SYNTRINSIC™

Investment Philosophy

1Q 2017

Presentation Overview

I. Developing Portfolios

Syntrinsic's Portfolio Development Process

Syntrinsic strives to develop portfolios that are positioned with a strong likelihood of meeting client objectives such as return, income, volatility, and liquidity over a full market cycle. We recognize that market cycles can last five to ten years depending on the markets and one's perspective; as such, we are patient investors, guiding portfolios designed to endure through the client's time horizon.

Define Investment Objectives

- Enable clients to define long-term goals and clarify risk and return objectives.
- Identify spending needs, tax and legal issues, values-based factors, and other relevant items.
- Periodically revisit the objectives because they drive all other investment decisions.

Forecast the Capital Markets

- Craft long-term asset class forecasts and near-term sentiment.
- Within each asset class, identify which segments are appealing on an absolute and relative basis.
- Relying on core fundamental analysis, craft a reasonable and well researched forecast.

Develop Asset Allocation Targets

- Develop asset allocation targets that blend client objectives with capital market risks and opportunities.
- Formally review each client's asset allocation at least once per year to ensure continued alignment.
- As needed, build clients multiple portfolios to reflect varied objectives.

Select Money Managers

- Identify managers that best reflect each client's objectives and philosophy.
- Start with an open universe of managers with whom there are no financial conflicts.
- Assess company, team, strategy and performance to identify and select managers worthy of clients.

II. Defining Client Objectives

Defining Client Objectives

Portfolio development must always begin with the client. For each distinct portfolio, it is critical to develop a clear understanding of the factors that define success for the investor, balance those criteria against what is reasonable in the market, and adjust those characteristics for the appropriate level of risks.

Risk

- Potential volatility consistent with expectations
- Global exposure to asset classes with desirable risk and/or return characteristics
- Tactical decisions aligned with potential near term risks

Return

- Clear target return objective
- Asset allocation consistent with expected long term economic conditions
- Tactical decisions aligned with potential near term market opportunities

Mission

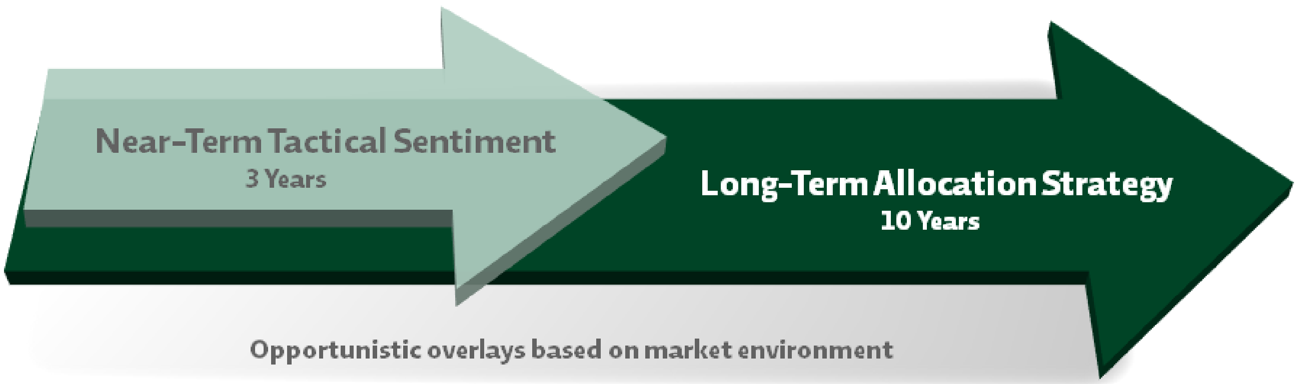
- Appropriate liquidity to match spending and flexibility requirements
- Active investment decisions biased toward securities of high quality companies
- Reasonable investment-related fees

III. Forecasting Capital Markets

Forecasting Capital Markets

Syntrinsic evaluates expected returns, volatility, and correlations across global capital markets in order to better understand the market-based investment options that may best help our clients meet their objectives.

The crafting of long-term forecasts (10+years) of capital market returns serves as the foundation of the portfolio construction process, informing high level asset class decisions across portfolios.



Near-term market conditions only modestly reflect long-term forecasts; therefore, we assess market and economic issues that present opportunities or threats over three year periods. We seek to add value over a market cycle by tactically adding exposure to areas we think will outperform and reducing areas that have a strong likelihood to underperform.

When using forecasts for planning purposes, it is essential to recognize that returns are not guaranteed and are vulnerable to periods of significant deviation from the forecast and even loss. We expect diversification to help reduce the size and duration on these underperforming periods, but recognize that such periods are not always avoidable. The value of long-term forecasting is only significant if investors have the patience to allow long-term fundamentals to play out. Short-term investors should develop an alternate approach.

