



MEETING MATERIALS

UNITARIAN UNIVERSALIST
ASSOCIATION OF CONGREGATIONS

AUGUST 18, 2021

Krissy Pelletier, Partner

Asher Watson, Sr. Consultant

Lily Fayerweather, CFA, CAIA, Sr. Consulting Analyst



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SRIC/IC Meeting—Agenda
August 18, 2021—9am – 2pm EDT

9:00am-10:05am Executive Session for IC & SRIC

9:00am Welcome, Icebreaker, and Covenant

9:15am IC/SRIC integration

- Reflections from each committee member on work we've done to date, and visions for the next 1-2 years
- Discussion

10:05am Break

10:15am-11:30am IC & SRIC with NEPC and observers

10:15am Welcome & agenda review

10:25am Approval of IC and SRIC minutes

10:30am Market Review and Discussion (NEPC)

- Key topic: inflation

11:00am Private Markets Recommendation (NEPC)

- HCAP V

11:15am Portfolio Performance Update (NEPC)

11:30am Break

11:45am-2pm IC & SRIC with observers

11:45am Screening

- Next steps re: responsive resolution
- Progress and next steps in implementing Business Resolution (report to GA [here](#))

12:15pm Community Investing

- Investment in Inclusiv: SRIC recommendation to IC
- Consultant RFP: recruitment/decisionmaking process

12:50pm Break

1:10pm Shareholder advocacy

- Approve proposed priorities for 2022 (proposal from Tim Brennan based on 7/22 meeting)

1:30pm November retreat/meeting agenda

1:50pm Closure/check-out

2:00pm Adjourn

As a participant in General Assembly and/or the online platforms designed to enhance communication between participants, I hereby agree to the following:

Behave Respectfully – I will engage with others in a way that honors the personhood and experience of all. I will both listen and contribute to conversations. I will make space for others to participate and avoid disruption or distraction by honoring the agenda and topics for discussion.

Self-Care and Community Care – I will take care of myself and my needs. I will also take care to engage with our Unitarian Universalist communities in an empathetic, understanding and thoughtful manner.

Practice active and anti-oppressive engagement – I will make a conscious effort to engage with and understand what others are sharing. I will be attentive to how my interactions may impact others. Words and actions have been used to historically oppress people and therefore certain words and actions can be triggering of traumatic or hurtful experiences. I will be mindful of this and participate in ways that are respectful and considerate.

Show Up – Understanding that we are in a time of global pandemic and global uprising against state sponsored violence and that these crises disproportionately impact some of us based on our identity and social location, I will cultivate grace and practice patience. I will be mindful to side with love by showing up for others in this time.

Be present to truth – We hold multiple truths gleaned from our lived experiences. None of our experiences, especially those of us who have been historically marginalized, are up for debate. I will be mindful of this during my interpersonal interactions during virtual GA.

Our Unitarian Universalist values call upon us to avoid the following harmful forms of expression:

- Offensive language related to gender, gender identity and expression, sexual orientation, disability, mental illness, neuro(a)typicality, physical appearance, pregnancy status, veteran status, political affiliation, marital status, body size, age, race, national origin, ethnic origin, immigration status, language, religion, or other identity marker.
- Threats of violence or aggressive behavior of any kind toward any individual or group.
- Online Trolling; deliberate provocative, offensive and/or disrespectful posts (commentary, images, GIFs) intended to derail conversation
- Stalking or following - online (or in the physical world.)
- Sexual harassment in any form, including sexual images, GIFs, sexual language, virtual contact without consent, and inappropriate social contact, such as requesting/assuming inappropriate levels of intimacy with others.
- Continued one-on-one communication after requests to cease.
- Revealing any aspect of the identity of a person who experiences marginalization without their consent.
- Humor that evokes any of the above.
- Adults should never be alone with an unrelated child at a Unitarian Universalist event, whether in-person or virtually. We ask that adults not private-message youth on any Virtual GA platform, including the GA App by Whova. It is appropriate to interact with youth in the mainstage chat rooms, workshop chats, and community boards on the app, where multigenerational registrants are all participating. It is not appropriate to engage in one-to-one communication between an adult and a youth.

UUA Investment and Socially Responsible Investment Committee – Minutes **DRAFT**
Via Zoom
May 17, 2021

Investment Committee:

Investment Committee members present: Kathleen Gaffney (Chair), Brian Lasher, John Minahan, Andrew McGeorge, Ken Redd

SRIC members present: Kathy Mulvey, Chair, Vanessa Lowe, Andrew McGeorge, Julie Skye

Members absent: Brunsting, Santini-Field, Tomaino

NEPC: Lily Fayerweather, Krissy Pelletier, Asher Watson

Grosvenor Capital Management: Jessica Holsey, Jason Howard, Jordan Wyatt

Staff: Susan Helbert

1. Grosvenor Advanced Fund Presentation – Holsey, Howard, Wyatt

- Fund is a diversified portfolio of top tier private equity investments that are sponsored by women and minority investment firms.
- Founded in 1971, is a global alternative investment firm with \$62 billion in assets under management.
- Offer investments across the alternative spectrum including private equity, infrastructure, real estate, credit, absolute return strategies and multi-asset class solutions.
- Dedicated to adding value to clients through broad sourcing capabilities, deep investment underwriting and their market leading operations infrastructure.
- Focused on long-term interest of stakeholders by incorporating ESG factors in their commitment to diversity in how they invest and how they manage their business.
- ESG and diversity, equity, and inclusion (DEI) are core principles of the firm and embraced at every level of the firm. Have invested \$17 billion to ESG and impact related investments.
- Has an ESG policy that is incorporated into their investment process and incorporated into every investment made throughout the firm.
- Governance includes an ESG Committee, Corporate Social Responsibility Team and, Diversity, Equity, and Inclusion Committee.
- Hold separate accounts for clients where they can direct the investments to the areas each client is interested in.
- Key benefits of investing with Grosvenor's diverse manager's practice: proven track record of investing with diverse managers, turnkey solution, sourcing, due diligence and monitoring,

access to oversubscribed/hard to access diverse managers, cost effective approach and commitment to diversity.

- Have invested \$5.1 billion in diverse private equity managers. In the last three years have invested 37% of all private equity commitments were with diverse managers.
- Since 2007, when the diverse manager team was created, have generated a return of 24.2% on realized and partially realized investments and 17.3% on all including unrealized investments.
- Diverse managers are defined as firms with at least 33% of the capital owned by women, African Americans, Hispanics, Asian Americans, Native Americans, U.S. military veterans, disabled persons, or LGBTQ.
- Fees are 1.4% with a 16% carried interest.
- Will introduce any of their diverse manager to the UUCEF for direct investment if interested.

Action item 1: GCM to provide slides on Advanced Fund portfolio construction and information on diversity of the fund team.

Next Meeting:
May 21, 2021

UUA Investment and Socially Responsible Investment Committee – Minutes **DRAFT**
Via Zoom
May 21, 2021

Joint Investment Committee and Socially Responsible Investment Committee:

Investment Committee members present: Kathleen Gaffney (Chair), Vonda Brunsting, Brian Lasher, John Minahan, Andrew McGeorge, Ken Redd, Lucia Santini-Field

SRIC members present: Kathy Mulvey, Chair, Vonda Brunsting, Vanessa Lowe, Andrew McGeorge, Julie Skye, Lucia Santini-Field

Member absent: Pat Tomaino

Staff: Tim Brennan, Susan Helbert

NEPC: Lily Fayerweather, Krissy Pelletier, Asher Watson

1. Minutes from February 21, March 24, and March 29, 2021 – Gaffney, Mulvey

Motion 1: To approve the Investment Committee minutes from the February 21st, March 24th, and March 29th meetings without amendment. Moved: Gaffney, seconded Santini-Field, all approved.

Motion 2: To approve the Socially Responsible Investing Committee minutes from the February 21st and March 24th meetings without amendment. Moved: Mulvey, seconded Lowe, all approved.

- Took a moment to review and reflect on the suggested agreements to guide our time together.
 - Lasher volunteered to be the process monitor for the meeting.
 - Agreements are a work in progress and will be on the agenda for the two-day meeting.
- Discuss August and November meetings
 - Originally, the August meeting was scheduled for two days. Considering that the August meeting will still be attended remotely, the two-day meeting has been moved to November. The August meeting will now be August 18th.

Action item 1: Helbert to send out a Doodle poll to schedule the November two-day meeting.

Action item 2: Helbert to locate and attach the GA Covenant to meeting minutes.

2. Portfolio Discussion – NEPC

- Performance Review
 - The Endowment returned 2.1% (gross of fees) during Q1 of 2021, ranking in the 88th percentile of the universe, underperforming both the allocation and the policy index.
 - For the trailing 3- and 5-year periods, performance ranks in the top quartile relative to peers.

- Equity markets produced strong absolute returns continuing to be led by US markets.
- The upward movement in rates and inflation expectations caused fixed income classes to underperform.

Action item 3: NEPC to provide a portfolio for rising rates and inflation at the next quarterly meeting.

Action item 4: NEPC to benchmark the UUCEF's public, private, and total number of managers to comparable sized endowments.

Action item 5: NEPC to provide a peer set review to assist in determining if we are in the correct peer universe based on our size.

- Due Diligence Updates
 - NEPC has downgraded Franklin Templeton from a 1 rated/preferred strategy to a 3 rated strategy which is neutral. They have been removed from the focus placement list which is a list of preferred strategies.
 - The decision to downgrade them was threefold.
 - a) Tenuous linkage between the macro view and implementation, including the recent flip-flop on the positioning as they moved through the pandemic.
 - b) Loss of assets, along with a new semi-internal competing option from Brandywine.
 - c) Not being compensated for the volatility they generated.

Action item 6: NEPC to provide detailed attribution for Franklin Templeton, schedule a meeting with them and, to provide replacement options.

3. Private Markets Update – NEPC

- Grosvenor Capital Management
 - Discussed the meeting with Grosvenor Capital Management who presented their Advance Fund.
 - Highlights included
 - a) Fund of funds investing in diverse led firms, minimum criteria being 1/3 or more owned by women and/or minority groups.
 - b) Has a track record of investing with diverse firms in other ventures.
 - c) Is a well-resourced firm with a great network to source diverse managers.
 - d) Long life fund, 15 years plus, must wait for both the underlying funds and the fund of fund to unwind.
 - e) Will know the managers in the fund which could open doors allowing for direct investments in the future.

Action item 7: NEPC to send follow up communication to summarize the pacing plan and manager opportunities for 2021.

Motion 3: To hire Grosvenor Capital Management and invest \$2.5 million in their Advance Fund.
 Moved: Lasher, seconded: Gaffney, all approved.

VOTED: That the Unitarian Universalist Common Endowment Fund, LLC, invest \$2.5 million dollars of the assets of the UUCEF, LLC into Grosvenor Advance Fund, (the “Investment Fund”), on the terms set forth in the subscription agreements and offering documentation therefore submitted by the Investment Fund to Andrew McGeorge, Treasurer of the Unitarian Universalist Association, subject to such changes and amendments therein as he may determine to be appropriate; and

VOTED: To authorize the Treasurer, Andrew McGeorge, and the Executive Vice President, Carey McDonald, each individually, acting singly or together, to execute and deliver documents to effect the foregoing, all with such terms and conditions as are approved by the signatory, with such officer’s signature being conclusive evidence of approval; and

VOTED: To ratify and approve all that the Treasurer, Andrew McGeorge, has done or may do in connection with said investments.

4. Shareholder Advocacy Update – Brennan

- Update on SEC Regulation Changes
 - Bills have been introduced to the House and Senate invoking the Congressional Review Act (CRA); a legislative provision which allows Congress and the President to overturn regulations made within the last 60 legislative days of the previous year.
 - If the CRA is not invoked, litigation to block the rules adopted by the SEC in September 2020 will go forward.
 - The SEC has called for comments on disclosure of ESG factors by companies. This is usually preparatory for issuing new regulations. The UUA will be submitting a comment letter strongly encouraging the SEC to establish a mandatory framework for disclosures.
- Company Engagements
 - Filed at or engaged companies on a variety of issues including lobbying expenditures, political spending, sustainability metrics and executive comps, surveillance technology and privacy, climate change, GHG reduction and, racial justice.
 - Reviewed the chart of the resolutions filed and companies we are in dialogue with and the results.
 - Have been working with IT department to set up a SRI News page, anticipate it going live soon.

Action item 8 :Brennan to prepare a slide on the advocacy work for the quarterly investor call.

Action item 9: Mulvey, Brennan and Helbert to work on scheduling a meeting with UUJMA and the SRIC to discuss advocacy priorities for the upcoming season.

5. Community Investing Sub-Committee – Gaffney, Lasher, Lowe, Mulvey, Skye

- Review of strategy and focus on investments in BIPOC communities
 - Team is co-creating a vision and direction for Community Investing.
 - Reviewed and discussed the Mission Aligned Investing Vision 2026 report.
 - The opportunity to invest in BIPOC led and/or focused funds seem best suited to the private investments portfolio which is being built up.
 - Clarity is needed regarding who the money is invested with versus where the invested money flows through to in identifying BIPOC investments.

- Work on the Investment Policy Statement to include a preamble statement centering UU values as well as racial justice.
- Additional resources to accomplish our commitment to anti-racism and social justice through our investments will be needed. One such option is hiring a consultant to conduct training at our two-day meeting and to provide advice on how to grow our community investment portfolio from 1% to 5%.
- Also need to develop the management of the community investment portfolio.
- Committee members were encouraged to submit comments on the draft request for proposals to forward them to the sub-committee.
- NEPC, Gaffney and Mulvey will be meeting to discuss how NEPC may be able to help with due diligence on the broader private side of the portfolio.
- Discussion on getting to 5%
 - Current market value of the community investment portfolio is \$2.8 million, target is \$11.8 million.
 - The portfolio is essentially a short-term fixed income impact strategy which generates yield and has stability. It is mission aligned, originally investing in CDFI's serving underserved communities and has a current yield of about 1.5%.
 - Now moving beyond CDFI's which may not be certified or insured but are confident they will be stable short-term investments.
 - 22% of the portfolio is coming due in 2021. This presents a good opportunity to invest in products or organizations that are BIPOC focused and led or BIPOC focused.
 - Currently average maturity is not calculated but will be working with staff to see if it can be done.
 - The goal is to streamline the portfolio, so we have fewer small investments and have larger positions with organizations that are BIPOC focused and led or BIPOC focused. An obvious source of assets is the FICA for Impact investment.
 - Reviewed and discussed various proposals to take the portfolio from the current 16.4% BIPOC focused and led investments to 50%.
 - Have a meeting set with Capital Access Lab to discuss their fund.

6. IPS Sub-Committee – Minahan, Brunsting, Redd, Santini-Field

- Update
 - Team found themselves in a policy monitoring position with the identification of Enbridge in the Breckinridge portfolio.
 - Working with NEPC to identify possible solutions to preventing unapproved companies in the portfolio. A few immediate suggestions were:
 - a) Send separate account managers notification each time a policy change is made.
 - b) Require managers to periodically attest to abiding by the policy.
 - c) Have face-to-face meetings with each separate account managers annually.
- Discussion
 - Reviewed the questions which surfaced in reviewing the many documents that govern community investing.

- Making progress on fleshing out an increasingly detailed outline. Reviewed the short version and anticipate a fully developed outline by the August meeting.
- Continuing to discuss eliminating a numerical return goal but intend to articulate investments goals including returns strived for, acceptable risk, and the desire for growth to keep pace with inflation.
- Reviewed proposed outline with appendices.
- There is a need for information on committee recruitment, training and criteria.

Action item 10: Minahan to distribute the Investment Policy Sub-Committee Report to all members.

7. Screening Sub-Committee – McGeorge, Mulvey

- Screening Criteria
 - Reviewed the most recent ESG screening from Sustainalytics which includes newly eligible and ineligible companies.
 - The Global Standards Screening report showed the only position we hold is Wells Fargo which is held in our advocacy portfolio for engagement.
 - The Human Rights Radar report identified 10 firms with a severe overall risk assessment, we own one, Volvo AB. An additional 57 firms were identified as high overall risk, and we own four, ConocoPhillips, Ford Motor, Marathon Oil, all being engaged through our advocacy program, and Kosomos Energy.
 - Will be seeking committee approval to divest from Volvo AB. Due to time constraints, will seek this approval via email vote.

Action item 11: McGeorge to submit via email a request for votes to approve divesting from Volvo AB.

- General Assembly Report
 - Will be doing the first-year report on the 2020 GA Business Resolution on Human Rights. Discussed what will be included in the report such as the tools we have bought to help us implement the Resolution.
 - Will describe the goals we have set around implementation and the intent to engage companies through our advocacy work.

Next Meeting
August 18, 2021

IMPACT SUMMARY

	Screened	NEPC ESG Rating	Impact
Rhumblin	X	4	
Sands	X	2	
Ownership Capital Global Equity (USD) Fund, L.P.		1	
Wellington SMID		2	
WCM Investment Management	X	2	
MFS International Concentrated		1	
Boston Common		1	
Baxter Street		3	
RBC Global Emerging Equity		1	
Acadian Emerging Markets Equity Fund		1	
GQG Partners Global Equity Fund		1	
Lindsell Train Global Equity		4	
Breckinridge-Treasury		3	
Breckinridge - Corporate		1	
Stone Castle FICA for Impact			X
Brandywine Global Opportunistic		1	
Loomis Multi Sector		2	
Franklin Templeton GMS		2	
HCAP Partners IV LP			X
Generation IM SS Fund III			X
SJF Ventures			X
RRG Sustainable		1	X
Brockton Capital Fund III			X
Canvas Distressed Credit Fund			
FEG Private Opportunities Fund			
OCP Orchard Landmark		1	
Grosvenor Advance Fund		1	
Community Development			X



*NEPC has not rated all strategies in which the UUA invests.

INFLATION REVIEW



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INFLATION HAS MULTIPLE MEANINGS

Business Inflation

Changes in total business costs that impact a company's bottom line. May result from changes in input or business operating costs

Economic Inflation

Changes in general inflation metrics, such as CPI and PCE, which are used as economic indicators, deflators, and to adjust income payments

Lifestyle Inflation

Changes in spending for an individual or corporation. May result from price changes within a specific spending basket or from adjustments to income, which create changes in consumption patterns

Market-Based Inflation

Changes in market-based inflation expectations flow through to asset pricing and return expectations. Expectations for changes in the inflation environment can become self-fulfilling as consumers and businesses adjust spending and saving habits accordingly

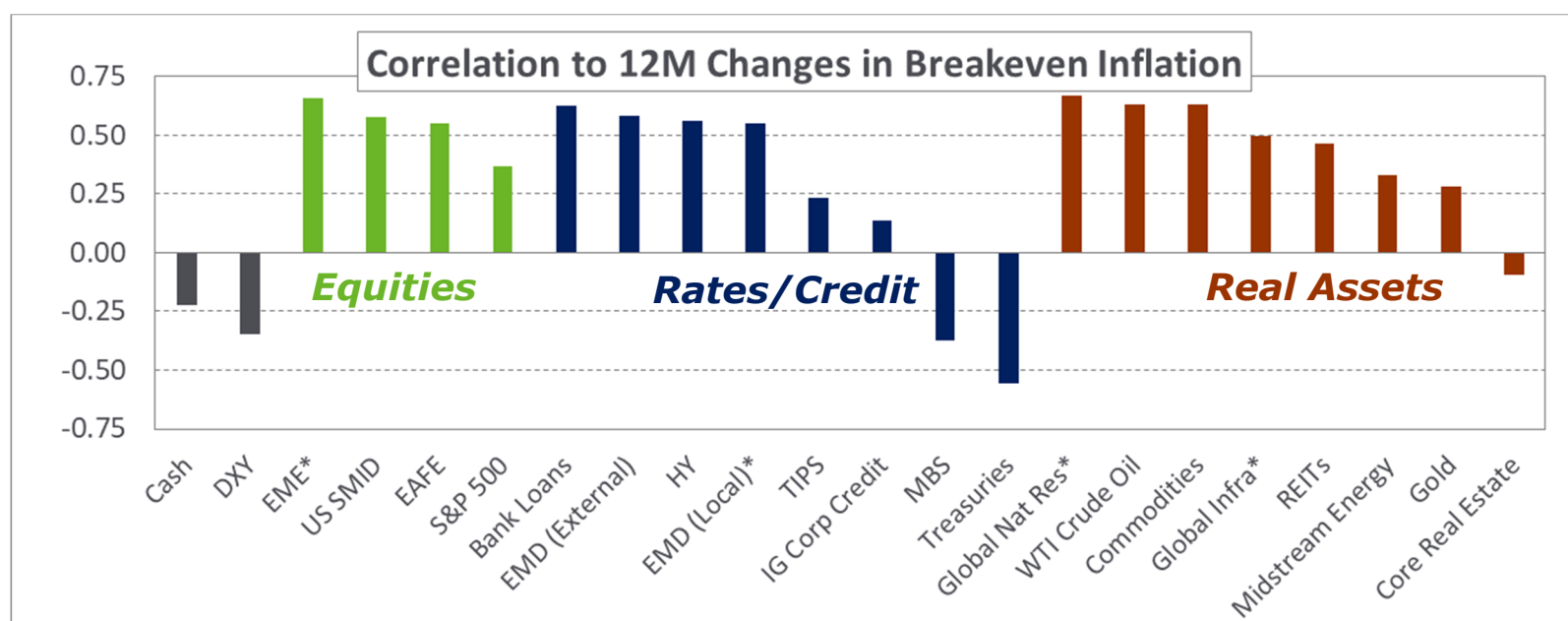
ASSET CLASS INFLATION SENSITIVITY

Most asset classes exhibit some sensitivity to inflation, though the magnitude of the price reaction will vary

