SAGE VIEW

Reserve Account Overview

Period Ending 9/30/2025

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VIRGINIA BANKERS ASSOCIATION

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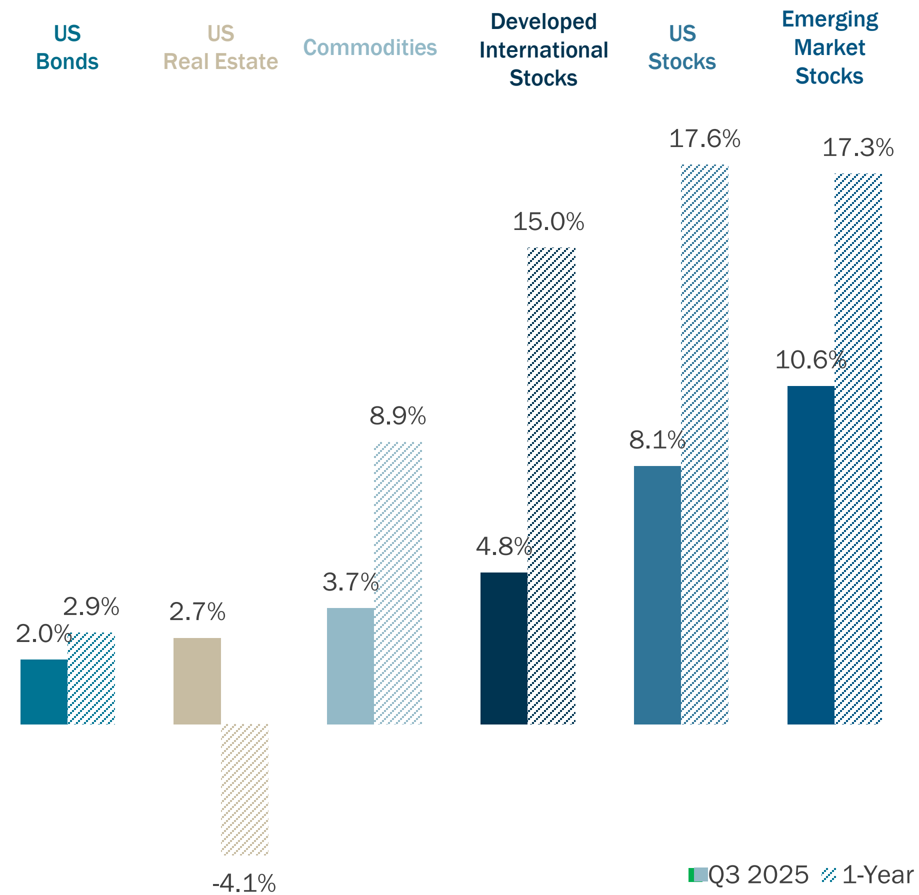
Capital Market Overview

All major asset classes rose during Q3 2025. Solid corporate earnings, increased investments in Artificial Intelligence (AI), and steady consumer spending kept investor confidence high, reduced daily market volatility, and extended the stock market rally.

- US equities gained strongly as many companies' earnings beat analyst expectations and large tech stocks benefited from AI spending. Gains spread beyond just the largest firms. Momentum into Q4 appears to be supported by healthy profit growth.
- Foreign stock markets also moved higher. Despite positive returns, developed markets lagged the US, while emerging markets outperformed, thanks in part to a weaker dollar, producing double-digit gains over the past year.
- Core fixed income finished positive as investor expectations for future rate cuts increased as hiring cooled. Falling yields pushed bond prices up, with high-quality bonds leading the way.
- Real estate stocks gained as the outlook for lower interest rates improved, partly offsetting the burden of current higher borrowing costs. Rate-sensitive areas performed particularly well, though conditions still vary by property type.
- Commodities ended the quarter higher. Strength in gold and some industrial materials outweighed generally lower energy prices.



"Source: Morningstar Direct, accessed October 3, 2025. Returns shown are cumulative total returns and include dividends. Commodities are represented by the Bloomberg Commodities Index; U.S. Real Estate by the FTSE NAREIT All REITs Index; U.S. Bonds by the Bloomberg U.S. Aggregate Index; U.S. Stocks by the S&P 500 Index; Developed International Stocks by the MSCI EAFE Index; and Emerging Markets Stocks by the MSCI EM Index.

Q3 2025 By The Numbers

Solid Earnings → AI Investments → Labor Cost Savings → Rising Profits & Stock Prices

The S&P 500 logged 25 record highs this quarter and is nearing the third anniversary of the bull market that began in October 2022 — even as labor markets soften.

Strong Earnings, Continued Rally

The S&P 500 delivered +8.1% in Q3, powered by solid earnings, rate-cut expectations, and heavy AI infrastructure spending. The rally broadened beyond mega caps: the Russell 2000 hit its first all-time high since 2021. Technical momentum and the prospect of further rate cuts should act as tailwinds heading into Q4, historically the strongest quarter for equities.