Long-Term Forecast Example: Global Large Cap Equities

The Long-term forecast serves as the foundation of the portfolio construction process informing high level asset class decisions across allocations. Below we illustrate how we create a forecast for global equities.

We base the Large-cap equities forecast on regional expectations for real growth, inflation, and yield. We take into account foreign economic exposure of regional equity markets. While the factors that inform these values can change from year to year, normally, changes will be small.

Building Blocks for Forecasting Equity Returns

Real Exposure Growth	+	Inflation	+	Yield	=	Return Assumption
Using MSCI's calculation of revenue and economic exposure we account for each region's equity markets' global trade, thus benefiting or penalizing regions for foreign trade relationships.		Expectations are the same as last year and continue to be at a slight discount to historical inflation due to slowing global trends across demographics, growth, and productivity.		Remains fairly stable unless we develop a compelling argument that trends in corporate behavior will be expected to change.		

Region	Real Growth	*US Rev Exposure*	*EAFE Rev Exposure*	*EM Rev Exposure*		Real Exposure Growth		Inflation		Yield		Return Assumption
US	2.0%	*70.0%*	*15.0%*	*15.0%*	=	**2.2%**	+	**2.3%**	+	**2.1%**	=	**6.0-7.0%**
Foreign Developed	1.5%	*15.0%*	*60.0%*	*25.0%*	=	**2.2%**	+	**1.5%**	+	**3.3%**	=	**6.5-7.5%**
Emerging	4.0%	*10.0%*	*10.0%*	*80.0%*	=	**3.6%**	+	**3.5%**	+	**2.6%**	=	**8.5-10.5%**

Sources: Syntrinsic Research Group, Bloomberg, MSCI.

Near-Term Global Equity Sentiment

Global Equity Allocation Sentiment by Region

Region	Economic Sentiment	Investment Sentiment	Allocation Sentiment
Global Equities			**Neutral/Positive**
United States	**Neutral/Positive**	**Neutral**	**Neutral**
Foreign Developed	**Neutral**	**Neutral**	**Neutral**
Emerging Markets	**Neutral**	**Negative/ Neutral**	**Negative/ Neutral**

United States

US consumers are in a strong position to support revenue growth and recent moderations of corporate profit margins has started to reverse. On the downside, profit margins could be under pressure due to rising labor and borrowing costs and a potential stronger dollar. These factors, combined with the slightly elevated valuations and mature stage of the current economic expansion, are reflected in our Neutral investment sentiment.

Foreign Developed

In some regions, profitability levels and earnings still have room to recover. Foreign Developed markets continue to offer a reasonable yield advantage over the US. Debt burdens are lower while companies also have benefitted from lower rates. Valuations are no longer cheap compared to past levels, although they remain well below US earnings multiples. In addition to valuations, the primary concern leading to our Neutral investment sentiment is the political uncertainty around Brexit and major elections in the European Union this year.

Emerging Markets

While long-term growth forecasts continue to indicate a positive environment for companies with local exposures, we have concerns around the possible effects of a stronger dollar and higher US interest rates. Additional uncertainty, stems from the tail risk of more protectionist actions from select developed economies and a potentially less friendly global trade environment.

Near–Term Fixed Income Sentiment

For fixed income, we review the opportunity for return and the risk of the fixed income segment to determine the allocation sentiment relative to the Bloomberg Barclays Global Aggregate Bond Index.

Fixed Income Allocation Sentiment by Segment

Segment	Return Sentiment	Risk Sentiment	Allocation Sentiment
Fixed Income			Neutral
Short -Term Fixed Income	Neutral	Neutral/Positive	Neutral/Positive
Core Fixed Income	Neutral	Neutral	Neutral
Core Plus Fixed Income	Neutral	Neutral	Neutral
International Fixed Income	Negative	Neutral	Negative
EM Fixed Income	Neutral/Positive	Negative/ Neutral	Neutral

- Short duration bonds are more appealing on a relative basis and would enable investors to reinvest faster at higher rates
- Core bonds can dampen volatility and diversify more growth oriented portfolios
- Core Plus bonds provide additional yield opportunity, but strong spread tightening in lower rates bonds this year makes the space less compelling than in last year's forecast
- Foreign Developed bond yields continue to be very low and remain negative in some places
- Emerging markets offer an attractive carry but not without credit and currency risks, liquidity concerns, and potential US Federal Reserve policy headwinds

Near-Term Listed Real Estate and Hedge Fund Strategies Sentiment

For listed real estate and hedge fund strategies, we identify the opportunity set and the relative attractiveness to other assets to determine our allocation sentiment.