Real assets generally exhibit the broadest inflation sensitivity, with positive correlation and positive betas to changes in inflation

Equity and credit are also positively correlated to changes in inflation, though are accompanied by a lower inflation beta

These asset classes may provide some protection from inflationary shocks, but will experience a more volatile path during disruptive time periods

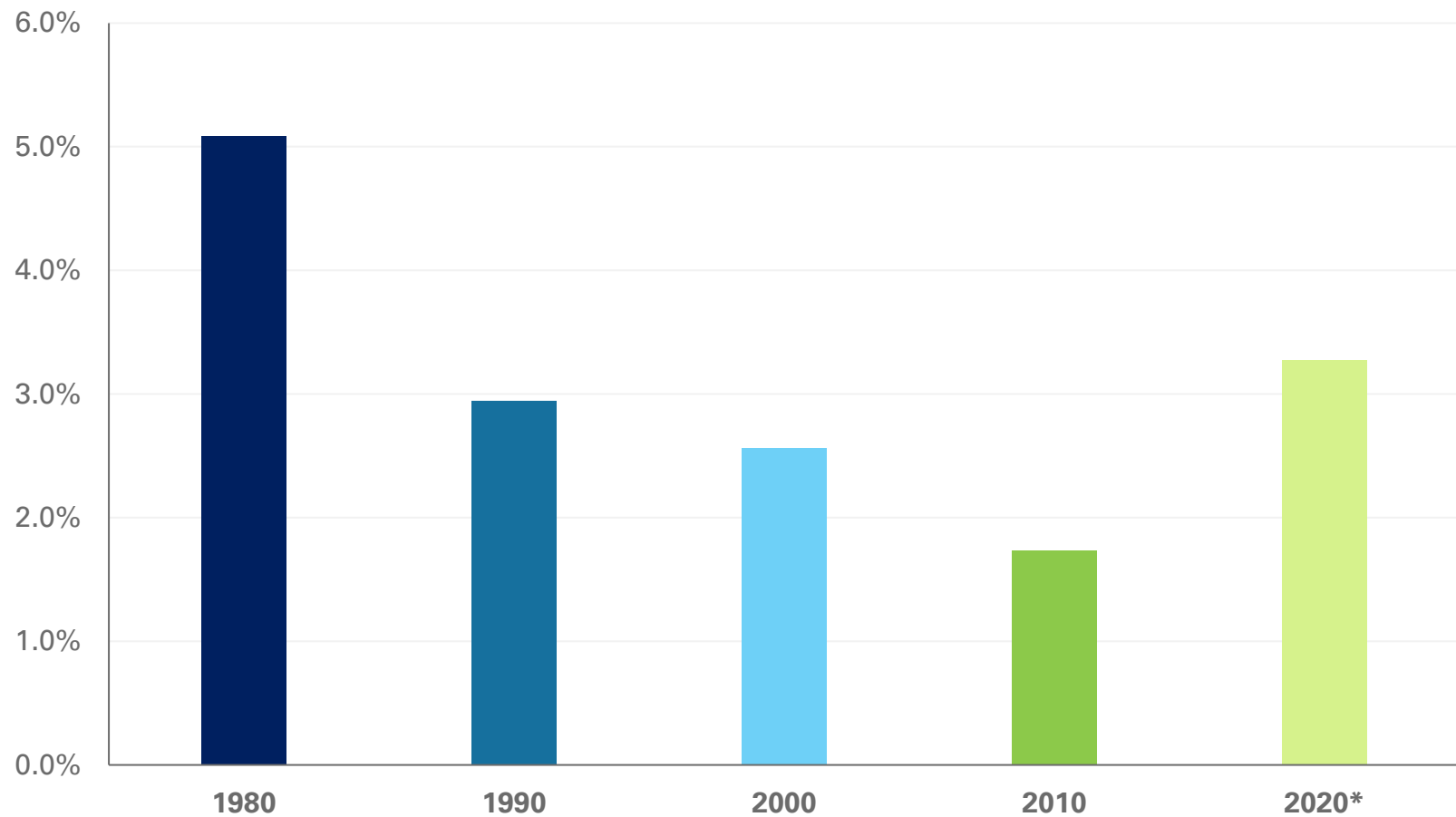


Source: S&P, MSCI, JPM, Barclays, Alerian, FactSet, NEPC; correlations calculated 1997-2020

*Denotes shorter time frame for correlation calculation: EME 1999-2020; EMD (Local) 2002-2020; Global Infra 2001-2020; Global Nat Res 2002-2020

WE NEED TO REFRAME INFLATION EXPECTATIONS

ANNUAL U.S. INFLATION BY DECADE



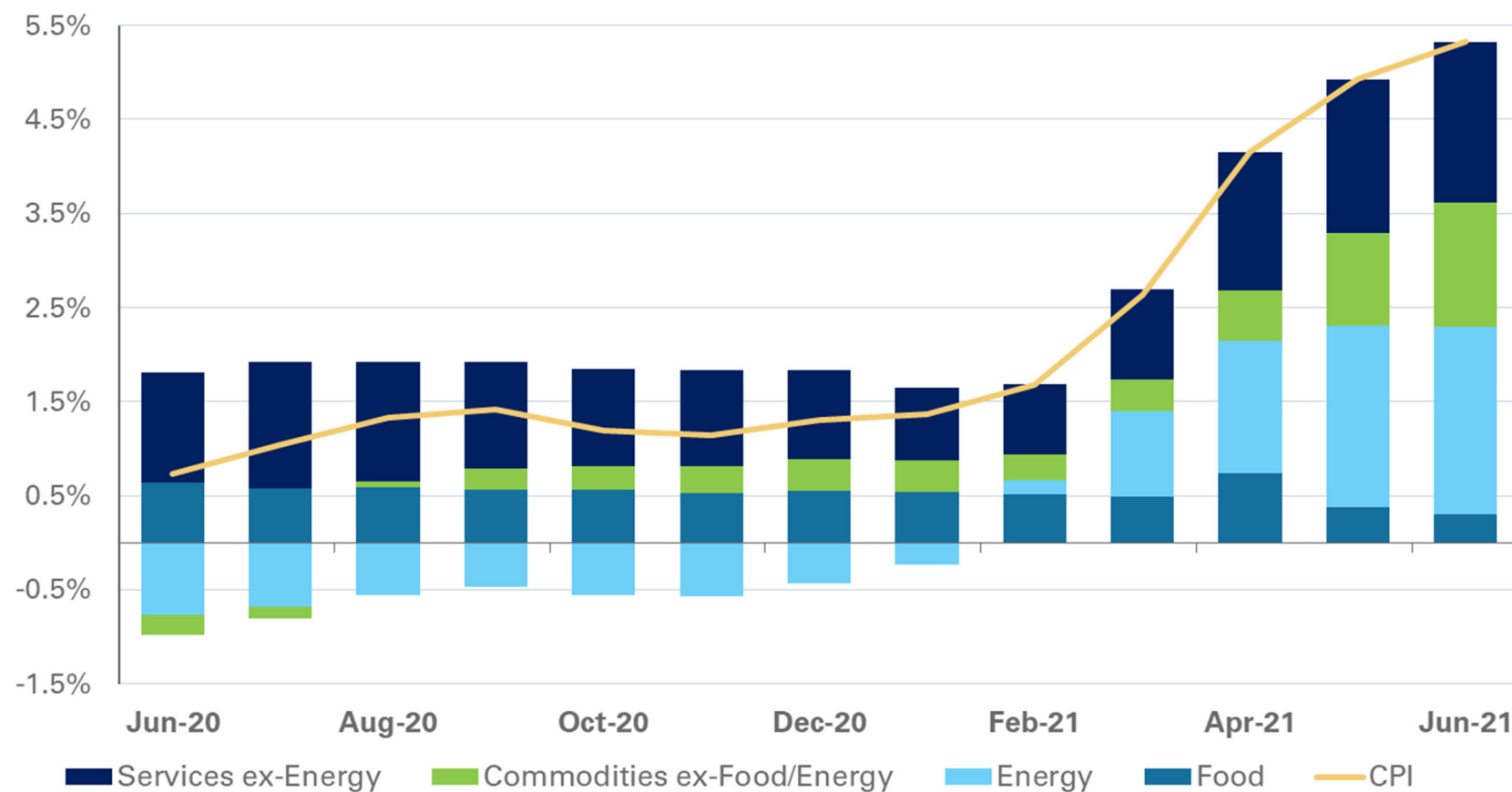
Source: Bureau of Labor Statistics, FactSet

*2020 represents the annualized rate for the decade (01/31/2020-06/30/2021)



REALIZED INFLATION ACCELERATED

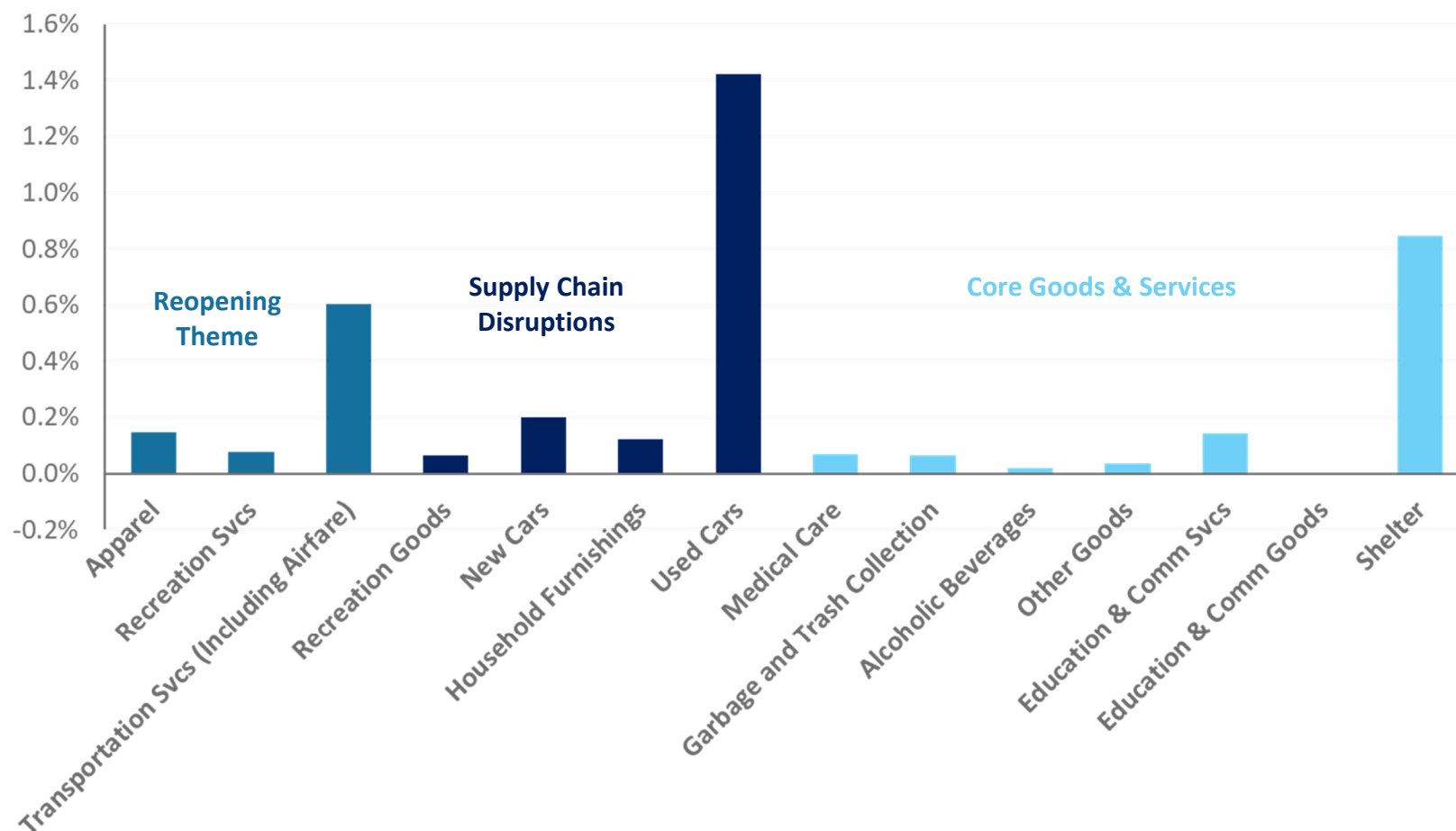
MAJOR COMPONENTS OF YEAR-OVER-YEAR U.S. CPI



Source: Bureau of Labor Statistics, FactSet, NEPC; as of 06/30/2021

UNUSUALLY HIGH INFLATION ACTIVITY

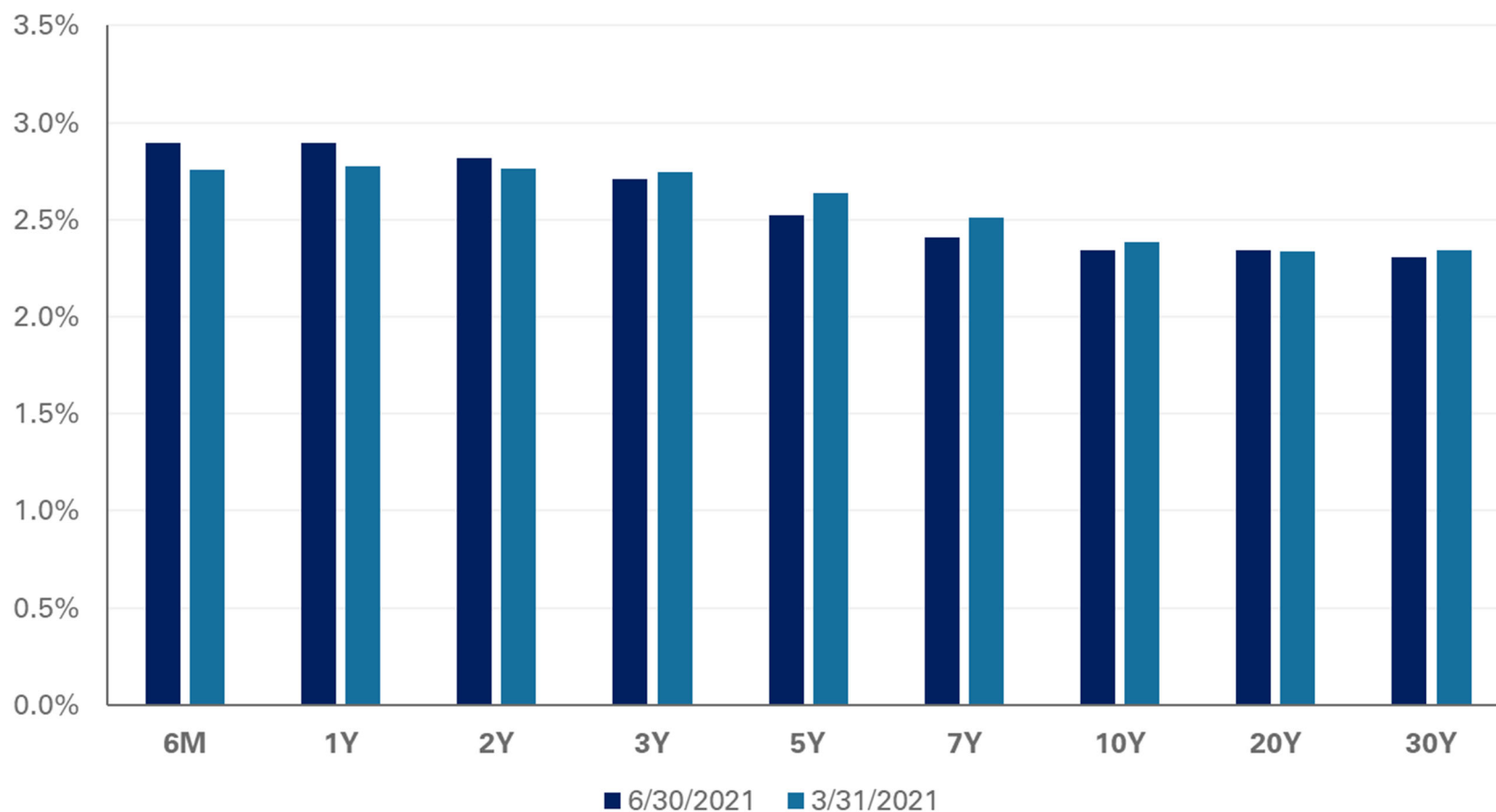
CONTRIBUTION TO YEAR-OVER-YEAR U.S. CPI-U



