

**Foundation Funds**  
Quarterly Performance Summary  
September 30, 2022

**Capital Markets Overview**

**U.S. Equity Market**

Equities continued their downward slide through 3Q as central banks around the globe reiterated their commitment to tighter monetary policies amid persisting inflationary pressures despite softening economic growth. Although indexes posted positive returns in July, poor performance in September pulled the quarterly return into negative territory. The S&P 500 Index was down 4.9%. Over the quarter, value stocks performed slightly worse than growth stocks (-5.6% vs -3.6%).

**International Equity Markets**

International developed market equities and emerging market stocks lagged domestic equities, with the MSCI EAFE Index down 9.4% and the MSCI Emerging Markets Index losing 11.6%. Chinese markets were particularly challenged in 3Q, returning -22.5%. Across international markets, continued dollar strength has remained a material headwind to returns.

**Fixed Income Markets**

Doubling down on its commitment to rein in inflation even at the expense of economic growth, the Federal Reserve boosted the Fed Funds rate by 75 basis points in September—its fifth rate hike this year—bringing the benchmark rate to 3%-3.25%. The yield on the 10-year Treasury touched 4% and projections for the year-end Fed Funds Rate rose 100 basis points to 4.38%. The central bank's aggressive stance sent fixed-income and credit markets to new lows. High-grade debt was particularly hard hit: Treasuries, mortgage-backed securities and corporate bonds were down between 4.3% and 5.3% in the third quarter. With year-to-date losses at 14.6% for the BBG Aggregate Index, 2022 is on track to be the worst performing year in the Index's 45-year history.

High-yield corporate debt fared modestly better, as spreads had previously widened to stressed levels. There is marked performance dispersion by rating, with lower-rated bonds and loans—CCCs in particular—significantly underperforming, reflecting investors' concern around credit worthiness. The leveraged loan market was the best relative performer with total losses for the year totaling 3.9%. Corporate debt defaults have ticked up from their historic lows, but remain well below average, with the 12-month default rate for bonds and loans at 0.83% and 1.14%, respectively.

## Performance Overview

### Foundation Preference Funds

	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Return	Since
Domestic Equity Fund	-4.95%	-23.95%	-16.67%	6.48%	7.87%	6.54%	Nov-99
<i>Domestic Equity Index</i>	-4.67%	-24.21%	-17.23%	6.52%	7.76%	6.42%	Nov-99
International Equity Fund	-9.95%	-29.03%	-28.91%	-2.34%	-1.25%	3.45%	Nov-99
<i>Int'l Equity Fund Index</i>	-10.07%	-27.27%	-26.41%	-1.81%	-1.14%	3.26%	Nov-99
Core Bond Fund	-4.41%	-14.39%	-14.48%	-2.59%	0.20%	3.91%	Nov-99
<i>Core Bond Fund Index</i>	-4.75%	-14.61%	-14.60%	-3.31%	-0.35%	3.79%	Nov-99
High Yield Bond Fund	0.54%	-9.12%	-8.78%	0.96%	2.01%	5.88%	Nov-99
<i>High Yield Bond Fund Index</i>	0.46%	-9.60%	-8.94%	0.48%	2.03%	6.00%	Nov-99
Money Market Fund	0.00%	0.00%	0.01%	0.21%	0.71%	1.50%	Nov-99
<i>Citi 3mth Treasury Bill</i>	0.45%	0.62%	0.63%	0.57%	1.13%	1.57%	Nov-99

### Foundation Standard Funds

	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Return	Since
Standard-Fixed Income	-3.49%	-13.27%	-13.27%	-1.90%	0.52%	3.84%	Jan-97
<i>Standard-Fixed Income Policy</i>	-3.72%	-13.61%	-13.47%	-2.50%	0.16%	4.51%	Jan-97
Standard-Conservative Balanced	-4.24%	-16.26%	-15.09%	-0.30%	1.67%	4.69%	Dec-01
<i>Standard-Conservative Balanced Policy</i>	-4.46%	-16.61%	-15.25%	-0.85%	1.34%	4.67%	Dec-01
Standard-Moderate Balanced	-5.19%	-19.60%	-17.29%	0.93%	2.52%	5.37%	Jan-97
<i>Standard-Moderate Balanced Policy</i>	-5.22%	-19.57%	-17.10%	0.62%	2.34%	5.97%	Jan-97
Standard-Aggressive Balanced	-6.12%	-22.70%	-19.32%	2.09%	3.34%	5.66%	Dec-01
<i>Standard-Aggressive Balanced Policy</i>	-6.01%	-22.50%	-19.00%	1.96%	3.23%	5.89%	Dec-01
Standard-Equity	-7.01%	-25.87%	-21.60%	2.90%	3.93%	6.07%	Jan-97
<i>Standard-Equity Policy</i>	-6.83%	-25.40%	-20.96%	3.14%	3.96%	6.70%	Jan-97