Listed Real Estate and Hedge Strategies Sentiment

Asset Class	Opportunity Set	Relative Attractiveness	Allocation Sentiment
Listed Real Estate	Neutral/Positive	Neutral	Neutral/Positive
Hedge Fund Strategies	Neutral/Positive	Neutral/Positive	Neutral/Positive

Listed Real Estate

- Globally strong and/or improving labor markets remain support for real estate fundamentals.
- Global real estate earnings growth, despite decelerating, continues to appear stronger and more stable than broader equity growth in the near-term, though long-term return forecasts remain slightly stronger for equities.

Hedge Fund Strategies

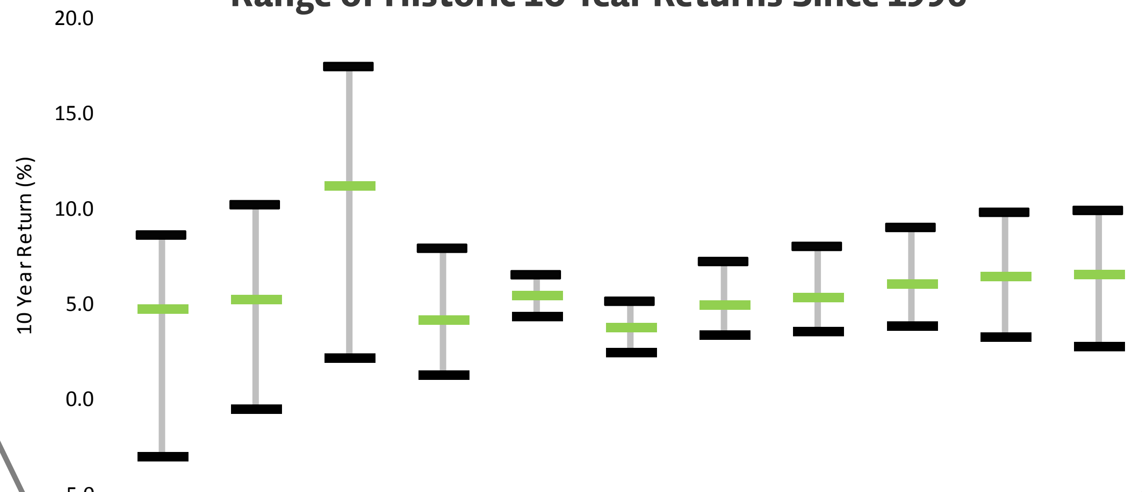
- The opportunity set for hedge fund strategies remains attractive as correlations between assets have been decreasing; however, increased competition in the space will likely weigh on alpha potential in the near-term while elevated asset valuations will limit beta potential.
- Even with the limited beta and alpha potential, hedge fund strategies remain an attractive lower-volatility compliment to equity given their relative value over bonds, the traditional portfolio risk reducer.

IV. Allocating Assets

The Case for Global Diversification

Despite a strong recent five-year run for US equities relative to most other asset classes, an analysis of rolling ten year periods over the past twenty years demonstrates the advantages of a globally diversified portfolios, with more compelling high-end, average, and low-end returns for even globally diversified portfolios of Moderate risk. Although, long term returns can vary for a diversified portfolio, the range of outcomes has been reduced, increasing the degree of confidence of achieving a target return.

Range of Historic 10 Year Returns Since 1996



Over rolling ten year periods since 1996, the S&P 500 averaged just 4.7% per year, with range between 8.5% and -3.0%...

...while a globally diversified portfolio of moderate risk averaged 6.1%, and with a much narrower range of returns than equities alone.

	S&P 500	MSCI EAFE	MSCI EM	HFRI FoF	BB US Agg	Capital Preservation	Conservative	Conservative Moderate	Moderate	Moderate Aggressive	Aggressive
Max 10 Yr Return	8.5	10.2	17.4	7.9	6.5	5.1	7.2	7.9	9.0	9.8	9.9
Avg 10 Yr Return	**4.7**	**5.2**	**11.2**	**4.2**	**5.4**	**3.8**	**5.0**	**5.4**	**6.1**	**6.5**	**6.6**
Min 10 Yr Return	-3.0	-0.5	2.2	1.4	4.3	2.4	3.6	4.0	4.2	3.3	2.7

