

Mercer Short Duration Fixed Income Fund

Investment management and advisory services to be provided by Mercer Investments LLC. Mercer Investments LLC is one of several associated legal entities that provide investment services to clients as part of a global investment advisory and investment management business (collectively referred to as "Mercer"). 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.

The Mercer Funds are distributed by MGI Funds Distributors, LLC.



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Mercer U.S. Investments Update

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Office Of The CIO

Advisory & OCIO



Andrew McDougall
US Chief Investment Officer

Equity Portfolio Management

Senior Portfolio Manager



Larry Vasquez
Boston

Senior Portfolio Manager



Sean Chatburn
Chicago

Portfolio Manager



Matt Parlengas
Boston

Portfolio Manager



Justin Clinger
Philadelphia

Portfolio Manager



DeJon Gonzalez
New York

Portfolio Manager



Perry Maheras
Boston

Investment Analyst



Liam Higgins
Boston

Investment Analyst



Manvith Manchala
New York

Investment Analyst



Ryan Wan
Chicago

Senior Manager



Salonee Bhutra
Mumbai

Fix Income Portfolio Management

Portfolio Manager



Emma Koch
Boston

Associate Portfolio Manager



Chris Chen
Boston

Associate Portfolio Manager



Michael Cohen
Boston

Associate Portfolio Manager



Andrea Vercruyssen
Minneapolis

Manager Research

Global Research Team

200+ Research Specialists

Additional OCIO Teams

Portfolio Design, Analytics, & Risk (PDAR)

Travis Simon
Chinmay Goyal
Adam Shanfeld
Hasmik Vardanyan
Parker Moses

Segment Specific

Shaum Shrinivas (NFP)
Terrance Jones (NFP)
Lisa Kots (Wealth)
Tamara Larsen (Values Aligned/SI)

Alternatives (HF, PC, PE)

Matthew Vokes (Private Credit)
Richard Pugmire (Private Equity)

Alternatives (RA)

Gurjeet Dosanjh (Real Assets)
Laryssa Wynnchenko (Real Assets)

As of March 31, 2025.

Short Duration Fixed Income Fund Design Process & Performance



What does Mercer Short Duration Fixed Income Fund offer?

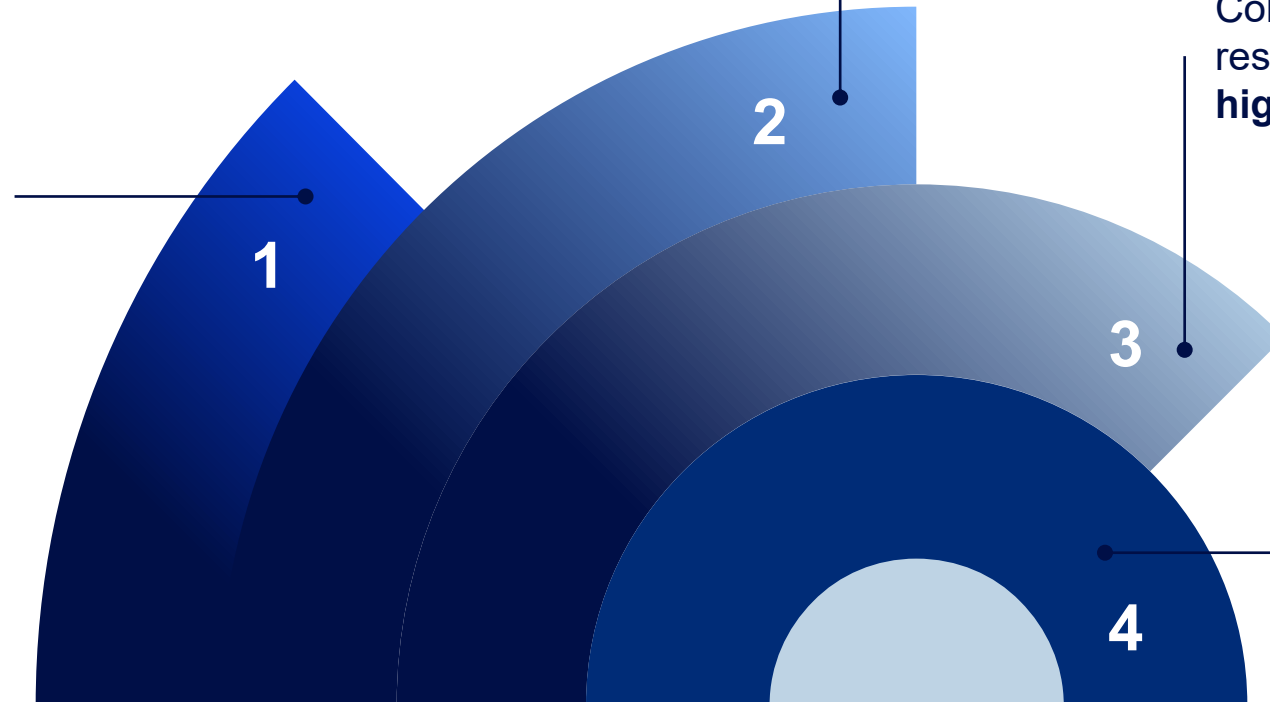
A solution that seeks to deliver attractive risk/return profiles **NOT** available in the market

A Straight-forward Structure

Allocates to active strategies that are underpinned by investment styles that are **measurable, implementable** and that seeks to provide **diversification**

A Defined Universe

Analyzes the alpha potential in market classes.
Determines the universes where Mercer can add the most value



Manager Selection

Collaborates with manager research to **find compelling and highly rated¹** ingredients

An Attractive Fee Delivered

Use Mercer scale to seek to negotiate attractive fee schedules with sub advisors²

¹ Please see the Guide to Mercer's Investment Strategy Ratings: https://www.mercer.com/assets/us/en_us/shared-assets/local/attachments/pdf-wealth-guide-to-mercers-investment-strategy-research-ratings-merc-2023.pdf . The rating assigned to a strategy may or may not be consistent with its past performance. Although the rating reflects our expectations on future performance over a time frame appropriate for the particular strategy, we do not guarantee that these expectations will be fulfilled.

