

Investment Performance Summary

As of 12/31/2017



| Individual Investment Options | YTD | 1 Month | 3 Months | 1 Year | 3 Years | 5 Years | 10 Years |
|---|--------------|-------------|--------------|--------------|--------------|--------------|-------------|
| Equity Pool TR | 22.73 | 1.28 | 5.89 | 22.73 | 10.51 | 13.60 | 6.63 |
| Equity Benchmark | 22.77 | 1.40 | 6.05 | 22.77 | 10.53 | 13.81 | 7.21 |
| S&P 500 TR USD | 21.83 | 1.11 | 6.64 | 21.83 | 11.41 | 15.79 | 8.50 |
| MSCI ACWI Ex USA NR USD | 27.19 | 2.24 | 5.00 | 27.19 | 7.83 | 6.80 | 1.84 |
| Intermediate-Term Fixed Income Pool TR | 3.56 | 0.30 | 0.07 | 3.56 | 2.49 | | |
| Intermediate-Term Fixed Income Benchmark | 3.52 | 0.28 | 0.04 | 3.52 | 2.63 | 2.28 | |
| Short-Term Fixed Income Pool TR | 1.45 | 0.12 | -0.19 | 1.45 | 1.39 | | |
| Short-Term Fixed Income Benchmark | 1.57 | 0.11 | -0.13 | 1.57 | 1.50 | 1.35 | |
| Money Market Pool TR | 0.36 | 0.06 | 0.17 | 0.36 | 0.17 | 0.11 | 0.40 |
| USTREAS T-Bill Auction Ave 3 Mon | 0.97 | 0.12 | 0.32 | 0.97 | 0.45 | 0.29 | 0.34 |

Individual investment options allow donors to recommend a custom allocation strategy, which can include one or more Investment Pools.

Please refer to the quarterly Investment Performance Supplemental Report for benchmark definitions

| Investment Mix Options | YTD | 1 Month | 3 Months | 1 Year | 3 Years | 5 Years | 10 Years |
|-------------------------------------|--------------|-------------|-------------|--------------|-------------|--------------|-------------|
| Aggressive Mix TR | 18.42 | 1.07 | 4.68 | 18.42 | 8.83 | 11.27 | 6.40 |
| Aggressive Mix Benchmark | 18.46 | 1.16 | 4.81 | 18.46 | 8.88 | 11.35 | 6.73 |
| Moderately Aggressive Mix TR | 14.05 | 0.84 | 3.49 | 14.05 | 7.01 | 8.79 | 5.44 |
| Moderately Aggressive Mix Benchmark | 14.13 | 0.90 | 3.60 | 14.13 | 7.08 | 8.78 | 5.59 |
| Moderate Mix TR | 9.76 | 0.61 | 2.32 | 9.76 | 5.10 | 6.26 | 4.63 |
| Moderate Mix Benchmark | 9.90 | 0.65 | 2.41 | 9.90 | 5.21 | 6.19 | 4.58 |
| Conservative Mix TR | 5.61 | 0.38 | 1.16 | 5.61 | 3.18 | 3.75 | 3.71 |
| Conservative Mix Benchmark | 5.82 | 0.40 | 1.24 | 5.82 | 3.33 | 3.62 | 3.47 |
| Risk Averse Mix TR | 0.36 | 0.06 | 0.17 | 0.36 | 0.17 | 0.11 | 0.40 |
| USTREAS T-Bill Auction Ave 3 Mon | 0.97 | 0.12 | 0.32 | 0.97 | 0.45 | 0.29 | 0.34 |

Investment Mix options offer a simple, one-stop approach to an investment strategy that best reflects your charitable goals. Donors recommend one option, which Greater Horizons rebalances.

The Long Term I Mix TR has been renamed the Moderately Aggressive Mix TR
The Aggressive Mix TR inception date is 6/30/14; performance prior to that date is pro-forma.

