those situations, Mercer Investments can have an incentive to offer or allocate to these solutions when a simpler, lower-cost or more suitable solution may be available.

Mercer Investments' Investment Solutions are implemented using third-party asset managers and, in some jurisdictions, in-house direct investment management capabilities. When third-party managers are used, Mercer Investments seeks to negotiate the lowest fee possible under the circumstances with such third-party asset managers.

In certain jurisdictions, Mercer Investments implements its Investment Solutions through the use of the Mercer Funds. Mercer Investments receives a fee from certain Mercer Funds, which could create the incentive to offer, recommend or select a Mercer Fund over another or over a third-party fund.

Depending on client preferences, Mercer Investments has fee arrangements with some Investment Solutions clients that result in a fee paid to Mercer Investments that is broken out from (and in addition to) investment management fees paid by Mercer Investments to third-party and affiliated asset managers. In some cases, an Investment Solutions Client bears the third-party investment manager fee directly, separate from the fee they pay to Mercer Investments. Mercer Investments refers to these arrangements as "net fee" or "unbundled fee" arrangements. Mercer Investments has fee arrangements with other Investment Solutions clients that result in a fee paid to Mercer Investments that is inclusive of the investment management fees paid by Mercer Investments to third-party and affiliated asset managers. Mercer Investments refers to this arrangement as "gross fee" or "bundled fee". In a gross fee arrangement, Mercer Investments would benefit by selecting asset classes or third-party asset managers where Mercer

Investments has negotiated a lower fee or a volume discount arrangement (*i.e.*, the fee payable to the manager decreases as the amount of assets under management with that manager increases). Mercer Investments could also have an incentive to select third-party asset managers based primarily on those managers' fees. Under both a bundled and unbundled fee arrangement, Mercer investments may earn higher fees depending on how high the allocation to in-house direct investment management capabilities may be.

Mitigation

- Mercer Investments follows documented processes for researching, rating, recommending or selecting third-party asset managers using multiple factors and not based on fees alone. These processes follow consistent governance practices for all services. The basis on which Mercer is remunerated by a client is not a factor considered in the research or rating of a third-party manager, or in Mercer's recommendation or selection of a third-party manager for the client's account.
- Mercer Investments' fee arrangements with clients are described clearly in disclosure documents and/or in client agreements and are structured to comply with applicable laws and regulations. In many cases, Mercer Investments structures fee arrangements with clients and Mercer Funds to remove the incentive to recommend one Mercer Fund over another or a third-party fund (*e.g.*, through the use of fee waivers and/or credits, zero fee share classes etc.). In cases where Mercer Investments receives a fee from a client and a fee from a Mercer Fund in which the client invests, such separate fees will be disclosed to, and approved by, the client. In certain cases, a client may be asked to acknowledge or approve the investment in the Mercer Fund (*e.g.*, through authorization in an investment management agreement between Mercer Investments and the client, or through a separate agreement specific to such Mercer Fund).
- When making asset-allocation, funding decisions or recommendations to a client, Mercer Investments considers several factors unique to each client's investment needs and objectives, financial circumstances, risk tolerances, and the long-term return and risk profile of various asset classes. In addition, the client typically provides Mercer Investments with asset-allocation or risk parameters within which its account should be managed. Generally, these asset-allocation or risk parameters cannot be changed without client consent. If Mercer Investments would receive a fee from a client that is higher because of the level of complexity of investing in a particular asset class or asset classes, and/or where securities are managed directly by Mercer or an affiliate, such fees will be disclosed to, and approved by, the client as part of the agreement between Mercer Investments and the client.
- When making asset allocation decisions within a Mercer Fund, investment decisions are taken by the portfolio manager to ensure the fund is managed within the investment guidelines and objectives of the fund as detailed in the Mercer Fund documentation. This documentation is provided to all clients, so it is clear in what asset classes and within what parameters such investments may be made.
- Mercer Investments regularly reviews performance and risk objectives with its clients.