² Fee savings cannot be guaranteed.

Fixed Income Asset Classes: Defining the Universe

Asset class analysis informs decisions on where Mercer should compete

Alpha Components
(aligned to risk profile)

Low
Government/ Agency

Moderate
High Grade Credit

Moderate/High
Single Asset Class
Opportunistic Credit

High
Multi-Asset Sub IG Credit

Asset class	Insights ¹	Market Structure ¹	Alpha ² potential
Short Duration	Low	High	Moderate
Core Aggregate	Low	High	Moderate
High Grade Credit	Moderate	Moderate	Moderate
Core Plus	Moderate	High	Moderate
Opportunistic Credit	High	Moderate	High

Color coding definition = light shade weak contribution to alpha conviction, dark shade strong contribution to alpha conviction

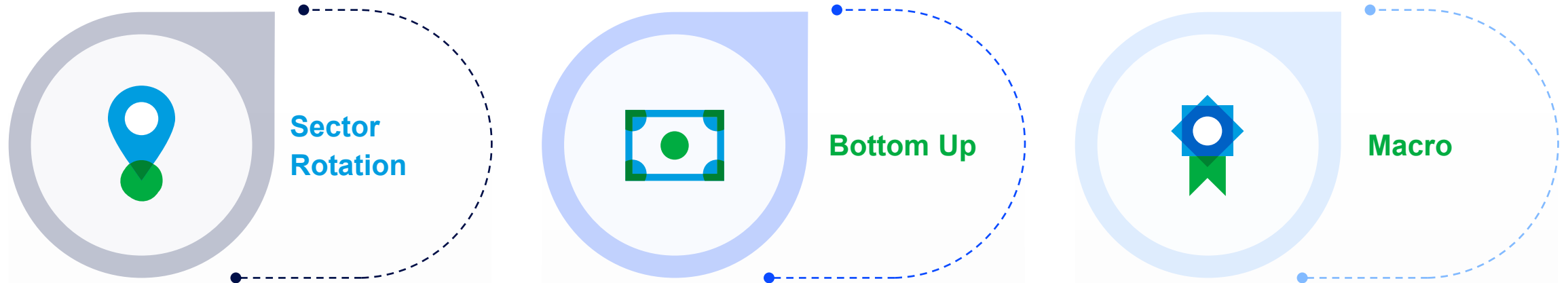
1) See pages 24-26 for important definitions.

2) Alpha defined as gross excess return over a qualified benchmark.

Investment Grade Fixed Income (US Aggregate)

Manager investment styles

Styles of investment within the core bond credit universe



Key characteristics of each style

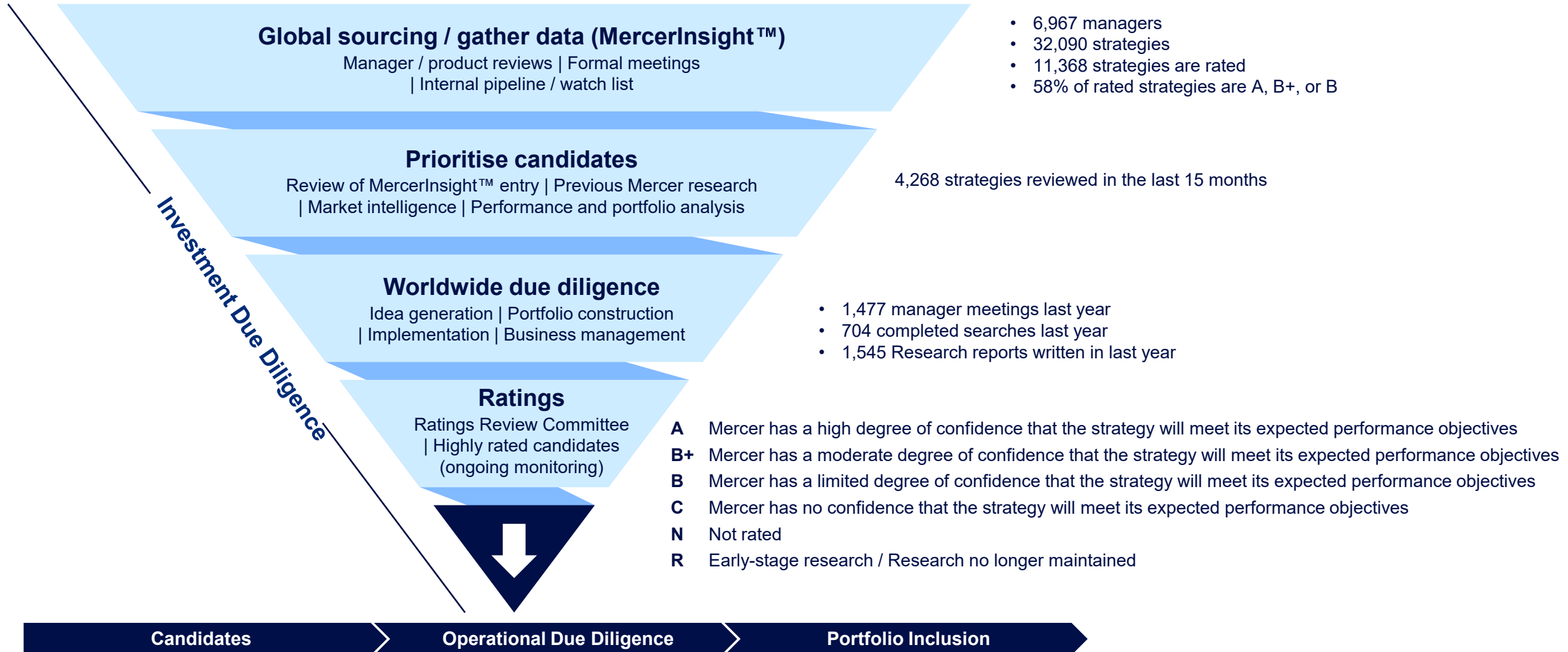
Spread-Oriented approach
Market beta rotation emphasis
Contribution to active risk from spread common factors