Returns for periods greater than 1 year are compound annual returns.
TR = Total Return

| Current Investment Mix Allocations | Equity Pool | Inter-Term Fixed Income Pool | Short-Term Fixed Income Pool | Money Market Pool |
|------------------------------------|-------------|------------------------------|------------------------------|-------------------|
| Aggressive | 80% | 10% | 10% | 0% |
| Moderately Aggressive | 60% | 14% | 21% | 5% |
| Moderate | 40% | 18% | 27% | 15% |
| Conservative | 20% | 22% | 33% | 25% |
| Risk Averse | 0% | 0% | 0% | 100% |

Estimated Investment Management Fees for the Investment Mix Options

| | |
|-----------------------|-------|
| Aggressive | 0.06% |
| Moderately Aggressive | 0.07% |
| Moderate | 0.09% |
| Conservative | 0.10% |
| Risk Averse | 0.14% |

Performance is presented gross of Greater Horizons administrative fees but net of all investment management fees, brokerage, consulting and other transaction costs.

Customer Service

If you have any questions about your fund or wish to request a change in your investment mix, please contact Donor Services at support@greaterhorizons.org or 866.627.3440.

Contact David Anderson at anderson@growyourgiving.org or 816.627.3407 for more information on the pools, including their component funds and blended benchmarks, the Board of Directors Investment Committee, or the Investment Policy Statement.

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Equity Pool

As of 12/31/2017

Trailing Returns

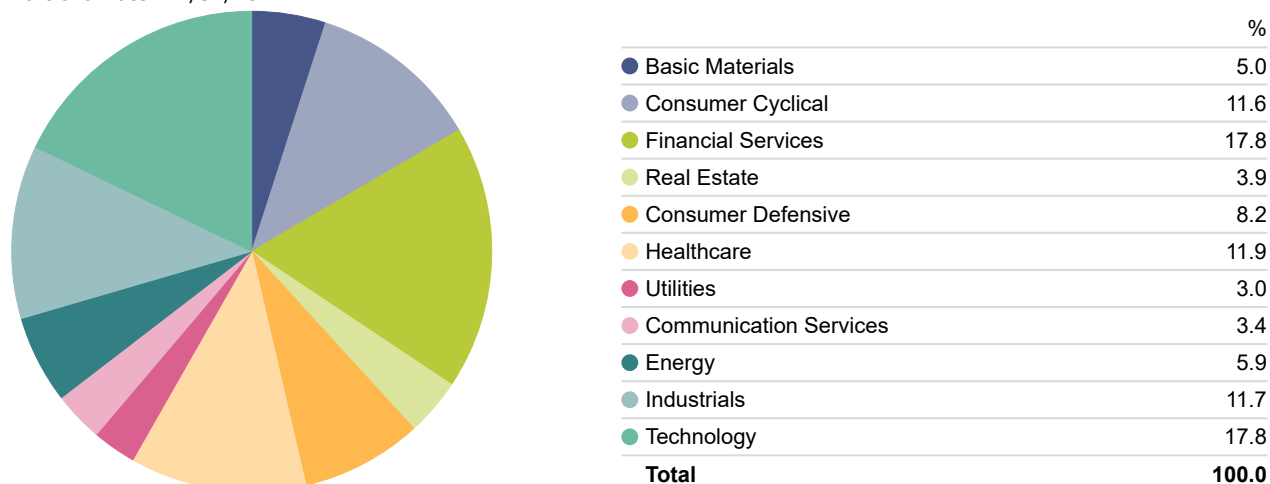
| Equity Pool & Blended Benchmark | YTD | Quarter | 1 Year | 3 Years Annualized | 5 Years Annualized | 10 Years Annualized |
|---------------------------------|--------------|-------------|--------------|--------------------|--------------------|---------------------|
| Equity Pool TR | 22.73 | 5.89 | 22.73 | 10.51 | 13.60 | 6.63 |
| Equity Benchmark | 22.77 | 6.05 | 22.77 | 10.53 | 13.81 | 7.21 |

