

## Callan LLC and the William Blair 401(k) and Profit Sharing Plan

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The William Blair 401(k) and Profit Sharing Plan (the “Plan”) has engaged Callan LLC to provide investment guidance and oversight. This document provides more information on Callan LLC and its relationship to the Plan.

### What is Callan LLC?

Callan is one of the largest independently owned investment consulting firms in the United States. They are a fiduciary adviser with over 45 years of experience and serve 430 institutional clients that represent \$3.2 trillion in assets. Callan manages over \$17 billion in discretionary defined contribution assets for plans similar to William Blair’s 401(k) Plan.\*

### Why did the Plan hire Callan LLC?

The Plan has selected an investment menu designed to allow you to build a diversified retirement savings portfolio with as much or as little assistance as you desire. After a thorough due diligence process Callan was hired to manage the target date and multi-manager core funds and to provide general consulting advice on the management of the Plan. Callan has significant expertise in manager selection, monitoring, and portfolio structuring. In addition, the William Blair Plan benefits from Callan’s asset base in negotiating investment management fees. For reference, Callan’s target date funds have 10 year returns in the top quartile with fees in the bottom quartile.\* Returns and fees were just two of several criteria that were evaluated.

### How is Callan LLC paid for its services?

Callan receives an annual flat fee for the advisory services provided and for the management of the Plan’s investment options. Savings from renegotiating underlying investment management fees are passed on to participants.

The Plan allocates Callan’s fee on a pro-rata basis based on your balance in the target date and/or core and specialty investment options. Log in to [workplace.schwab.com](https://workplace.schwab.com) and click on History & Statements and then Transactions to view the fee, which is called “Plan Administration and Other Fees.”

### How does Callan LLC manage the multi-manager funds in the Plan?

The Callan investment options are designed to bring institutional best practices to the retirement accounts of Plan investors, like you.

Callan hires multiple managers with complementary strategies for each investment option, including the target date funds and core and specialty options. This structure allows for access to best-in-class managers, improved diversification, and efficient risk/reward implementation.

The target date funds employ diversifying asset classes. Traditional asset classes such as U.S. and international equity and fixed income are complemented with investments in direct private real estate and bank loans. These asset categories are not commonly available to Plan participants.

Further, each core and specialty investment option is designed to provide a full exposure to its asset class objective. The underlying managers inside each investment option build their portfolios by investing in specific securities consistent with their mandated objectives. This structure takes advantage of scale and competition to manage costs for both passive and active options.

\*Data as of June 30, 2021