9
Consecutive quarters of S&P 500 earnings growth

$5.2 T
Investment in data centers between 2025 – 2030 (McKinsey & Co)

4.2%
S&P 500 - Avg Q4 Return (1950 – 2024)

Cooling Labor Market

In September, the BLS cut its 12-month job gain estimate by 911,000—the largest downward revision on record. Q3 job creation was weak, with most sectors contracting outside healthcare and few entry-level opportunities. Powell said the labor market is “really cooling off,” signaling a shift toward employment as the Fed’s focus. Despite low unemployment, job growth is clearly deteriorating.

-911,000
September revision to job gains for the 12 months ending Mar 2025

70,000
New average monthly job gains after the revision, down from 147,000 previously

0.25%
Q3 Annualized Growth Rate of US workers

High Earners Drive Spending

Consumer spending remains firm but uneven. The top 10% of earners now drive nearly half of all spending (Moody’s) and luxury purchases by the top 5% are up 10% year-over-year (Bank of America). Relative to pre-COVID levels, credit card debt is down for high-income households but up sharply for lower-income ones (Boston Fed), suggesting that spending resilience rests mainly on the financial strength of wealthier households.

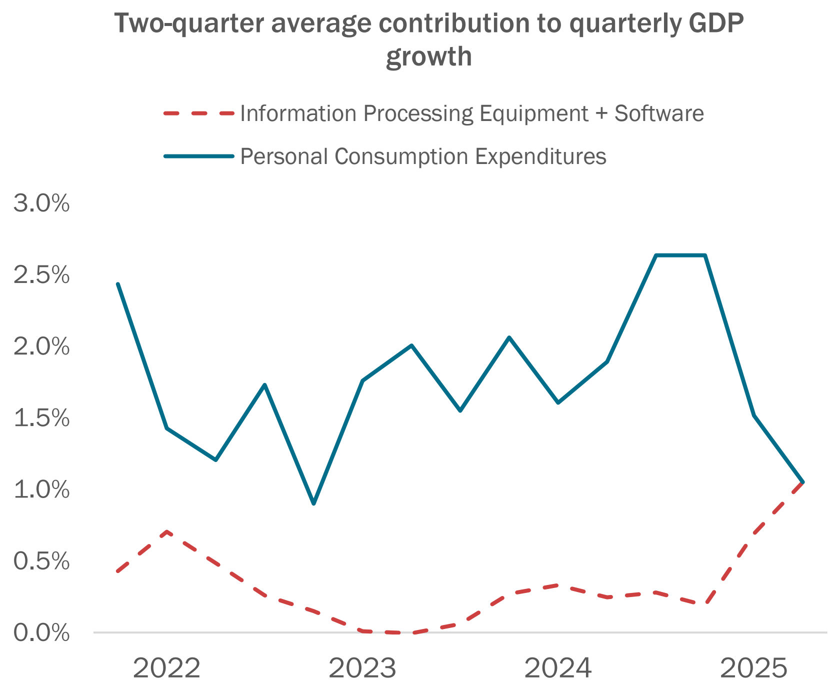
49.2%
Top 10% of earners’ share of total US consumer spending in Q2 (a record high)

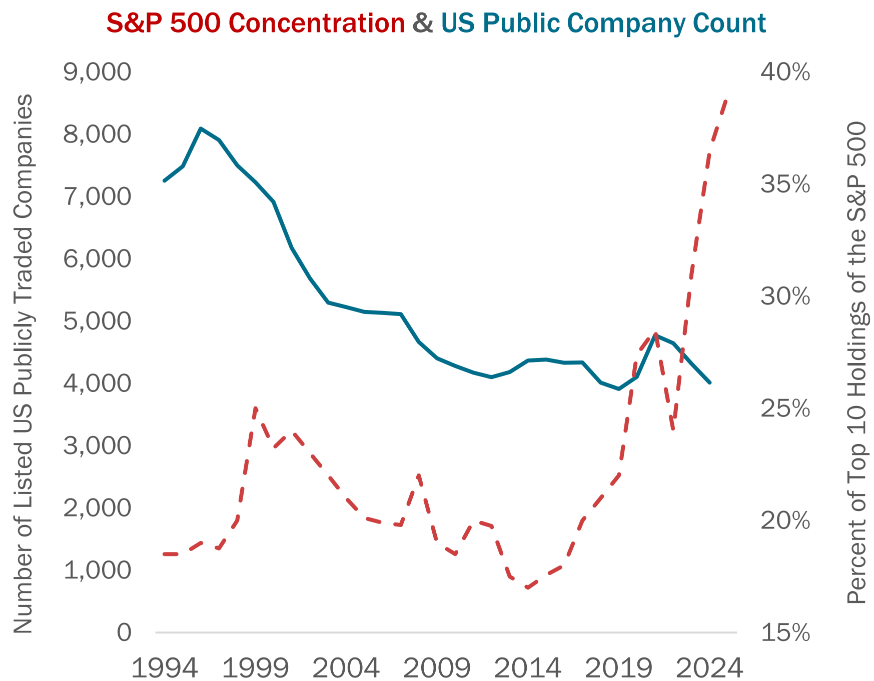
7x faster
High-income households’ spending growth vs. lower-income in Aug. 2025 (2.2% YoY vs. 0.3% YoY) in Bank of America card data