Relative Value
Credit-catalyst approach
Lower tracking error

Complexity premium
Trading approach
Higher tracking error
Use of directional duration and curve active risk

Blending of approaches may offer enhanced specialism and diversification

Assess Manager Potential: Manager Research Process



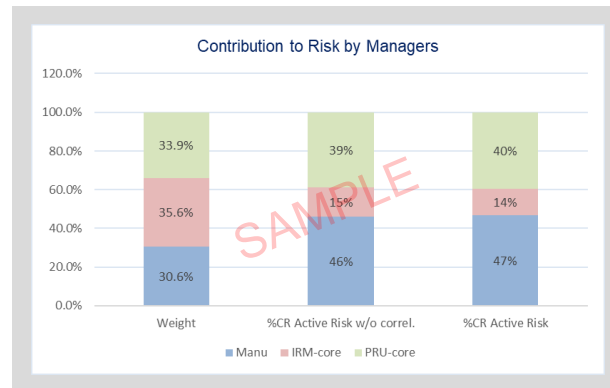
*Manager and Strategy Statistics as of December 31, 2025, includes sub advised strategies. Please see the [Guide to Mercer's Investment Strategy Ratings](#)

Construction and Monitoring

Barra Risk Analytics

Risk Decomposition					
	Port	Core FI	Manu	IRM-core	PRU-core
	Bmk	US Agg	US Agg	US Agg	US Agg
Act. Risk Cont.	Total Risk	0.56	0.90	0.26	0.68
	Term Structure	0.19	0.15	0.09	0.36
	Spread	0.31	0.65	0.15	0.24
	Implied Vol	0.03	0.10	(0.00)	0.02
	Selection Risk	0.01	0.01	0.03	0.01
	Currency Risk	0.01	0.00	-	0.05

Performance Characteristics



Monitoring

- Trading, compliance and performance updates
- Quarterly manager calls/meetings with direct access to investment team
- Mercer manager research onsite review schedule
- Market cycle informs on risk and allocations
- Mercer innovation leads to structural enhancements

Manager Decision Drivers

Performance outside of expectations

Investment team turnover

Firm stability

Asset Allocation Decisions

Market monitoring

Risk sourcing & measurement

New investment idea

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

Mercer Short Duration Fixed Income Fund

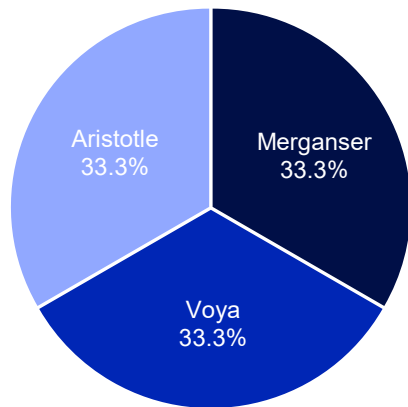
Overview and Performance

Investment Objective: *The investment objective of the Fund is to provide total return, consisting of both current income and capital appreciation.*

Benchmark: Bloomberg U.S. Aggregated Bond Index

	Y3
Ticker	MSDYX
Portfolio Assets	\$84.0 Million
Gross Expense Ratio	0.88%
Net Expense Ratio	0.20%
New Investors	Open
Fund Inception	11/30/2023

Manager Allocations¹ and Style Bias



■ Bottom Up ■ Sector Rotation ■ Macro

Periodic Performance (%)

As of March 31, 2026

	3 Month	Year-to-Date	1 Year	3 Year	5 Year	10 Year	Inception
Y3 Shares	0.33	0.33	4.49	--	--	--	5.48
Bloomberg U.S. 1-3 Year Gov/Credit Index	0.28	0.28	3.96	--	--	--	4.81

Calendar Year Performance (%)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Y3 Shares	5.77	5.26	-	-	-	-	-	-	-	-
Bloomberg U.S. 1-3 Year Gov/Credit Index	5.35	4.36	-	-	-	-	-	-	-	-

The performance data quoted reflects past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data shown herein. Performance shown is net of fees and assumes the reinvestment of dividend and capital gain distributions. For more information including performance current to the most recent month-end, please call 1-800-346-2510.