Trailing Returns

| Equity Pool Holdings & Benchmarks | YTD | Quarter | 1 Year | 3 Years Annualized | 5 Years Annualized | 10 Years Annualized |
|--|--------------|-------------|--------------|--------------------|--------------------|---------------------|
| Vanguard Instl Ttl Stk Mkt Idx InstlPIs | 21.13 | 6.33 | 21.13 | 11.13 | 15.62 | 8.79 |
| CRSP US Total Market TR USD | 21.19 | 6.34 | 21.19 | 11.09 | 15.58 | 8.74 |
| Vanguard Developed Markets Index Instl | 26.46 | 4.45 | 26.46 | 8.96 | 8.30 | 2.38 |
| FTSE Developed ex US All Cap NR USD | 26.05 | 4.91 | 26.05 | 8.33 | 7.85 | |
| Vanguard Emerging Mkts Stock Idx Instl | 31.43 | 6.26 | 31.43 | 7.53 | 3.53 | 1.33 |
| FTSE Emerging NR USD | 32.08 | 6.96 | 32.08 | 8.08 | 4.22 | 1.81 |

Equity Pool - Equity Sectors (Morningstar)

Portfolio Date: 12/31/2017



Purpose

The purpose of the Equity Pool is to facilitate the funding of current and future charitable needs of participating charitable funds and organizations. The long term investment objective of the Equity Pool is to obtain broad equity market exposure utilizing a passive, cost effective approach that is diversified across market capitalizations and regions. A secondary objective is to provide cash flows to fund distributions and to preserve the purchasing power of the funds to meet charitable needs now and in the future.

Equity Pool - Top Holdings

Portfolio Date: 12/31/2017

| | Market Value (mil) | Portfolio Weighting % |
|---|--------------------|-----------------------|
| Total Market Value: \$491,111,221 | | |
| Vanguard Instl Ttl Stk Mkt Idx InstlPIs | \$ 352.9 | 72% |
| Vanguard Developed Markets Index Instl | \$ 114.1 | 23% |
| Vanguard Emerging Mkts Stock Idx Instl | \$ 24.0 | 5% |

Top Stock Holdings

1. Apple Inc.
2. Microsoft Corp.
3. Amazon.com Inc.
4. Facebook A
5. Berkshire Hathaway Inc. B
6. Johnson & Johnson
7. JPMorgan Chase & Co.
8. Exxon Mobil Corp.
9. Alphabet A
10. Alphabet C

Trailing Twelve Month Dividend Yield: 2.04%

Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transaction costs.

Estimated Pool Investment Management Fee: .05%

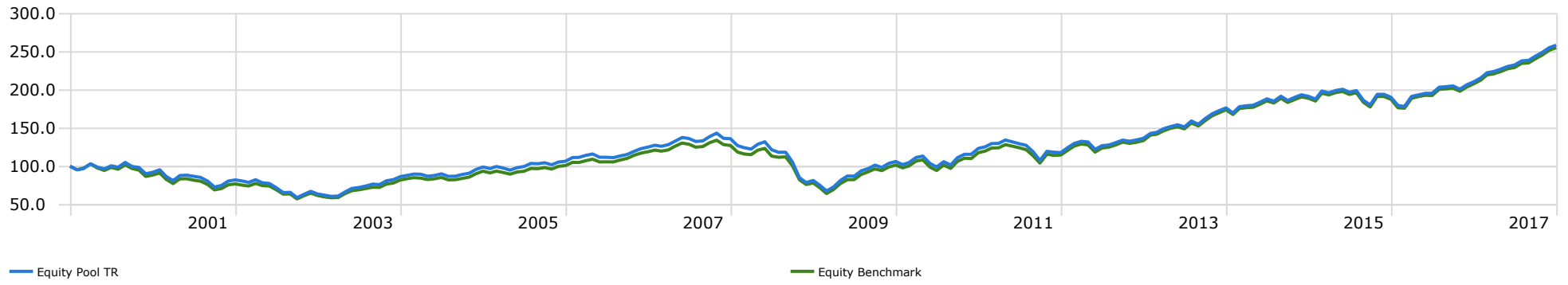
| Equity Benchmark | Current | Equity Benchmark 03/15 - 04/17 | Equity Benchmark 01/14 - 03/15 | Equity Benchmark 2011-2013 | Equity Benchmark 2003-2011 |
|------------------------------|---------|----------------------------------|------------------------------------|----------------------------|----------------------------|
| CRSP US Total Stock Market | 72% | CRSP US Total Stock Market 75% | CRSP US Total Stock Market 75% | Wilshire 5000 78.5% | Wilshire 5000 80% |
| FTSE Developed ex US All Cap | 23% | FTSE Developed ex US All Cap 20% | FTSE Developed ex US All Amer. 15% | MSCI EAFE 16.5% | MSCI EAFE 20% |
| FTSE Emerging Markets | 5% | FTSE Emerging Markets 5% | FTSE Emerging Markets 10% | MSCI Emerging Markets 5.0% | |