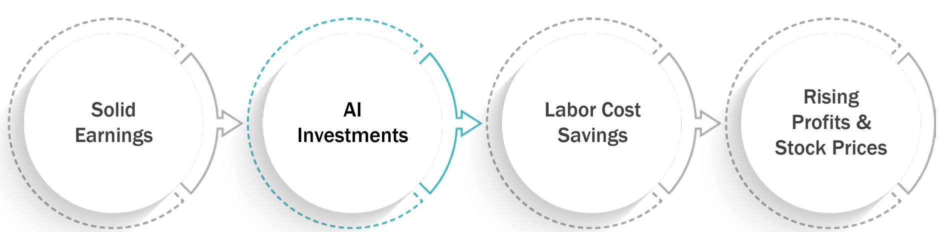
56%
US luxury consumers planning to maintain or boost spending in the next quarter, up from 47% in April (July 2025 survey, Saks)

Markets Rise on Productivity Hopes as AI Investment Surges

The disconnect between market prices and the labor market isn't accidental: investors are betting that capital, especially AI and data-infrastructure investments, will carry the growth baton. In the first half of 2025, consumption's contribution to GDP growth faded, while spending on information-processing equipment and software surged. Meanwhile, market concentration intensified — the top ten stocks now represent nearly 40% of the S&P 500's value — as AI-scale winners increasingly drive index-level returns and investor enthusiasm. With fewer stocks to invest in, and solid profitability in the largest stocks, it's not surprising that the stock market continues to rise.







Sources: World Bank (publicly listed U.S. company tallies); U.S. Bureau of Economic Analysis (GDP components); Morningstar Direct (S&P 500 top-ten holdings).