Source: Bureau of Labor Statistics, FactSet, NEPC; as of 06/30/2021

SHORT-TERM INFLATION EXPECTATION ROSE

U.S. BREAK-EVEN INFLATION



Source: FactSet



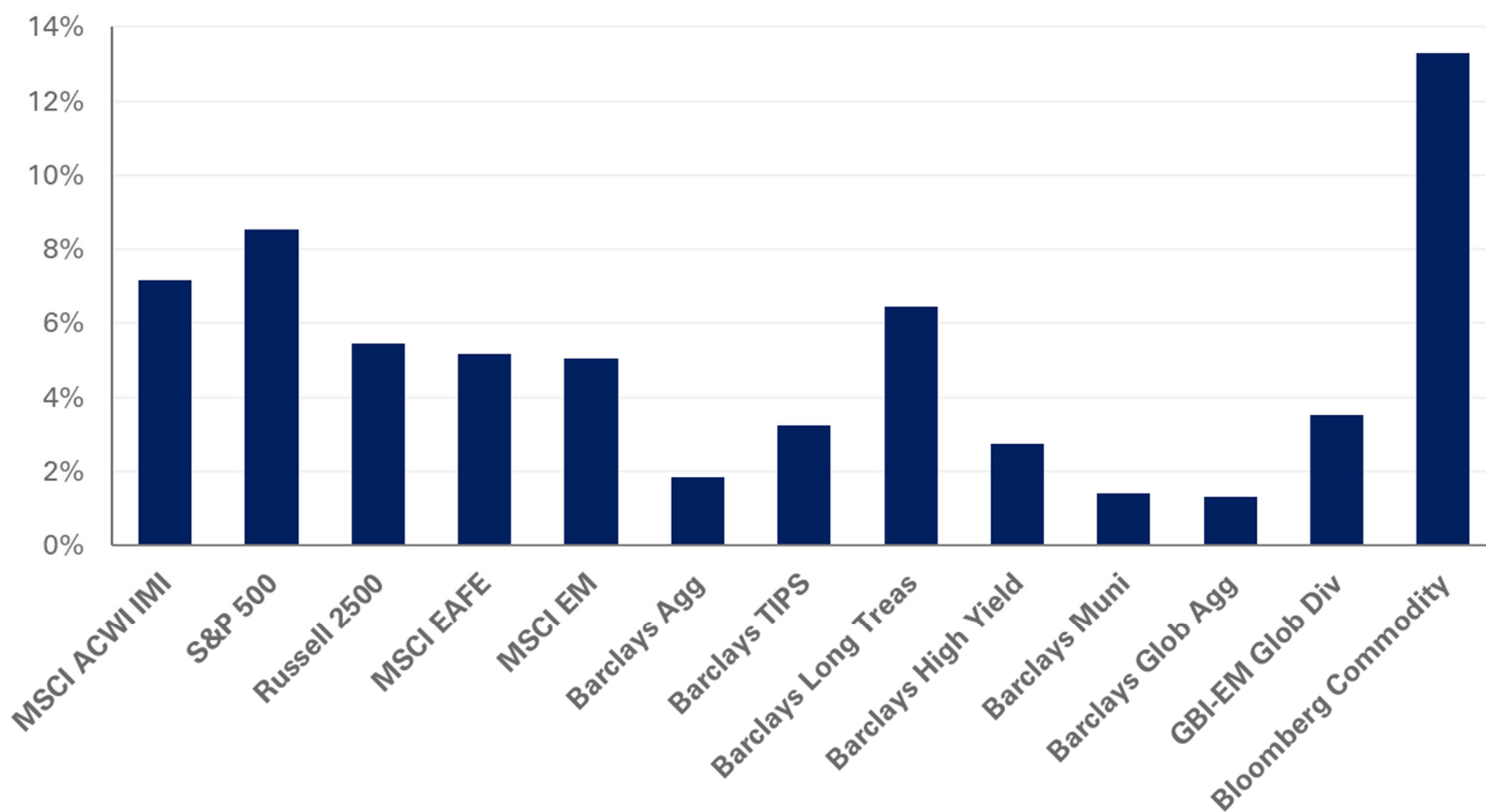
MARKET REVIEW AND OUTLOOK



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S&P 500 OUTPERFORMED

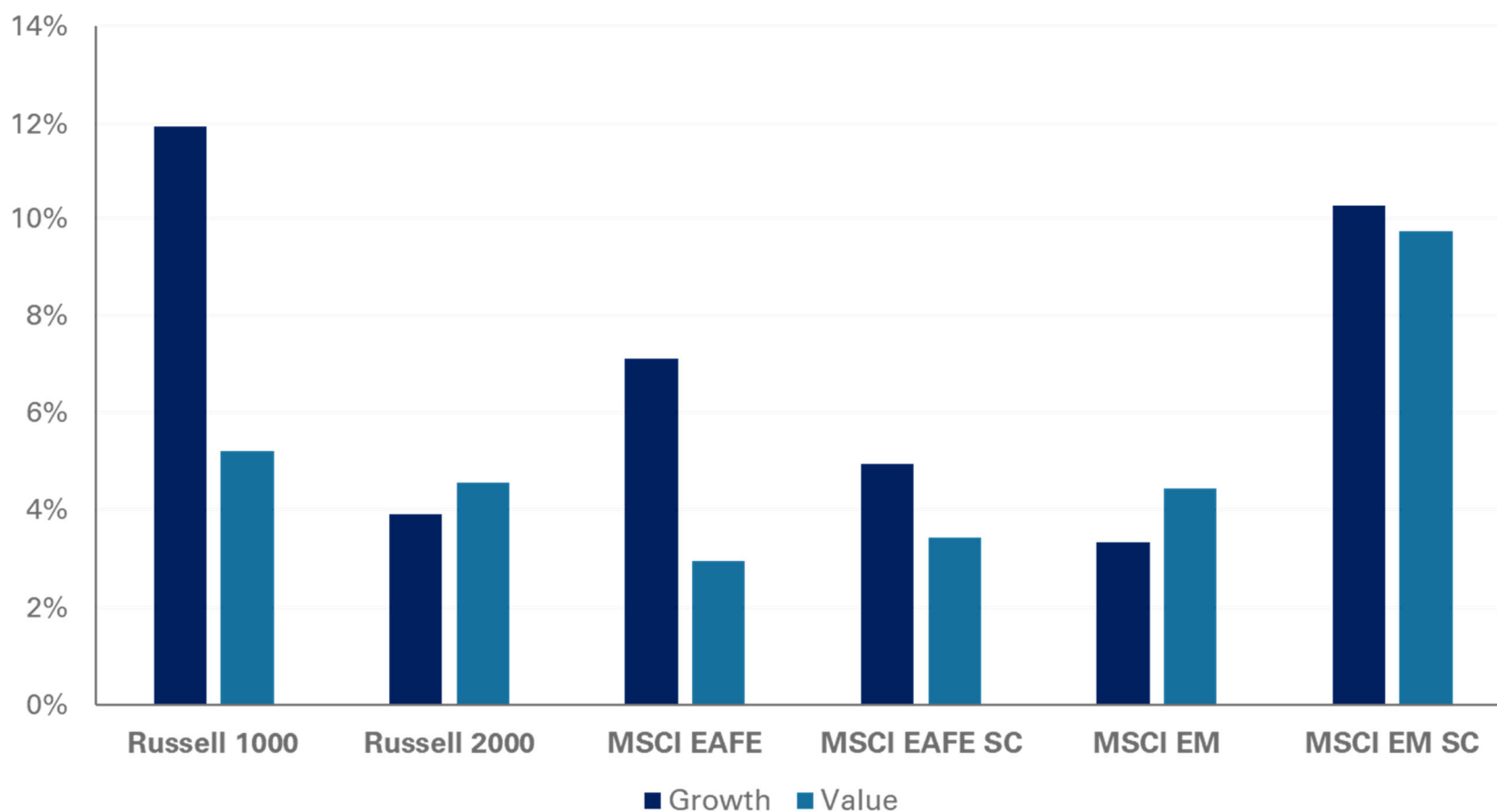
QUARTERLY RETURN



Source: MSCI, S&P, Russell, MSCI, Bloomberg, JPM, FactSet

U.S. LARGE CAP GROWTH OUTPERFORMED

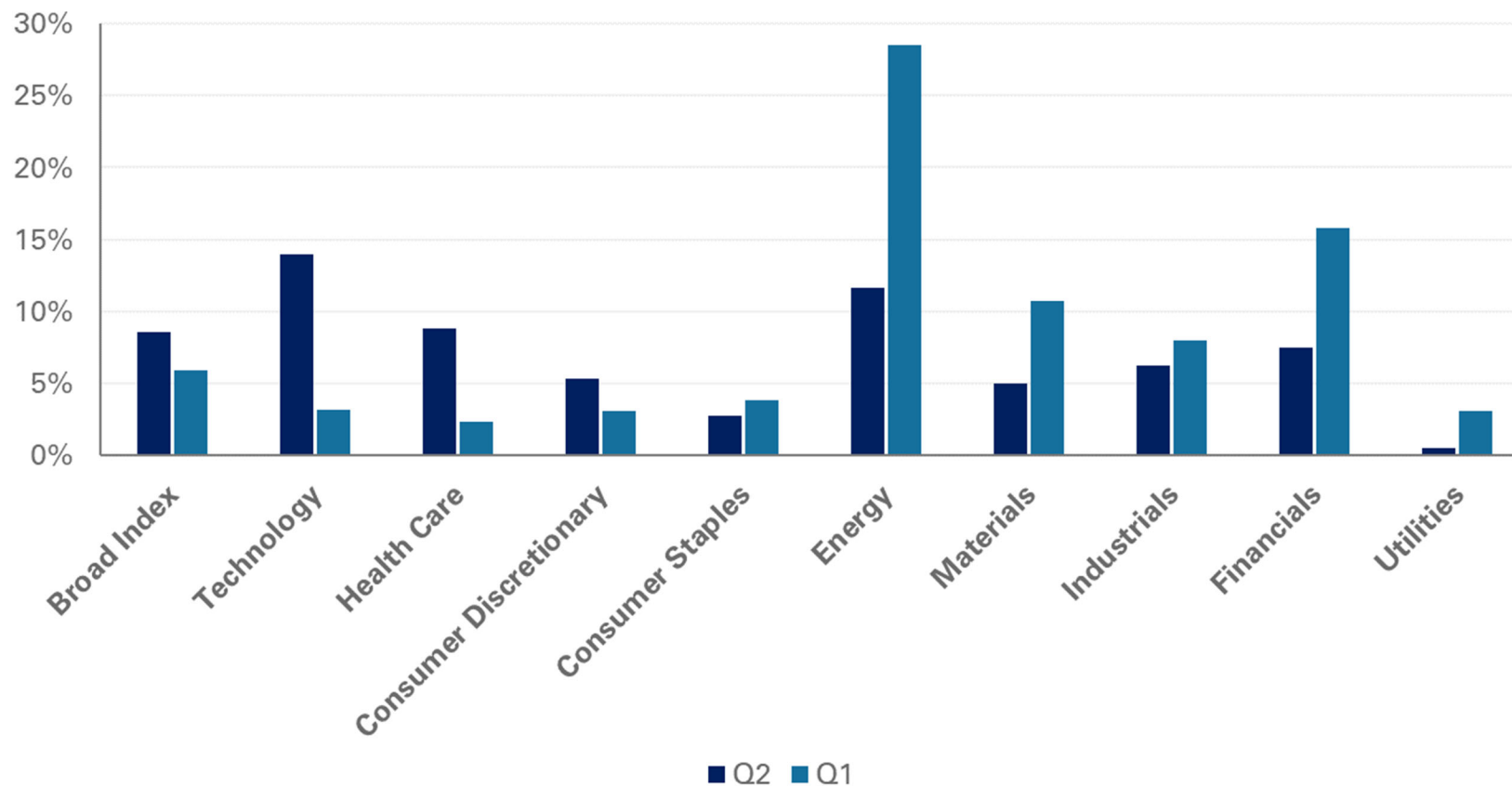
QUARTERLY RETURN



Source: Russell, MSCI, FactSet

TECHNOLOGY OUTPERFORMED IN Q2

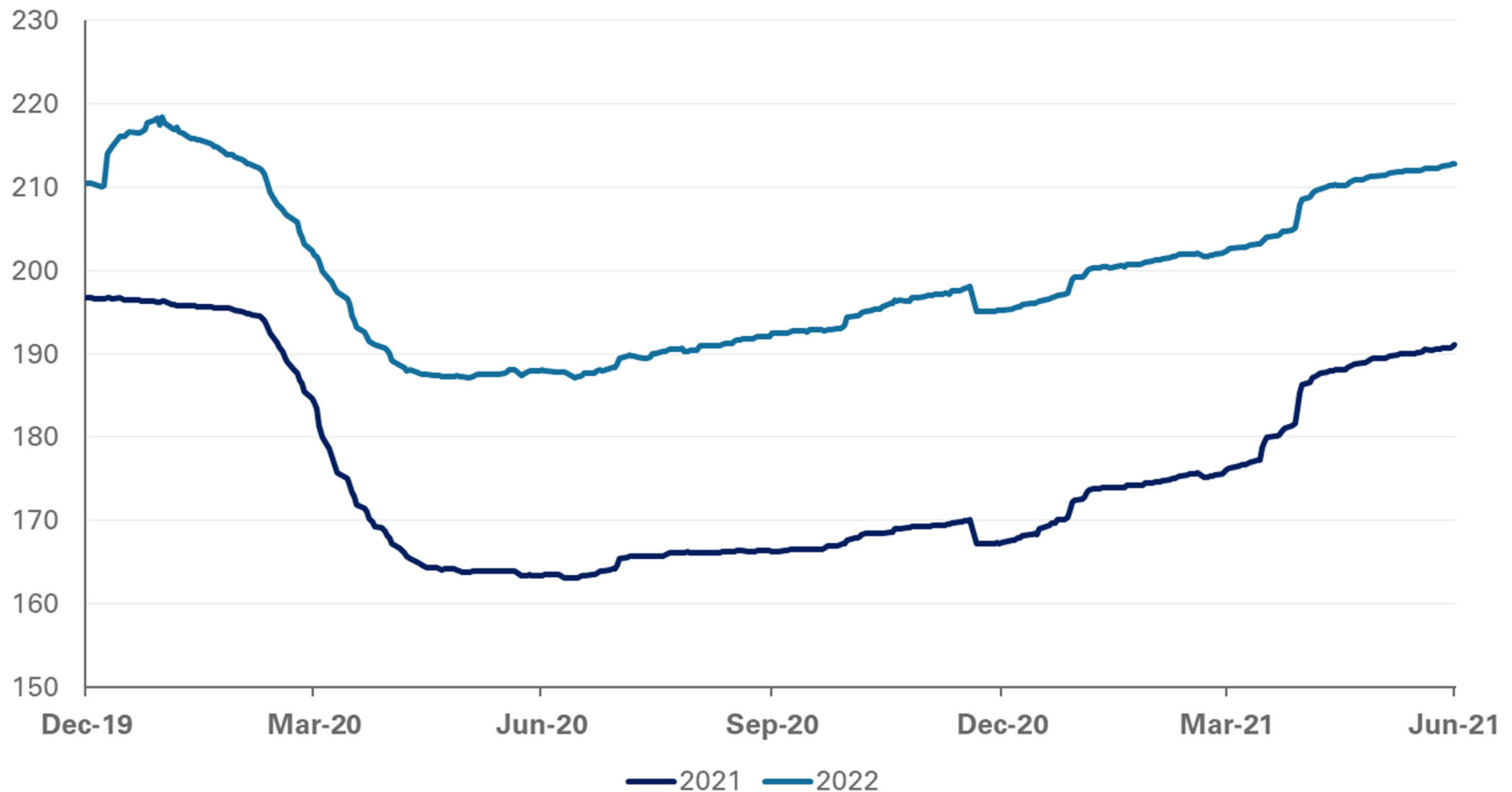
QUARTERLY RETURN



Source: Russell 1000 Index, FactSet

EPS FORECASTS RECOVERED TO PRE-COVID LEVELS

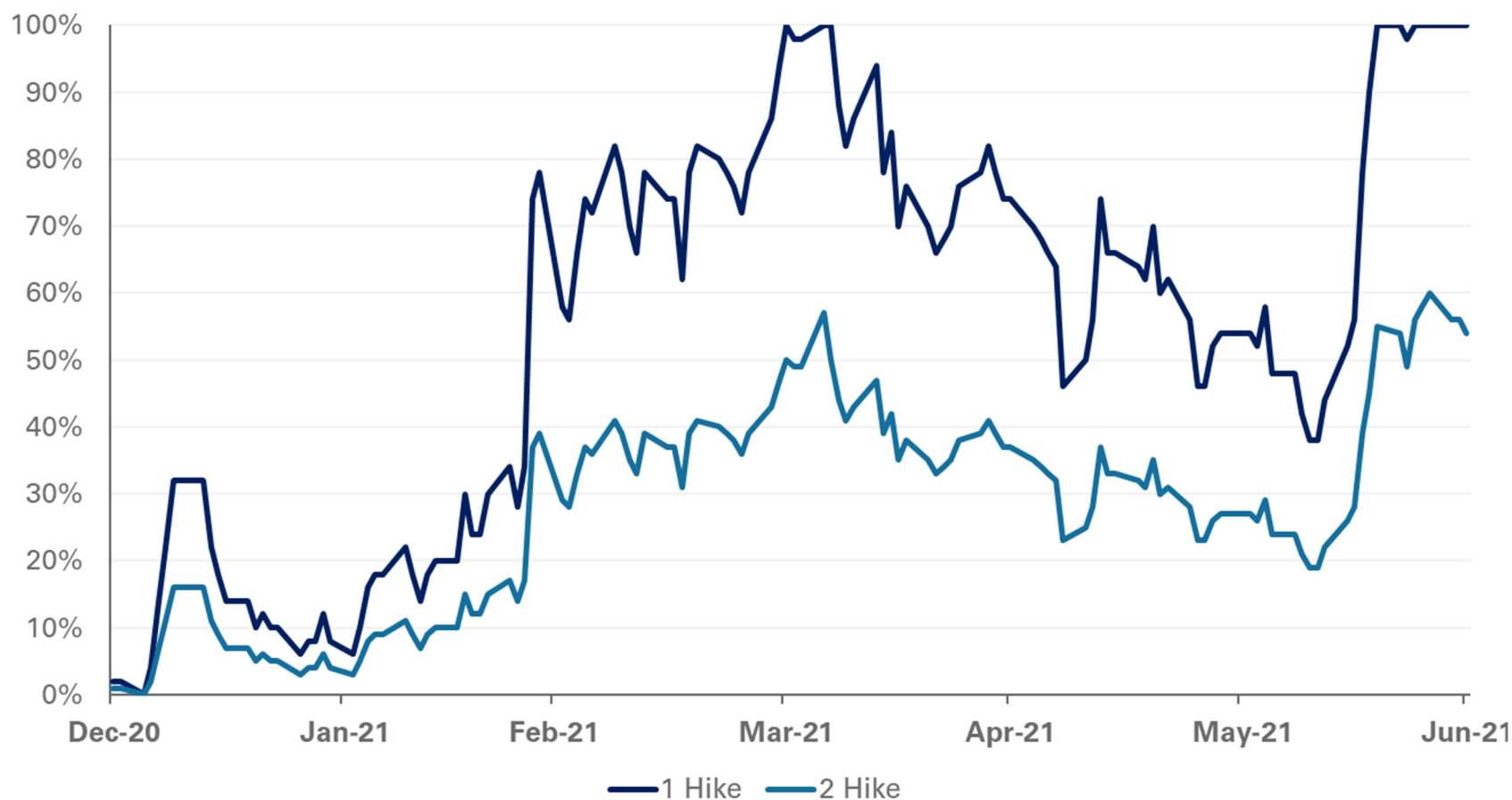
S&P 500 EARNINGS PER SHARE FORECASTS



Source: S&P, FactSet

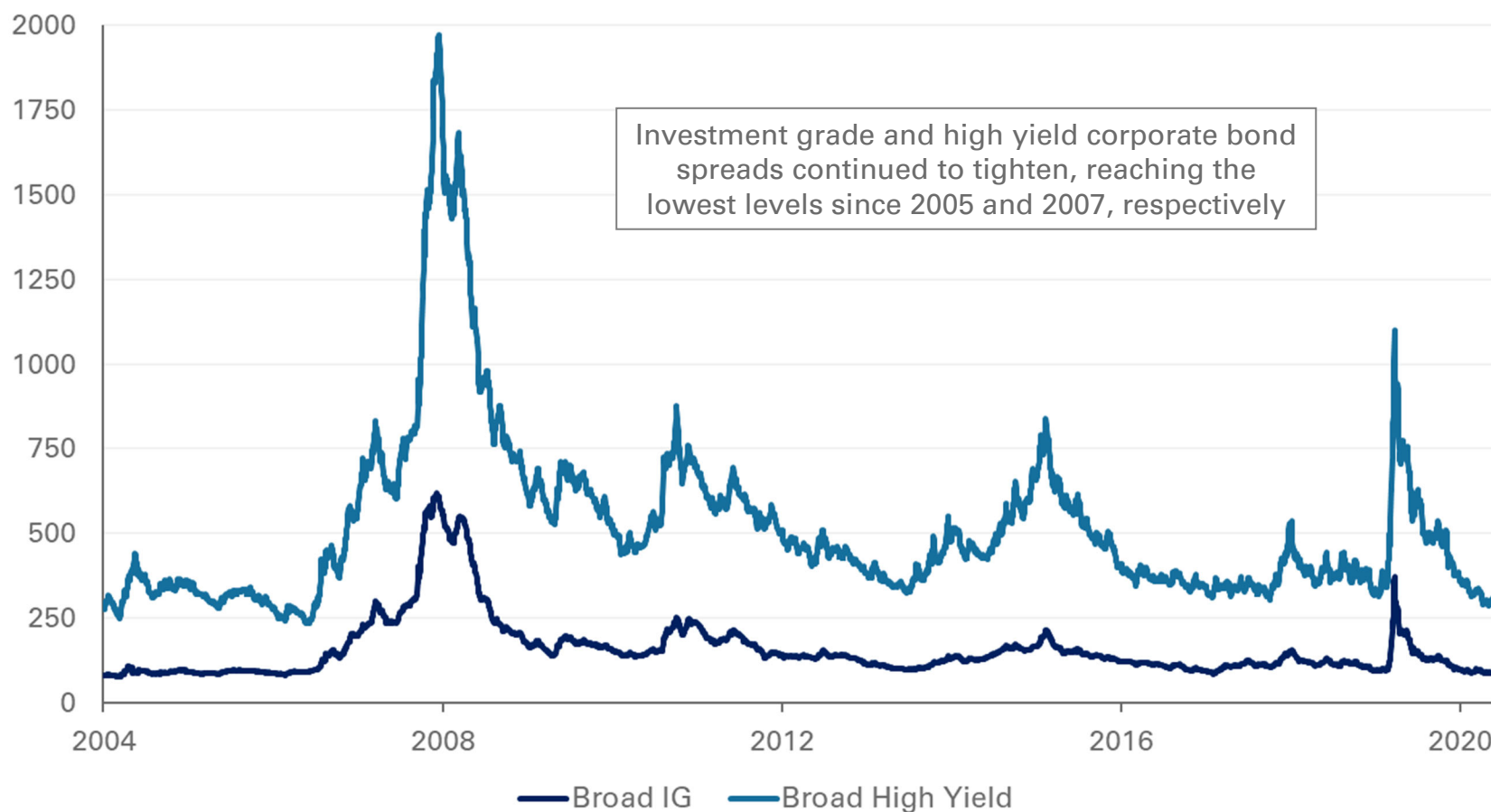
MARKET PRICED RATE HIKE IN 2022

PROBABILITY OF FED FUNDS HIKE BY THE END OF 2022



CORPORATE SPREADS NEAR LOWS

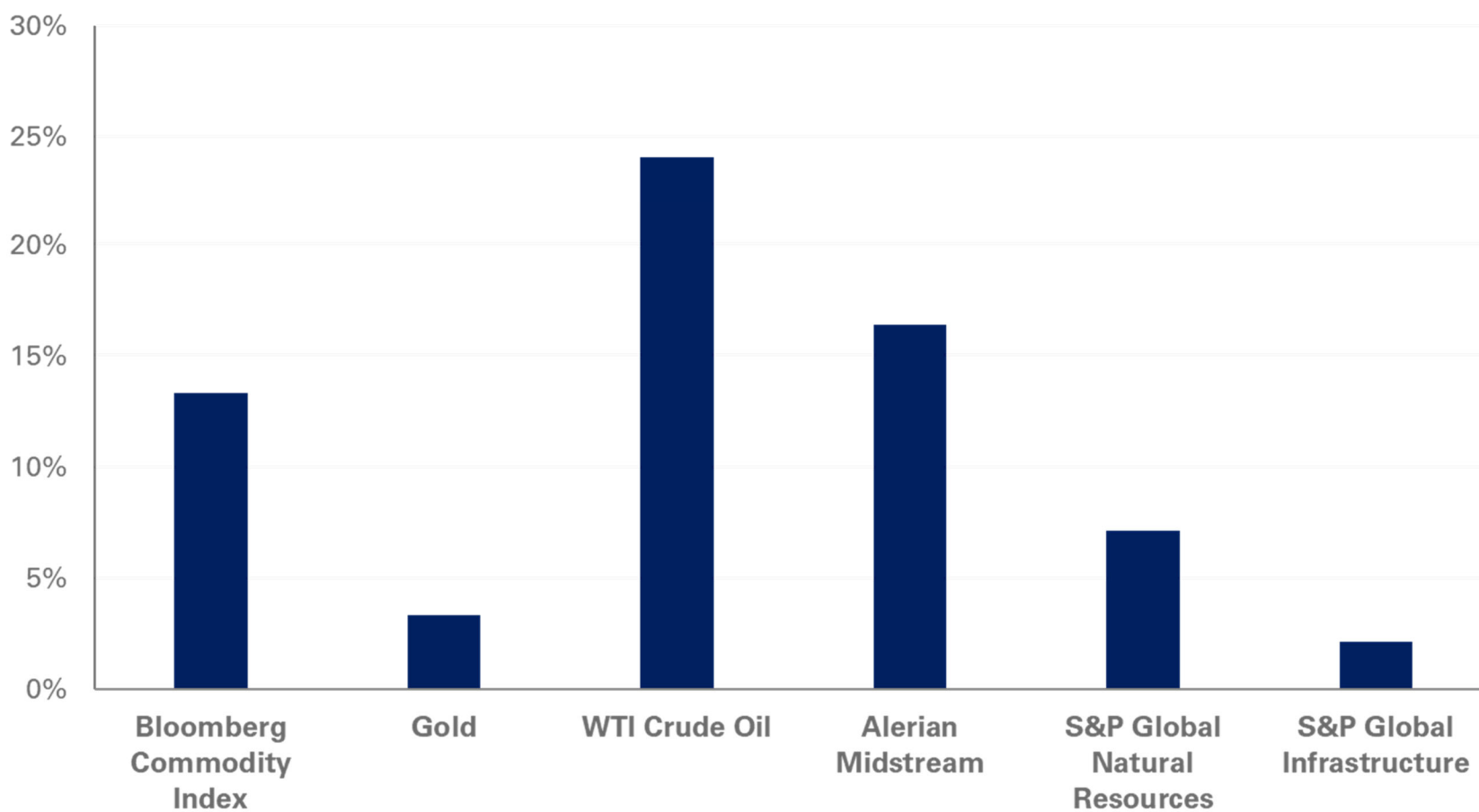
OPTION ADJUSTED CREDIT SPREADS



Source: Bloomberg, FactSet

REBOUND IN OIL PRICES BOOSTED REAL ASSETS

QUARTERLY RETURN



Source: Bloomberg, Alerian, S&P, FactSet

ASSESSING THE KEY MARKET THEMES

AS OF 06/30/21

Virus Trajectory Change in Status: <i>Dominant to Prevalent</i>	Dormant	Faded	Neutral	Prevalent	Dominant
	<ul style="list-style-type: none"> Market sentiment in the U.S. has improved considerably along with a significant increase in vaccination rates, but concerns remain outside the U.S. regarding access to vaccines The severity and prevalence of variants may impact the timing of a global economic recovery 				
Permanent Interventions No Change in Status	Dormant	Faded	Neutral	Prevalent	Dominant
	<ul style="list-style-type: none"> Permanent Interventions continues to be the dominant force driving global markets upward Positive trends in economic data with an improving employment outlook in developed markets have caused central banks to begin discussing tapering asset purchases 				
Globalization Backlash No Change in Status	Dormant	Faded	Neutral	Prevalent	Dominant
	<ul style="list-style-type: none"> The importance of this theme may increase as the long-term impact from the pandemic is seen The world will likely be faced with an amplified wealth divide given economic and labor market disruptions, which has historically driven more volatile political outcomes 				
China Transitions No Change in Status	Dormant	Faded	Neutral	Prevalent	Dominant
	<ul style="list-style-type: none"> U.S.-China tensions remain as the Biden administration has yet to show a willingness to ease trade and economic policy restrictions China continues to raise concerns related to storing of data and regulators announced they would tighten rules for companies seeking to list shares outside the country 				

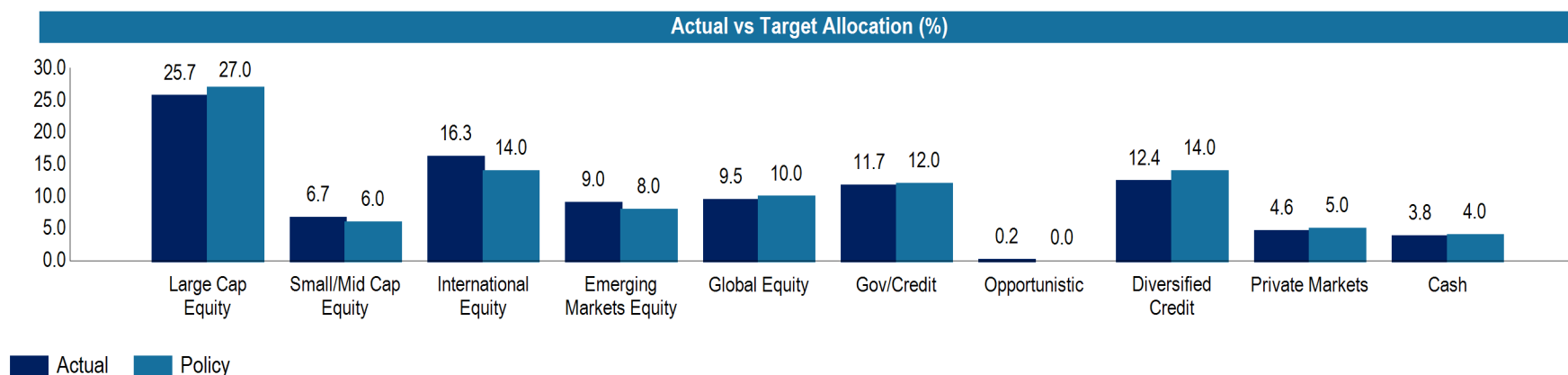
INVESTMENT PROGRAM REVIEW



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TOTAL FUND PERFORMANCE SUMMARY - GROSS

	Market Value	3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank	15 Yrs	Rank
Composite	\$269,949,175	5.1%	58	7.3%	74	28.2%	50	12.2%	24	12.2%	13	8.1%	40	8.1%	58	7.6%	26
Allocation Index		4.5%	78	7.4%	74	25.7%	61	10.4%	63	10.3%	70	7.4%	72	7.3%	80	6.8%	69
Policy Index		4.9%	65	8.0%	65	27.0%	58	11.3%	45	11.1%	44	7.8%	44	7.8%	68	6.7%	70
InvMetrics All E&F \$250mm-\$1B Gross Median		5.3%		8.9%		28.1%		11.2%		10.9%		7.7%		8.2%		7.1%	



Total Fund Performance

- The Endowment returned 5.1% (gross of fees) during Q2 of 2021, ranking in the 58th percentile of the universe, outperforming both the allocation and the policy index
 - Active management added 60 bps for the quarter
 - Allocation differences from the policy detracted 40 bps for the quarter
- For the trailing 3- and 5-year periods, performance ranks in the top quartile relative to peers
 - Active management added 180 bps over the 3-year period and 190 bps over the 5-year period

Recent Decisions & Action Items

- The 10% allocation to global equity was fully funded between April, with 5% invested in GQG and 5% invested with Lindsell Train
- Redemption from Cevian were received in April and used to fund global equity
- A commitment of \$2.5 million was made to Grosvenor Advance Fund

Fiscal Year End: 6/30



GOALS & OBJECTIVES

Investment Return Objective

- “The overall investment objective of the UUA, as manager of the UUCEF, is to increase the UUCEF’s asset value in order to maintain real purchasing power while allowing for regular endowment distributions. With the guiding lens of Unitarian Universalist values and principles, the Fund seeks to achieve consistent returns within a moderate risk tolerance over the long term, sufficient to allow UU Congregations to take regular distributions and maintain the value of principal after adjustment for inflation and after all expenses.”

Risk Tolerance

Spending Draw	4.5%
Inflation	2.3%
Total Return Goal	6.8%

- **Time Horizon:** The time horizon of the portfolio is perpetuity and therefore we seek to balance continued growth with a moderate risk tolerance.
- **Liquidity Needs:** The cash flow needs of the portfolio are often known in advance and are managed throughout the year. The portfolio can withstand some illiquidity risk.
- **Capital Preservation:** While the portfolio can withstand drawdowns, a primary objective is to maintain real purchasing power while allowing for regular distributions.
- **Other Considerations:** The UUCEF shall be managed in a manner consistent with UU values as well as the achievement of return and risk objectives. The UUA is committed to an investment program which utilizes tools of socially responsible investment (SRI) to optimize the alignment of its financial assets with its values.

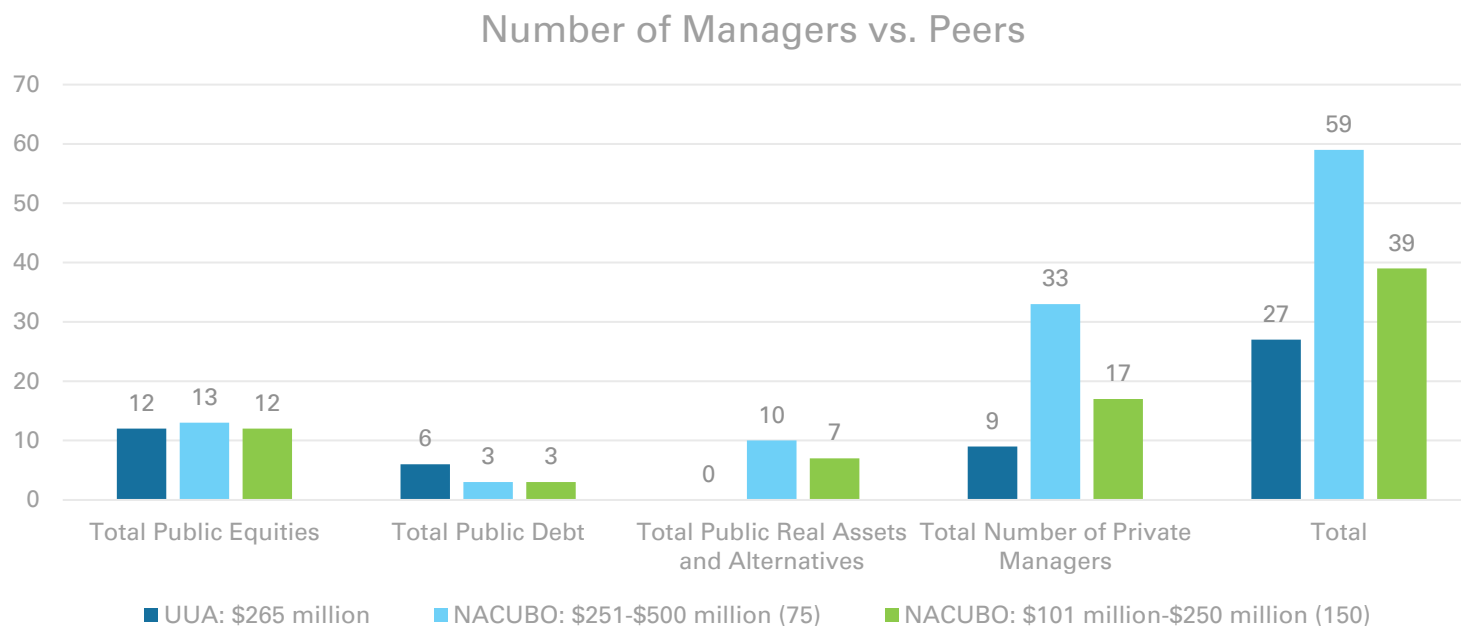


UNIVERSE UPDATE

- **NEPC uses peer universes as one means of benchmarking return, risk, and asset allocation**
- **Historically, UUA has used the InvMetrics All Endowment \$50-\$250mm Gross universe**
 - UUCEF surpassed \$250 million in February 2021 and has sustained this elevated valuation for a full quarter.
- **After an assessment of the available options, NEPC has moved UUA to the InvMetrics All E&F \$250mm-\$1 billion Gross universe**
 - Valuation of \$250 mm-\$1 billion better fits the current UUA portfolio, and asset allocation of peers does not vary significantly from the asset allocation of UUA
 - Shift to all E&F universe captures a broader set of peer data



PEER REVIEW OF NUMBER OF MANAGERS



UUA has less managers than peers, driven by a lower allocation to private markets. One area to consider is the high number of public debt managers relative to peers