Source: Morningstar Direct

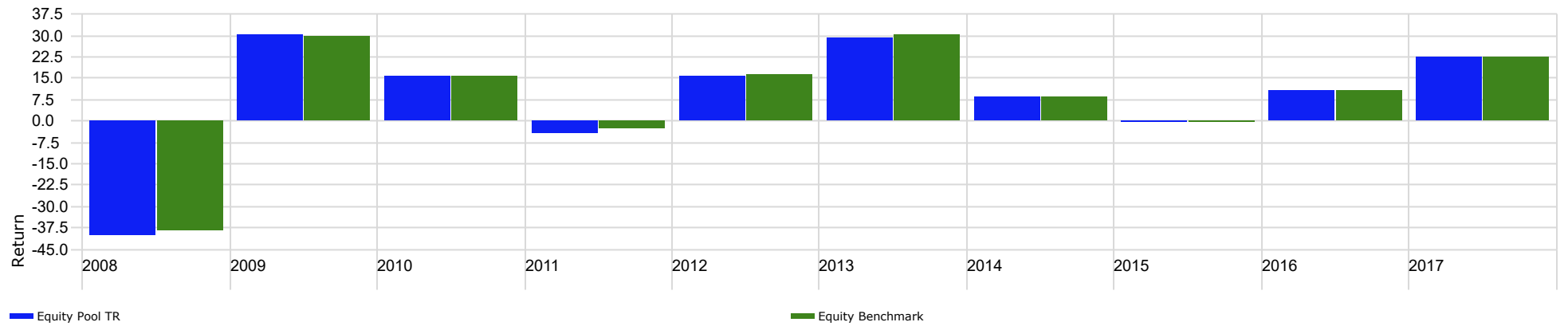
Equity Pool

Investment Growth

Time Period: 1/1/2000 to 12/31/2017



Calendar Year Returns



Equity Pool TR - Quarterly Returns

| | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | Year |
|------|---------|---------|---------|---------|--------|
| 2017 | 6.42 | 3.78 | 4.95 | 5.89 | 22.73 |
| 2016 | 0.59 | 2.10 | 4.95 | 2.65 | 10.64 |
| 2015 | 2.40 | 0.38 | -8.36 | 5.50 | -0.62 |
| 2014 | 1.59 | 5.04 | -1.13 | 2.89 | 8.56 |
| 2013 | 9.26 | 1.43 | 7.25 | 8.64 | 29.12 |
| 2012 | 12.55 | -4.32 | 5.76 | 1.77 | 15.90 |
| 2011 | 5.36 | -0.29 | -16.92 | 9.50 | -4.43 |
| 2010 | 4.97 | -11.22 | 12.30 | 10.87 | 16.03 |
| 2009 | -10.40 | 19.30 | 16.60 | 4.70 | 30.49 |
| 2008 | -9.92 | -0.77 | -13.02 | -22.99 | -40.13 |