Mercer Investments LLC (the "Advisor") has contractually agreed, until at least July 31, 2026, to waive any portion of its management fee that exceeds the aggregate amount of the subadvisory fees that the Advisor is required to pay to the Fund's subadvisors. The Advisor has also contractually agreed, until at least July 31, 2026, to waive fees and/or reimburse Fund expenses to the extent that annual fund operating expenses, net of the management fee waiver, exceed 0.20% for Class Y-3 shares. See the Fund's prospectus for important details.

The Gross Expense Ratio is taken from the most recent Annual Financial Statement and represents the total operating expense excluding the impact of these waivers while the Net Expense Ratio includes the impact of these waivers.

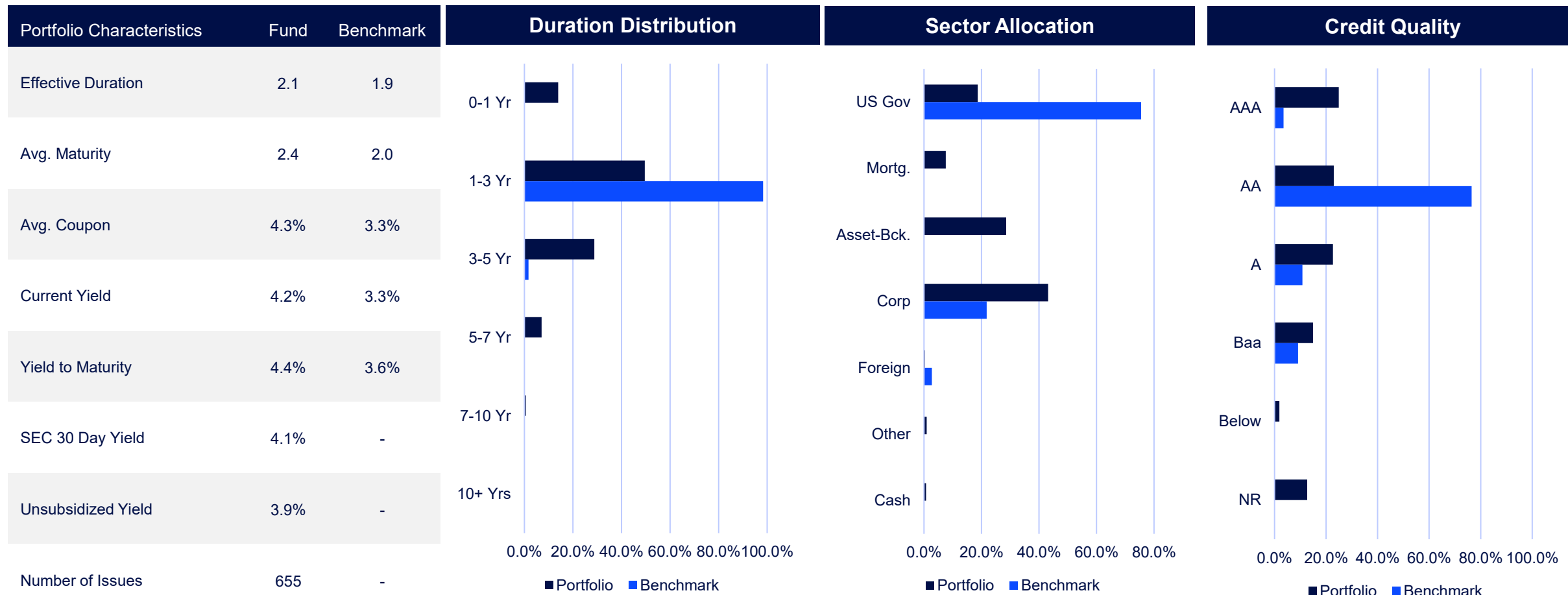
A 2.00% redemption fee applies to shares owned less than 30 days.

Class Y-3 shares generally are available only to "Institutional Investors" which include, but are not limited to "Institutional Accounts" as defined under the rules of the Financial Industry Regulatory Authority, Inc. ("FINRA").

¹Allocations are as of the date listed and are subject to change. The managers identified do not represent all of the managers selected or recommended for all clients. It should not be assumed that allocation to the managers identified was or will be profitable.

Mercer Short Duration Fixed Income Fund

Portfolio Characteristics and Exposures



Please see characteristic definitions in Important Notices at the end of this presentation.

Credit quality ratings using S&P rating symbols (with AAA being the highest and D the lowest) are calculated by MSCI BarraOne and reflect the credit quality of the underlying bonds in the fund portfolio and not that of the Fund itself. BarraOne uses the highest available from S&P and Moody's, as well as JCR and R&I credit ratings depending on the underlying currency of the bonds from a variety of data vendors. BarraOne utilizes bond quality mapping and assigns the rating with the highest priority. If no agency rating is available, the Fund will assign a rating of not rated (NR). Bond quality ratings are subject to change. Allocations are subject to change.