DUE DILIGENCE MONITOR

BELOW IS A SUMMARY OF MANAGER CHANGES, ANNOUNCEMENTS AND DUE DILIGENCE EVENTS SINCE THE ISSUANCE OF OUR LAST QUARTERLY REPORT.

Investment Strategy	Manager Changes/ Announcement	Event Date	Subcategory	DD Status	NEPC Rating
Acadian Emerging Markets Equity	Loss of personnel- John Chisolm retirement	6/16/2021	FYI	No Action	1
Acadian Emerging Markets Equity	Other: Acadian Firm Changes	7/23/2021	FYI	Watch (Searches Ok)	1
Ownership Capital Global Equity (USD)	Loss of Personnel: Loss of personnel - Ownership Capital Global Equity	5/17/2021	FYI	Watch (Searches Ok)	2



DUE DILIGENCE MONITOR

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Investment Strategy	Commentary
Acadian Emerging Markets Equity	Acadian announced that Co-Founder and Co-CEO John Chisolm will be retiring in June of 2022. Mr. Chisolm has been at the firm for over 35 years. He has co-managed both the investment side and business side since 2018 with Co-CEO Ross Dowd. Prior to 2018, John was Co-CIO with Brendan Bradley for a few years. Ross Dowd will assume the sole CEO role effective June 2022. The rest of the Executive Management Team will remain intact. There are no intentions to add members to the EMT or hire/promote senior leadership at this time. Mr. Dowd is 50 years old and Mr. Bradley is 52 years old. Acadian has shared that the EMT has identified a succession plan for each of them as well that will be shared as Mr. Chisolm's retirement nears. NEPC Research is comfortable with the retirement announcement and recommends No Action as it was provided with ample runway and Ross Dowd, current Co-CEO, will naturally take over as sole CEO.
Acadian Emerging Markets Equity	After recent conversations with Brightsphere (BSIG) and Acadian and given the continued sale of affiliates at BSIG (ICM to William Blair in February 2021, Landmark to Ares in March 2021, and most recently TSW to Pandal in May 2021) we are anticipating that Acadian will be sold at some point this year. Campbell Global, an investment firm focused on sustainable timberland and natural resources and Acadian are the two remaining affiliates currently under BSIG. We've been monitoring the sale of subsidiaries at BSIG and as a result we have reflected these factors into Acadian's firm rating. At this point, we are recommending putting Acadian on Watch as we wait and see their fate.
Ownership Capital Global Equity (USD)	<p>Jeremy Lam, Portfolio Manager, will be leaving Ownership Capital for his native Australia, where he will be joining a family office with a sustainability focus. Jeremy has been abroad for six years and wanted to rejoin his family, a decision that was spurred in part by the COVID pandemic.</p> <p>Jeremy primarily covered payments, in which Ownership currently has 4 positions- Mastercard, Ayden, PayPal, and Visa. He was one of three Portfolio Managers. The investment team also includes the Lead Portfolio Manager Otto van Buul and CIO Alex van der Velden (members of the Investment Committee) who have been with Ownership since inception, along with two Senior Associates and two Associates. A co-coverage model ensures appropriate coverage in Jeremy's absence. The management team has determined that having some turnover is an unfortunate side effect of maintaining an international team, which they remain committed to. However, given that there was also team turnover in 2020, we are recommending a status of WATCH for a 6-month period.</p> <p>Alban Cousin will also be joining as a Portfolio Manager next month. Alban has covered technology for the past 14 years, most recently as a PM at Sarasin Asset Management, and he has particular experience with Asian equity analysis. While Ownership does not have any imminent plans to invest in Asia, they believe it is critical to understand the region. Ownership was planning to add to the investment team prior to the announcement of Jeremy's departure, so they will still be looking to add another team member after Alban joins. Alban will be taking over coverage for payments from Jeremy when he joins, but this may be on a temporary basis as Ownership will likely be looking for someone with strength in that space for their next hire.</p>



DUE DILIGENCE MONITOR

NEPC Due Diligence Status Key	
No Action	Informational items have surfaced; no action is recommended.
Watch	Issues have surfaced to be concerned over; manager can participate in future searches, but current and prospective clients must be made aware of the issues.
Hold	Serious issues have surfaced to be concerned over; manager cannot be in future searches unless a client specifically requests, but current and prospective clients must be made aware of the issues.
Client Review	Very serious issues have surfaced with a manager; manager cannot be in future searches unless a client specifically requests. Current clients must be advised to review the manager.
Terminate	We have lost all confidence in the product; manager would not be recommended for searches and clients would be discouraged from using. The manager cannot be in future searches unless a client specifically requests. Current clients must be advised to replace the manager.

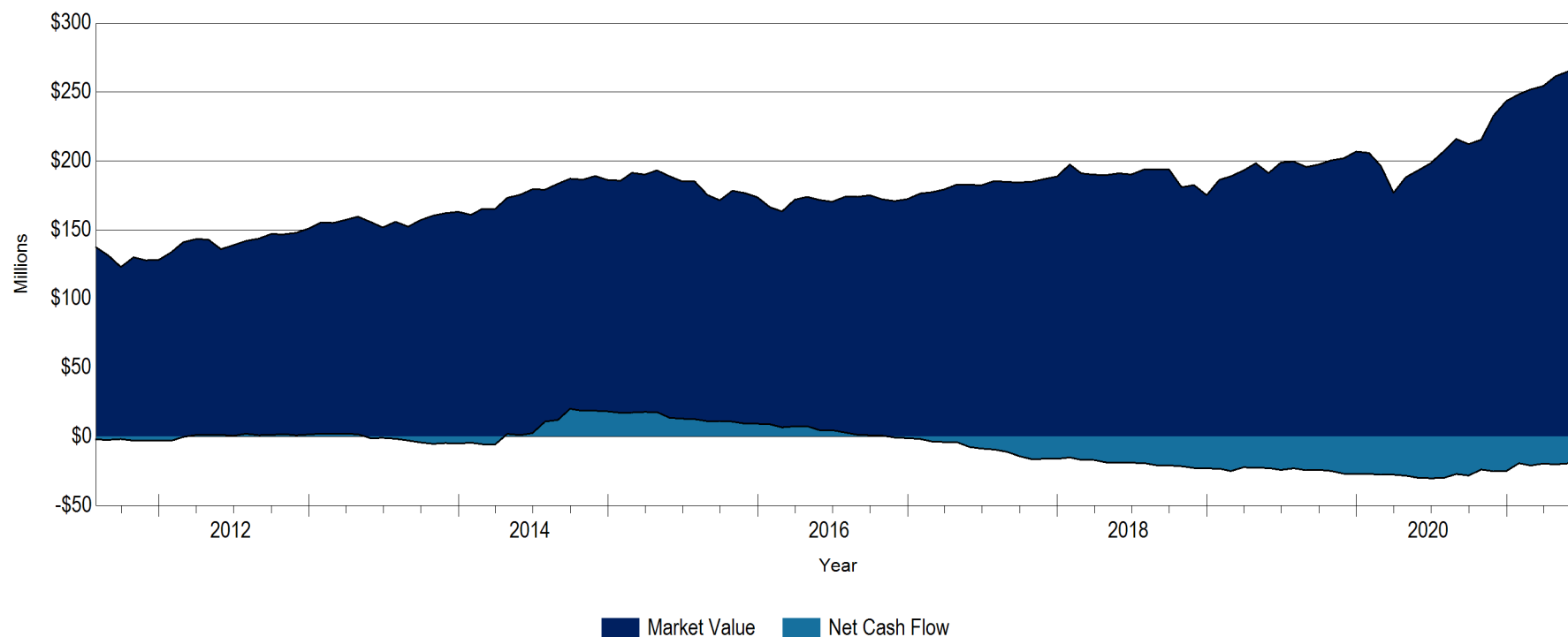
NEPC Due Diligence Rating Key	
1	A high conviction investment product. Product has a clear and economically-grounded investment thesis, and is managed by an investment team that is sufficiently resourced and incented to execute on the thesis.
2	NEPC has a positive view of the strategy. Strategy has a compelling and sound investment thesis. The manager is sufficiently resourced and incented to execute on the thesis. Strengths outweigh the weaknesses, but the strategy does not meet all requirements for a 1 rating.
3	A satisfactory investment product. The strategy lacks a compelling investment thesis, however there are no significant concerns around the manager's viability.
4	The strategy may have an unclear or ambiguous investment thesis or the manager may lack the ability to execute on the stated thesis. The strategy likely has strengths and weaknesses and the weaknesses may outweigh the strengths.
5	A strategy that lacks an investment thesis or NEPC has no confidence in the manager's ability to execute on the thesis, and/or the investment firm may not be viable. Serious issues have been identified with an investment manager or product. This rating aligns with a Terminate Due Diligence status for client-owned products.
NR	Due diligence has not been sufficiently completed on the product or manager.