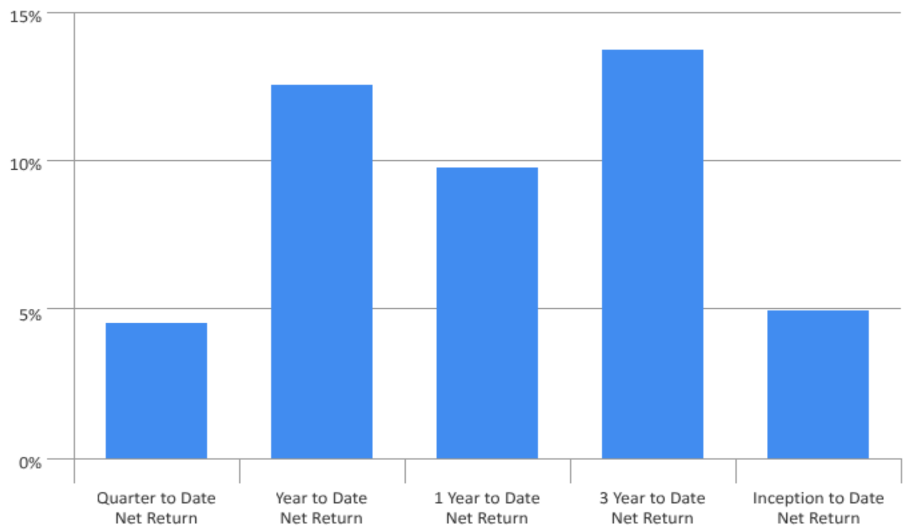
Asset Class Returns

2010 - 2024																	
Ann.	Vol.	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Large Cap 13.9%	Small Cap 20.6%	REITs 27.9%	REITs 8.3%	REITs 19.7%	Small Cap 38.8%	REITs 28.0%	REITs 2.8%	Small Cap 21.3%	EM Equity 37.8%	Cash 1.8%	Large Cap 31.5%	Small Cap 20.0%	REITs 41.3%	Comdty. 16.1%	Large Cap 26.3%	Large Cap 25.0%	EM Equity 28.2%
Small Cap 10.3%	EM Equity 17.9%	Small Cap 26.9%	Fixed Income 7.8%	High Yield 19.6%	Large Cap 32.4%	Large Cap 13.7%	Large Cap 1.4%	High Yield 14.3%	DM Equity 25.6%	Fixed Income 0.0%	REITs 28.7%	EM Equity 18.7%	Large Cap 28.7%	Cash 1.5%	DM Equity 18.9%	Small Cap 11.5%	DM Equity 25.7%
REITs 9.4%	REITs 16.8%	EM Equity 19.2%	High Yield 3.1%	EM Equity 18.6%	DM Equity 23.3%	Fixed Income 6.0%	Fixed Income 0.5%	Large Cap 12.0%	Large Cap 21.8%	REITs -4.0%	Small Cap 25.5%	Large Cap 18.4%	Comdty. 27.1%	High Yield -12.7%	Small Cap 16.9%	Asset Alloc. 10.0%	Large Cap 14.8%
Asset Alloc. 7.2%	DM Equity 16.5%	Comdty. 16.8%	Large Cap 2.1%	DM Equity 17.9%	Asset Alloc. 14.9%	Asset Alloc. 5.2%	Cash 0.0%	Comdty. 11.8%	Small Cap 14.6%	High Yield -4.1%	DM Equity 22.7%	Asset Alloc. 10.6%	Small Cap 14.8%	Fixed Income -13.0%	Asset Alloc. 14.1%	High Yield 9.2%	Asset Alloc. 12.9%
High Yield 5.9%	Comdty. 16.1%	Large Cap 15.1%	Cash 0.1%	Small Cap 16.3%	High Yield 7.3%	Small Cap 4.9%	DM Equity -0.4%	EM Equity 11.6%	Asset Alloc. 14.6%	Large Cap -4.4%	Asset Alloc. 19.5%	DM Equity 8.3%	Asset Alloc. 13.5%	Asset Alloc. -13.9%	High Yield 14.0%	EM Equity 8.1%	Small Cap 10.4%
DM Equity 5.7%	Large Cap 15.1%	High Yield 14.8%	Asset Alloc. -0.7%	Large Cap 16.0%	REITs 2.9%	Cash 0.0%	Asset Alloc. -2.0%	REITs 8.6%	High Yield 10.4%	Asset Alloc. -5.8%	EM Equity 18.9%	Fixed Income 7.5%	DM Equity 11.8%	DM Equity -14.0%	REITs 11.4%	Comdty. 5.4%	High Yield 9.6%
EM Equity 3.4%	Asset Alloc. 10.4%	Asset Alloc. 13.3%	Small Cap -4.2%	Asset Alloc. 12.2%	Cash 0.0%	High Yield 0.0%	High Yield -2.7%	Asset Alloc. 8.3%	REITs 8.7%	Small Cap -11.0%	High Yield 12.6%	High Yield 7.0%	High Yield 1.0%	Large Cap -18.1%	EM Equity 10.3%	Cash 5.3%	Comdty. 9.4%
Fixed Income 2.4%	High Yield 9.4%	DM Equity 8.2%	DM Equity -11.7%	Fixed Income 4.2%	Fixed Income -2.0%	EM Equity -1.8%	Small Cap -4.4%	Fixed Income 2.6%	Fixed Income 3.5%	Comdty. -11.2%	Fixed Income 8.7%	Cash 0.5%	Cash 0.0%	EM Equity -19.7%	Fixed Income 5.5%	REITs 4.9%	Fixed Income 6.1%
Cash 1.2%	Fixed Income 4.7%	Fixed Income 6.5%	Comdty. -13.3%	Cash 0.1%	EM Equity -2.3%	DM Equity -4.5%	EM Equity -14.6%	DM Equity 1.5%	Comdty. 1.7%	DM Equity -13.4%	Comdty. 7.7%	Comdty. -3.1%	Fixed Income -1.5%	Small Cap -20.4%	Cash 5.1%	DM Equity 4.3%	REITs 4.5%
Comdty. -1.0%	Cash 0.9%	Cash 0.1%	EM Equity -18.2%	Comdty. -1.1%	Comdty. -9.5%	Comdty. -17.0%	Comdty. -24.7%	Cash 0.3%	Cash 0.8%	EM Equity -14.2%	Cash 2.2%	REITs -5.1%	EM Equity -2.2%	REITs -24.9%	Comdty. -7.9%	Fixed Income 1.3%	Cash 3.2%

Source: Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management.
Large Cap: S&P 500, Small Cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Bloomberg Global HY Index, Fixed Income: Bloomberg U.S. Aggregate, REITs: NAREIT Equity REIT Index, Cash: Bloomberg 1-3m Treasury. The "Asset Allocation" portfolio is for illustrative purposes only and assumes annual rebalancing with the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg U.S. Aggregate, 5% in the Bloomberg 1-3m Treasury, 5% in the Bloomberg Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Annualized (Ann.) return and volatility (Vol.) represents the period from 12/31/2009 to 12/31/2024. Please see the disclosure page at the end for index definitions. All data represent total return for stated period. Past performance is no guarantee of future results.

RELATIONSHIP SUMMARY

Trailing Returns (TWR)



Returns for periods exceeding 12 months are annualized.

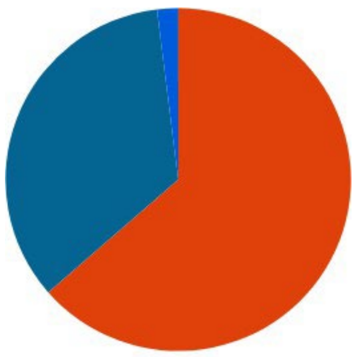
Return Summary

Account	Quarter to Date Net Return	Year to Date Net Return	1 Year to Date Net Return	3 Year to Date (03/29/2021)	Inception to Date Net Return
VBA Benefits Corporation (Corporation (CP))	4.58%	12.57%	9.81%	13.77%	4.97%
VBA Management Services Inc (Corporation (CP))	4.44%	12.39%	9.56%	13.46%	4.88%
Virginia Bankers Association (Corporation (CP))	4.43%	12.26%	9.47%	13.30%	* 4.04%
Total	**4.56%**	**12.54%**	**9.77%**	**13.73%**	**4.94%**

Returns for periods exceeding 12 months are annualized.