Fund and Subadvisor Performance and Positioning

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Mercer Short Duration Fund & Subadvisor Performance

As of March 31, 2026

Fund/Strategy	Market Value (\$M)	QTD	YTD	1 yr	SI	SI Date
Short Duration – Gross	83.9	0.38%	0.38%	4.70%	5.69%	
Short Duration Fixed Income Class Y3 – Net	83.9	0.33%	0.33%	4.49%	5.48%	Gross / Class Y3 01 Dec 2023
Bloomberg 1-3 Yr Gov/Credit		0.28%	0.28%	3.96%	4.81%	
Value Add*		0.10%	0.10%	0.74%	0.88%	
Merganser – Gross	28.1	0.48%	0.48%	4.55%	5.64%	01 Dec 2023
Bloomberg 1-3 Yr Gov/Credit		0.28%	0.28%	3.96%	4.81%	
Value Add		0.20%	0.20%	0.59%	0.83%	
Aristotle – Gross	28.1	0.30%	0.30%	4.95%	6.02%	01 Dec 2023
Bloomberg 1-3 Yr Gov/Credit		0.28%	0.28%	3.96%	4.81%	
Value Add		0.02%	0.02%	0.99%	1.21%	
Voya – Gross	28.1	0.30%	0.30%	4.49%	5.40%	01 Dec 2023
Bloomberg 1-3 Yr Gov/Credit		0.28%	0.28%	3.96%	4.81%	
Value Add		0.02%	0.02%	0.53%	0.59%	

The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Performance shown is net of fees and assumes the reinvestment of dividend and capital gain distributions. See important performance disclosures on page 11. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance, please call (800) 346-2510. Please see the following link for information on indexes: <https://www.mercer.com/content/dam/mercer/attachments/private/nurture-cycle/gl-investment-management-index-definitions-mercer.pdf>. One cannot invest directly in an index.

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus with the above information and other information about the Fund, please call (800) 346-2510 or visit our website at <https://www.mercer.com/en-us/solutions/investments/delegated-solutions/>. Read the prospectus or summary prospectus carefully before investing.

*Value add using Short Duration – Gross

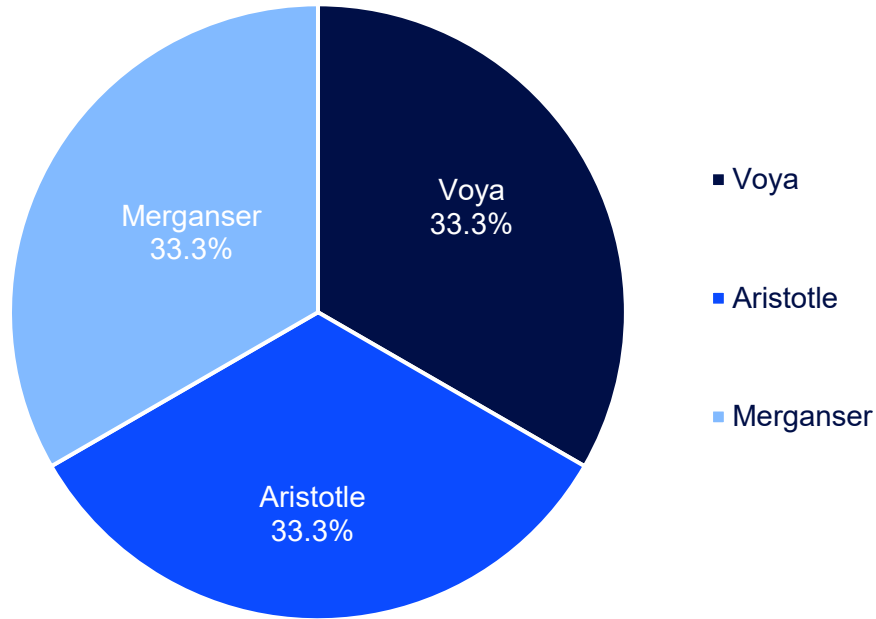
Includes only current subadvisors as of the date reflected. Subadvisor performance is gross of fees. Totals may not sum due to rounding.

Sub-Advisor Investment Summary

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Short Duration Portfolio

Manager Target Allocations - As of March 31, 2025



Manager	Style	Summary
Voya	 Balanced (Moderate)	Attractive combination of bottom-up capabilities in corporates and securitized. Size of firm provides scale, deep resources and investor talent, yet allows for greater flexibility and alpha generation through security selection. Top-down macro and strategy views heavily influenced by sector specialist teams.
Aristotle	 Top Down (Sophisticated)	Expertise as a credit manager that is on the higher-end of the risk spectrum. Constructed to have a substantial yield advantage over the benchmark while continuing to be mindful of the important of downside protection.
Merganser	 Bottom Up (Conservative)	Conservative, risk-conscious manager that is a bottom-up manager. Security selection is a key component of the investment process and drives sector and yield curve preferences.

Allocations are as of the date listed and are subject to change. The managers identified and described do not represent all the managers selected or recommended for all client accounts. It should not be assumed that allocation to the managers identified was or will be profitable. Please see Important Notices for further information.

Investment Team Biographies

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Emma Koch

Fixed Income Lead



Emma is a Portfolio Manager within Mercer's US Investments business, based in Boston. She leads Portfolio Management for Fixed Income, managing over \$50bn in discretionary client assets and is responsible for total performance outcomes. Emma is also a voting member of several governance committees, including Asset Allocation Investment, Manager Strategy and Selection, and the Defined Benefit Investment Committee. Emma also co-chair's Mercer's US Fixed Income Strategic Research Team, which is responsible for generating fixed income market thought leadership content.