Unitarian Universalist Common Endowment Fund, LLC

TOTAL FUND ASSET GROWTH SUMMARY

10 Years Ending June 30, 2021



Summary of Cash Flows

	Last Three Months	Year-To-Date	One Year	Three Years	Five Years	Ten Years
Beginning Market Value	\$254,332,951	\$243,485,807	\$198,466,159	\$190,154,806	\$170,387,919	\$139,428,342
Net Cash Flow	\$2,931,464	\$8,844,213	\$14,742,879	\$6,044,856	-\$15,113,740	-\$6,233,708
Net Investment Change	\$12,684,761	\$17,619,155	\$56,740,137	\$73,749,513	\$114,674,996	\$136,754,541
Ending Market Value	\$269,949,175	\$269,949,175	\$269,949,175	\$269,949,175	\$269,949,175	\$269,949,175



TOTAL FUND ASSET GROWTH SUMMARY

	Quarter Ending June 30, 2021					Ending Market Value
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	
Acadian Emerging Markets Equity Fund	\$11,925,163	\$0	\$0	\$0	\$816,034	\$12,741,197
Baxter Street	\$12,307,479	\$0	\$0	\$0	\$711,506	\$13,018,986
Boston Common	\$15,118,623	\$0	-\$1,278,218	-\$1,278,218	\$589,678	\$14,430,084
Brandywine Global Opportunistic	\$11,968,127	\$0	\$0	\$0	\$324,081	\$12,292,208
Breckinridge - Corporate	\$7,047,744	\$0	-\$410	-\$410	\$82,532	\$7,129,867
Breckinridge-Treasury	\$3,288,370	\$0	-\$194	-\$194	\$225,908	\$3,514,084
Brockton Capital Fund III	\$1,564,228	\$0	\$0	\$0	\$64,040	\$1,628,268
Canvas Distressed Credit Fund	\$1,395,986	\$0	-\$144,843	-\$144,843	\$181,000	\$1,432,144
Cash Account	\$12,269,937	\$9,381,515	-\$14,775,460	-\$5,393,945	\$0	\$6,875,992
Cevian Capital II	\$7,919,778	\$0	-\$7,919,778	-\$7,919,778	\$0	--
Community Development	\$2,823,955	\$0	-\$74,100	-\$74,100	\$16,217	\$2,766,072
Entrust Class X	\$516,120	\$0	\$0	\$0	-\$3,644	\$512,476
FEG Private Opportunities Fund	\$1,306,764	\$0	-\$72,000	-\$72,000	\$154,397	\$1,389,161
Franklin Templeton GMS	\$8,705,128	\$0	\$0	\$0	\$128,736	\$8,833,864
Generation IM SS Fund III	\$950,368	\$410,000	\$0	\$410,000	\$47,968	\$1,408,336
GQG Partners Global Equity Fund	\$0	\$12,000,000	-\$936	\$11,999,064	\$1,066,023	\$13,065,087
HCAP Partners IV LP	\$1,275,022	\$224,535	-\$65,489	\$159,046	\$14,377	\$1,448,445

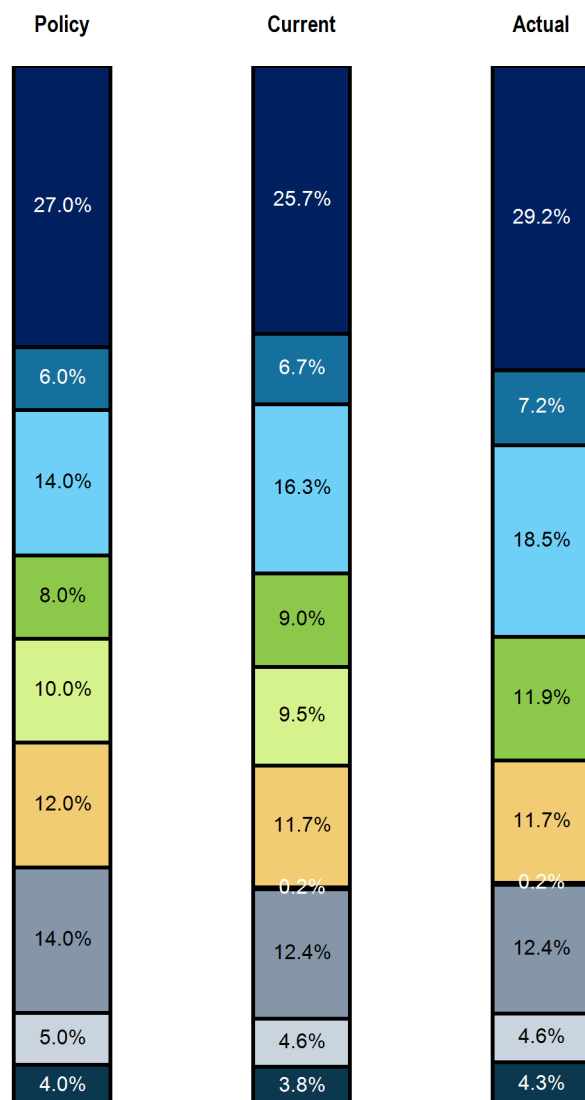


TOTAL FUND ASSET GROWTH SUMMARY

	Quarter Ending June 30, 2021					Ending Market Value
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	
Lindsell Train Global Equity LLC	\$0	\$12,000,000	\$0	\$12,000,000	\$502,521	\$12,502,521
Loomis Multi Sector	\$12,085,142	\$0	\$0	\$0	\$328,528	\$12,413,670
MFS International Concentrated	\$16,768,418	\$0	-\$1,250,000	-\$1,250,000	\$922,146	\$16,440,564
OCP Orchard Landmark	\$2,441,384	\$0	\$0	\$0	\$53,308	\$2,494,692
Ownership Capital Global Equity (USD) Fund, L.P.	\$15,470,345	\$0	\$0	\$0	\$1,390,937	\$16,861,282
RBC Global Emerging Equity	\$11,584,894	\$0	\$0	\$0	\$54,233	\$11,639,127
Rhumblin	\$29,991,406	\$0	-\$6,401	-\$6,401	\$1,622,169	\$31,607,174
RRG Sustainable	\$433,062	\$0	\$0	\$0	\$23,491	\$456,553
Sands	\$18,874,555	\$0	-\$1,130	-\$1,130	\$2,032,536	\$20,905,961
SJF Ventures	\$1,934,066	\$0	\$0	\$0	\$330,108	\$2,264,174
Stone Castle FICA for Impact	\$20,983,871	\$0	\$0	\$0	\$2,093	\$20,985,964
UUA SRI	\$638,706	\$5,006	-\$61	\$4,945	\$50,626	\$694,278
WCM Investment Management	\$7,842,068	\$0	-\$573	-\$573	\$471,747	\$8,313,242
Wellington SMID	\$14,902,242	\$0	-\$5,500,000	-\$5,500,000	\$481,463	\$9,883,705
Total	\$254,332,951	\$34,021,056	-\$31,089,592	\$2,931,464	\$12,684,761	\$269,949,175



TOTAL FUND ASSET ALLOCATION VS. POLICY



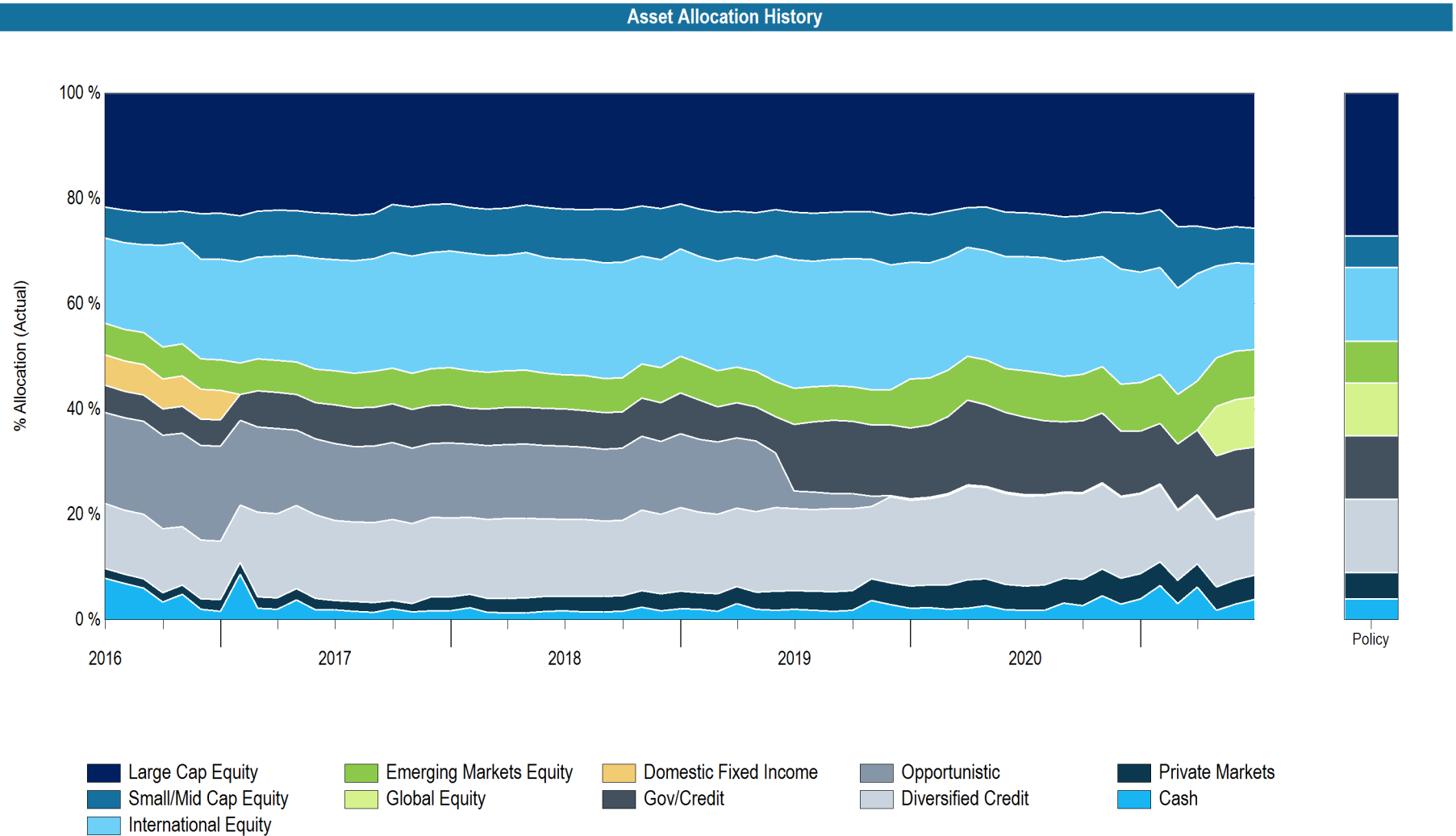
Asset Allocation vs. Target				
	Current	Policy	Current	Actual
Large Cap Equity	\$69,374,417	27.0%	25.7%	29.2%
Small/Mid Cap Equity	\$18,196,947	6.0%	6.7%	7.2%
International Equity	\$43,889,633	14.0%	16.3%	18.5%
Emerging Markets Equity	\$24,380,324	8.0%	9.0%	11.9%
Global Equity	\$25,567,608	10.0%	9.5%	--
Gov/Credit	\$31,629,914	12.0%	11.7%	11.7%
Opportunistic	\$512,476	--	0.2%	0.2%
Diversified Credit	\$33,539,741	14.0%	12.4%	12.4%
Private Markets	\$12,521,773	5.0%	4.6%	4.6%
Cash	\$10,336,342	4.0%	3.8%	4.3%
Total	\$269,949,175	100.0%	100.0%	100.0%

- On a look through basis, Domestic Equity is 36.4% of the fund, International Equity is 18.5% of the fund, and Emerging Market Equity is 11.9% of the fund.

- Overall Fixed Income exposure is 24.1%

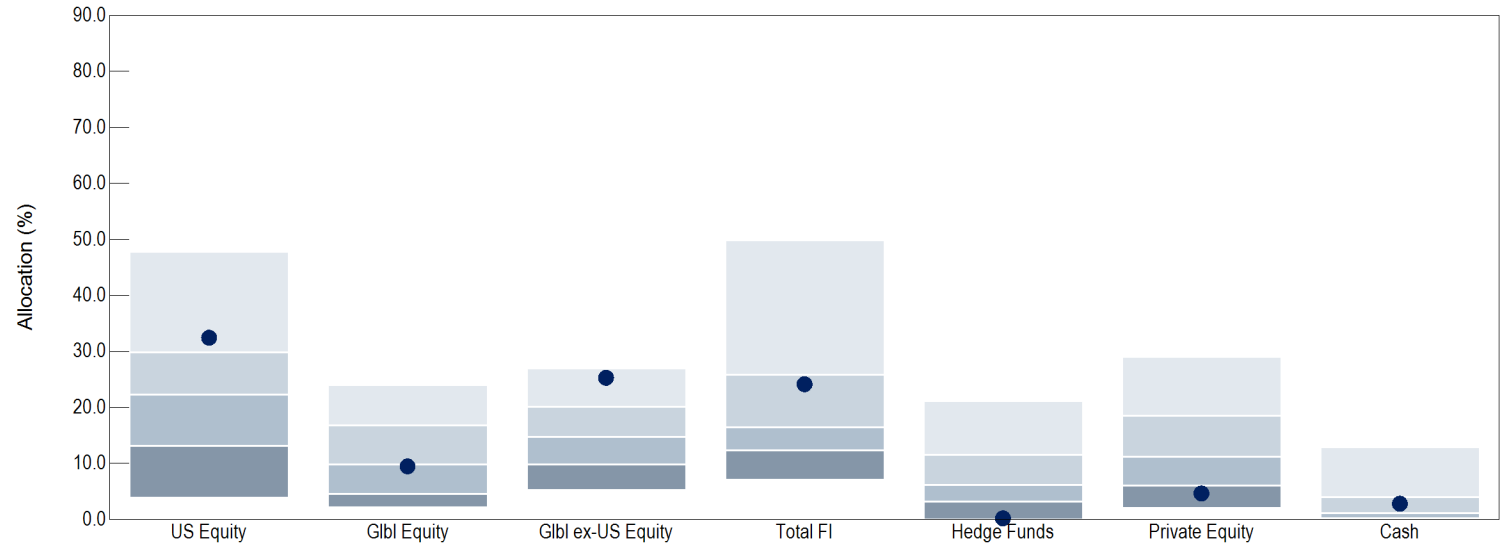
Actual allocation breaks out the exposure in Ownership, MFS, Boston Common, Baxter Street, GQG, and Lindsell Train.

TOTAL FUND ASSET ALLOCATION HISTORY



TOTAL FUND ALLOCATIONS VS. PEER UNIVERSE

Total Plan Allocation vs. InvMetrics All E&F \$250mm-\$1B Gross



		Allocation (Rank)													
5th Percentile		47.8		24.0		26.9		49.9		21.2		29.1		12.9	
25th Percentile		30.0		16.9		20.2		26.0		11.7		18.7		4.2	
Median		22.5		10.0		14.8		16.5		6.2		11.3		1.2	
75th Percentile		13.3		4.6		10.0		12.4		3.3		6.1		0.3	
95th Percentile		4.0		2.2		5.3		7.1		0.1		2.1		0.0	
# of Portfolios		37		26		48		52		33		43		51	
●	Composite	32.4	(19)	9.5	(52)	25.3	(9)	24.1	(30)	0.2	(91)	4.6	(83)	2.8	(34)
UUA Net Asset Allocation		36.4				30.4		24.1		0.2		4.6		4.3	

Above analytic does not include Community Development, whereas UUA Net Asset Allocation does.



TOTAL FUND PERFORMANCE DETAIL - NET

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Composite	269,949,175	100.0	100.0	5.0	7.0	27.3	11.1	11.1	7.0	7.0	6.9	Jul-02
Allocation Index				4.5	7.4	25.7	10.4	10.3	7.4	7.3	7.4	Jul-02
Policy Index				4.9	8.0	27.0	11.3	11.1	7.8	7.8	--	Jul-02
Domestic Equity Composite	87,571,364	32.4	33.0	7.3	12.6	47.7	18.6	19.4	14.0	15.0	11.8	Jul-02
Russell 3000				8.2	15.1	44.2	18.7	17.9	14.0	14.7	10.5	Jul-02
Large Cap Equity	69,374,417	25.7	27.0	7.8	11.5	43.3	20.1	20.7	15.1	--	17.1	Jul-12
Russell 1000				8.5	15.0	43.1	19.2	18.0	14.2	14.9	16.1	Jul-12
Rhumblin	31,607,174	11.7		5.4	16.3	42.1	12.4	12.6	10.1	11.7	8.3	Aug-05
Russell 1000 Value				5.2	17.0	43.7	12.4	11.9	9.4	11.6	8.1	Aug-05
Sands	20,905,961	7.7		10.6	7.7	46.3	29.1	29.6	20.4	20.3	15.2	Dec-03
Russell 1000 Growth				11.9	13.0	42.5	25.1	23.7	18.6	17.9	12.3	Dec-03
Ownership Capital Global Equity (USD) Fund, L.P.	16,861,282	6.2		9.0	7.6	34.8	--	--	--	--	39.5	May-20
MSCI Kokusai				8.4	14.0	40.2	15.7	15.2	10.4	11.0	42.5	May-20
Small/Mid Cap Equity	18,196,947	6.7	6.0	5.4	13.8	56.7	14.2	15.7	10.4	--	13.7	Jul-12
Russell 2000				4.3	17.5	62.0	13.5	16.5	11.4	12.3	14.1	Jul-12
Wellington SMID	9,883,705	3.7		4.9	19.5	58.0	7.4	9.1	--	--	9.1	Apr-16
Russell 2500 Value				5.0	22.7	63.2	10.6	12.3	8.8	10.9	12.6	Apr-16
WCM Investment Management	8,313,242	3.1		6.0	8.7	53.6	19.5	--	--	--	19.3	Jan-18
Russell 2000 Growth				3.9	9.0	51.4	15.9	18.8	13.1	13.5	16.6	Jan-18
International Equity Composite	68,269,957	25.3	22.0	4.3	7.3	34.1	12.5	12.9	6.7	5.7	7.0	Jul-02
MSCI ACWI ex USA				5.5	9.2	35.7	9.4	11.1	5.3	5.4	7.3	Jul-02
International Equity	43,889,633	16.3	14.0	4.7	6.7	31.6	12.0	13.1	7.1	--	9.2	Jul-12
MSCI EAFE				5.2	8.8	32.3	8.3	10.3	5.0	5.9	8.3	Jul-12
MFS International Concentrated	16,440,564	6.1		5.3	4.7	26.8	12.8	14.6	8.2	--	9.0	Apr-13
MSCI EAFE				5.2	8.8	32.3	8.3	10.3	5.0	5.9	6.8	Apr-13
Boston Common	14,430,084	5.3		3.8	3.7	29.9	10.6	11.7	6.4	6.8	7.2	May-10
MSCI EAFE				5.2	8.8	32.3	8.3	10.3	5.0	5.9	6.5	May-10
Baxter Street	13,018,986	4.8		5.8	6.3	31.1	13.3	13.8	--	--	12.9	Apr-16
MSCI ACWI ex USA				5.5	9.2	35.7	9.4	11.1	5.3	5.4	10.4	Apr-16
Emerging Market Equity	24,380,324	9.0	8.0	3.6	8.9	40.0	13.1	12.0	5.3	--	6.1	Jul-12
MSCI Emerging Markets				5.0	7.4	40.9	11.3	13.0	6.4	4.3	6.8	Jul-12
RBC Global Emerging Equity	11,639,127	4.3		0.5	3.6	34.3	11.4	10.8	--	--	10.8	Jul-16
MSCI Emerging Markets				5.0	7.4	40.9	11.3	13.0	6.4	4.3	13.0	Jul-16
Acadian Emerging Markets Equity Fund	12,741,197	4.7		6.6	14.2	45.7	--	--	--	--	18.9	Jan-20
MSCI Emerging Markets				5.0	7.4	40.9	11.3	13.0	6.4	4.3	17.3	Jan-20