* Partial period return

Portfolio Asset Allocation



Current Allocation

Global Broad Category	Current Value	Current Percent
Stocks	$2,280,639	63.56%
Bonds	$1,237,092	34.48%
Cash and Cash Equivalents	$70,434	1.96%
Total	**$3,588,165**	**100.00%**

PERFORMANCE SUMMARY

Performance History

	Start Value	Net Contribution	Net Investment Gain	Interest & Dividends	End Value	Total Return
Monthly						
September 2025	$3,520,587	$0	$67,577	$6,177	$3,588,165	1.92%
August 2025	$3,442,122	$0	$78,465	$3,879	$3,520,587	2.28%
July 2025	$3,431,624	$0	$10,498	$7,360	$3,442,122	0.31%
June 2025	$3,326,427	$0	$105,197	$6,965	$3,431,624	3.16%
May 2025	$3,225,839	$0	$100,588	$3,894	$3,326,427	3.12%
April 2025	$3,197,554	$0	$28,285	$5,147	$3,225,839	0.88%
March 2025	$3,263,277	$0	($65,723)	$7,928	$3,197,554	(2.01%)
February 2025	$3,249,596	$0	$13,681	$4,033	$3,263,277	0.42%
January 2025	$3,188,330	$0	$61,266	$2,248	$3,249,596	1.92%
Monthly Total	$3,188,330	$0	$399,834	$47,632	$3,588,165	12.54%
Annual						
2025 *	$3,188,330	$0	$399,834	$47,632	$3,588,165	12.54%
2024	$2,955,686	$0	$232,644	$87,726	$3,188,330	7.87%
2023	$2,599,575	$0	$356,111	$77,754	$2,955,686	13.70%
2022	$2,380,200	$650,000	($430,625)	$58,122	$2,599,575	(15.80%)
2021 *	$0	$2,250,000	$130,200	$34,807	$2,380,200	6.93%
Annual Total *	$0	$2,900,000	$688,165	$306,040	$3,588,165	4.94%
Inception to Date						
03/29/2021 - 09/30/2025	$0	$2,900,000	$688,165	$306,040	$3,588,165	4.94%

* Partial period return
Returns for periods exceeding 12 months are annualized.

AGGREGATED ASSET ALLOCATION

Fund	% of Plan Assets	Total Assets
Vanguard S&P 500 ETF	21.59%	$774,612.00
Loomis Sayles Core Plus Bond Y	13.10%	$470,093.00
iShares Core US Aggregate Bond ETF	13.02%	$467,176.00
Vanguard FTSE Developed Markets ETF	9.06%	$325,221.00
Fidelity International Small Cap	6.76%	$242,427.00
Schwab Emerging Markets Equity ETF™	5.87%	$210,720.00
PGIM Global Real Estate Z	5.85%	$209,868.00
JPMorgan Mid Cap Growth I	5.54%	$198,794.00
iShares Core International Aggt Bd ETF	4.93%	$176,979.00
American Century Small Cap Value I	4.05%	$145,401.00
MFS Emerging Markets Debt I	1.97%	$70,639.00
CASH	1.96%	$70,436.00
Vanguard Russell 1000 Value ETF	1.73%	$62,068.00
Vanguard Russell 1000 Growth ETF	1.69%	$60,486.00
BlackRock High Yield Instl	1.45%	$52,205.00
Schwab International Equity ETF™	0.72%	$25,709.00
ClearBridge International Growth I	0.71%	$25,331.00
Total Market Value:	100.00%	$3,588,163

Account	% of Total Assets	Total Assets
VBA Benefits Corporation	86.24%	$3,095,454
VBA Management Services Inc	12.10%	$433,248
Virginia Bankers Association	1.66%	$59,463
Total Market Value:	100.00%	$3,588,163

INVESTMENT PERFORMANCE

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	Morning* Ranking
CASH	Money Market-Taxable	1.96%	NA	NA	NA	NA	NA	NA	NA	NA
ICE BofA US 3M Trsy Bill TR USD*			1.08	3.17	4.38	4.77	2.98	2.08		
Cat: Morningstar Money Market - Taxable			0.98	2.97	4.10	4.48	2.78	1.80	0.40	
iShares Core US Aggregate Bond ETF	Intermediate Core Bond	13.02%	2.04	6.13	2.89	4.92	-0.45	1.81	0.03	***
Bloomberg US Agg Bond TR USD*			2.03	6.13	2.88	4.93	-0.45	1.84		
Cat: Morningstar Intermediate Core Bond			2.03	6.01	3.00	4.98	-0.31	1.81	0.55	
Loomis Sayles Core Plus Bond Y	Intermediate Core-Plus Bond	13.10%	2.25	7.06	3.29	5.43	0.07	2.85	0.48	***
Bloomberg US Agg Bond TR USD*			2.03	6.13	2.88	4.93	-0.45	1.84		
Cat: Morningstar Intermediate Core-Plus Bond			2.16	6.31	3.37	5.61	0.33	2.32	0.77	
iShares Core International Aggt Bd ETF	Global Bond-USD Hedged	4.93%	0.56	2.42	3.18	5.31	0.65	NA	0.07	***
Bloomberg Gbl Agg xUSD 10% IC TR Hdg USD*			0.56	2.53	3.34	5.48	0.76	2.66		
Cat: Morningstar Global Bond-USD Hedged			1.29	4.15	3.52	5.55	0.44	2.17	0.67	
BlackRock High Yield Instl	High Yield Bond	1.45%	2.57	7.43	7.79	11.33	5.97	6.05	0.58	****
Bloomberg US HY 2% Issuer Cap TR USD*			2.54	7.22	7.41	11.09	5.54	6.16		
Cat: Morningstar High Yield Bond			2.35	6.67	6.94	10.21	5.17	5.24	0.87	
MFS Emerging Markets Debt I	Emerging Markets Bond	1.97%	3.79	8.76	6.76	11.98	2.63	4.20	0.81	***
JPM EMBI Global Diversified TR USD*			4.75	10.66	8.52	12.29	2.27	4.19		
Cat: Morningstar Emerging Markets Bond			4.23	10.14	8.36	12.30	3.05	4.32	0.97	
Vanguard Russell 1000 Value ETF	Large Value	1.73%	5.32	11.61	9.38	16.90	13.80	10.62	0.07	***
Russell 1000 Value TR USD*			5.33	11.65	9.44	16.96	13.88	10.72		
Cat: Morningstar Large Value			5.54	11.35	9.68	17.10	14.13	10.90	0.86	
Vanguard S&P 500 ETF	Large Blend	21.59%	8.11	14.80	17.56	24.90	16.43	15.26	0.03	*****
S&P 500 TR USD*			8.12	14.83	17.60	24.94	16.47	15.30		
Cat: Morningstar Large Blend			6.94	13.11	14.61	22.34	14.85	13.69	0.73	

