Quarterly Investments Update: September 30, 2021

JCF Pre-Set Portfolios

CONSERVATIVE

Short-Term Yield

Yield similar to inflation, some growth, with limited capital growth

MODERATE

Balance Growth & Protection

Possibility of loss, with moderate long-term growth

AGGRESSIVE

Long-Term Growth

Possibility of loss, with long-term growth potential

ESG

Long-Term Impact

Possibility of loss, with long-term growth and ESG focus

Performance Update, Through September 30, 2021

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Calendar QTD</th>
<th>Past 1 Year</th>
<th>Past 3 Years (annualized)</th>
<th>Past 5 Years (annualized)</th>
<th>Past 7 Years (annualized)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservative</td>
<td>-0.1%</td>
<td>7.5%</td>
<td>6.4%</td>
<td>4.2%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Policy Benchmark*</td>
<td>0.0%</td>
<td>6.9%</td>
<td>5.9%</td>
<td>3.7%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Moderate</td>
<td>-0.5%</td>
<td>15.8%</td>
<td>8.9%</td>
<td>8.3%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Policy Benchmark*</td>
<td>-0.5%</td>
<td>15.4%</td>
<td>8.9%</td>
<td>8.4%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Aggressive</td>
<td>-0.8%</td>
<td>23.8%</td>
<td>10.8%</td>
<td>10.3%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Policy Benchmark*</td>
<td>-0.8%</td>
<td>23.7%</td>
<td>10.7%</td>
<td>11.4%</td>
<td>8.3%</td>
</tr>
<tr>
<td>ESG</td>
<td>-1.0%</td>
<td>19.1%</td>
<td>9.8%</td>
<td>9.8%</td>
<td>8.5%</td>
</tr>
<tr>
<td>Policy Benchmark*</td>
<td>0.3%</td>
<td>19.5%</td>
<td>11.8%</td>
<td>11.5%</td>
<td>9.6%</td>
</tr>
</tbody>
</table>

* Policy Benchmarks reflect market benchmarks weighted according to each Pre-Set Portfolio’s strategic asset allocation. All performance is shown net (after deduction) of investment management fees. Performance data shown represents past performance and is no guarantee of future results.

- **Conservative**: down -0.1% in the quarter, slightly trailing its Policy Benchmark. The Conservative portfolio outperformed the other portfolios due to a higher fixed income allocation, consistent with its lower risk mandate, in a period when equity markets collectively declined.

- **Moderate**: down -0.5% in the quarter, performing in line with its Policy Benchmark. The portfolio’s allocation to equities, notably international equities, detracted in the quarter. The portfolio’s allocation to high yield credit and diversified real assets was beneficial in the quarter.

- **Aggressive**: down -0.8% in the quarter, performing in line with its Policy Benchmark. The portfolio’s higher allocation to equities led to underperformance relative to other portfolios as equities pulled back in the third quarter. Within equities, the allocations to international developed and U.S. small cap equity were a drag on performance.

- **ESG**: down -1.0% in the quarter, trailing its Policy Benchmark. Relative performance was hurt by underperformance from the portfolio’s equity managers in the quarter.
Market Backdrop in the Past Quarter through September 30, 2021

**Economy**: After a strong start to the quarter driven by re-openings, economic activity slowed toward the end of the quarter due to concerns over the delta variant and supply chain pressures. Manufacturing PMIs have come off of their highs, but remain expansionary for most regions. Monetary policy remains accommodative, although some central banks have begun to discuss tapering asset purchases.

**Stocks**: Global equities posted modest declines in Q3, with the MSCI ACWI index falling 1.1% for the quarter, leaving it with an 11.1% gain year-to-date. The S&P 500 returned 0.6% in Q3, outperforming most other regions. International developed stocks fell 0.4% during the quarter and emerging market equities fell 8.1%.

**Bonds**: Fixed income markets produced positive results in Q3, with the U.S. Aggregate Index gaining 0.1% and Treasuries outperforming corporate bonds. The yield curve modestly steepened during the quarter, with 3-month yields falling one basis point, while 10- and 30-year yields rose by seven and two basis points, respectively. High yield bonds gained 0.9% during the quarter, despite credit spreads rising.

**Real Assets**: Commodities had a strong quarter, with energy commodities rising considerably due to lasting impacts from Hurricane Ida and supply/demand imbalances in Europe. Master Limited Partnerships (MLPs) and natural resource stocks posted modest losses during Q3, despite the rise in commodity prices. REITs posted muted results during Q3 and Infrastructure stocks finished mostly flat.

Appendix

**Asset Class Definitions:**

- **Equities** are stock investments in companies around the world: U.S. and non-U.S. JCF uses a wide variety of vehicles and structures, including mutual funds, commingled funds, and limited partnerships.

- **Fixed Income** are bond investments primarily in the U.S., but also outside the U.S. JCF uses a wide variety of vehicles and structures to gain exposure to fixed income markets, including separate accounts, mutual funds, commingled funds and limited partnerships. There are a wide variety of fixed income securities used, including U.S. Treasury and Agency bonds, other sovereign nation bonds, corporate bonds, mortgage-backed securities, and asset-backed securities.

- **Money Market** includes cash, money market securities, and short-term U.S. Treasury bonds.

Questions?

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