



INVESTOR GOVERNANCE SURVEY

IN BULL AND IN BEAR, INVESTORS WANT A PARTNER TO NAVIGATE THE MARKETS' VOLATILITY

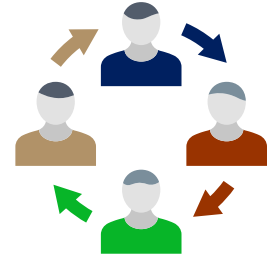
nepc.com

Statistics as of 3/30/2019



Institutional and high-net-worth investors are facing a possible market downturn for the first time in a decade. After enjoying a ten-year bull run, investors want a *collaborative partner* by their sides to manage the market's volatility.

For the next 5 to 7 years, **most investors want to work closely together with their consultant to develop a successful investment program.**



PARTNERSHIP MODELS HOLD STRONG AMONG DIVERSE INVESTORS

46% PUBLIC PENSIONS seek a partner in their consultant

41% CORPORATE PENSIONS want consultants to be a partner

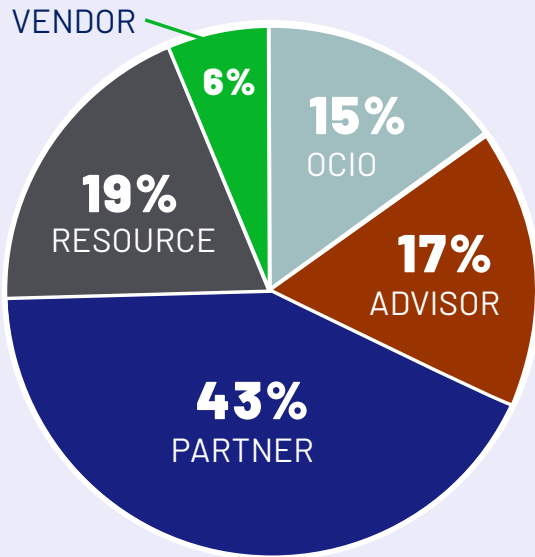
37% ENDOWMENTS & FOUNDATIONS want consultants to be a partner

INVESTORS STICK WITH THE 'TRIED-AND-TRUE' CONSULTANT MODEL

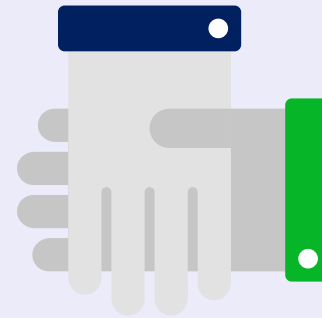


8 in 10 investors are satisfied with their current relationship with their investment consultant

INVESTORS ARE COMMITTED TO COLLABORATION



SOME INVESTORS VALUE A MORE HANDS-ON APPROACH



26% of corporate pensions are seeking an OCIO in 5 to 7 years, a 15% increase from the number of corporate pensions currently working with their consultant as an OCIO

18% of endowments & foundations seek an OCIO vs. 7% of public pensions

GLOSSARY

Investment Manager: "My consultant or manager handles everything like an OCIO."

Advisor: "I will make the decisions, but I almost always do what they recommend."

Partner: "We work closely together to develop the investment program."

Resource: "We use our consultant as a key source of information and perspective."

Vendor: "We use our consultant only for specific tasks and to access their research."

METHODOLOGY: NEPC's Investor Governance Survey is a survey of 228 investors across healthcare, defined contribution, private wealth, corporate pensions, Taft-Hartley, public pensions, endowments and foundations, and insurance to develop a snapshot of the consultant-investor relationship in the next five to seven years.

About NEPC, LLC: NEPC is an independent, full-service investment consulting firm, providing asset allocation, manager search, performance evaluation, and investment policy services. We work with discerning investors on both an advisory and discretionary basis. We service 360 retainer relationships, representing assets of \$1 trillion with approximately \$62.2 billion in alternative assets, from our offices in Boston, Atlanta, Charlotte, Chicago, Detroit, Las Vegas, Portland and San Francisco. The survey had 228 respondents from investors across healthcare, defined contribution, private wealth, corporate pensions, Taft-Hartley, public pensions, endowments and foundations. Copyright is held by NEPC. Statistics valid as of March 13, 2019.