*Investment Policy Benchmark

INVESTMENT PERFORMANCE

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Vanguard Russell 1000 Growth ETF	Large Growth	1.69%	10.49	17.18	25.44	31.53	17.50	18.73	0.07	*****
Russell 1000 Growth TR USD*			10.51	17.24	25.53	31.61	17.58	18.83		
Cat: Morningstar Large Growth			7.62	15.27	21.77	28.10	13.73	15.90	0.92	
JPMorgan Mid Cap Growth I	Mid-Cap Growth	5.54%	4.49	11.96	17.47	18.66	8.92	12.88	0.84	****
Russell Mid Cap Growth TR USD*			2.78	12.84	22.02	22.85	11.26	13.37		
Cat: Morningstar Mid-Cap Growth			4.51	9.26	13.41	17.23	8.04	11.28	1.05	
American Century Small Cap Value I	Small Value	4.05%	4.67	-2.06	-2.02	10.54	13.75	9.66	0.88	**
Russell 2000 Value TR USD*			12.60	9.04	7.89	13.56	14.59	9.23		
Cat: Morningstar Small Value			8.27	4.97	5.11	13.96	15.36	9.14	1.09	
Schwab International Equity ETF™	Foreign Large Blend	0.72%	5.81	26.55	16.57	21.70	11.42	8.55	0.03	****
FTSE Dv Ex US NR USD*			5.75	26.28	16.30	21.47	11.24	8.42		
Cat: Morningstar Foreign Large Blend			5.00	24.95	15.75	20.94	10.30	7.97	0.86	
Vanguard FTSE Developed Markets ETF	Foreign Large Blend	9.06%	5.82	27.84	17.44	22.03	11.36	8.55	0.03	***
FTSE Dvlp ex US All Cap(US RIC)NR USD*			5.94	27.12	17.09	21.69	11.32	8.55		
Cat: Morningstar Foreign Large Blend			5.00	24.95	15.75	20.94	10.30	7.97	0.86	
ClearBridge International Growth I	Foreign Large Growth	0.71%	4.28	22.06	13.22	20.05	7.24	10.04	0.79	****
MSCI ACWI Ex USA Growth NR USD*			5.71	22.51	12.86	18.33	6.22	8.17		
Cat: Morningstar Foreign Large Growth			2.14	18.89	10.69	18.39	5.95	8.01	1.00	
Fidelity International Small Cap	Foreign Small/Mid Blend	6.76%	2.49	22.59	12.58	19.68	10.84	8.70	1.00	****
MSCI ACWI Ex USA SMID NR USD*			6.22	26.78	17.23	20.04	9.67	8.03		
Cat: Morningstar Foreign Small/Mid Blend			4.59	27.11	17.38	20.29	9.51	7.90	1.08	
Schwab Emerging Markets Equity ETF™	Diversified Emerging Mkts	5.87%	10.63	23.76	16.01	17.34	7.57	8.13	0.07	***
FTSE Emerging NR USD*			10.49	23.79	15.74	17.92	7.96	8.39		
Cat: Morningstar Diversified Emerging Mkts			8.80	24.64	15.95	17.76	7.28	7.60	1.09	
PGIM Global Real Estate Z	Global Real Estate	5.85%	3.69	10.28	-0.19	10.88	5.45	4.66	0.97	****
FTSE EPRA Nareit Developed NR USD*			4.07	10.39	-0.31	9.30	5.51	3.75		
Cat: Morningstar Global Real Estate			3.48	11.78	0.38	9.63	5.00	4.25	1.07	

*Investment Policy Benchmark

FUND SCORE SUMMARY

	# of Funds	Average SageView Score
Total Available Standalone Investments	17	24
Core Investments	17	24
Asset Allocation Investments	0	NA