Source: Morningstar as of 12/31/16

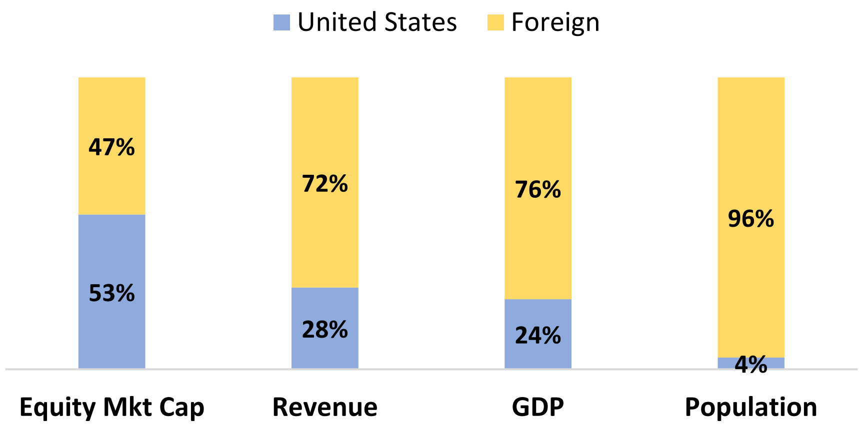
A Truly Global Economy

Global Impact

US based companies make up the largest single region of the MSCI All-Country World Equity Index (ACWI) with a current market capitalization weight of 53%. Ten years ago, US companies represented just 41% of the global equity market. As the chart indicates, the US represents a much smaller percentage of the world's corporate revenues, Gross Domestic Product (GDP), and population.

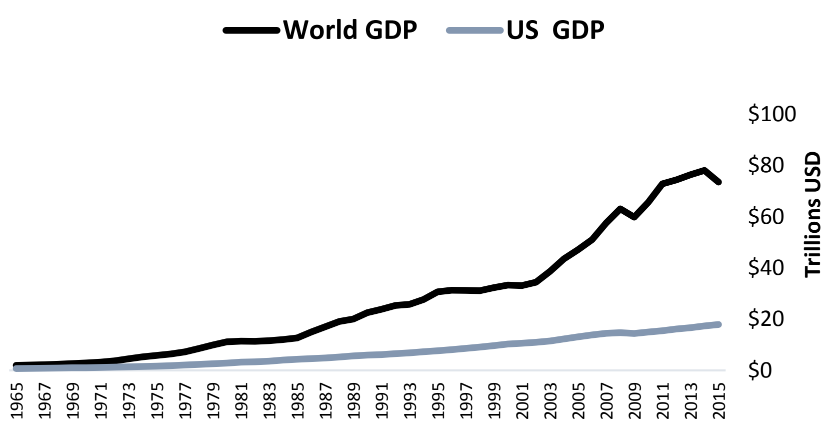
Investors recently have bid up US equities for several reasons, including:

- Willingness to pay an increasingly higher relative price multiple for healthy earnings that have recovered from 2009 lows.
- A much more highly developed US public equity market, with the ratio of public market value to GDP well above many foreign regions.



Population and GDP data as of 12/31/2015, Revenue data as of 6/30/2014
Sources: MSCI, Bloomberg, US Census, Revenue based on 2014 MSCI Economic Exposure Study

Growing Global GDP



Source: Bloomberg as of 12/31/15

Over the last 40 years the relative significance of the US economy has changed, increasing the importance of understanding—and potentially participating in—evolving global markets.

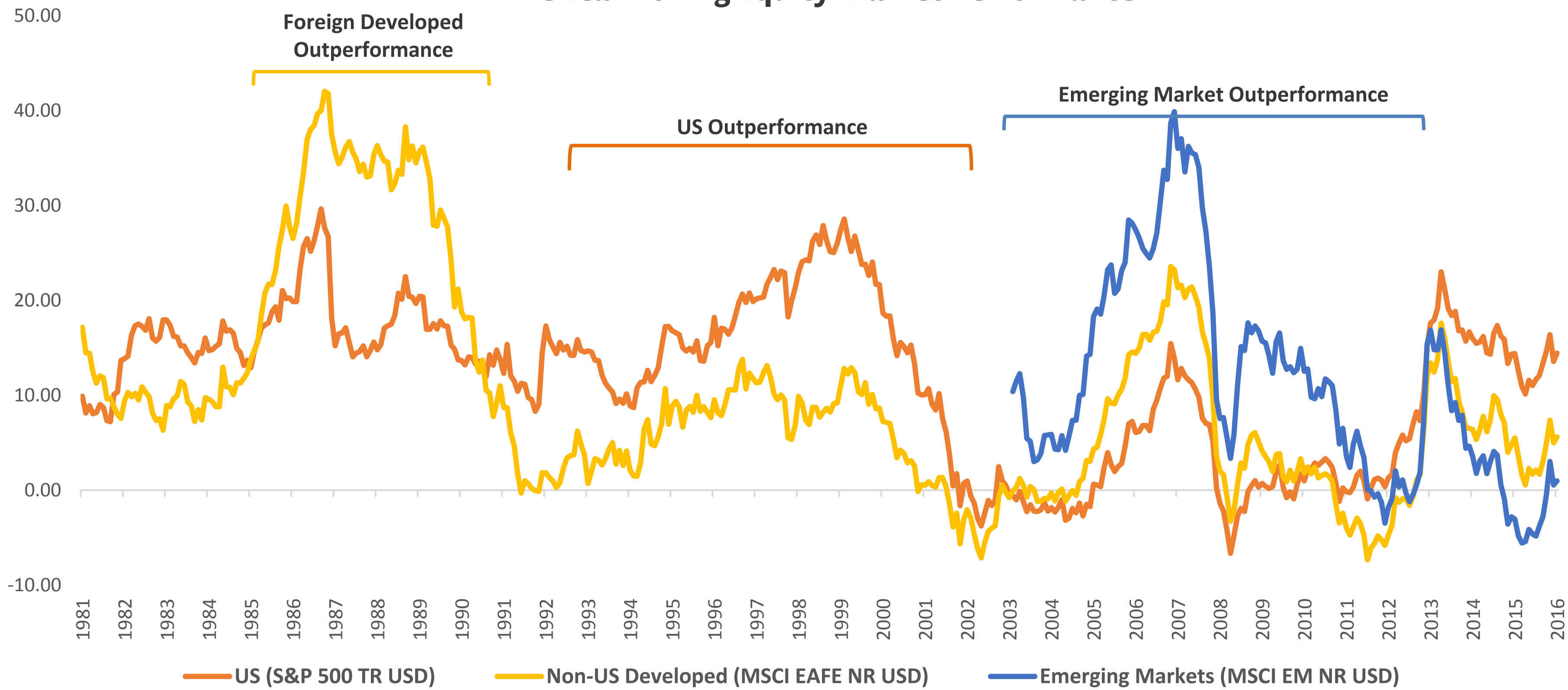
- The US share of global GDP has declined from 38% to 24% since 1965.
- Foreign GDP accounts for over $55 trillion dollars of economic activity as of 2015.
- Even as large economies such as China and India slow in their rate of growth, the pace of change remains much greater than that of US GDP growth.