## Preference Fund: Domestic Equity

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Domestic Equity Fund	-4.95%	6.48%	7.87%	6.54%
Domestic Equity Index	-4.67%	6.52%	7.76%	6.42%

Fund Composition				
Manager	Investment Style	Position in Fund	3Q Manager Return	3Q Benchmark Return
BlackRock Russell 1000	Large Cap Core	70.7%	-4.6%	-4.6%
Peregrine	Small Cap Growth	4.9%	-3.2%	0.2%
Segall Bryant Hamill	Small Cap Value	4.9%	-7.0%	-4.6%
Rhumblin	Large Cap Equal Weighted	15.1%	-4.8%	-4.8%
CenterSquare	REIT	4.5%	-10.4%	-9.9%
Cash	n/a	0.0%		

Characteristics	Russell 3000	
	Portfolio	Russell 3000
Number of Holdings	1,231	2,986
Weighted Avg. Market Cap. (\$B)	327.47	402.26
Median Market Cap. (\$B)	14.57	2.30
Price To Earnings	17.72	17.46
Price To Book	3.36	3.49
Price To Sales	1.96	1.70
Return on Equity (%)	26.21	24.72
Yield (%)	1.91	1.79
Beta	0.99	1.00
R-Squared	0.99	1.00

Top Ten Holdings	
APPLE INC	4.5%
MICROSOFT CORP	3.7%
AMAZON.COM INC	2.1%
TESLA INC	1.4%
ALPHABET INC	1.2%
ALPHABET INC	1.1%
BERKSHIRE HATHAWAY INC	1.0%
UNITEDHEALTH GROUP INC	1.0%
JOHNSON & JOHNSON	0.9%
EXXON MOBIL CORP	0.8%

Characteristics	Russell 3000	
	Portfolio	Russell 3000
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	4.00	4.17
Materials	2.88	2.82
Industrials	9.13	9.03
Consumer Discretionary	10.19	11.44
Consumer Staples	5.73	6.29
Health Care	13.61	15.06
Financials	10.41	11.84
Information Technology	21.59	25.35
Communication Services	6.18	7.55
Utilities	2.88	3.03
Real Estate	7.59	3.41

\*The current Domestic Equity custom benchmark is 70% Russell 1000/ 15% S&P Equal Weighted/ 10% Russell 2000/ 5% NAREIT Equity Index

\*\*Alphabet Inc (1.42%) : Class C shares with ticker GOOG. Alphabet Inc (1.31%): Class A shares with ticker GOOGL. The two securities are traded at different prices and have different performance, thus shown as two separate line items.

## Preference Fund: International Equity

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
International Equity Fund	-9.95%	-2.34%	-1.25%	3.45%
Int'l Equity Fund Index	-10.07%	-1.81%	-1.14%	3.26%

Fund Composition				
Manager	Investment Style	Position in Fund	3Q Manager Return	3Q Benchmark Return
BlackRock	MSCI World ex US	33.1%	-9.2%	-9.2%
MFS	EAFE	10.8%	-10.0%	-9.4%
Marathon	EAFE	10.9%	-9.3%	-9.4%
Aberdeen	Emerging Markets	17.3%	-11.2%	-11.6%
Invesco International Equity	Emerging Markets	17.6%	-9.6%	-11.6%
Global Alpha International	EAFE Small Cap	10.3%	-11.3%	-9.8%
Cash	n/a	0.2%		