TOTAL FUND PERFORMANCE DETAIL - NET

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Global Equity	25,567,608	9.5	10.0	8.1	--	--	--	--	--	--	8.1	Apr-21
MSCI ACWI				7.4	12.3	39.3	14.6	14.6	9.7	9.9	7.4	Apr-21
GQG Partners Global Equity Fund	13,065,087	4.8		8.9	--	--	--	--	--	--	8.9	Apr-21
MSCI ACWI				7.4	12.3	39.3	14.6	14.6	9.7	9.9	7.4	Apr-21
Lindsell Train Global Equity LLC	12,502,521	4.6		--	--	--	--	--	--	--	4.2	May-21
MSCI ACWI				7.4	12.3	39.3	14.6	14.6	9.7	9.9	2.9	May-21
Fixed Income Composite	65,169,656	24.1	26.0	1.6	-1.1	3.2	4.5	3.4	2.8	3.5	4.3	Jul-02
BBgBarc US Aggregate TR				1.8	-1.6	-0.3	5.3	3.0	3.3	3.4	4.4	Jul-02
High Quality Fixed Income	31,629,914	11.7	12.0	1.0	-1.1	-1.0	4.9	2.9	--	--	3.1	Oct-14
BBgBarc US Aggregate TR				1.8	-1.6	-0.3	5.3	3.0	3.3	3.4	3.4	Oct-14
Breckinridge-Treasury	3,514,084	1.3		6.9	-6.8	-9.5	8.5	--	--	--	6.3	Mar-17
BBgBarc US Treasury Long TR				6.5	-7.9	-10.6	8.0	3.1	5.8	6.7	6.2	Mar-17
Breckinridge - Corporate	7,129,867	2.6		1.1	-0.4	0.9	5.2	3.0	--	--	3.1	Nov-14
BBgBarc US Govt/Credit Int TR				1.0	-0.9	0.2	4.7	2.6	2.7	2.8	2.8	Nov-14
Stone Castle FICA for Impact	20,985,964	7.8		0.0	0.0	0.1	--	--	--	--	0.4	Jan-20
91 Day T-Bills				0.0	0.0	0.1	1.2	1.1	0.8	0.6	0.3	Jan-20
Flexible Fixed Income	33,539,741	12.4	14.0	2.2	-1.0	6.8	4.6	3.9	2.9	--	3.3	Jul-12
BBgBarc US Aggregate TR				1.8	-1.6	-0.3	5.3	3.0	3.3	3.4	2.9	Jul-12
Brandywine Global Opportunistic	12,292,208	4.6		2.6	-1.4	12.8	5.6	--	--	--	5.1	Mar-17
FTSE WGBI TR				1.0	-4.8	0.8	3.6	1.7	1.4	1.4	3.6	Mar-17
Loomis Multi Sector	12,413,670	4.6		2.6	0.1	7.5	8.3	--	--	--	6.5	Mar-17
BBgBarc US Govt/Credit TR				2.4	-2.0	-0.4	5.9	3.3	3.6	3.7	4.3	Mar-17
65% BBgBarc Aggregate / 35% BBgBarc HY				2.1	0.2	4.9	6.2	4.6	4.1	4.6	4.8	Mar-17
Franklin Templeton GMS	8,833,864	3.3		1.3	-2.0	-2.0	-1.8	--	--	--	-1.7	Mar-17
BBgBarc Multiverse				1.4	-3.0	3.2	4.3	2.6	2.0	2.2	4.0	Mar-17
Opportunistic Investments	512,476	0.2	0.0	-0.7	2.9	-0.1	-0.2	2.9	0.8	2.8	3.3	Dec-10
CPI + 5% (Unadjusted)				3.8	6.9	10.6	7.7	7.5	7.0	7.0	7.2	Dec-10
Entrust Class X	512,476	0.2		-0.7	2.9	-0.1	-3.9	--	--	--	-3.8	Jan-17



TOTAL FUND PERFORMANCE DETAIL - NET

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Markets	12,521,773	4.6	5.0	7.6	9.2	27.4	9.5	10.4	9.2	--	9.1	May-14
Private Markets Custom Benchmark				0.4	8.0	28.8	12.7	15.1	12.6	--	13.3	May-14
Impact Funds	7,205,776	2.7	--	7.8	10.8	42.5	16.3	13.5	--	--	11.5	Jul-15
HCAP Partners IV LP	1,448,445	0.5										
Generation IM SS Fund III	1,408,336	0.5										
SJF Ventures	2,264,174	0.8										
RRG Sustainable	456,553	0.2										
Brockton Capital Fund III	1,628,268	0.6										
Non Impact Funds	5,315,998	2.0	--	7.7	7.7	13.6	3.8	7.1	7.1	--	7.0	May-14
Canvas Distressed Credit Fund	1,432,144	0.5										
FEG Private Opportunities Fund	1,389,161	0.5										
OCP Orchard Landmark	2,494,692	0.9		2.2	4.5	8.2	4.8	--	--	--	6.2	Nov-17
JP Morgan Corporate EMBI Broad TR USD				1.6	0.5	7.3	7.5	5.9	5.2	5.5	5.3	Nov-17
Community Development	2,766,072	1.0	3.0	0.6	1.0	1.4	1.5	1.4	1.3	1.4	1.6	Jul-07
91 Day T-Bills				0.0	0.0	0.1	1.2	1.1	0.8	0.6	0.7	Jul-07
Cash and Other	7,570,270	2.8	1.0									
Cash Account	6,875,992	2.5										
UUA SRI	694,278	0.3										

- Fiscal Year End: 6/30

- WCM Investment Management returns include Kennedy Capital returns from January 2018 to February 2019

- OCP Orchard performance is reported on a one month lag.

- Private Markets Custom Benchmark consists of 75% CJA US Private Equity Index & 25% Credit Suisse Leveraged Loan Index as of 9/1/2018. The benchmark consisted of CJA Global All Private Equity Vintage Year 2013+ 1 Qtr Lag benchmark prior to 9/1/2018 and CJA US Private Equity Index prior to 4/1/2015.

- Cash Market Value includes \$2,653,826.45 adjustment for pending capital additions into the UUA Endowment Fund. Cash and Other composite includes UUA SRI account.

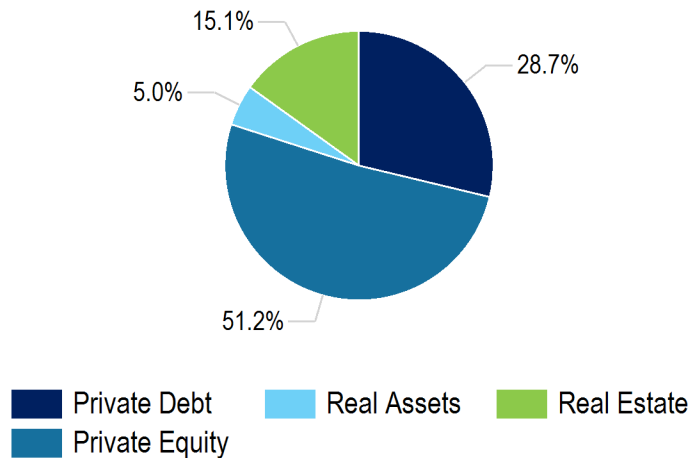
- Net returns for the UUCEF Composite incorporates both investment management fees and UUA administrative fees/expenses.



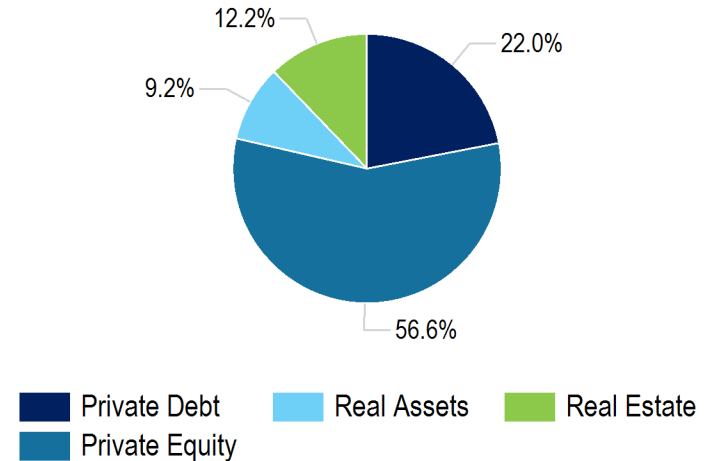
Unitarian Universalist Common Endowment Fund, LLC

EXECUTIVE SUMMARY

Valuation by Asset Class



Fund Exposure by Asset Class



Investments \$					Trailing Period Performance (IRR)							Multiples	
Asset Class	Commitment	Cumulative Contributions	Unfunded Commitment	Valuation	(QTR)	(YTD)	(1 YR)	(3 YRS)	(5 YRS)	(10 YRS)	SI IRR	DPI	TVPI
Total Private Debt	\$4,000,000	\$3,149,334	\$850,666	\$2,650,902	-4.87%	-4.87%	22.82%				3.45%	0.22	1.06
Total Private Equity	\$9,000,000	\$4,689,500	\$4,310,500	\$4,723,671	10.27%	10.27%	49.78%	20.32%	16.24%		13.28%	0.51	1.51
Total Real Assets	\$1,500,000	\$489,339	\$1,010,661	\$456,553	-3.82%	-3.82%					-16.28%	0.00	0.92
Total Real Estate	\$4,473,265	\$3,919,640	\$553,625	\$1,391,877	2.31%	2.31%	-2.92%	3.32%	7.95%		6.43%	0.77	1.12
Total	\$18,973,265	\$12,247,813	\$6,725,452	\$9,223,003	4.00%	4.00%	29.64%	12.10%	11.47%		10.00%	0.50	1.25



Unitarian Universalist Common Endowment Fund, LLC

RETURN SUMMARY

Impact Funds			Trailing Period Returns (IRR) %						Public Market Equivalent (PME)		
Investment Name	Vintage Year	Commitment	(Qtr)	(YTD)	(1 Yr)	(3 Yrs)	(5 Yrs)	SI IRR	IRR PME	KS PME	Benchmark
Brockton Capital Fund III, L.P.	2015	\$4,473,265	2.31%	2.31%	-2.92%	3.32%	7.95%	6.43%	7.66%	0.98	FTSE NAREIT All REIT
GCM Grosvenor Advance Fund, L.P.	2021	\$2,500,000									
Generation IM Sustainable Solutions Fund III (A), L.P.	2019	\$2,000,000	5.27%	5.27%	17.15%			5.89%	21.90%	0.85	MSCI ACWI IMI Net USD
HCAP Partners IV, L.P.	2019	\$2,000,000	1.13%	1.13%	61.81%			29.97%	8.50%	1.33	ICE BofA US High Yield TR
RRG Sustainable Water Impact Fund-B, L.P.	2020	\$1,500,000	-3.82%	-3.82%				-16.28%	28.31%	0.81	S&P Global Natural Resources Net USD
SJF Ventures IV, L.P.	2016	\$2,500,000	14.25%	14.25%	76.03%	40.98%		30.34%	23.28%	1.14	Russell 2000
Total		\$14,973,265	6.75%	6.75%	39.15%	21.69%	16.95%	14.87%	12.82%	1.03	

Non-Impact Funds			Trailing Period Returns (IRR) %						Public Market Equivalent (PME)		
Investment Name	Vintage Year	Commitment	(Qtr)	(YTD)	(1 Yr)	(3 Yrs)	(5 Yrs)	SI IRR	IRR PME	KS PME	Benchmark
Canvas Distressed Credit Fund, L.P.	2018	\$2,000,000	-9.94%	-9.94%	-1.74%			-12.56%	6.65%	0.72	ICE BofA US High Yield TR
FEG Private Opportunities Fund, L.P.	2012	\$2,000,000	6.95%	6.95%	33.68%	8.51%	10.34%	8.78%	10.14%	0.94	MSCI ACWI IMI Net USD
Total		\$4,000,000	-1.76%	-1.76%	13.46%	-0.21%	3.74%	4.45%	9.48%	0.86	



Unitarian Universalist Common Endowment Fund, LLC

ANALYSIS BY FUND

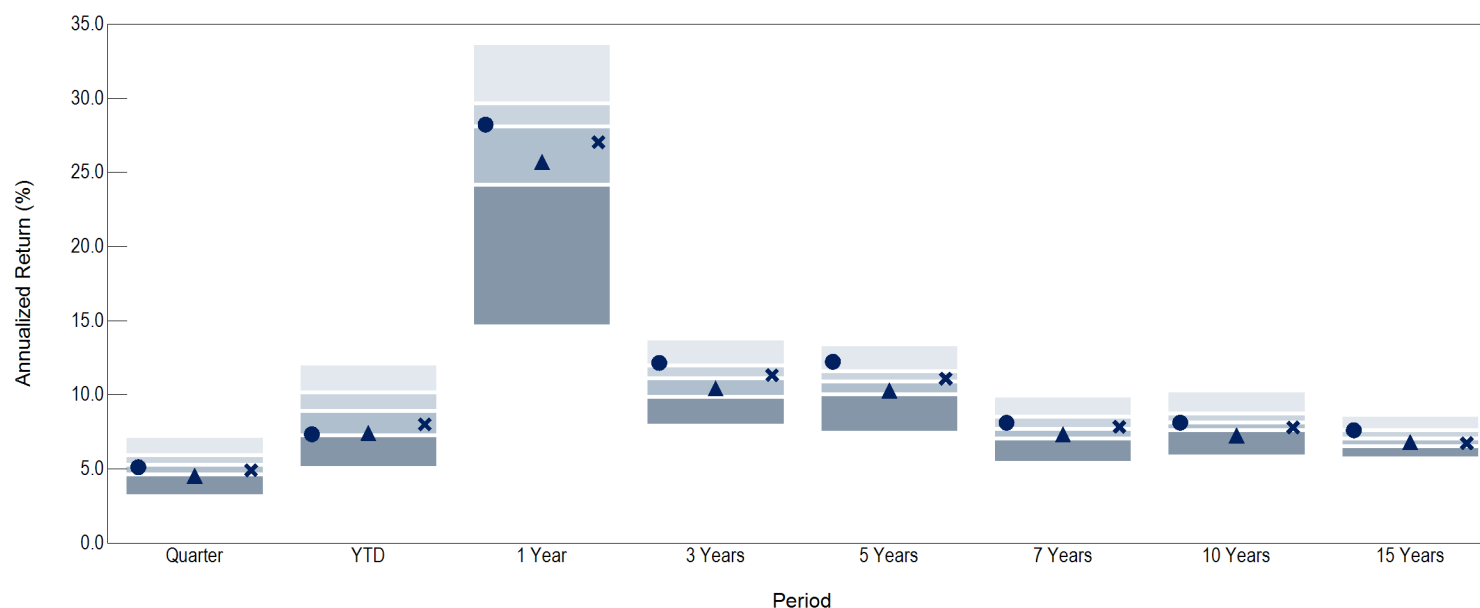
Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Private Debt												
Canvas Distressed Credit Fund, L.P.	2018	\$2,000,000	\$0	\$2,000,000	\$17,561	\$254,181	\$1,361,503	\$1,615,684	-\$401,878	0.13	0.80	-12.56%
HCAP Partners IV, L.P.	2019	\$2,000,000	\$850,666	\$1,149,334	\$7,108	\$449,069	\$1,289,399	\$1,738,468	\$582,026	0.39	1.50	29.97%
Total Private Debt		\$4,000,000	\$850,666	\$3,149,334	\$24,669	\$703,250	\$2,650,902	\$3,354,152	\$180,148	0.22	1.06	3.45%
Private Equity												
FEG Private Opportunities Fund, L.P.	2012	\$2,000,000	\$103,000	\$1,897,000	\$2,707	\$1,415,647	\$1,461,161	\$2,876,808	\$977,101	0.75	1.51	8.78%
GCM Grosvenor Advance Fund, L.P.	2021	\$2,500,000	\$2,500,000	\$0	\$0	\$0						
Generation IM Sustainable Solutions Fund III (A), L.P.	2019	\$2,000,000	\$1,070,000	\$930,000	\$4,712	\$0	\$998,336	\$998,336	\$63,624	0.00	1.07	5.89%
SJF Ventures IV, L.P.	2016	\$2,500,000	\$637,500	\$1,862,500	\$0	\$961,095	\$2,264,174	\$3,225,269	\$1,362,769	0.52	1.73	30.34%
Total Private Equity		\$9,000,000	\$4,310,500	\$4,689,500	\$7,419	\$2,376,742	\$4,723,671	\$7,100,413	\$2,403,494	0.51	1.51	13.28%
Real Assets												
RRG Sustainable Water Impact Fund-B, L.P.	2020	\$1,500,000	\$1,010,661	\$489,339	\$5,979	\$0	\$456,553	\$456,553	-\$38,765	0.00	0.92	-16.28%
Total Real Assets		\$1,500,000	\$1,010,661	\$489,339	\$5,979	\$0	\$456,553	\$456,553	-\$38,765	0.00	0.92	-16.28%
Real Estate												
Brockton Capital Fund III, L.P.	2015	\$4,473,265	\$553,625	\$3,919,640	\$16,095	\$3,020,346	\$1,391,877	\$4,412,223	\$476,488	0.77	1.12	6.43%
Total Real Estate		\$4,473,265	\$553,625	\$3,919,640	\$16,095	\$3,020,346	\$1,391,877	\$4,412,223	\$476,488	0.77	1.12	6.43%
Total		\$18,973,265	\$6,725,452	\$12,247,813	\$54,163	\$6,100,338	\$9,223,003	\$15,323,341	\$3,021,365	0.50	1.25	10.00%

- **Commitment Amount** – The amount an investor has committed to invest with the General Partner
- **Unfunded Commitment** – The remaining amount an investor contractually has left to fund its commitment
- **Paid In Capital** – The amount an investor has contributed for investments and management fee
- **Additional Fees** – Fees that are outside the capital commitment, also includes interest paid/received due from subsequent closings of the fund
- **Cumulative Distributions** – The amount an investor has received from realized and partially realized investment
- **Valuation** – Sum of the fair market value of all investments plus cash
- **Total Value** – Calculated by adding Amount Distributed and Reported Value. Represents the total amount an investor should expect to receive from their investments
- **Net Benefit** – Calculated by subtracting Total Value by Capital to be Funded plus Additional Fee
- **DPI Ratio** - Calculated by dividing Amount Distributed by Amount Funded
- **Total Value to Paid In Capital Ratio** – Calculated by dividing Total Value by Amount Funded. Represents the multiple of the overall cash invested that an investor is expected to receive
- **IRR** - The calculation of the IRR (Internal Rate of Return) takes into consideration the timing of cash contributions and distributions to and from the partnerships, the length of time the investments have been held and the sum of the Reported Value



TOTAL FUND RETURN VS PEER UNIVERSE - GROSS

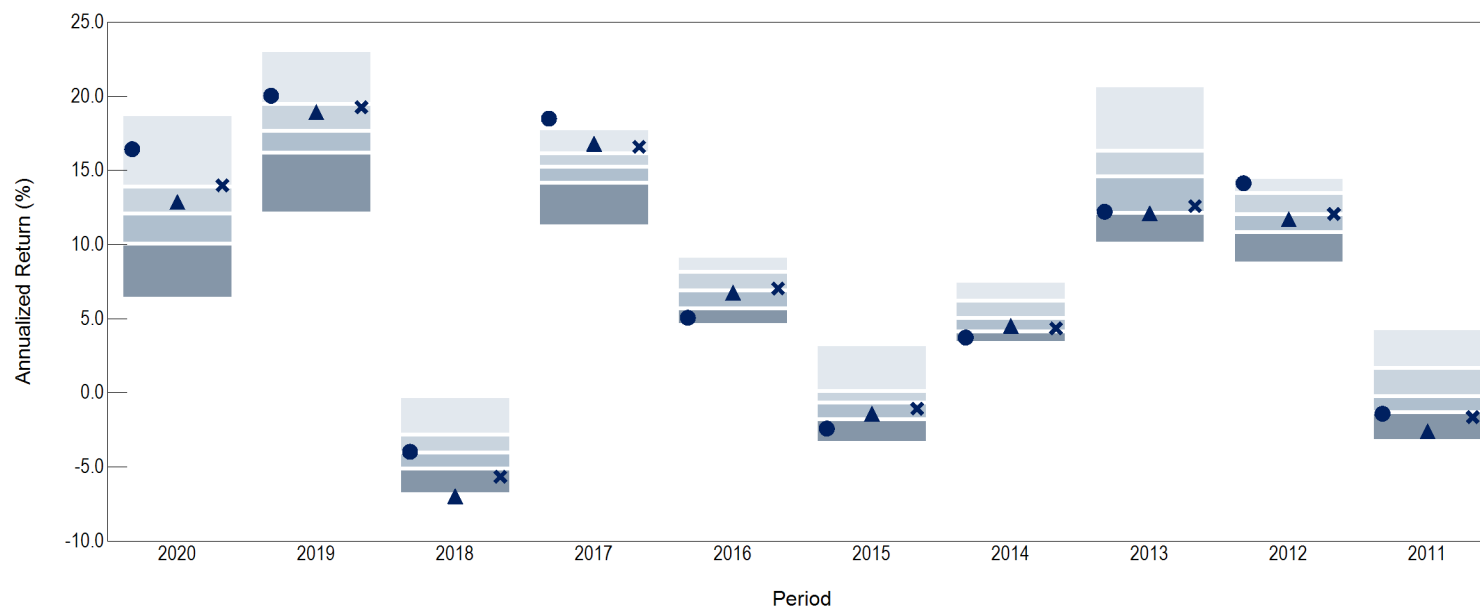
Composite vs. InvMetrics All E&F \$250mm-\$1B Gross



	Return (Rank)							
5th Percentile	7.2		12.1		33.7		13.8	
25th Percentile	6.0		10.2		29.7		12.0	
Median	5.3		8.9		28.1		11.2	
75th Percentile	4.7		7.3		24.2		9.9	
95th Percentile	3.2		5.1		14.6		7.9	
# of Portfolios	70		70		70		66	
● Composite	5.1	(58)	7.3	(74)	28.2	(50)	12.2	(24)
▲ Allocation Index	4.5	(78)	7.4	(74)	25.7	(61)	10.4	(63)
x Policy Index	4.9	(65)	8.0	(65)	27.0	(58)	11.3	(45)