Changing Periods of Regional Dominance

From the early 1980s, US equity markets (as represented by the S&P 500) and foreign developed markets (as represented by the MSCI-EAFE) have taken turns outperforming each other over rolling five year periods.

The younger emerging market index (MSCI EM) dramatically outperformed both US and foreign developed developed markets from 1998 - 2011, but has fallen behind US and foreign developed stocks since 2011 with falling commodity prices and slow growth.

Five Year Rolling Equity Market Performance



Sources: MSCI, Standard & Poor's, Bloomberg Intelligence, Syntrinsic Research Group as of 11/30/16.

V. Manager Selection

Selecting Managers

Syntrinsic conducts in-house due diligence on every manager that we recommend. Syntrinsic seeks managers with common characteristics that define how they run their business and how they make investment decisions. For all managers, we focus on the quality of the company, portfolio management team, investment strategy, and bottom-line absolute and risk-adjusted performance. We recommend to clients only those managers worthy of our confidence. We revisit and document our sentiment quarterly.

Company

- Ownership demonstrates compelling leadership
- Financial sustainability
- Support of strategy
- Ethical conduct

Team

- Proven able to implement the strategy across time and conditions
- Strong continuity
- Extensive experience in segment through diverse range of markets

Strategy

- Sound strategy we believe is valid and likely repeatable
- Well established and consistent philosophy
- Understandable and based on discipline

Performance

- History of adding value after fees adjusted for volatility
- Relative to benchmark and peer group
- Returns consisted with process and based on repeatable skill

Active and Passive Management

Syntrinsic appreciates the value that both active and passive management can bring to portfolio development; hence, we maintain exposure to both styles with a flexible approach. When determining whether to use active or passive strategies, we consider several factors, including:

Opportunity Set

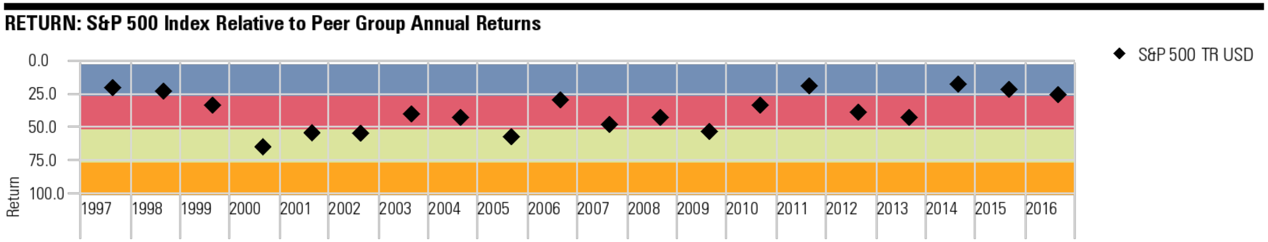
- We evaluate the quality of the viable active and passive universe in the context of our due diligence criteria.