Conflicts arising from multiple lines of business or legal entities within Mercer and/or Marsh

Services and solutions

Mercer Investments offers clients a number of services and solutions ranging from advice on asset allocation, asset classes, investment strategies, specific investments and investment providers, including asset manager or fund recommendations, to implementation of investment recommendations or discretionary investment management arrangements. Mercer Investments may also offer services that can help clients action that advice, including Mercer Investments' own Investment Solutions. In certain jurisdictions where Mercer offers its own investment funds and solutions to implement clients' investment strategies, its investment advisory work is not considered independent as there may be an incentive to recommend in house solutions over a third-party fund/manager. Mercer Investments' Investment Solutions business seeks to incorporate Mercer Investments' best ideas in relation to investment management and, in some situations, provide those services in conjunction with Mercer Investments' best ideas in non-investment management areas. Examples of such solutions include implemented consulting and Mercer Investments' dynamic de-risking service. In some jurisdictions, Mercer Investments provides a platform for accessing asset manager investment strategies. These solutions, which typically use Mercer Funds, can create a conflict between Mercer Investments' interests and the interests of clients.

When a client chooses to expand its work with Mercer Investments, or to select Mercer Investments as an Investment Solutions provider, Mercer Investments will typically earn additional revenue or profit than under an advisory-only relationship with Mercer Investments. This can create an incentive for Mercer Investments colleagues to inappropriately introduce additional services to clients or prospective clients, including Investment Solutions. In addition, Mercer Investments considers colleagues' overall contributions to new sales and other commercial goals when determining compensation. Certain employees of Mercer Investments and/or other Marsh businesses can also be eligible to receive direct incentive compensation as a result of referring prospects to or selling Investment Solutions as permitted under applicable laws and regulations, each of which can create a similar incentive for these employees.

Moreover, in discussing potential service offerings with a client, Mercer Investments would not ordinarily recommend the use of another provider's investment services, where Mercer Investments provides such services itself.

If a client transitions from an advisory-only relationship to Investment Solutions, Mercer Investments typically continues to provide advisory services as a component part of its Investment Solutions. This can create a potential conflict if Mercer Investments were to evaluate its own Investment Solutions offering compared to other providers' offerings of similar solutions as part of the ongoing advisory services. However, it is Mercer Investments' policy not to use our position with an existing client to recommend or evaluate our own products or services against competitors. We will, however, provide factual comparative information and other relevant data requested by clients so that clients can assess our full scope of services in a fully informed manner. When a client retains Mercer Investments to provide both investment and non-investment services (*e.g.*, advice on managing pension risk through annuity buyouts and similar strategies)

at the same time, this can create an incentive for Mercer Investments to provide advice that it expects would result in a client maintaining, prolonging or increasing the investment services so as to increase revenue to Mercer Investments.

Mitigation

- Mercer Investments has adopted protocols to be followed when introducing Investment Solutions to clients. These protocols include disclosures to allow clients to fully understand the difference between working with Mercer Investments under an advisory-only approach and under an Investment Solutions approach so that clients can make an informed decision.
- It is Mercer Investments' policy that Investment Solutions and Mercer Funds should only be offered to a client if Mercer Investments reasonably believes it would be appropriate for the client's needs.
- Clear disclosures regarding Mercer Investments' fees and services are provided to clients prior to a client making a decision to engage Mercer Investments for a particular service or to invest in a Mercer Fund that would increase fees paid to Mercer Investments by the client.
- Mercer Investments has adopted protocols to be followed in order for its or Marsh's employees to be eligible to receive direct compensation for referring prospects to Mercer Investments' services, including requiring the referring colleague to provide written disclosure to the prospect describing the referral compensation that the colleague will receive if the prospect becomes an Investment Solutions client. Mercer Investments employees are not eligible for direct incentive compensation for referring existing clients to whom they provide investment advisory services. Additionally, when considering a colleague's overall contributions to new sales and other commercial goals in determining an individual's overall remuneration, Mercer Investments operates a formal performance appraisal and reward system that is designed to take many factors into account (*i.e.*, not only success in achieving business development goals).
- Direct compensation incentive plans for Mercer Investments business development colleagues are subject to claw back provisions and retention periods to mitigate the risk of inappropriate sales activities.
- When providing advisory services as a component of Investment Solutions, the nature of the advice provided differs from the type of advice that was previously provided by Mercer Investments to a client under an advisory-only relationship. In particular, commentary on performance, and advice on potential alternatives, would be confined to the service being provided and solutions, strategies and funds available within Mercer Investments' Investment Solutions framework and relevant market benchmarks. Mercer Investments will not evaluate its own services or performance in comparison to other service providers, although it will provide factual comparative information and other relevant data requested by a client.