FUND SCORE SUMMARY

Fund Name	Ticker	Total Return Composite Ranking	Rolling 12 Mo Perf. (5 Yrs.)	RSquared (3 Yrs)	Modified Sharpe Ratio (36 Mos.)	Alpha (60 Mos.)	Up Capture Ratio (10 Yrs.)	Down Capture Ratio (10 Yrs.)	Batting Average (10 Yrs.)	Expense Ratio	SageView Normalized Ranking
Loomis Sayles Core Plus Bond Y	NERYX	50%	56%	21%	61%	38%	14%	55%	54%	36%	43%
BlackRock High Yield Instl	BHYIX	15%	26%	3%	19%	28%	16%	47%	2%	23%	3%
MFS Emerging Markets Debt I	MEDIX	64%	52%	22%	56%	63%	68%	31%	80%	36%	57%
JPMorgan Mid Cap Growth I	HLGEX	33%	47%	11%	34%	35%	27%	45%	3%	38%	13%
American Century Small Cap Value I	ACVIX	69%	61%	54%	89%	79%	25%	63%	18%	31%	68%
ClearBridge International Growth I	LMGNX	31%	42%	66%	29%	41%	20%	39%	3%	35%	24%
Fidelity International Small Cap	FISMX	42%	34%	41%	40%	23%	85%	6%	58%	38%	32%
PGIM Global Real Estate Z	PURZX	33%	39%	44%	16%	40%	29%	71%	8%	43%	29%

Fund Name	Ticker	Expense Ratio	Tracking Error (3 Yrs)	RSquared (3 Yrs)	Beta (3 Yrs)	SageView Normalized Ranking
iShares Core US Aggregate Bond ETF	AGG	22%	36%	35%	27%	20%
iShares Core International Aggt Bd ETF	IAGG	NA	NA	NA	NA	NA
Vanguard Russell 1000 Value ETF	VONV	25%	20%	23%	57%	19%
Vanguard S&P 500 ETF	VOO	17%	2%	6%	65%	10%
Vanguard Russell 1000 Growth ETF	VONG	21%	22%	25%	68%	23%
Schwab International Equity ETF™	SCHF	12%	2%	2%	8%	1%
Vanguard FTSE Developed Markets ETF	VEA	12%	57%	53%	56%	17%
Schwab Emerging Markets Equity ETF™	SCHE	6%	2%	1%	28%	1%

SageView’s Fee for Investment Management is 0.375%.

REPLACEMENTS

Fund PeerGroup Idx	% of Assets	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	Ticker	SageView Rank
Current Investment										
JPMorgan Mid Cap Growth I	5.54	4.49	11.96	17.47	18.66	8.92	12.88	0.84	HLGEX	13
Alternative investment for consideration										
MFS Blended Research Mid Cap Eq I	-	5.46	9.49	9.24	19.31	15.04	-	0.59	BMSLX	2
Cat. Avg. : Morningstar Mid-Cap Blend		*5.19*	*7.71*	*7.73*	*16.14*	*12.70*	*10.43*	*0.87*		
Idx : Morningstar US Mid TR USD		*4.68*	*10.13*	*10.84*	*17.35*	*12.77*	*11.95*			
Current Investment										
American Century Small Cap Value I	4.05	4.67	-2.06	-2.02	10.54	13.75	9.66	0.88	ACVIX	68
Alternative investment for consideration										
Touchstone Small Company Y	-	6.75	6.91	7.25	15.97	15.10	11.18	0.91	SIGWX	7
Cat. Avg. : Morningstar Small Blend		*8.28*	*6.32*	*6.31*	*14.50*	*12.69*	*9.57*	*0.97*		
Idx : Morningstar US Small TR USD		*7.99*	*8.80*	*9.15*	*16.26*	*12.25*	*9.74*			

= Current = Addition = Alternative

WATCH LIST SUMMARY

Fund Name/% of Plan Assets/Category	Quantitative Watch List Date (Plan level)	Qualitative Watch List Date (Global level)	Watch List Comments	Recommendation
Loomis Sayles Core Plus Bond Y 13.10 *Intermediate Core-Plus Bond*	03/31/2025	-	With sector selection driving the majority of alpha, the strategy focuses on positioning within the credit cycle-rotating into "plus" sectors when markets are improving and stable, and becoming more defensive when valuations are stretched. The strategy actively manages duration, which acted as a headwind in 2021 due to lowering duration early but was rewarded in 2022. In 2024, the fund entered the year overweight duration, expecting rates to decline. However, they were early, and rates rose instead, which hurt relative performance. Additionally, non-dollar exposure (e.g., Mexico, Brazil) was a headwind as these countries grappled with fiscal reforms. A reversal of trends in 2025 has been beneficial, with non-dollar exposure rewarded as the U.S. dollar weakened-driving strong year-to-date performance. A long duration profile also added to relative results as rates declined. The team remains patient, maintaining a sizable Treasury allocation to capitalize on potential dislocations or opportunities.	Continue On Watch
MFS Emerging Markets Debt I 1.97 *Emerging Markets Bond*	03/31/2025	-	The MFS Emerging Market Debt Fund seeks to achieve outperformance through rigorous country and security selection, with a strong focus on managing downside risk. The strategy prioritizes volatility management and flexibility by maintaining a well-diversified portfolio. Performance has been steady relative to its peer group in emerging market debt but has softened more recently. Since 2022, the asset class has outperformed U.S. fixed income, providing positive returns and valuable diversification. This strategy typically reduces risk early and has adopted a more defensive posture in the current environment. Consequently, the rally in lower-quality debt and strong returns from riskier countries-largely absent from the portfolio-have weighed on results. Additionally, limited exposure to local currencies has been a headwind, as the weaker U.S. dollar boosted returns in local currency markets.	Continue On Watch