Segment Opportunities and Threats

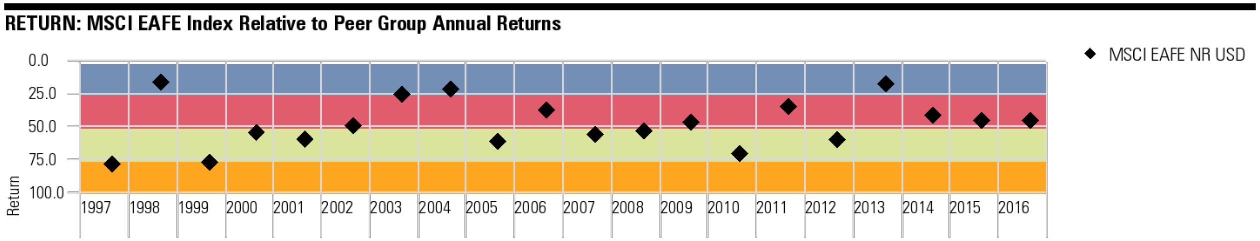
- Given our Near-Term Sentiment, we predict whether active or passive is best poised to benefit.

Equity Example

- Over the past 20 years, it has been more challenging for active managers to add value in large-cap US equities, while managers of foreign developed markets have fared better. Syntrinsic continues to assess active passive for both regions.



S&P 500 Index Return vs. Large US Equity Peer Group (1997 – 2016) % of Annual Periods by Quartile	
1st quartile	25%
2nd quartile	50%
3rd quartile	25%
4th quartile	0%



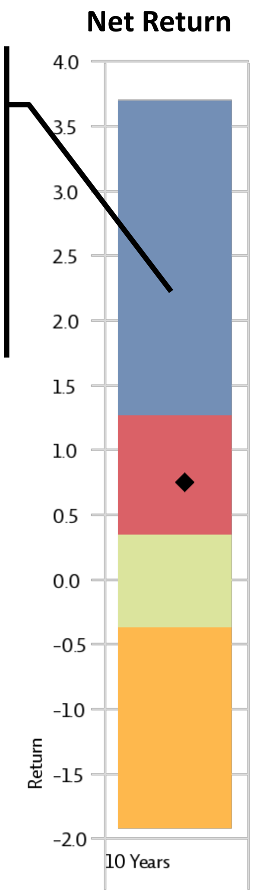
MSCI –EAFE Index Return vs. Foreign Developed Equity Peer Group (1997 – 2016) % of Annual Periods by Quartile	
1st quartile	15%
2nd quartile	40%
3rd quartile	35%
4th quartile	10%

Source: Morningstar, as of 12/31/2016. Note that index returns do NOT account for the cost of specific index-based investments. Those fees would further reduce index performance.

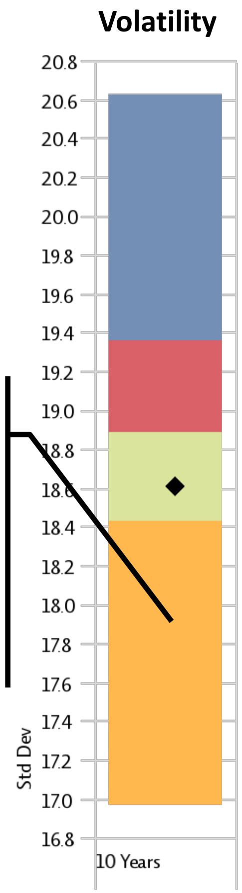
MSCI – EAFE Index vs Foreign Developed Equity Peer Group (10 Yr)

The MSCI – EAFE index represents the stock of companies primarily located in developed Europe, the United Kingdom, Japan, and other countries recognized as "developed" by MSCI. On the graphics below, the peer group of managers investing in the foreign developed equity market segment are sorted by quartile based on their 10-year Return, Standard Deviation, and Sharpe Ratio. The MSCI – EAFE index is represented by the black diamond. The performance of an actual index fund would vary slightly due to the inclusion of investment expenses.

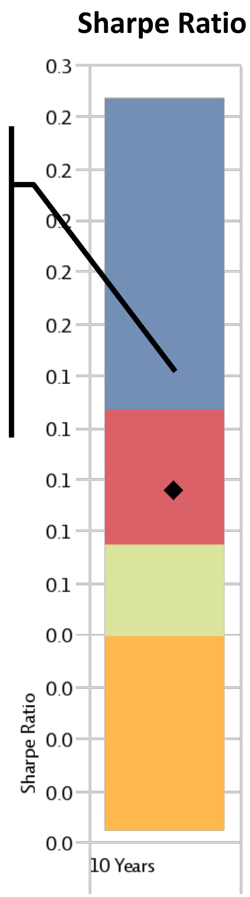
The MSCI-EAFE Index return has been in the top half of the active peer group, though a material number of managers have outperformed it net of their fees.