Source: Morningstar Direct

Intermediate-Term Fixed Income Pool

As of 12/31/2017

Trailing Returns

| Int-Term Fixed Income Pool & Blended Benchmark | Year to Date | Quarter | 1 Year | 3 Years Annualized | 5 Years Annualized | 10 Years Annualized |
|--|--------------|-------------|-------------|--------------------|--------------------|---------------------|
| Intermediate-Term Fixed Income Pool TR | 3.56 | 0.07 | 3.56 | 2.49 | | |
| Intermediate-Term Fixed Income Benchmark | 3.52 | 0.04 | 3.52 | 2.63 | 2.28 | |

Purpose

The purpose of the Intermediate-Term Fixed Income Pool is to provide capital preservation and current income to help meet spending requirements of donor portfolios. The Pool will utilize a passive, cost effective approach with a secondary objective to provide broad exposure to U.S. income markets. The Pool is diversified across U.S. Treasuries notes and bonds, corporate bonds, bank loans, mortgaged-backed securities and U.S. Treasury Inflation-Protected Securities. The average effective duration and interest rate risk of the Pool will be commensurate with broad fixed income benchmarks such as the Barclays U.S. Aggregate Bond Index.

Trailing Returns

| Int-Term Fix. Income Pool Holdings & Benchmarks | Year to Date | Quarter | 1 Year | 3 Years Annualized | 5 Years Annualized | 10 Years Annualized |
|---|--------------|-------------|-------------|--------------------|--------------------|---------------------|
| Vanguard Interm-Term Bond Index I | 3.88 | 0.07 | 3.88 | 2.67 | 2.26 | 5.02 |
| BBgBarc US 5-10Y GovCredit FIAdj TR USD | 3.81 | 0.00 | 3.81 | 2.73 | 2.29 | |
| Vanguard Mortgage-Backed Secs Idx Instl | 2.38 | 0.06 | 2.38 | 1.76 | | |
| BBgBarc US MBS TR USD | 2.47 | 0.15 | 2.47 | 1.88 | 2.04 | 3.84 |
| Vanguard Shrt-Term Infl-Prot Sec Idx Ins | 0.83 | 0.18 | 0.83 | 1.13 | 0.14 | |
| BBgBarc U.S. Treasury TIPS 0-5Y TR USD | 0.88 | 0.21 | 0.88 | 1.22 | 0.18 | 1.92 |
| SPDR® Blmbg Barclays High Yield Bd ETF | 6.48 | 0.13 | 6.48 | 4.27 | 3.96 | 5.71 |
| BBgBarc VLI High Yield TR USD | 6.81 | 0.19 | 6.81 | 5.69 | 5.14 | 7.80 |

Intermediate-Term Fixed Income Pool Holdings

Portfolio Date: 12/31/2017

| | Market Value (mil) | Portfolio Weight % |
|--|--------------------|--------------------|
| Total Market Value: \$111,466,188 | | |
| Vanguard Interm-Term Bond Index I | \$ 78.2 | 71% |
| Vanguard Mortgage-Backed Secs Idx Instl | \$ 21.4 | 19% |
| Vanguard Shrt-Term Infl-Prot Sec Idx Ins | \$ 5.6 | 5% |
| SPDR® Blmbg Barclays High Yield Bd ETF | \$ 5.4 | 5% |

Int.-Term Fixed Income Benchmark Weights

| | Percent | Inception Date: January 1, 2014 |
|---|---------|--|
| Barclays US 5-10Y Gov/Credit FIAdj TR USD | 70% | Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transactions costs. |
| Barclays US MBS Float Adjusted TR USD | 20% | |
| Barclays VLI High Yield TR USD | 5% | Estimated Pool Investment Management Fee: 0.08% |
| Barclays U.S. Treasury TIPS 0-5Y TR USD | 5% | |

Fixed Income Pool Statistics

| | |
|-----------------------------|------------|
| Average Yield to Maturity | 2.83% |
| Average Effective Duration | 5.67 years |
| Trailing Twelve Month Yield | 2.67% |