TOTAL FUND RETURN VS PEER UNIVERSE - GROSS

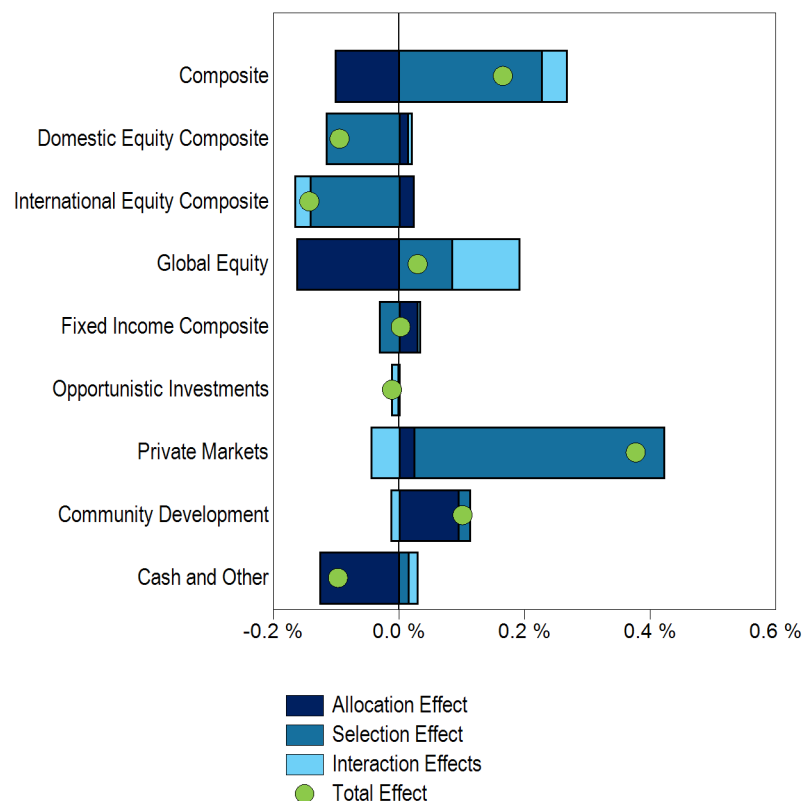
Composite vs. InvMetrics All E&F \$250mm-\$1B Gross



		Return (Rank)																			
5th Percentile		18.8	23.1	-0.2	17.8	9.2	3.2	7.5	20.7	14.6	4.4										
25th Percentile		13.9	19.5	-2.8	16.2	8.2	0.2	6.2	16.4	13.5	1.7										
Median		12.1	17.7	-4.0	15.3	6.9	-0.6	5.1	14.6	12.1	-0.2										
75th Percentile		10.1	16.2	-5.1	14.2	5.7	-1.7	4.2	12.2	10.9	-1.3										
95th Percentile		6.4	12.1	-6.8	11.3	4.6	-3.3	3.4	10.1	8.7	-3.2										
# of Portfolios		102	67	77	54	67	59	61	53	51	47										
●	Composite	16.4	(10)	20.0	(21)	-4.0	(50)	18.5	(1)	5.1	(88)	-2.4	(85)	3.7	(90)	12.2	(75)	14.1	(9)	-1.4	(79)
▲	Allocation Index	12.9	(38)	18.9	(33)	-7.0	(96)	16.8	(13)	6.8	(58)	-1.4	(63)	4.5	(65)	12.1	(78)	11.7	(59)	-2.6	(92)
×	Policy Index	14.0	(25)	19.3	(27)	-5.7	(82)	16.6	(16)	7.0	(48)	-1.1	(59)	4.4	(71)	12.6	(74)	12.1	(55)	-1.6	(80)

TOTAL FUND ATTRIBUTION ANALYSIS - GROSS

Attribution Effects
3 Months Ending June 30, 2021

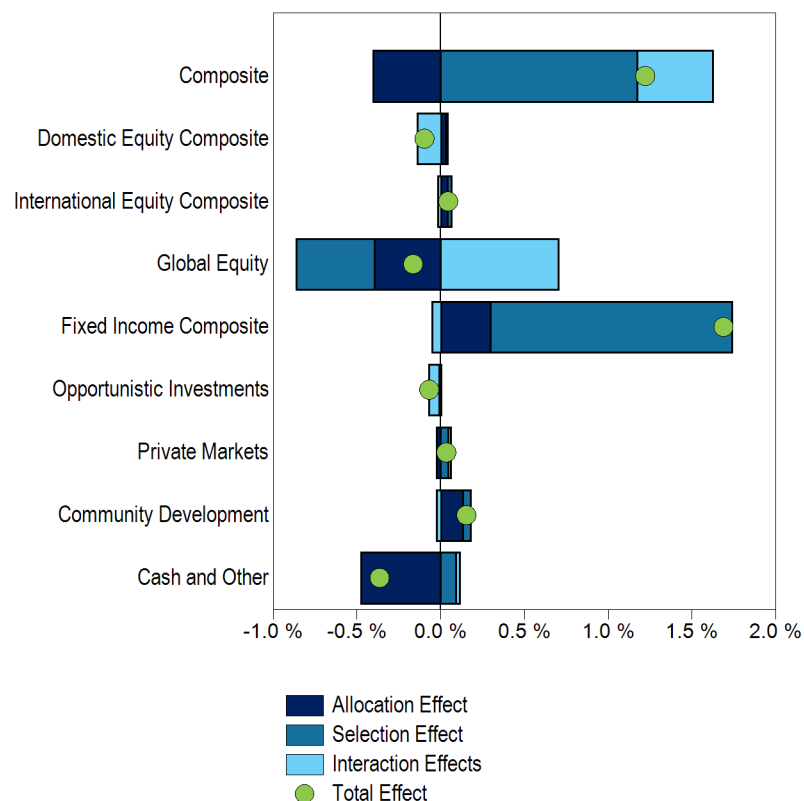


Attribution Summary
3 Months Ending June 30, 2021

	Policy Weight	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Domestic Equity Composite	33.0%	7.4%	7.8%	-0.4%	-0.1%	0.0%	0.0%	-0.1%
International Equity Composite	22.0%	4.5%	5.1%	-0.6%	-0.1%	0.0%	0.0%	-0.1%
Global Equity	10.0%	8.3%	7.4%	0.9%	0.1%	-0.1%	0.0%	0.0%
Fixed Income Composite	26.0%	1.7%	1.8%	-0.1%	0.0%	0.0%	0.0%	0.0%
Opportunistic Investments	0.0%	-0.6%	4.2%	-4.8%	0.0%	0.0%	0.0%	0.0%
Private Markets	5.0%	8.2%	0.4%	7.9%	0.4%	0.0%	0.0%	0.4%
Community Development	3.0%	0.6%	0.0%	0.6%	0.0%	0.1%	0.0%	0.1%
Cash and Other	1.0%	1.6%	0.0%	1.6%	0.0%	-0.1%	0.0%	0.0%
Total	100.0%	5.1%	4.9%	0.2%	0.2%	0.0%	0.0%	0.2%

TOTAL FUND ATTRIBUTION ANALYSIS - GROSS

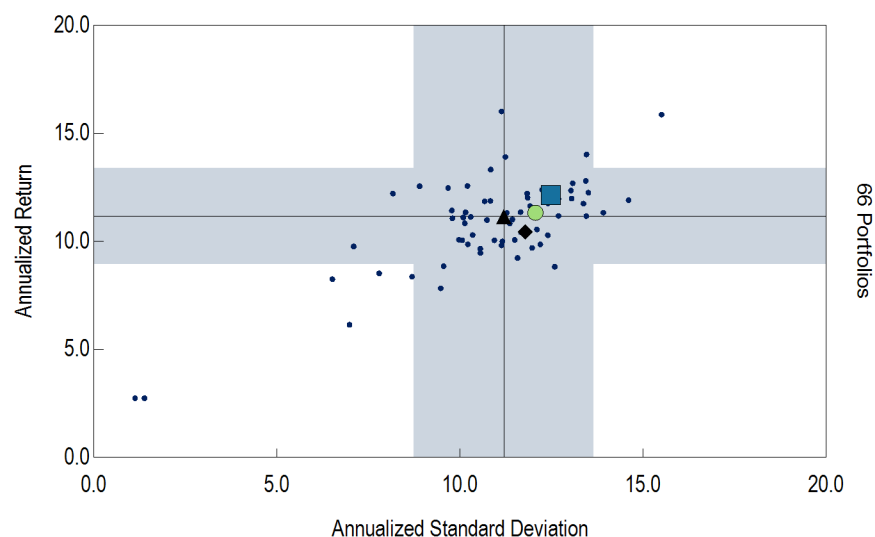
Attribution Effects
1 Year Ending June 30, 2021



Attribution Summary 1 Year Ending June 30, 2021								
	Policy Weight	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Domestic Equity Composite	32.0%	48.6%	48.5%	0.1%	0.0%	0.0%	-0.1%	-0.2%
International Equity Composite	30.0%	35.1%	35.0%	0.1%	0.0%	0.0%	0.0%	0.0%
Global Equity	0.0%	8.3%	39.3%	-31.0%	-0.5%	-0.3%	0.6%	-0.1%
Fixed Income Composite	31.0%	3.5%	-0.3%	3.9%	1.4%	0.3%	-0.1%	1.7%
Opportunistic Investments	0.0%	0.4%	21.2%	-20.8%	0.0%	0.0%	-0.1%	-0.1%
Private Markets	5.0%	30.2%	28.8%	1.4%	0.0%	0.0%	0.0%	0.0%
Community Development	1.0%	1.4%	0.1%	1.3%	0.0%	0.1%	0.0%	0.2%
Cash and Other	1.0%	7.5%	0.1%	7.4%	0.1%	-0.5%	0.0%	-0.4%
Total	100.0%	28.2%	27.0%	1.2%	1.2%	-0.4%	0.4%	1.2%

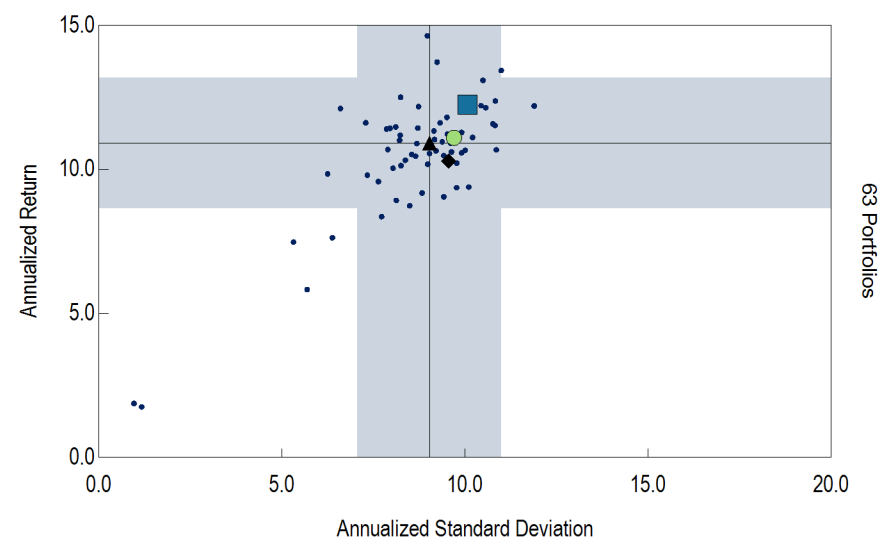
TOTAL FUND RISK/RETURN - GROSS

3 Years Ending June 30, 2021



- Composite
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics All E&F \$250mm-\$1B Gross

5 Years Ending June 30, 2021



- Composite
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics All E&F \$250mm-\$1B Gross

3 Years Ending June 30, 2021

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	12.16%	24	12.49%	80	0.88	49	1.21	3
Allocation Index	10.44%	63	11.79%	63	0.78	80	--	--
Policy Index	11.33%	45	12.06%	69	0.84	64	0.99	7
InvMetrics All E&F \$250mm-\$1B Gross Median	11.15%	--	11.20%	--	0.87	--	0.04	--

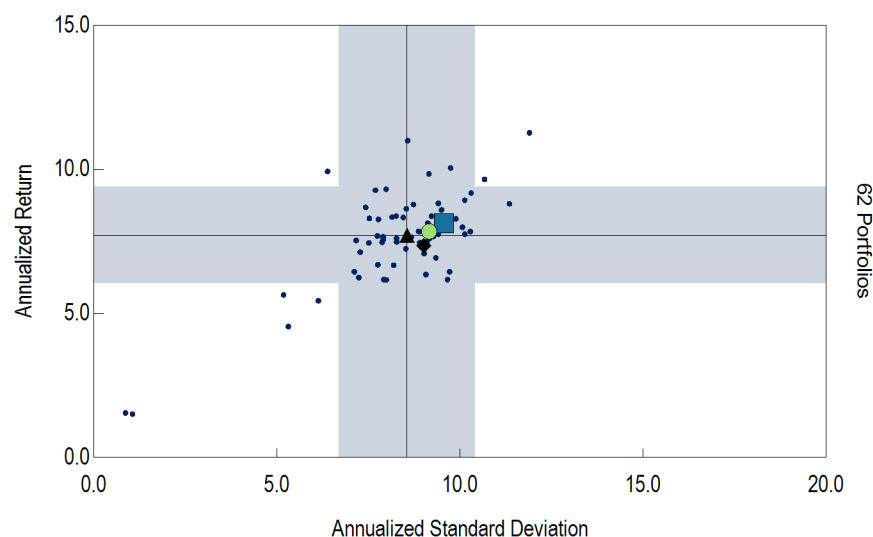
5 Years Ending June 30, 2021

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	12.23%	13	10.07%	82	1.10	43	1.38	3
Allocation Index	10.30%	70	9.55%	67	0.96	78	--	--
Policy Index	11.10%	44	9.70%	71	1.03	63	1.03	9
InvMetrics All E&F \$250mm-\$1B Gross Median	10.91%	--	9.03%	--	1.08	--	0.30	--



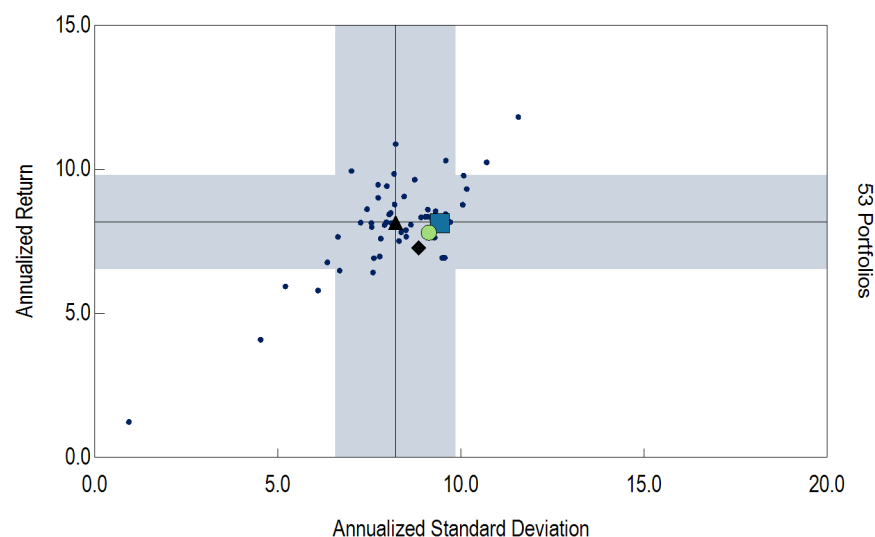
TOTAL FUND RISK/RETURN - GROSS

7 Years Ending June 30, 2021



- Composite
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics All E&F \$250mm-\$1B Gross

10 Years Ending June 30, 2021



- Composite
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics All E&F \$250mm-\$1B Gross

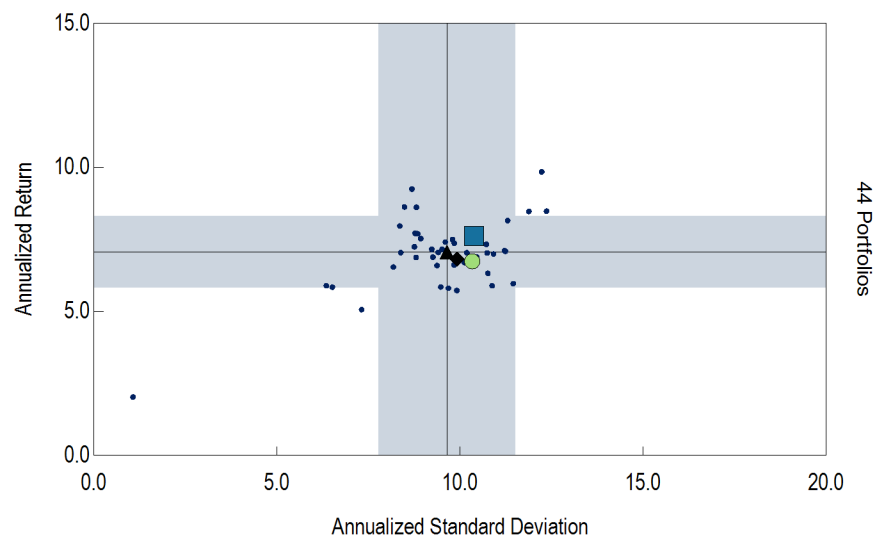
7 Years Ending June 30, 2021								
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	8.12%	40	9.56%	81	0.76	62	0.54	27
Allocation Index	7.35%	72	9.00%	61	0.73	78	--	--
Policy Index	7.84%	44	9.16%	68	0.77	61	0.71	14
InvMetrics All E&F \$250mm-\$1B Gross Median	7.72%	--	8.55%	--	0.80	--	0.23	--

10 Years Ending June 30, 2021								
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	8.13%	58	9.43%	82	0.80	86	0.63	22
Allocation Index	7.27%	80	8.84%	65	0.76	95	--	--
Policy Index	7.80%	68	9.12%	74	0.79	87	0.75	9
InvMetrics All E&F \$250mm-\$1B Gross Median	8.16%	--	8.21%	--	0.88	--	0.24	--



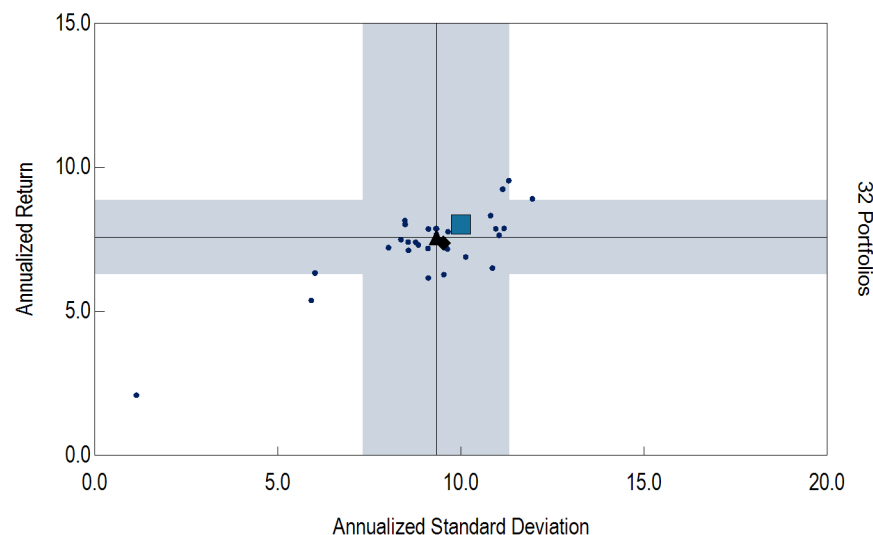
TOTAL FUND RISK/RETURN - GROSS

15 Years Ending June 30, 2021



- Composite
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics All E&F \$250mm-\$1B Gross

Since Inception



- Composite
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics All E&F \$250mm-\$1B Gross

Statistics Summary								
15 Years Ending June 30, 2021								
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	7.61%	26	10.38%	69	0.64	53	0.54	16
Allocation Index	6.82%	69	9.92%	61	0.59	68	--	--
Policy Index	6.74%	70	10.33%	68	0.56	80	-0.07	75
InvMetrics All E&F \$250mm-\$1B Gross Median	7.07%	--	9.64%	--	0.64	--	0.32	--

Statistics Summary								
19 Years Ending June 30, 2021								
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	8.02%	17	9.99%	72	0.68	57	0.45	23
Allocation Index	7.38%	59	9.51%	55	0.65	70	--	--
Policy Index	--	--	--	--	--	--	--	--
InvMetrics All E&F \$250mm-\$1B Gross Median	7.56%	--	9.33%	--	0.69	--	0.14	--





APPENDIX

PROPRIETARY & CONFIDENTIAL

2021 SECOND QUARTER INSIGHTS FROM NEPC

Private Wealth

- [Taking Stock: Business Owners, Here's How to Make Your Portfolio Work for You](#)

Healthcare

- [NEPC's 2021 Healthcare Operating Funds Survey Results](#)

Taft-Hartley

- [Taking Stock: Taft-Hartley/ Multi-Employer Pension Plans Await ARPA 2.0](#)

Defined Benefit

- [Taking Stock: NEPC Q1 2021 Pension Monitor](#)
- [Taking Stock: NEPC April 2021 Pension Monitor](#)
- [Taking Stock: NEPC May 2021 Pension Monitor](#)

General Research

- [Quarterly Asset Class Review: Q1 2021](#)
- [Taking Stock: A Sneak Peek Into the 2021 NEPC \(Virtual\) Client Conference](#)
- [NEPC Market Outlook: Should Investors Be Bracing for a Tidal Wave of Inflation?](#)
- [Meeting You Where You Are: Client Input About the Future of Meetings](#)
- [11th Annual Investment Manager Webinar Replay](#)

Diversity, Equity, & Inclusion

- [Using Investing to Bring DEI Goals Within Reach](#)
- [NEPC's 2020 DEI Progress Report](#)



DIVERSITY, EQUITY AND INCLUSION AT NEPC

- This quarter, NEPC published our first annual [Diversity, Equity and Inclusion \(DEI\) Progress Report](#). We are happy to see that the Progress Report has sparked conversation, which you can read more about on [Institutional Investor](#) and [Banking Exchange](#).