Prior to joining Mercer, Emma was an Executive Director at J.P. Morgan on the institutional interest rate derivatives sales desk. Most recently, Emma managed the Boston rates sales team, where she and her team advised institutional investors on opportunities in global fixed income markets. In this role, she focused on actionable idea generation, implementation, and thoughtful trade execution to help her clients achieve their goals. She holds specific subject matter expertise in developed market government bonds, interest rate derivatives, and the impact of evolving economic data and monetary policy on global macro markets. At J.P. Morgan, Emma was a Senior Women's Forum Board member (2018-2020) and helped launch the Junior Women in Markets group in 2009.

Emma graduated Magna Cum Laude from the University of Pennsylvania with a BS in Economics. She resides in Cohasset, Massachusetts with her husband and their four children.

Travis Simon

Portfolio Design, Analytics & Risk Lead



Travis Simon leads the Portfolio Design, Analytics & Risk team and is based in Minneapolis. In this role, he works to develop and enhance portfolio construction and management across the investment platform. He is a member of the US Asset Allocation and Manager Selection Committees and an advisor to Economics and Dynamic Asset Allocation team. Travis is a voting member of the Firm's Insurance Investment Committee. He is also the lead for the Derivatives Risk Management Committee. Travis has designed and used propriety asset allocation and risk measurement tools to devise strategic and tactical positioning to the evolving environment. Travis led development on Mercer's proprietary enterprise risk modeling module ("CARE model") which integrates a healthcare entity's investments with its operations, debt structure, pension, and philanthropic development efforts.

Prior to joining Mercer in 2011, Travis worked for RBC Capital Markets' transfer department and government bond desk's pricing and accounting programs. Travis developed several technical systems to increase the efficiency and accuracy of his team's daily processes.

Travis earned a B.S. in finance from Minnesota State University, Mankato. He is a Chartered Financial Analyst (CFA) charterholder and sits on the Education Committee for the CFA Society of Minnesota. He lives in Mendota Heights, Minnesota with his wife and 4-year-old son.

Andrea Vercruysse

Fixed Income



Andrea Vercruysse is a Senior Investment Analyst within Mercer's US Fixed Income Portfolio Management Team. Based in Minneapolis, Andrea joined the team in December 2024. As a member of the US Investments team, Andrea is responsible for leading and growing the fixed income portfolio management infrastructure/toolkit. She is the primary point of contact for Portfolio Design Analytics & Risk and acts as the teams' main operational risk liaison within Mercer's broader ecosystem. Andrea actively collaborates with asset class portfolio managers and analysts to lead the portfolio construction section of solution deep dives and proposals to the manager strategy and selection committee.

Prior to joining Mercer, Andrea was a Senior Treasury Analyst specialized in data and reporting for global corporate treasury at Cargill, Inc. She was the owner of data management strategy related to the new treasury management system deployments in US, Canada, EMEA and Asia Pacific. Andrea also solely developed and implemented new valuation policy across global Treasury's portfolio. Prior to Cargill, Andrea spent 11 years working at Wells Fargo, where her last role was an Account Management Supervisor within the Data Control Group at the hedge fund administrator: Wells Fargo Global Fund Services.

Andrea holds a Bachelor's degree in Mathematics and Music from Augustana College in Sioux Falls, SD.

Michael Cohen

Fixed Income



Michael Cohen is an Investment Analyst within Mercer's US Investments business. Based in Boston, Michael joined the team in 2024 from Nokia Investment Management Co. His primary role involves providing analytical support for investment recommendations and portfolio construction for the fixed income portfolio management team. Michael actively collaborates with portfolio managers and various asset class analysts to gather valuable information and insights for investment analysis. Additionally, he plays a crucial role in supporting the reporting and risk oversight functions within our business.

Prior to joining Mercer, Michael was a Private Equity Analyst for Nokia's Pension Plan. Michael was responsible for investing and monitoring the Pensions allocation to Private Equity through fund investments. Prior to Nokia, Michael worked at HarbourVest Partners as a Senior Portfolio Data Analyst within the Portfolio Analytics and Operations groups.

Michael holds a Bachelor's degree in Finance from the Peter T. Paul College of Business and Economics at the University of New Hampshire and is actively pursuing Level II of the CAIA.

Fixed Income Asset Class Disclosures

Qualitative criteria

Overview

The table below outlines the factors and questions that we believe investors should consider when judging the potential for consistent, long-term excess returns from active management:

Principle	Insights Availability of better information or better judgment over the available information	Market Structure Pool of investment opportunities
Drivers	<ul style="list-style-type: none"> • Information flow <ul style="list-style-type: none"> • How fast is that information disseminated? • Degree of institutionalisation What level of sophistication does a 'typical' investor exhibit in a particular marketplace, do they have access to quality research or information on a security? • Non-profit maximizing participants For example, regulations, taking positions to meet other goals (e.g., liability driven investors) • Efficient trading Do highly efficient trading and settlement systems exist in the market in order to effectively capture opportunities? • Presence of market inefficiencies 	<ul style="list-style-type: none"> • Market liquidity Ideally, a market should have sufficient liquidity that positions can be efficiently implemented • Correlation Level of differentiation in stocks/sectors in a market, that is, low correlation amongst securities in a market is ideal from an active management perspective • Market structure / concentration <ul style="list-style-type: none"> • Number of investable securities • Ideally, a market should not be highly concentrated in a small number of large names, so positions taken by active managers are more symmetric in nature • Not overly dependent on single sectors or securities