- Where deemed appropriate, Mercer establishes information barriers between Mercer teams providing separate services to the same client (or connected clients), consistent with applicable laws and regulations, and with the best interests of the client in mind.

Asset manager research

Mercer Investments could have an incentive to provide its research on third-party asset managers to certain clients or to consulting or Investment Solutions teams before providing the same information to other Mercer Investments clients. Examples of potentially valuable information include a change to Mercer Investments' rating of an investment strategy offered by a third-party asset manager or a manager's capacity to accept new investments in a particular strategy or fund.

In certain countries in Asia, Mercer Investments offers Mercer FundWatch™, a web-based, publicly available ratings service based on Mercer Investments' global research on third-party asset managers. Mercer FundWatch rates funds that are available to individual investors in those countries. As part of this service, financial services firms that manage or distribute investment funds will typically pay Mercer Investments to have their fund reviewed and rated and can elect to have the rating published. Since firms whose funds receive lower ratings would be expected to be less likely to pay for their funds to be published, and since such firms may be disinclined to expand their business relationships with Mercer Investments, Mercer Investments could have an incentive to provide higher ratings to firms with funds participating in Mercer FundWatch.

Mercer Investments offers investment managers the option to license the use of Mercer's existing ratings of such investment managers' respective investment strategies in limited sales and marketing contexts. Investment managers that choose to obtain a license for such use of Mercer Investments' ratings pay licensing fees to Mercer Investments or its affiliates. Offering managers the option to obtain a license for the ratings of their strategies can introduce certain actual and potential conflicts of interest due to an incentive to issue and maintain favorable ratings of investment strategies to encourage new and continued licensing by managers.

Mitigation

- Mercer Investments makes new or updated manager research available at the same time to all external subscribers and internal users of MercerInsight®, an institutional data, analytics, and research platform on investment managers, by publishing it on the platform. Research includes such information as news items regarding a third-party asset manager, decisions by the manager research team to change the rating of a manager's strategy, and information about a manager's capacity to accept new investments. Any updates to investment strategy ratings that are provided to managers who have licensed ratings of their strategies are provided to such manager licensees at the same time as the relevant ratings are updated in MercerInsight.
- Mercer Investments' manager research and the fund rating activities of Mercer FundWatch follow a uniform and consistent research process in determining third-party asset manager ratings, and in the

case of Mercer FundWatch, fund ratings, including peer review and final ratification of ratings by designated committees. The option for managers to license the use of ratings of such managers' investment strategies does not change the process used by Mercer Investments to determine which investment strategies to research or the assignment of ratings. Mercer Investments and its affiliates do not permit managers to commission investment strategy ratings from Mercer Investments or its affiliates (other than in the case of Mercer FundWatch fund ratings described above).