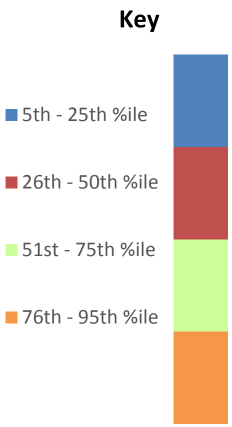


The MSCI-EAFE Index has experienced less volatility than the majority of its peer group, though many managers have experienced even lower volatility.



On a risk-adjusted basis, there has been reasonable opportunity for active managers in the peer group to add value net of fees.





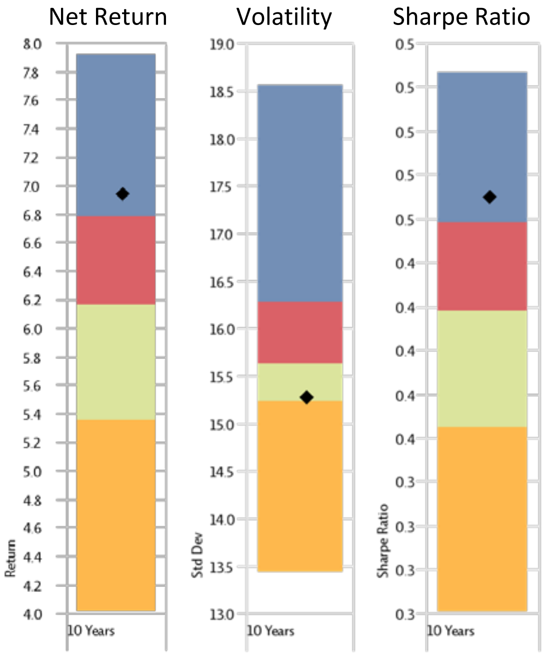
MSCI EAFE NR USD◆

Source: Morningstar as of 12/31/16

Active and Passive: Other Asset Classes (10-Yr)