Fixed Income markets universes and indices used

Product Category	Category	Index	Mercer universe
Global Fixed	Developed	Bloomberg Global Aggregate Index	Global Fixed Unhedged Broad Market/Aggregate
Global Government	Developed	FTSE WGBI Index	Global Fixed Unhedged Sovereign
Global Credit	Developed	Bloomberg Global Aggregate Credit Index	Global Credit Unhedged
Global High Yield	Developed	ICE BofA ML Global High Yield Index	Global Fixed High Yield
US Core Fixed	Regional	Bloomberg US Aggregate Index	US Fixed Core Investment Grade
US Government	Regional	Bloomberg US Government Index	US Fixed Government
US Credit	Regional	Bloomberg US Corporate Investment Grade Index	US Fixed Credit
US High Yield	Regional	Bloomberg US Corporate High Yield	US Fixed Income, High Yield

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

Fixed Income markets universes and indices used

Product Category	Category	Index	Mercer universe
European Aggregate	Developed	ICE BofAML Euro Broad Market Index	Europe Fixed (Govt & Non-Govt)
European Credit	Developed	ICE BofAML Euro Corporate	Europe Fixed (Non-Govt)
European High Yield	Developed	ICE BofAML European High Yield Constrained Index	Europe Fixed (High Yield)
European Sovereign	Developed	JP Morgan EMU Government	Europe Fixed – Govt
European ABS	Developed	Bloomberg Euro Aggregate ABS	Europe Structured Credit
U.K. Sovereign	Regional	ICE BofAML Gilt All Stocks Index	UK Fixed (Govt)
U.K. Aggregate	Regional	50/50 FTSE Gilts AllSt/Markit iBoxx NG Index	UK Fixed (Govt & Non-Govt)
U.K. Credit	Regional	ICE BofAML Sterling Non-gilt	UK Fixed (Non-Govt)
Swiss Fixed Income	Regional	Swiss Bond Index AAA-BBB	Swiss Fixed Income
Canadian Fixed Income	Regional	FTSE Canada Universe Bond	Canadian Fixed Income
Canadian Core Plus Fixed Income	Regional	FTSE Canada Universe Bond	Canadian Core Plus Universe
Canadian Long-Term Fixed Income	Regional	FTSE Canada Long Term	Canadian Long-Term
Australian Fixed Income	Regional	Bloomberg Ausbond Composite Bond Index 0+ years	Australian Fixed Income
New Zealand Fixed Income	Regional	S&P/NZX NZ Government Bond Index	New Zealand Fixed Income
Japan Fixed Income	Regional	Nomura BPI Overall Index	Japanese Bond Universe
Asia Credit	Regional	JP Morgan Asia Credit Index	Asian Fixed Income - Hard Currency Universe
Singapore Bonds	Regional	Markit iBoxx ALBI Singapore Index	Singapore Fixed Income Universe
Hong Kong Dollar Bonds	Regional	Markit iBoxx ALBI Hong Kong Index	Hong Kong Fixed Income Universe

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

Important Notices

Must be preceded or accompanied by fund's prospectus. Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. To obtain a prospectus that contains this and other information, please visit <https://www.delegated-solutions.mercer.com/content/dam/mercero-subdomains/delegated-solutions/USGeneralFundDocuments/us-2017-mutual-funds-class-Y-prospectus-with-supplements-1.pdf> or call 1-800-346-2510. Please carefully read the prospectus, and if available, summary prospectus, before investing.

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

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

The findings, ratings and/or opinions expressed herein are the intellectual property of Mercer and are subject to change without notice. They are not intended to convey any guarantees as to the future performance of the investment products, asset classes or capital markets discussed.

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

For Mercer's conflict of interest disclosures, contact your Mercer representative or see 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. 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.

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

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

Important Notices

Risks Factors

The Fund is subject to the risks associated with the underlying bonds and other fixed income securities including credit, prepayment, call and interest rate risk. As interest rates rise, the value of the Fund can go down and an investor can lose principal. The Fund may invest in foreign securities which may expose the Fund to adverse currency and exchange rate fluctuations, political, social and economic risks. Investing in derivatives (such as futures, options or swaps) and high yield bonds (also known as 'junk' bonds) may cause the Fund to experience greater volatility and less liquidity. Derivatives may be more sensitive to changes in market conditions and may amplify the risk of loss for the Fund. The Fund may experience high portfolio turnover which could result in higher transaction costs and capital gains. There can be no assurance that any fund will achieve its objective.

Key Terms

Alpha - Reflects how a Fund did relative to what would be expected given the Fund's beta and the performance of its benchmark. For example, alpha of 1.4 means the Fund outperformed its estimated return by 1.4%.

Beta - The Fund's sensitivity to market changes using its benchmark as an approximation of the market, beta greater than 1 is more volatile, beta less than 1 is less volatile.

Tracking Error - A measure of active risk relative to the benchmark. Reflects the standard deviation of the difference between the portfolio return and benchmark return.

Effective Duration - A measure of the price sensitivity of bonds, particularly useful for bonds with embedded options (e.g., callable bonds, puttable bonds, and mortgage-backed securities).