- Mercer Investments' manager research team, which also produces Mercer FundWatch ratings, is separate from the teams responsible for offering and managing ratings licenses and will not be made aware of which managers have purchased such licenses. The manager research team is not responsible for the commercial success of Mercer Investments' manager research and ratings distribution business, and the remuneration of Mercer Investments' manager research team is not directly linked to sales of that research. The manager research team is evaluated on the outperformance of their highly rated strategies, and not by sales of these reports or other revenue or sales activities related to the distribution of manager research or ratings.
- Consultants and other Mercer colleagues responsible for constructing portfolios or recommending investment managers to clients will not be involved in the offering or managing of ratings licenses and will not be informed of which managers do or do not license ratings of their strategies, except as needed for one-off client situations.

Issuance of certain securities

Certain Mercer affiliates may be involved in the issuance of securities; for example, a Mercer Investments business, Mercer Investments (HK) Limited ("MIHK"), is involved in the origination and placement of insurance-linked securities ("ILSes" and each an "ILS"). ILSes are bonds issued by insurance or reinsurance entities through which investors participate in insurance risk in return for a stated premium.

This activity can give rise to a conflict or the appearance of a conflict if Mercer Investments recommends that a client invest in ILSes that may include those which MIHK has originated or marketed, or in other types of securities where a Mercer affiliate is involved in the issuance. Similarly, asset managers hired by Mercer Investments to manage the Mercer Funds or other client accounts may invest the assets of a fund or account in an ILS originated or marketed by MIHK, or in another type of security where a Mercer affiliate is involved in the issuance.

Mitigation

- Mercer Investments follows documented processes for rating, recommending, or selecting a third-party- asset manager's strategies. These processes follow consistent global governance practices. Investment in any particular security issuance is not a consideration in Mercer Investments' ratings process.

- A Mercer affiliate's role relative to any ILS, or other security, will be disclosed in the offering material for such ILS or other security.

Arrangements with asset managers and other service providers

Mercer Investments could have an incentive to assign favorable ratings and allocate client assets to certain third-party asset managers based on fee arrangements in place between Mercer Investments and the manager. For example, where Mercer has a gross fee arrangement in place with a client, Mercer Investments would have an incentive to favor third-party asset managers that provide volume discounts based on the amount of Mercer Investments' clients' assets under management, or who pay for their investment fund to be rated via Mercer FundWatch.

In addition, some third-party asset managers (or their affiliates) whose strategies Mercer Investments rates, reviews and/or recommends may have a significant holding of MRSB securities under their control from time-to-time (*e.g.*, large asset managers) which could create an incentive to assign favorable ratings and allocate client assets to such managers. Some third-party asset managers (or their affiliates) whose strategies Mercer Investments rates, reviews and/or recommends are also clients of Mercer Investments or its affiliates. For example, these firms may have engaged Mercer Investments or its affiliates to provide services, purchased licenses to use Mercer Investments' proprietary software and platforms, and/or paid to attend Mercer Investments' Global Investment Forums. Mercer Investments or its affiliates provide consulting or Investment Solutions to certain parent companies or affiliates of managers that are recommended or used by Mercer Investments or its affiliates. The revenue Mercer Investments or its affiliates earn from these third-party asset managers or their affiliates, as clients, could create an incentive to recommend these managers or their strategies more highly than those of other managers, and therefore potentially impairing Mercer Investments' ability to recommend, select or terminate them objectively.

In limited situations, Mercer also serves in a sub-advisory capacity to other asset managers and is compensated by such managers (or directly by the sub-advised fund(s)). Mercer does not research or rate strategies for which it serves as a sub-adviser. Mercer also does not recommend or select such strategies for clients, although it may present these strategies to clients alongside other relevant rated strategies when they would be suitable based on the client's investment guidelines and objectives.

In conjunction with providing Investment Solutions services, Mercer Investments sometimes selects and oversees other types of service providers with whom Mercer Investments or its affiliates have other business relationships, including client relationships, distribution or referral arrangements, recordkeeping or administration, or subcontracting relationships. The commercial benefits received from these relationships could present a conflict of interest for Mercer Investments in the selection, oversight, and termination decisions with respect to such service providers.