WATCH LIST SUMMARY

Fund Name/% of Plan Assets/Category	Quantitative Watch List Date (Plan level)	Qualitative Watch List Date (Global level)	Watch List Comments	Recommendation
American Century Small Cap Value I 4.05 *Small Value*	09/30/2025	-	The American Century Small Cap Value fund seeks to invest in high-quality value companies with favorable long-term risk/return characteristics. Despite a recent resurgence for small-cap value stocks, the strategy has been challenged in 2025's market environment, significantly lagging its benchmark over the trailing quarter and year. The fund's heavy overexposure to regional banks detracted from relative performance as the Financials sector, regional banks included, lagged most other sectors in the third quarter. Overexposure to the struggling Energy sector was compounded by poor security selection, as management's optimism for oil companies has not been rewarded. From an individual perspective, a long-term holding in publicly traded private equity business Compass Diversified was a key detractor for the year, as ongoing fraud investigations into key holding company Lugano has tanked its share price.	Replace

SageView Portfolios

Q3 Market Update

SageView Dynamic Portfolio Positioning

Cautious Optimism

Global markets were strong in Q3, although U.S. economic data remains mixed. Q2 GDP growth was recently revised up to a robust 3.8%, signaling strength on the surface. However, a significant portion of that growth has been driven by concentrated investment in AI infrastructure. Stripping out this spending, some economists suggest the broader economy may already be flirting with recession. Labor market momentum has also cooled, with job growth showing signs of stalling. That said, productivity gains—largely tied to advances in AI—have helped offset some of this weakness and are playing an increasingly important role in sustaining output. Against this backdrop, we are holding a neutral allocation between equities and fixed income in client portfolios.

International Edge

Our overweight allocation to international equities has continued to be a meaningful contributor to performance this year, supported by stronger relative returns from global markets versus the U.S. While U.S. equities have shown resilience, valuations remain elevated compared to their international peers. Additionally, recent developments in fiscal and trade policy have contributed to U.S. dollar weakness—a trend that typically favors international exposures. Given these ongoing conditions, we are maintaining our tilt toward international equities to capitalize on valuation advantages and currency tailwinds.

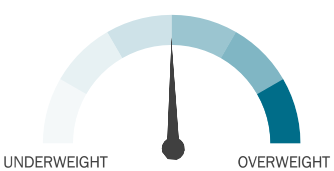
Prioritizing Stability

If U.S. economic growth begins to slow, value-oriented stocks may be better positioned to weather the downturn. Value stocks include defensive sectors such as Utilities and Consumer Staples, which tend to offer more stability during periods of uncertainty. In addition, growth sectors, particularly Technology, are now among the most richly valued areas of the market. Should we see a broad market pullback, these sectors could be more vulnerable to downside pressure. Given these dynamics, we continue to favor value stocks within our equity allocation, prioritizing areas with stronger fundamentals and lower valuation risk.

Quality Remains Key in Fixed Income

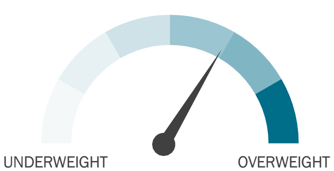
On the fixed income side, we continue to emphasize high-quality government and investment-grade bonds with a modestly longer duration profile. This positioning has added value as interest rates have begun to drift lower, supporting total returns. These securities also offer important downside protection during periods of market stress. With credit spreads still near historically tight levels, we remain underweight high yield bonds, which may be more vulnerable if economic or market volatility picks up. In our view, high-quality fixed income continues to serve as a reliable foundation for portfolio stability and risk management.

Stocks vs. Bonds



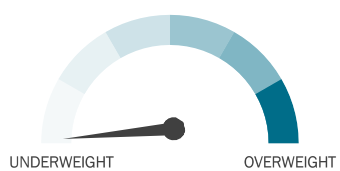
NEUTRAL

International Stocks vs. US Stocks



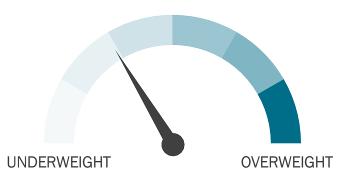
MODERATE INTERNATIONAL TILT

High Yield Bonds vs. High Quality Bonds



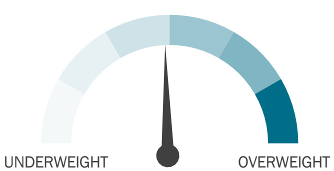
MAXIMUM QUALITY TILT

US Large Cap Growth vs. US Large Cap Value



MODERATE VALUE TILT

US Large Cap vs. Small Cap



NEUTRAL

SEE WHERE YOU'RE GOING