SEC 30 Day Yield - A calculation methodology that has been standardized by the SEC that allows for fair comparisons between funds. This calculation assumes that all the income that has accrued over the past 30 days will continue for the next 12 months. Fund expenses are deducted, and then this annualized income amount is divided by the fund's net asset value at the end of the period. The calculation includes the impact of fee waivers and expense reimbursements.

Unsubsidized Yield - A calculation of the SEC 30 Day Yield that excludes the impact of any fee waivers and expense reimbursements.

Wtd. Average Maturity - The weighted average time to maturity of all debt securities held in the Fund.

Avg. Coupon - The weighted average coupon of all debt securities held in the Fund.

Current Yield - The weighted average current yield of all debt securities held in the Fund.

Yield to Maturity - The weighted average yield to maturity of all debt securities held in the Fund.

Important Notices

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. One cannot invest directly in a Mercer Universe.

Please see the following link for information on indexes: <https://www.mercer.com/content/dam/mercercapital/attachments/private/nurture-cycle/gi-2018-investment-management-index-definitions-mercercapital.pdf>

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Important Notices

Measurement methodology

For most investment strategies that we research, we arrive at a rating on a four tier scale in which the possible ratings are A, B+, B and C. When we formulate short lists of candidates for clients to consider in manager searches, these are generally drawn from the list of strategies rated A within the relevant product category. We first began maintaining formal ratings on this basis in 1995, replacing less formal methods in place, and have extended this to cover all product categories that we actively research, over the period since.

Our methodology for measuring the performance of our ratings entails calculating the average performance of the strategies that we rated A within each product category each quarter, based on the ratings as they stood at the end of the previous quarter. Therefore there is no element of hindsight in the analysis. We then compound these quarterly results together to calculate performance over longer periods. Finally, we subtract the return for an appropriate and widely accepted benchmark index for the product category concerned to calculate value added. We also calculate a risk-adjusted measure of the value added known as the information ratio.

In essence, this methodology tracks the performance of a hypothetical Mercer client that is assumed to split its money evenly between all of the strategies rated A by Mercer within the product category concerned. This hypothetical client is assumed to have reviewed its manager line-up at the end of each quarter, based on the Mercer ratings as they stood at that point in time. A typical client would not invest in all strategies in all of the categories, as some may not be relevant to a particular client for a variety of reasons. Therefore the actual added value of strategies selected by a client would vary from the results depicted here. The average value added for each product category is detailed in this report.

Three types of strategy are excluded from the analysis. Firstly, we exclude strategies that are sub-advised by other investment managers, to avoid double-counting. Secondly, where a manager offers two variants of what is essentially just one strategy, we only include one of these in the analysis (we used to use the one with the longer track record but in 2011 we assigned the decision on which track record to use to the researcher responsible for the strategy), once again to avoid double counting. Thirdly, if a strategy's track record relates to a benchmark that is materially different to the benchmark used in the analysis for the product category concerned, it will be excluded from the analysis to avoid distortions that could arise solely as a result of the non-standard benchmark.

Where a manager offers equity strategies in a typical long only format and a variant which includes the ability to short we only include the long-only version.

For some product categories, where the use of custom benchmarks is prevalent, there is no single widely accepted benchmark that can be used as a basis for this analysis. We therefore use a slightly different methodology for these categories. In these cases we carry out the analysis by first calculating value added each quarter for each track record relative to its custom benchmark, then calculating the average of these value added figures each quarter, and then compounding the quarterly value added figures to calculate value added over longer periods.

We have carried out these calculations for most of the product categories where we both maintain ratings and for which we have reliable performance data (currently 73 categories), going back in each case to when we first had a reasonable spread of ratings for the product category concerned.

Important Notices

Some important caveats

All of the value added figures have been calculated by Mercer, but are based upon performance data provided to Mercer by the investment managers concerned. Mercer generally does not independently verify the performance information provided by investment managers.

The methodology described above does not allow for transaction costs that an investor would have incurred if it had actually changed its panel of investment managers every quarter in line with changes to the list of products rated A by Mercer within the product category concerned. In practice, the turnover of managers incurred by such an investor would have averaged about 15% per annum (the actual averages since inception for each product category are shown in the final section of the results). We have not attempted to estimate the transaction costs that would have been incurred as this would require assumptions on a number of factors, including the investor's cash flow position and how the changes had been implemented.

All investment performance data used was reported gross of investment management fees and certain other expenses, such as custody and administration. All the value added figures are also quoted before deduction of such fees. The figures are however net of all transaction costs that the managers concerned have incurred within their investment portfolios. Performance shown assumes the reinvestment of dividends and capital gains distributions. A client's return would be reduced by the advisory fees and any other expenses it may incur in the management of its account. Actual fees may 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. As described above, the results of the analysis are based on performance data provided to Mercer by the investment managers concerned and other sources. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of information presented, and no responsibility or liability, including for consequential or incidental damages, can be accepted for any error, omission or inaccuracy in this information.

We have endeavored to obtain performance data for all investment products that have ever been rated A by Mercer for inclusion in the analysis, but in some cases this has not been possible. Where data could not be obtained, we have no option but to exclude the product from the analysis. We will continue to endeavor to obtain missing data for future updates of the analysis. This may result in some changes to the historic figures in future updates of the results.

As always, past performance cannot be relied on as a guide to future performance. Whilst Mercer commits considerable resources to manager research, in an effort to maximize the value added through our manager research recommendations, we do not provide any guarantees as to the future performance of the investment strategies that we recommend to our clients.