Characteristics		
	Portfolio	MSCI ACWI ex USA
Number of Holdings	1,279	2,270
Weighted Avg. Market Cap. (\$B)	66.34	71.12
Median Market Cap. (\$B)	11.58	7.79
Price To Earnings	13.33	11.39
Price To Book	2.48	2.35
Price To Sales	1.34	1.20
Return on Equity (%)	14.67	15.05
Yield (%)	2.55	3.69
Beta	1.02	1.00
R-Squared	0.99	1.00

Top Ten Holdings	
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	2.6%
HOUSING DEVELOPMENT FINANCE CORP LTD	2.1%
CASH - USD	2.0%
KOTAK MAHINDRA BANK LTD	1.4%
TATA CONSULTANCY SERVICES LTD	1.2%
YUM CHINA HOLDINGS INC	1.2%
TENCENT HOLDINGS LTD	1.1%
NESTLE SA, CHAM UND VEVEY	1.1%
GRUPO MEXICO S.A.B. DE C.V.	1.0%
SAMSUNG ELECTRONICS CO LTD	1.0%

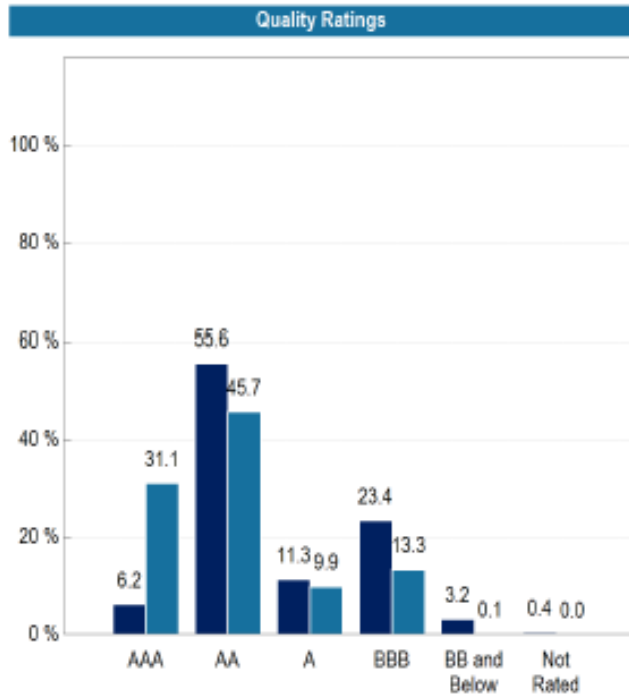
Characteristics		
	Portfolio	MSCI ACWI ex US
INDUSTRY SECTOR DISTRIBUTION (%)		
Energy	3.8	6.1
Material	7.9	8.1
Industrial	12.9	12.0
Consumer	12.4	11.2
Consumer	9.7	9.3
Health	9.0	9.8
Financial	19.4	20.6
Information	11.9	10.7
Communication	5.5	6.0
Utilities	2.0	3.3
Real Estate	1.83	2.37

\* The current International Equity custom benchmark is 33% MSCI World x US net/ 22%MSCI EAFE/10%MSCI EAFE Small Cap/35%MSCI Emerging Markets

## Preference Fund: Core Bond

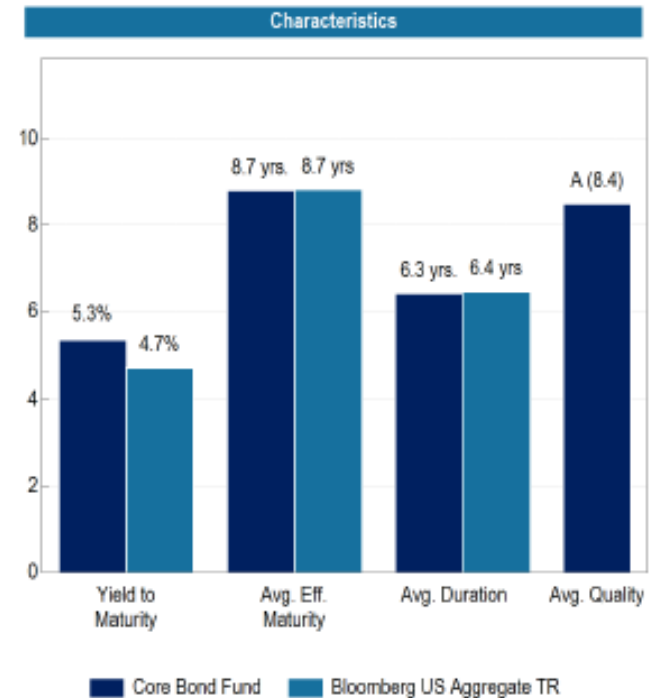
Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Core Bond Fund	-4.41%	-2.59%	0.20%	3.91%
Core Bond Fund Index	-4.75%	-3.31%	-0.35%	3.79%