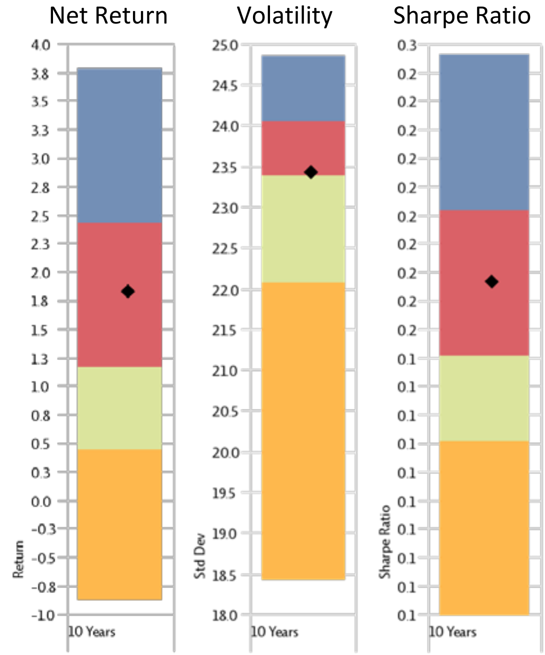
US Large Equity

S&P 500 TR USD◆



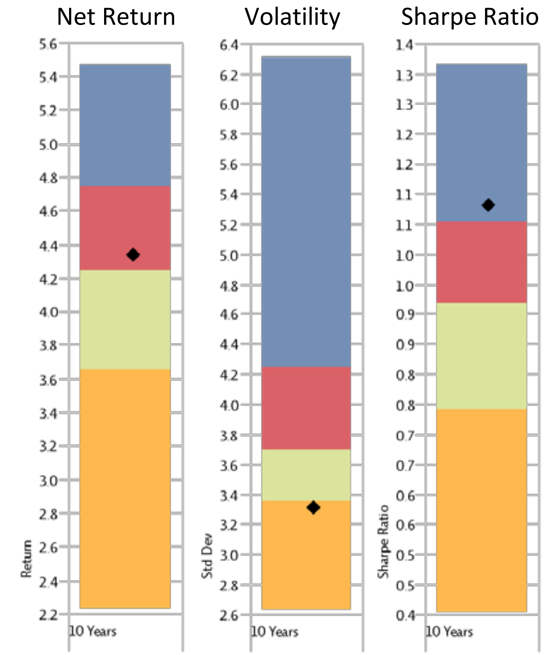
Emerging Market Equity

MSCI EM NR USD◆



Core Bond

BBgBarc US Agg Bond TR USD◆



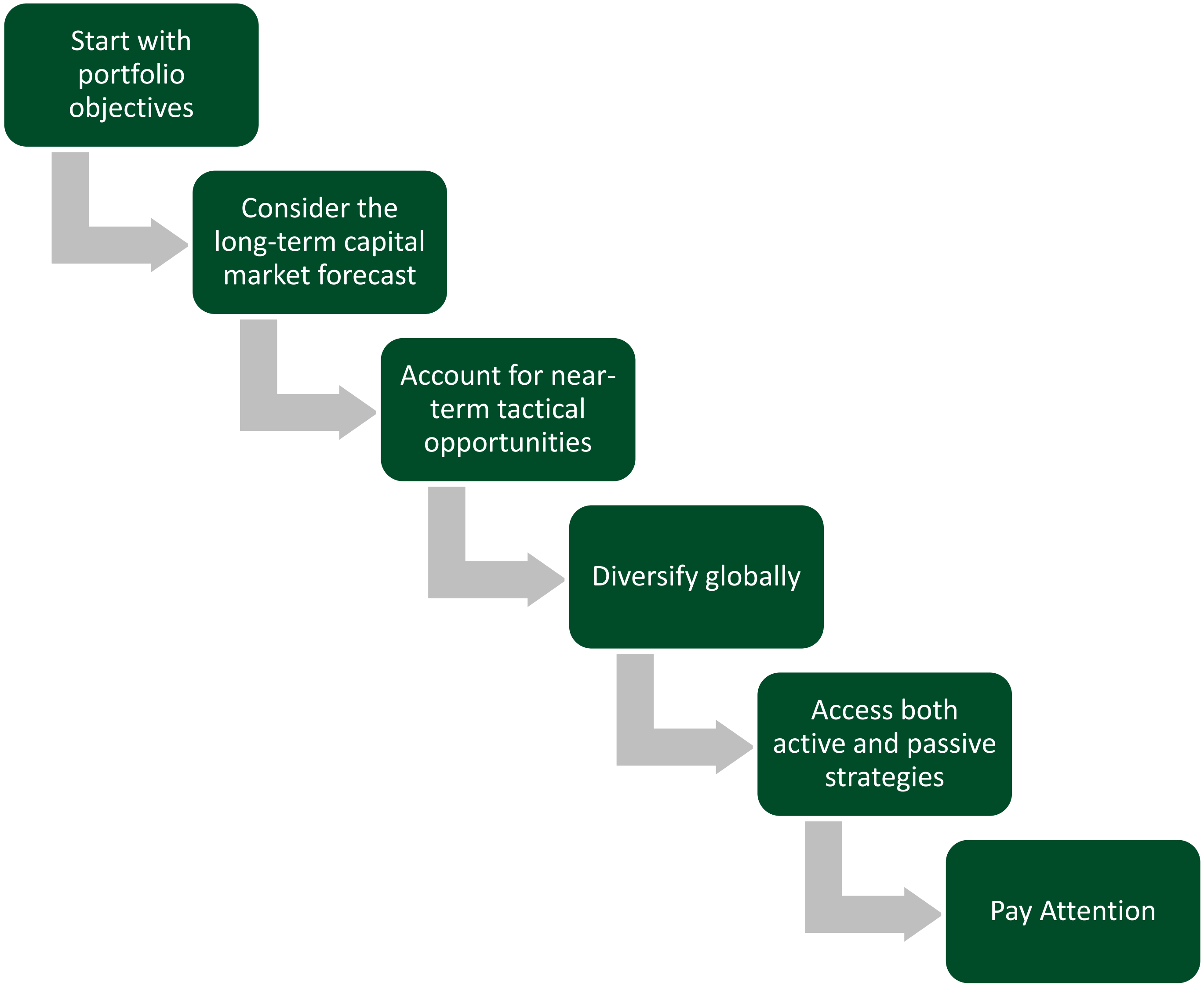
- The US Large-cap segment remains a challenging space for active management on an absolute basis.
- Adjusting for volatility, the S&P 500 remains well into the top quartile of the peer group, but with some lower volatility than most active managers.

Source: Morningstar as of 12/31/16

- A meaningful percentage of emerging market mangers have outperformed the MSCI Emerging Market Index, but more than half have underperformed.
- A similar portion have added value after volatility is taken into account.

- Almost half of the Core Bond peer group has been able to add value compared to the Index.
- However, due to most Core Bond managers' more aggressive credit stance and higher volatility, less than a quarter of the universe has outperformed adjusting for risk.

Closing Thoughts



Syntrinsic Investment Counsel, LLC

Syntrinsic Investment Committee

Mike Duffy, CFA®, Chief Investment Officer
Mike.Duffy@Syntrinsic.com

Akasha Absher, Chief Consulting Officer
Akasha.Absher@Syntrinsic.com

Alex Haun, CFA®, CAIA®, Senior Analyst
Alex.Haun@Syntrinsic.com

Ben Valore-Caplan, CEO
Ben.ValoreCaplan@Syntrinsic.com

1899 Wynkoop Street
Suite 315
Denver, CO 80202

Toll Free 877-296-7110
Phone 303-296-7100
Fax 303-296-7109

www.Syntrinsic.com