Mitigation

- Mercer Investments follows documented processes for rating, recommending, or selecting a third-party asset manager's strategies. These processes follow consistent global governance practices.

- Where relevant and appropriate, Mercer Investments restricts third-party asset managers whom it has engaged in a discretionary capacity on behalf of clients from transacting in MRSB securities.
- Mercer Investments does not include the status of a third-party asset manager or other service provider as a client of Mercer Investments or its affiliates, or other commercial relationships with a service provider, as a factor in its investment evaluation, selection or termination analysis.
- Mercer Investments has adopted protocols to be followed when discussing third party manager strategies for which it serves as sub-adviser with clients. These protocols include disclosures to allow clients to fully understand the conflict, as well as presentation of alternative options, so that clients can make an informed decision.
- Mercer Investments has adopted vendor selection processes that are reasonably designed to protect against preferential treatment for a third-party asset manager or other service provider that is also a client of Mercer Investments or its affiliates.
- Mercer Investments' manager research team, which also produces Mercer FundWatch ratings, is not responsible for the commercial success of Mercer Investments' manager research and ratings distribution business, and the remuneration of Mercer Investments' manager research team is not directly linked to sales of that research. The manager research team is evaluated on the outperformance of their highly-rated strategies, and not by sales of these reports or other revenue or sales activities related to the distribution of manager research or ratings.

Holdings in MRSB Securities

Where permitted by applicable law and when in line with a Mercer Fund or client investment objectives, certain investment funds or client portfolios managed by Mercer or its affiliate investment managers may have holdings in MRSB securities. This can create potential conflicts including:

- Investing in MRSB securities benefits MRSB without regard to whether the investment is in the best interest of Mercer Investments Clients.
- Potential for less rigorous analysis on MRSB securities compared to analysis performed on third-party investments.
- Access to confidential MRSB information that could influence the buying or selling of MRSB securities based on non-public information.
- Voting on Proxy Votes in a manner to support MRSB's objectives without regard to the best interest of shareholders and/or in a manner that is not in line with the funds proxy voting policy.

Mitigation

Mercer Investments has implemented controls to mitigate these conflicts:

- Mercer Investments or its affiliates are not permitted to directly take active positions in MRSB securities in actively managed Mercer Funds or client portfolios.
- Where Mercer appoints a third-party sub-investment manager to actively manage Mercer Funds or client portfolios, Mercer Investments is not permitted to influence or request the sub-investment manager to take particular positions in MRSB securities. If permitted by applicable law and/or regulation, a third-party sub-investment manager is permitted to invest in MRSB securities if it independently believes it is in the best interests of the Mercer Fund / client portfolio.
- Passively managed Mercer Funds / client portfolios are permitted to hold MRSB securities in line with the weighting in the index they track*.
- Mercer Investments colleagues are subject to the Code of Conduct and related policies and procedures, which prohibit investing or trading on the basis of material non-public information, and receive regular training and compliance bulletin reminders in this regard.
- Third party investment managers are expected to maintain and implement proxy voting policies and procedures that require the investment manager to vote client proxies in the best interest of the clients. Mercer Investments does not seek to influence proxy voting by affiliated investment managers or third-party investment managers in relation to voting on MRSB securities.

**A passive fund is a fund that tracks an index, even though it may still have certain actively managed characteristics, such as a sustainability overlay. If, due to these actively managed characteristics, the fund holdings deviate from the index holdings, the holdings of MRSB securities mirror pro-rata changes to the rest of the fund holdings.*

Conflicts between the interests of clients and employees, their family members or significant personal relationships

Circumstances involving Mercer Investments' employees, their family members, or persons with whom employees have significant personal relationships can give rise to conflicts of interest between such persons and Mercer Investments' clients. Examples of such conflicts may include:

- Access to confidential information in a corporate entity in which an employee has or could acquire a personal shareholding.
- Personal benefits received from service providers (e.g., gifts and entertainment).
- Personal relationships with personnel of an asset manager or service provider could influence a Mercer Investments' employee's assessment of the asset manager or service provider.
- Remuneration of individuals linked to their achievement of certain financial goals, such as revenue targets.