Fund Composition				
Manager	Investment Style	Position in Fund	3Q Manager Return	3Q Benchmark Return
JP Morgan Core	Core Bond	50.5%	-4.2%	-4.8%
Prudential Core	Core Bond	49.5%	-4.7%	-4.8%
Cash	n/a	0.1%		



**Top Holdings**

UST BDS USD	1.34%
UST 0% NTS 31/08/27 USDAC-2027	1.30%
UST 0% NTS 15/08/32 USDE-2032	0.83%
UST BDS USD	0.83%
UST 0% NTS 30/06/29 USDM-2029	0.72%
UST 0% NTS 30/04/29 USDK-2029	0.71%
UST 0% NTS 31/08/29 USDP-2029	0.66%
UST BDS USD	0.63%
GNR 2.500 2051-08-20 USD	0.62%
UST 0% STRIP 15/02/2023 USD	0.58%



- The current Core Bond custom benchmark is Barclays Aggregate Index
- \*\*Multiple UST BDS (i.e., 1.59%, 1.13%, 0.98%) represent US treasuries with different coupon rates and maturity dates

## Preference Fund: High Yield Bond

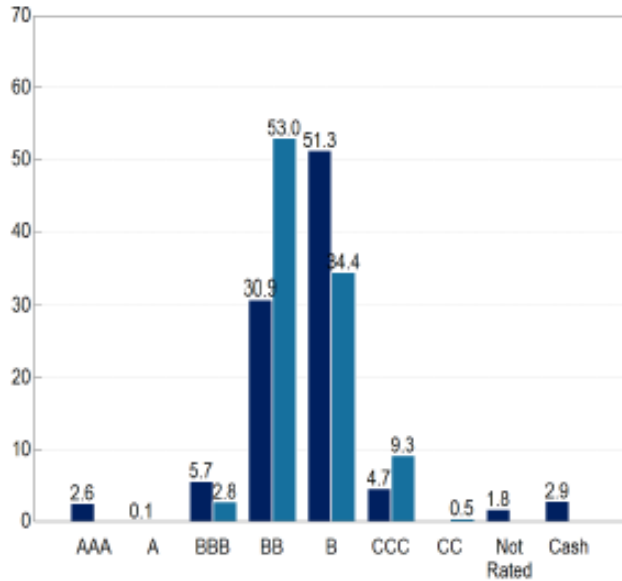
### Performance Summary

	3Q	3 Yr	5 Yr	Since Inception
High Yield Bond Fund	0.54%	0.96%	2.01%	5.88%
High Yield Bond Fund Index	0.46%	0.48%	2.03%	6.00%

### Fund Composition

Manager	Investment Style	Position in Fund	3Q Manager Return	3Q Benchmark Return
Credit Suisse	Leveraged Loan	60.0%	1.2%	1.2%
Loomis Sayles	High Yield Bond	39.9%	-0.3%	-0.8%
Cash	n/a	0.2%		