PROPOSED WORK PLAN

Q1 Meeting	Q2 Meeting	Q3 Meeting	Q4 Meeting
2021 Investment Outlook and Opportunities Equity Manager Implementation ESG Ratings for Equity Managers	Annual Private Markets Pacing Plan	Inflation Review	Annual Screening Review Manager Fee Analysis
<div> <div>←</div> <div> <p><u><i>Ongoing Activities</i></u></p> <p>Performance and Market Updates</p> <p>Private Markets Manager Recommendations</p> <p>Rebalancing</p> <p>Portfolio Monitoring</p> </div> <div>→</div> </div>			

LIQUIDITY TERMS

Account	Liquidity for Subscriptions and Redemptions	Special Terms
<u>Domestic Equity Composite</u>		
Rhumblin	Daily, with notice by 2 PM on TD	
Sands	Daily, with notice on TD	
Ownership Capital Global Equity (USD) Fund, L.P.	Monthly, with 5 business days' notice	
Wellington SMID	Daily, with notice by 4 PM on TD	
WCM Investment Management	Daily, with notice one day prior preferred	
<u>International Equity Composite</u>		
MFS International Concentrated	1st and 16th of the month, with notice by 2 PM the prior business day	
Boston Common	Daily, with notice on TD	
Baxter Street	Monthly, with 30 days' notice	
RBC Global Emerging Equity	Daily, with 5 days' notice	
Acadian Emerging Markets Equity Fund	Daily, with 10 business days' notice	
<u>Global Equity Composite</u>		
GQG Partners Global Equity	Weekly on Wednesday with notice on the prior Thursday	
Lindsell Train Global Equity	Monthly with 14 days' notice for redemptions and 4 days' notice for subscriptions	
<u>Fixed Income Composite</u>		
Breckinridge-Treasury	Daily, with at two days' notice	
Breckinridge - Corporate	Daily, with at two days' notice	
Stone Castle FICA for Impact	Daily, with notice by 3 PM the prior business day	
Brandywine Global Opportunistic	Daily, with 10 days' notice	
Loomis Multi Sector	Daily, with notice by 3:30 PM on TD	
Franklin Templeton GMS	Monthly, with 15 days' notice	
<u>Opportunistic Investments</u>		
Entrust Class X	Illiquid Holdback	
<u>Private Markets</u>		
OCP	3-year rolling lock up, with 90 days' notice	Next notice date would be 8/3/23 for 11/1/23 redemption date. Redemptions will be processed in 4 quarterly distributions of up to 25% of its shareholding per quarter.



UUA Manager Summary

Manager: Rhumblin Custom Screened Russell 1000 Value

Benchmark: Russell 1000 Value

Asset Class: Large cap domestic equity - value

Role in Portfolio: Growth Assets

Description: The manager optimizes a portfolio of large cap value equities based on their Environmental, Social and Governance ("ESG") ratings. The fund should have relatively low tracking error or variance from the benchmark as it is a largely passive investment.

Manager: Sands Select Growth Equity

Benchmark: Russell 1000 Growth

Asset Class: Large cap domestic equity - growth

Role in Portfolio: Growth Assets

Description: The manager uses a fundamental, bottom up research approach to stock investing. Their investment process produces a concentrated portfolio, aggressively seeking equities with high growth opportunities. The manager is currently restricted from investing in certain sectors and industries, including defense, fire arms, tobacco, and nuclear weapons. Also, the manager cannot invest in companies that engage in predatory lending practices, have poor environmental practices, and companies that have questionable employment practices and possible human rights offenses.

Manager: Ownership Capital

Benchmark: MSCI Kokusai (MSCI World ex. Japan)

Asset Class: Mid and large cap domestic equity - growth

Role in Portfolio: Growth Assets

Description: Ownership Capital is focused on sustainable ownership investing using a financial and qualitative research process. After an initial screen on fundamentals, the team uses their OC Govern framework to evaluate 75 quantitative and qualitative ESG factors to identify companies with significant ESG potential within the US and Europe. They focus on making minority investments in companies with good management teams and strong fundamentals, adding value through engagement on environmental and social factors that they've identified in their "Roadmap to Sustainability". The resulting portfolio will hold 20 to 25 positions with 10% to 20% annual holdover.

Manager: Wellington SMID Cap Value

Benchmark: Russell 2500 Value

Asset Class: SMID cap domestic equity - value

Role in Portfolio: Growth Assets

Description: Wellington has a bottom-up investment philosophy, believing that individual stock selection is the most predictable way to generate strong returns. The team has a contrarian value investment philosophy, seeking to buy high-quality companies at a discount. The portfolio holds 60-90 names and positions, which typically are initiated at 80 bps and range from 50 bps to 3.5%, depending on the team's conviction.



Manager: WCM Small Cap Growth

Benchmark: Russell 2000 Growth

Asset Class: Small cap domestic equity - growth

Role in Portfolio: Growth Assets

Description: WCM utilizes a fundamental, bottom-up research process that relies on internal sources to generate potential buy candidates. They do this through the ongoing review of news and results across the investable universe on an industry-by-industry, analyst-by-analyst basis and the continual monitoring of trends and factors that would impact company fundamentals. WCM's emphasis is on understanding the drivers of returns on invested capital, the opportunities available to companies to deploy additional capital at attractive rates of return, and the ability of management teams to capitalize on those opportunities.

Manager: MFS International Concentrated Equity

Benchmark: MSCI EAFE

Asset Class: Developed international equity - core

Role in Portfolio: Growth Assets

Description: The manager focuses on identifying companies with sustainable above-average growth and purchasing those companies at attractive valuations. The manager is a United Nations Principles for Responsible Investment (UNPRI) signatory and integrates their evaluation of a company's key ESG risks and opportunities into their overall security analysis to the extent they believe that such factors are material to and have an economic impact on shareholder value. The manager will invest between 5-10% in emerging markets.

Manager: Boston Common International Equity

Benchmark: MSCI EAFE

Asset Class: Developed international equity - core

Role in Portfolio: Growth Assets

Description: The fund seeks to outperform broad international equity markets while employing ESG screens. The fund employs positive ESG screens rather than negative screens and looks to identify progressive companies rather than defensive companies.

Manager: SEG Baxter Street Fund

Benchmark: MSCI ACWI ex USA

Asset Class: Developed international equity (mid/small cap focus)

Role in Portfolio: Growth Assets

Description: The Baxter Street Strategy is an international long only strategy that invests in companies across the market cap spectrum. The portfolio is benchmark agnostic and highly concentrated, with roughly 45 names in the portfolio, 15 of which will comprise almost 50% of the portfolio. SEG seeks to identify businesses with steady predictable growth, high returns on capital and well-established barriers to competition. SEG does have the ability to opportunistically hedge currency exposure.



Manager: RBC Emerging Market Equity

Benchmark: MSCI Emerging Markets index

Asset Class: Emerging market equity

Role in Portfolio: Growth Assets

Description: RBC utilizes top down thematic thinking to influence the stock selection process into more attractive areas of the market. The strategy seeks to identify growth themes within country, industry, or region and will invest in those companies with high cash flow and industry dominance. The process utilizes both bottom up and top down research to lead to a competitive advantage. The strategy is focused on identifying strong company managements especially those that have delivered in the past. Attractive companies are those that have strong franchises and a real sustainable competitive edge.

Manager: Acadian Emerging Markets Equity Fund

Benchmark: MSCI Emerging Markets index

Asset Class: Emerging market equity

Role in Portfolio: Growth Assets

Description: Acadian uses a blend of top-down country allocation and bottom up stock selection in their proprietary multi-factor quantitative model. They believe that market inefficiencies are caused by investor behavioral errors and can be exploited. They invest using fundamental insights about mispricing captured using Acadian's proprietary dynamic quantitative modeling. The strategy uses a structured and disciplined quantitative approach to invest in long equity positions across emerging markets. Acadian measures over 30 factors that they believe to have the most time proven results at predicting future returns. These factors are aggregated into four main categories: valuation, earnings, quality, and momentum. ESG factors are included in the quality category. Acadian, at times, may adjust factor weightings based industry or region. In order to add a factor, it must prove to generate alpha in current markets as well as through extensive back testing.

Manager: GQG Partners Global Equity

Benchmark: MSCI ACWI

Asset Class: Global Equity

Role in Portfolio: Growth Assets

Description: GQG uses unique fundamental research with a flexible, adaptive approach to find new ideas, ultimately building different mosaics than peers. They leverage both fundamental analysts and investigative journalists who work independently to avoid developing biases. They place a high emphasis on cumulative data points so are willing to change their minds and/or cut losses quickly. At the same time, their aim is to invest for the long term in high quality, sustainable companies. These are companies that grow at high single or low double digits, they do not swing for the fences on performance. They are not looking for catalysts either, just the 'gravity' of long-term earnings growth.



Manager: Lindsell Train Global Equity

Benchmark: MSCI ACWI

Asset Class: Global Equity

Role in Portfolio: Growth Equity

Description: Lindsell Train focuses on investing for the long, long term in a concentrated, best ideas strategy. Their best ideas often end up being companies with heritage, high family ownership, and strong intellectual property that the market consistently underestimates in terms of growth. Lindsell's differentiated valuation approach helps them find entry points others might not, thus becoming shareholders of some of the best global companies. Lindsell Train's investment philosophy follows a Buffet-like approach, believing investors undervalue durable, cash generative businesses. They believe concentration actually reduces risk, that transaction costs are actually a "tax" on returns, and that dividends matter much more than you think. They are willing to pay higher valuations for good quality companies as time has shown stocks with steady growth records return much more than the market expects - particularly over long periods of time.

Manager: Breckinridge Capital Advisors Sustainable Fixed Income & Treasury

Benchmark: Barclays Gov't/Credit Intermediate

Asset Class: Domestic Fixed Income

Role in Portfolio: Deflation hedging assets

Description: Sustainable fixed income is a high quality, intermediate term fixed income strategy that incorporates both fundamental credit analysis as well as ESG analysis into the decision making process. The strategy will invest across the corporate, taxable municipal, US gov't/agency and supranational sectors. Breckinridge will analyze ESG data in an effort to identify investments they feel are well suited to meet future obstacles. Additionally, the strategy will adhere to specific sector and security restrictions set forth by UUA to align the portfolios strategy with the mission and values of the organization.

Manager: Stone Castle FICA for Impact

Benchmark: 91 Day T-Bills

Asset Class: Short Duration Fixed Income

Role in Portfolio: Downside protection

Description: FICA for Impact is an alternative to traditional cash management. They make short term loans to community banks to drive small business lending and community reinvestment, providing depositors with competitive yields in FDIC insured accounts.



Manager: Brandywine Global Opportunistic Fixed Income

Benchmark: CITI WGBI

Asset Class: Global Multi Sector

Role in Portfolio: Growth Assets

Description: Brandywine undertakes a macro-economic analysis on a country-by-country basis in order to rank opportunities according to real interest rate levels. Inflation trends, political risks, monetary trends, business cycle, and liquidity measures are all considered. Further analysis is centered on those countries that exhibit the highest real interest rates with sustainable economic conditions. Currency valuations are then examined relative to historical averages and differentials to determine if that valuation supports an investment. The majority of investments are allocated to sovereign government debt. When credit spreads are perceived to be a compelling value, however, Brandywine may allocate to spread sectors such as mortgage-backed securities and corporate bonds. Duration is determined at the country level, although adjustments may be made at the portfolio level according to the overall outlook.

Manager: Loomis Sayles Multi Sector Full Discretion

Benchmark: Barclays US Govt/Credit

Asset Class: Global Multi Sector

Role in Portfolio: Growth Assets

Description: The Multisector Full Discretion strategy seeks to exploit the complete range of global fixed income insights generated by the Loomis Sayles Fixed Income organization with return maximization as the primary objective. Benchmarks do not play a significant role in constructing the portfolios. Guidelines are very flexible providing the opportunity to pursue investment ideas in a wide range of global fixed income sectors. Investment flexibility authorizes significant non-dollar, emerging markets and convertible debt investments. Opportunistic investments in these non-benchmark sectors are incorporated to manage portfolio credit quality and for total return contribution.

Manager: Franklin Templeton Global Multi Sector

Benchmark: Barclays US Govt/Credit

Asset Class: Opportunistic Fixed Income

Role in Portfolio: Absolute Return

Description: The global bond team employs a bottom-up, research-driven investment process characterized by fundamental research of investment opportunities. The strategy is formulated by combining qualitative macroeconomic analysis with quantitative tools to determine the most attractive opportunities across duration, currency, and credit. The team applies an active, benchmark-agnostic style, pursuing absolute returns over a one- to three-year time horizon. While securitized bonds are included in the opportunity set, they have not been a large component of the strategy historically.

Manager: Entrust Capital Diversified Fund

Benchmark: HFRI Fund of Funds Composite index

Asset Class: Hedge funds

Role in Portfolio: Growth assets

Description: The manager invests primarily in event-driven, directional-credit, activist, and equity long/short strategies in blue chip, brand name hedge managers while providing investors with a high amount of transparency into the underlying investments.



Manager: Orchard Landmark

Benchmark: JP Morgan Corporate EMBI

Asset Class: Private Markets/Opportunistic

Role in Portfolio: Growth assets

Description: Orchard Landmark structures private credit transactions for family-owned businesses in Asia Pacific, leveraging long-standing local teams with investment and legal talent, established deal structuring track-records; and established borrower relationships. They play off the demand-supply imbalance in Asia Pacific capital markets for short-term credit to both small-to-medium enterprises and corporations looking for growth capital. As such, Asian private credit affords a potential return premium for illiquidity, higher inflation, and emerging market risk.

Manager: FEG Private Opportunities Fund

Benchmark: Private Equity Benchmark

Asset Class: Private Markets/Opportunistic

Role in Portfolio: Growth assets

Description: FEG Private Opportunities Fund is a fund of funds with the flexibility to invest globally across private equity, special situations, and private real assets.

Manager: Brockton Capital Fund III

Benchmark: NCREIF Property Index

Asset Class: Private Markets/Opportunistic

Role in Portfolio: Growth assets

Description: Brockton Capital Fund III will follow a value-add/opportunistic strategy of buying distressed or neglected assets, repositioning them and, once stabilized, selling them in the institutional market. They will invest across various asset types, including office, residential, industrial, retail, mixed use, and other specialty real estate (for example, senior housing). Brockton invests across the United Kingdom although, due to the dominant market size of the South East, has a focus on Greater London and the surrounding areas.

Manager: SJF Ventures

Benchmark: US Private Equity

Asset Class: Private Markets/Opportunistic

Role in Portfolio: Growth assets

Description: SJF will pursue a fundamental investment strategy that will look to invest in companies in the expansion stage business in the clean energy and efficiency, asset recovery and recycling, food and sustainable agriculture, education, health and wellness, and workforce development/software industries. SJF primarily focuses on companies with innovative social and environmental solutions embedded within their business models. The firm seeks values-driven entrepreneurial teams and looks for positive impact business models that can simultaneously scale impact and financial results, most often seen in impactful product and service delivery.



Manager: Canvas Distressed Fund

Benchmark: HFRI Event Driven: Distressed/Restructuring Index

Asset Class: Private Markets/Opportunistic

Role in Portfolio: Growth assets

Description: Canvas Distressed Fund will invest in Brazil-focused single name distressed corporate debt and judicial claims (federal claims and quasi-government claims). The Fund intends to buy single name corporate debt at steep discounts. Canvas does not attempt to restructure distressed companies; it will instead sell or auction the debt's collateral assets to recover value. The Fund will also invest in federal claims, which are referred to as Precatorio, and quasi-government and private claims against entities such as the state-owned utility companies. This strategy benefits from several key macro factors in Brazil: High interest rates, shrinking credit facilities, lack of large investment management competitors post 2008-09, a drastic increase in corporate bankruptcies, and reduced foreign direct investment following the 2015 Brazilian debt downgrade.

Manager: HCAP Partners IV LP

Benchmark: Private Equity Benchmark

Asset Class: Private Markets/Opportunistic

Role in Portfolio: Growth assets

Description: HCAP provides mezzanine debt structured equity for underserved, high growth, small-to-medium sized companies ("SMEs") throughout California and the Western United States. Fund IV seeks to invest \$2 million to \$10 million in established companies in the lower middle market (\$10 million to \$100 million in revenues) in the healthcare, software, services and manufacturing industries. The Fund seeks to create and facilitate a positive impact on underserved businesses, their employees and their communities using its proprietary "Gainful Jobs Approach," an operational impact framework for improving job quality at portfolio companies. The HCAP team expects the portfolio to consist of approximately 75% subordinated debt with warrants and 25% preferred equity.

Manager: Generation IM Sustainable Solutions Fund III

Benchmark: Private Equity Benchmark

Asset Class: Private Markets/Opportunistic

Role in Portfolio: Growth assets

Description: Generation believes that we are in the early stages of a systemic, secular, multidecade transition to a sustainable economy, and will use their unique deep-dive sector roadmaps to identify investment opportunities to assist with the transition. They will focus on private growth stage opportunities with broad sustainable solution themes, which they define as providing goods and services for a low-carbon, prosperous, equitable, healthy and safe society. The Fund will invest across sectors including transportation, agriculture, energy, industrials and consumer, and will invest primarily in North America and Europe. Their typical role will be an active minority investor, providing growth capital and market insight to help accelerate market adoption. In their underwriting, Generation looks to target high-quality businesses and high-quality management, focusing on businesses run by trusted, talented, mission-driven management teams.



Manager: RRG Sustainable

Benchmark: Private Equity Benchmark

Asset Class: Private Markets/Opportunistic

Role in Portfolio: Growth assets

Description: RRG is focused on private water and agriculture investments, seeking to invest in agriculture assets for the purpose of optimizing land values through the development of water rights in areas with the highest demand from farmers. The Fund will invest the majority of its capital in California's Central Valley, one of the most productive agricultural regions in the world, with the potential to make selective investments in Chile and Australia. RRG intends to build a portfolio of water and agriculture investments, diversified by crop type, municipal district, and water source. RRG has entered into a strategic partnership with The Nature Conservancy, the world's largest conservation-focused non-profit organization. As part of the partnership, The Nature Conservancy will dedicate four of its employees to assist RRG with conservation and resource management along with impact design and measurement.

Manager: Grosvenor Advance Fund

Benchmark: Private Equity Benchmark

Asset Class: Private Markets/Opportunistic

Role in Portfolio: Growth assets

Description: The Grosvenor Advance Fund is hybrid private equity fund of fund strategy that is intended to be a comprehensive and diversified solution allowing investors to efficiently invest in portfolio of private equity funds and direct co-investments of funds of women and ethnically diverse managers. The Fund seeks to achieve attractive returns primarily through investments in private funds and private companies that, at the time of the Fund's investment, are managed and/or sponsored by firms where women and ethnic minorities own 33% or more of the management company and/or relevant fund carried interest. The Fund may also invest in firms where the relevant management company or carried interest ownership is held by other socially disadvantaged groups. The Advance fund will make private equity commitments over a 3-4-year period in approximately 12-14 private equity funds and 12-14 direct co-investments. The portfolio will be constructed with approximately 60% allocated to primary fund commitments and 40% to direct co-investments. The Fund may opportunistically make secondary purchases of diverse managed private equity funds. Investments are largely expected to be made to buyout funds and to a lesser degree to special situations, growth equity and venture capital strategies.

ALTERNATIVE INVESTMENT DISCLOSURES

It is important that investors understand the following characteristics of non-traditional investment strategies including hedge funds and private equity:

1. Performance can be volatile and investors could lose all or a substantial portion of their investment
2. Leverage and other speculative practices may increase the risk of loss
3. Past performance may be revised due to the revaluation of investments
4. These investments can be illiquid, and investors may be subject to lock-ups or lengthy redemption terms
5. A secondary market may not be available for all funds, and any sales that occur may take place at a discount to value
6. These funds are not subject to the same regulatory requirements as registered investment vehicles
7. Managers may not be required to provide periodic pricing or valuation information to investors
8. These funds may have complex tax structures and delays in distributing important tax information
9. These funds often charge high fees
10. Investment agreements often give the manager authority to trade in securities, markets or currencies that are not within the manager's realm of expertise or contemplated investment strategy



NEPC DISCLOSURES

Past performance is no guarantee of future results.

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