Short-Term Fixed Income Pool

As of 12/31/2017

Trailing Returns

| Short-Term Fix. Inc. Pool & Blended Benchmark | Year To Date | Quarter | 1 Year | 3 Years Annualized | 5 Years Annualized | 10 Years Annualized |
|---|--------------|--------------|-------------|--------------------|--------------------|---------------------|
| Short-Term Fixed Income Pool TR | 1.45 | -0.19 | 1.45 | 1.39 | | |
| Short-Term Fixed Income Benchmark | 1.57 | -0.13 | 1.57 | 1.50 | 1.35 | |

Purpose

The purpose of the Short-Term Fixed Income Pool is to provide capital preservation and current income to help meet spending requirements of donor portfolios. The Pool will utilize a passive, cost effective approach with a secondary objective to provide broad exposure to U.S. income markets. The Pool is diversified across U.S. Treasury notes and bonds, corporate bonds, bank loans, mortgaged-backed securities and U.S. Treasury Inflation-Protected Securities. The Pool will have a lower average effective duration than broad fixed income market benchmarks such as the Barclays U.S. Aggregate Bond Index, hence limiting overall interest rate risk.

Trailing Returns

| Short-Term Fix. Inc. Pool Holdings & Benchmarks | Year to Date | Quarter | 1 Year | 3 Years Annualized | 5 Years Annualized | 10 Years Annualized |
|---|--------------|--------------|-------------|--------------------|--------------------|---------------------|
| Vanguard Short-Term Bond Idx I | 1.20 | -0.32 | 1.20 | 1.22 | 1.03 | |
| BBgBarc US 1-5Y GovCredit FIAdj TR USD | 1.27 | -0.30 | 1.27 | 1.27 | 1.10 | |
| Vanguard Mortgage-Backed Secs Idx Instl | 2.38 | 0.06 | 2.38 | 1.76 | | |
| BBgBarc US MBS Float Adjusted TR USD | 2.37 | 0.13 | 2.37 | 1.83 | 2.00 | |
| Vanguard Shrt-Term Infl-Prot Sec Idx Ins | 0.83 | 0.18 | 0.83 | 1.13 | 0.14 | |
| BBgBarc U.S. Treasury TIPS 0-5Y TR USD | 0.88 | 0.21 | 0.88 | 1.22 | 0.18 | 1.92 |
| PowerShares Senior Loan ETF | 2.39 | 0.65 | 2.39 | 2.70 | 2.62 | |
| S&P/LSTA U.S. Leveraged Loan 100 TR USD | 3.31 | 0.95 | 3.31 | 3.66 | 3.39 | |

Short-Term Fixed Income Pool Holdings

Portfolio Date: 12/31/2017

| Total Market Value: \$171,836,676 | Market Value (mil) | Portfolio Weight % |
|--|--------------------|--------------------|
| Vanguard Short-Term Bond Idx I | \$ 120.6 | 71% |
| Vanguard Mortgage-Backed Secs Idx Instl | \$ 33.0 | 19% |
| PowerShares Senior Loan ETF | \$ 8.3 | 5% |
| Vanguard Shrt-Term Infl-Prot Sec Idx Ins | \$ 8.3 | 5% |

Short-Term Fixed Income Benchmark Weights

| Benchmark | Percent |
|---|---------|
| Barclays US 1-5Y GovCredit FIAdj TR USD | 70% |
| Barclays US MBS Float Adjusted TR USD | 20% |
| Barclays U.S. Treasury TIPS 0-5Y TR USD | 5% |
| S&P/LSTA U.S. Leveraged Loan 100 TR USD | 5% |

Inception Date: January 1, 2014

Performance is presented gross of administrative fees but net of all investment management fees, brokerage, consulting and other transactions costs.

Estimated Pool Investment Management Fee: 0.09%

Fixed Income Pool Statistics

| | |
|-----------------------------|------------|
| Average Yield to Maturity | 2.37% |
| Average Effective Duration | 2.90 years |
| Trailing Twelve Month Yield | 1.82% |

Money Market Pool

As of 12/31/2017

Purpose

The purpose of the Money Market Pool is to provide liquidity for participating charitable funds and organizations in funding grant making and payment of fees and administrative costs while providing desired principal stability. The long term investment objective of the Money Market Pool is to seek a competitive market return to preserve and grow the portfolio, provide cash flows to meet charitable needs now and those in the future. As such, the Money Market Pool is highly liquid, which enables donors to access funds for grants in a timely manner. The Money Market Pool invests in bank deposits and obligations of the United States government and its agencies.