### Credit Quality Allocation

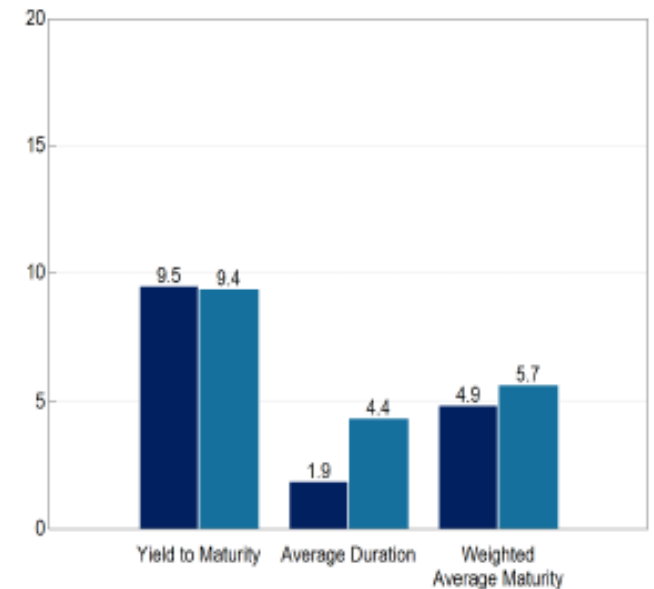


■ High Yield Bond Fund ■ ICE BofA High Yield Cash Pay TR

### Top Holdings

UST 0% NTS 31/05/27 USDZ-2027	1.25%
UST 1.375% SNR 30/06/23 USD1000	1.08%
CASH - USD	1.07%
ABG INTERMEDIATE HOLDGS 2 LLC 2021 TERM LOAN B	0.75%
SOLERA 621 USD COV-LITE TL 0.000 06022028 DD 051821	0.73%
Mineral Resources Ltd 8.125% SNR 01/05/27 USD2000	0.70%
SS&C Technologies, Inc. 5.5% GTD SNR 30/09/2027 USD	0.64%
First Quantum Minerals Ltd. 7.5% GTD SNR 01/04/2025 USD	0.63%
DISH Network Corporation CONV PIDI NTS USD (SEC REGD)	0.63%
Biomarin Pharmaceutical Inc. 1.25% CNV SUB 15/05/27 USD	0.61%

### Fixed Income Characteristics



■ High Yield Bond Fund ■ ICE BofA High Yield Cash Pay TR

\* The current High Yield custom benchmark is 60% BofA ML US HY BB-B Constrained / 40% Credit Suisse Leveraged Loans

## Standard Funds

### Fixed Income Standard Fund

#### Performance Summary

	3Q	3 Yr	5 Yr	Since Inception
Standard-Fixed Income	-3.49%	-1.90%	0.52%	3.84%
Standard-Fixed Income Policy	-3.72%	-2.50%	0.16%	4.51%

#### Composition

	Actual	Target
Core Bond Pref. Fund	78.89%	80.0%
High Yield Bond Pref. Fund	20.4%	20.0%
Cash	0.71%	0.0%

### Conservative Balanced Standard Fund

#### Performance Summary

	3Q	3 Yr	5 Yr	Since Inception
Standard-Conservative Balanced	-4.24%	-0.30%	1.67%	4.69%
Standard-Conservative Balanced Policy	-4.46%	-0.85%	1.34%	4.67%

#### Composition

	Actual	Target
Domestic Equity Pref. Fund	14.05%	15.0%
International Pref. Fund	9.36%	10.0%
Core Bond Pref. Fund	60.10%	60.0%
High Yield Bond Pref. Fund	15.53%	15.0%
Cash	0.96%	0.0%

### Moderate Balanced Standard Fund

#### Performance Summary

	3Q	3 Yr	5 Yr	Since Inception
Standard-Moderate Balanced	-5.19%	0.93%	2.52%	5.37%
Standard-Moderate Balanced Policy	-5.22%	0.62%	2.34%	5.97%

#### Composition

	Actual	Target
Domestic Equity Pref. Fund	28.69%	30.0%
International Pref. Fund	18.55%	20.0%
Core Bond Pref. Fund	40.90%	40.0%
High Yield Bond Pref. Fund	10.27%	10.0%
Cash	1.59%	0.0%

**Standard Funds (continued)**

**Aggressive Balanced Standard Fund**

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Standard-Aggressive Balanced	-6.12%	2.09%	3.33%	5.66%
Standard-Aggressive Balanced Policy	-6.01%	1.96%	3.23%	5.89%

Composition		
	Actual	Target
Domestic Equity Pref. Fund	44.60%	45.0%
International Pref. Fund	28.53%	30.0%
Core Bond Pref. Fund	20.36%	20.0%
High Yield Bond Pref. Fund	5.28%	5.0%
Cash	1.22%	0.0%

**Equity Standard Fund**

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Standard-Equity	-7.01%	2.90%	3.93%	6.07%
Standard-Equity Policy	-6.83%	3.14%	3.96%	6.70%