- Conflicts arising from an individual holding non-Mercer Investments roles (*e.g.*, serving as a director on a governing board of a non-Mercer Investments business) in addition to their role at Mercer Investments.

Mitigation

- Mercer Investments has policies, procedures, and codes in place to minimize such conflicts including The Greater Good, Personal Securities Trading Policies, Gifts and Entertainment Policies and Policies on Holding Outside Directorships.
- Mercer Investments follows documented processes for rating, recommending or selecting a third-party- asset manager's strategies. These processes follow consistent global governance practices irrespective of any personal connections among employees.
- Mercer Investments has adopted vendor selection processes that are reasonably designed to protect against preferential treatment for a third-party asset manager or other service provider whose employee(s) have personal connection(s) with Mercer Investments employee(s).
- Compliance with key policies is monitored, and mandatory training is deployed to personnel.
- Mercer Investments operates a formal performance appraisal and reward system, designed to take many factors into account (*e.g.*, not only success in achieving sales or commercial goals) when determining an individual's remuneration.

Conflicts among Mercer Investments' clients

Mercer Investments has a large and diverse client base, some of whom compete with one another in the same industry or sector or compete with one another for limited investment opportunities. Mercer Investments recognizes that there could be an incentive to favor clients that are perceived to be more valuable to Mercer Investments over others that are perceived to be less valuable. Mercer Investments might also have an incentive to favor Mercer Funds over other discretionary client accounts.

Mercer Investments' clients are also likely to have differing investment objectives, regulatory requirements, and values or preferences, for example as it relates to sustainable investing.

Mitigation

- Although Mercer Investments can provide different or customized research to different clients, depending on individual circumstances or upon request, Mercer Investments does not differentiate between or favor certain clients over others with respect to timing of the release of manager research ratings information via the MercerInsight platform.
- Mercer Investments' investment decision-making process for the Mercer Funds and other discretionary client accounts is carried out pursuant to a consistent process, taking into account relevant regulatory

requirements, and overseen by investment governance committees in the relevant jurisdiction, whose members are trained on the fiduciary obligations owed to clients.

- Mercer Investments seeks to allocate capacity-constrained investment opportunities among clients on a reasonable and fair basis pursuant to a Global Allocation Policy, which takes into account the services Mercer Investments has agreed to provide its clients, their individual objectives, mandates and/or investment strategies, and other relevant factors.
- Mercer Investments has an obligation when providing execution services to consistently achieve the best outcome for clients. Mercer Investments has implemented policies and procedures that take into account the competing priorities of each client and order (*e.g.*, price, speed, settlement etc.) which reflect the nature of the instrument, market conditions, available venues etc. and are used to determine the approach to execution. For example, client orders may be aggregated, traded at specific times of the day, traded in a random order, deferred, traded in tranches/clips, etc.
- Mercer Investments draws on a breadth of global resources to develop intellectual capital that can be implemented locally, and on a client-by-client basis, to meet each client where they are, taking into account their particular needs, investment objectives, regulatory considerations, and solution preferences.
- Mercer Investments believes clients benefit from the diversity of opinions and the individualized, and sometimes subjective, judgments of each consultant with respect to each client. Accordingly, investment advice is tailored to the individual client's objectives, which will sometimes result in different or customized advice to different clients. However, colleagues draw from the same intellectual capital and investment resources, and client deliverables are peer reviewed, to achieve consistency in the quality of advice provided to each client.
- Additionally, standardized processes are in place to enable Mercer Investments to devote the time and resources necessary to fulfill its obligations to each client.

If you have any questions or would like more information about specific topics after reading this Statement, please reach out to your Mercer Investments contact.

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