Money Market Trailing Returns

| Time Period | Money Market Pool | 90 Day Treasury Bills |
|-------------|-------------------|-----------------------|
| 3 Months | 0.17% | 0.32% |
| 1 Year | 0.36% | 0.97% |
| 3 Years | 0.17% | 0.45% |
| 5 Years | 0.11% | 0.29% |
| 10 Years | 0.40% | 0.34% |

*Performance periods greater than 12 months are annualized.
Performance is net of investment management fees but not the
Foundation's administrative fees.*

Estimated Current Yield: 0.72%

Investment Commentary—December 2017

Defying most of the pundits, the capital markets had a banner year in 2017. Most asset classes either exceeded their historical average returns or their expected returns. The S&P 500 had a total return of 21.8%, far above its historical average of 10%. The Bloomberg Barclays US Aggregate Bond Index had a total return of 3.54%. That return exceeded its 2.61% yield to maturity at the beginning of the year. Foreign stock and bond markets did well also. The MSCI All Country World Index ex US had a total return of 27.2% as both developed markets and emerging markets had strong returns.

The Equity Pool participated in 2017's strong performance with a total return of 22.73% which was aided by the Pool's exposure to foreign markets. Recall that the Investment Committee increased this exposure from 25% to 28% at the end of April. The Intermediate-Term Fixed Income Pool had a total return of 3.56% exceeding its yield-to-maturity at the beginning of the year of 3.10%. Thus, there was a small amount of capital appreciation in the intermediate sector of the bond market. The Short-Term Fixed Income Pool had a total return of 1.45% compared with its 2.06% yield-to-maturity at the beginning of the year. The small amount of capital depreciation was a result of rising short-term interest rates engineered by the FOMC.

All this performance came in the midst of a full year of political wrangling in Washington, three interest rate hikes by the Federal Reserve's Federal Open Market Committee (FOMC), reports of a slowing economy, reports of an accelerating economy and any number of geopolitical crises waiting in the wings. Of course, investors always have the attitude of "what have you done for me lately?" And, 2018 will present a new playing field compared to the last 6-7 years.

The first change comes from the FOMC's decision to begin shrinking its balance sheet after growing it almost five fold over the last decade. What had been viewed as a world of infinite capital has returned to a world of finite capital. Many investors view the rate hikes and the shrinking Federal Reserve balance sheet as a positive "return to normalcy" as these actions will enhance the ability of corporate executives to plan for the future. This ability to plan will be aided by the second major factor: the changes to the corporate tax law. Many investors are expecting the new tax law to stimulate spending for plant and equipment to enable future revenue growth. That capital spending would

also require businesses to hire additional workers to fill that added capacity.

The problem of the last decade has been the depressed growth rate of the U.S. economy along with those of the rest of the world. The orange line in the accompanying graph shows that real Gross Domestic Product grew at a trend line rate of 3.2% from 1970 to 2007. Since 2009 the rate of growth has been only 2.2%. A difference of 1% per year does not sound like much but cumulatively over the last 8 years, the U.S. economy has "lost" over \$5 trillion of economic activity and almost \$1 trillion of federal tax revenue by growing at 2% rather than 3% per year.

While the unemployment rate is quite low by historical standards, so is the labor force participation rate. That rate is superimposed on the accompanying graph. The depressed economic growth of the last eight years is coincident with the shrinking labor force participation. The labor force participation rate has dropped from a high of 67.3% in 2000 to 62.3% in 2015 as corporations curtailed their plans for expansion and also proceeded with automating existing jobs. Thus, efforts of policy makers are directed at encouraging companies to build for the future and thus enable workers to return to the labor force. Gradual progress toward these twin goals could alleviate some of the anxiety the bond market as well as the FOMC may have about accelerating inflation.