Composition		
	Actual	Target
Domestic Equity Pref. Fund	59.49%	60.0%
International Pref. Fund	38.9%	40.0%
Cash	1.68%	0.0%



## Notes

Domestic Equity Fund Benchmark: Since Inception through 12/31/2015: Wilshire 5000; 90% Russell 1000/10% Russell 2000 until 1/31/17, 65% Russell 1000/20% S&P Equal Weighted/10% Russell 2000/5% NAREIT Equity Index through 2/28/2019, 65% Russell 1000/ 15% S&P Equal Weighted/ 10% Russell 2000/ 10% NAREIT Equity Index through 1/31/2021, and gradually shifting to 70% Russell 1000/ 15% S&P Equal Weighted/ 10% Russell 2000/ 5% NAREIT Equity Index by 5/1/2021 and thereafter.

International Equity Fund Benchmark: 75% MSCI ACWI x US net/25% MSCI EAFE through 12/31/2011, 100% MSCI ACWI x US net Index through 6/30/16, 27% MSCI ACWI x US net/6% MSCI Canada IMI/32%MSCI EAFE/10%MSCI EAFE Small Cap/25%MSCI Emerging Markets through 6/30/2018 and 33% MSCI ACWI x US net/ 32%MSCI EAFE/10%MSCI EAFE Small Cap/25%MSCI Emerging Markets through 2/28/2019, 33% MSCI World x US net/ 27%MSCI EAFE/10%MSCI EAFE Small Cap/30%MSCI Emerging Markets through 1/31/2021, gradually shifting to 33% MSCI World x US net/ 22%MSCIEAFE/10%MSCI EAFE Small Cap/35%MSCI Emerging Markets by 5/1/2021 and thereafter.

Core Bond Fund Index is comprised of 75%/25% Barclays Intermediate Aggregate and Barclays Aggregate Index through 12/31/2007, 100% Barclays Agg. Index through 10/31/2016, 95% Barclays Agg/5% Barclays US TIPS through 2/28/2017, 90% Barclays Agg/10% Barclays US TIPS through 4/30/2017, 85% Barclays Agg/15% Barclays US TIPS through 5/31/2017, 80%BarclaysAgg/20% Barclays US TIPS through 3/31/2020 and Barclay Aggregate Index thereafter.

High Yield Bond Fund Index includes FTSE High Yield Cash Pay Capped Index through 3/31/15, 75% ICE BofA ML US HY BB-B Constrained / 25% Credit Suisse Leveraged Loans through 6/30/16, 66% ICE BofA ML US HY BB-B Constrained / 34% Credit Suisse Leveraged Loans through 6/30/2018, 50% ICE BofA ML US HY BB-B Constrained / 50% Credit Suisse Leveraged Loans through 3/31/2020, 60% ICE BofA ML US HY BB-B Constrained / 40% Credit Suisse Leveraged Loans through 6/30,2022, and 40% ICE BofA ML US HY BB-B Constrained / 60% Credit Suisse Leveraged Loans thereafter.

### Market Index Returns

	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Return	Since
S&P 500	-4.88%	-23.87%	-15.47%	8.16%	9.24%	6.31%	Nov-99
Russell 1000	-4.61%	-24.59%	-17.22%	7.95%	9.00%	6.52%	Nov-99
Russell 2000	-2.19%	-25.10%	-23.50%	4.29%	3.55%	7.51%	Nov-99
MSCI ACWI ex USA	-9.20%	-26.23%	-23.91%	-1.21%	-0.39%	3.05%	Nov-99
MSCI EAFE	-9.36%	-27.09%	-25.13%	-1.83%	-0.84%	2.83%	Nov-99
MSCI Emerging Markets	-11.57%	-27.16%	-28.11%	-2.07%	-1.81%	5.97%	Nov-99
Bloomberg Aggregate	-4.75%	-14.61%	-14.60%	-3.26%	-0.27%	3.89%	Nov-99
ICE BofA BB-B US High Yield TR	-0.76%	-14.31%	-13.70%	-0.77%	1.51%	5.73%	Nov-99
Credit Suisse Lev. Loans	1.19%	-3.31%	-2.62%	2.12%	3.00%	4.39%	Nov-99