A FRAMEWORK FOR EVALUATING OCIO PERFORMANCE

Angeles

A FRAMEWORK FOR EVALUATING OUTSOURCED CHIEF INVESTMENT OFFICE PERFORMANCE

Institutions are increasingly relying on outsourced solutions to meet their investment needs. Pensions & Investments reported that growth of OCIO assets for U.S. institutional clients rose 4.7% over the preceding year to $1.31 trillion, as of March 31, 2020. Over five years, AUM for this investor segment rose 60.4%.[1]

This remarkable growth rate reflects the growing recognition of the benefits of OCIO for governance, service, and performance reasons.

Outsourced investment office services take many forms and degrees of discretion granted to the outsourced investment management provider but can collectively be considered as "Outsourced Chief Investment Officer," or OCIO services. Angeles is an OCIO firm with approximately $6.6 billion in discretionary assets and over $39 billion in total assets under advisement .[2] All of Angeles' OCIO assignments are fully customized, with each client having a unique asset allocation policy and portfolio that they hold directly. Choosing an OCIO partner is a multi-faceted task. An OCIO partnership goes deeper than most investment-related vendor relationships, encompassing everything from investment management implementation and back-office services, to helping institutions clarify their investment objectives, hiring and firing managers, serving as an educator on governance and new investment approaches/topics, and consolidated reporting on results and portfolio structure. The traditional "Ps" for evaluating any prospective investment - People, Process, Portfolio Structure, Performance and Price - are all relevant when evaluating OCIO services and should be considered in a multi-dimensional and holistic fashion.

> A central contention of Angeles is that a GIPS performance composite is an essential evaluation tool when hiring an OCIO.

[1] Pensions & Investments, June 29, 2020, https://www.pionline.com/special-report-cio-outsourcing/ocio-growth-assisted-volatile-times

[2] As of December 31, 2020, ~$6.6 billion of these assets are fully discretionary; the remaining assets are non-discretionary assets. For purposes of the Global Investment Performance Standards (GIPS®), the ~$6.6 billion represents the Angeles "GIPS Firm" and includes those client assets assigned to a performance composite and those excluded from the composites due to trading or other restrictions

Performance alone should not determine an OCIO selection, but failure to comprehensively analyze a GIPS-compliant track record unnecessarily leaves a source of potential insight on the table.

Among the "Ps", Performance is often the least used and least understood method of establishing whether an outsourced investment office firm is likely to be a good fit for meeting an institution's needs. This paper seeks to remedy that shortfall by providing a framework for evaluating past performance of outsourced investment office providers as an input to selecting an OCIO. In this paper, we use Angeles as an illustration of our points, but these points can be generalized to other firms' performance. *A central contention of Angeles is that a GIPS[3] performance composite is an essential evaluation tool when hiring an OCIO.*

This paper identifies several ways in which analyzing quantitative performance – especially in conjunction with other qualitative understandings - can allow an institution to "look under the hood" of an outsourced manager's process and investment outcomes to create a fuller picture of what an institution can and should expect from an outsourced manager, a look that is based on actual experience delivered by the OCIO. *Performance alone should not determine an OCIO selection, but failure to comprehensively analyze a GIPS-compliant track record unnecessarily leaves a source of potential insight on the table.*

KEY POINTS ON OCIO PERFORMANCE EVALUATION

- A composite of OCIO performance compiled according to GIPS standards is critical and should be requested by investors when they are evaluating OCIO services. A GIPS composite should be required by third party OCIO evaluators as well. Compared to a GIPS record, "representative account" returns can potentially be cherry-picked and are likely to be a less than full picture of results the manager can deliver across a range of clients and market environments. A verified track record of actual results is clearly more meaningful for analysis than back-tested or hypothetical returns. Percentage of clients that outperform benchmarks is a helpful but limited metric relative to a comprehensive GIPS composite.

- A GIPS-compliant record will provide data on account dispersion across portfolios with similar mandates. If dispersion is relatively narrow, this suggests the OCIO has an investment process that delivers similar results to similar clients, and its "best ideas" are spread evenly across the firms' clients. Wide dispersion could suggest an OCIO investment process that is not executed in similar fashion across clients, making assessment of the track record more difficult, and potentially more dependent on idiosyncrasies of the account relationship than the firm's full intellectual capital and capability.

- Even with a coherent audited track record to evaluate, it remains important to understand personnel resources and continuity, including whether the team that generated the track record remains involved. Sometimes a track record can yield clues on the impact of any changes in organization structure or team composition.

- The dictum of "past performance is no guarantee of future results" remains an essential caveat. Performance chasing in search of an OCIO is likely to be as unsuccessful as it is in other asset categories. Performance analysis, however, of a GIPS composite and attribution analysis will be illuminating about what to expect, how results have been and will be generated, and when expectations might not be met.

[3] GIPS® is a registered trademark owned by CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Performance chasing in search of an OCIO is likely to be as unsuccessful as it is in other asset categories.

PERFORMANCE OF AN OUTSOURCED INVESTMENT MANAGER

Every client is different in how it implements the discretion granted to its OCIO provider; this is no different from "insourced" investment offices, where Investment Committees may give total autonomy to in house investment staff, including the Chief Investment Officer (CIO), to very little autonomy, retaining final decision-making authority on managers and allocations to themselves, leaving the in house investment staff to implement Committee decisions. The variation in the degree of autonomy among OCIO services should not be used as a fig leaf to avoid the work of analyzing performance (for the "buyer" of OCIO services) or the scrutiny it brings (to the OCIO provider).

BUT WHAT TO ANALYZE?

For most investment "products" (such as global equity or core fixed income), adoption of Global Investment Performance Standards (GIPS), developed by the CFA Institute since 1987 for North America and later extending to a global standard approved by the CFA Institute Board of Governors, is critical. Widespread adoption of GIPS has led to performance presentation that is according to clear standards that prevent "cherry picking" of accounts and provides genuine apples to apples comparisons. A GIPS composite allows a potential client to assess what the OCIO has delivered across a range of clients and asset allocations, and over a meaningful period.

Can GIPS apply to outsourced investment management? After all, discretionary management by a firm like Angeles is a multi-asset class service, and not just an "investment product," combining elements of investments, service, and customization for clients on portfolio structure and investment policy. Angeles believes the answer to this question is a clear "Yes."

The variation in the degree of autonomy among OCIO services should not be used as a fig leaf to avoid the work of analyzing performance (for the "buyer" of OCIO services) or the scrutiny it brings (to the OCIO provider).

GIPS standards allow for analysis of a track record that removes a significant amount of guesswork or need to make assumptions in OCIO performance analysis.

A TRACK RECORD PRESENTED ACCORDING TO GIPS WILL:

- Be composed of all fully discretionary[4] accounts, weighted by account assets (dollar-weighted). The track record is presented with clear data on number of accounts, assets, and the benchmark for each composite.
- Be prepared according to exact standards and may be audited by a third party. Third party audits are voluntary; Angeles has chosen to have its composites audited regularly, usually every few years.
- Cover all periods the OCIO service has been in effect, not just the life span of a representative account.
- Include accounts that are no longer managed and add new accounts as they are on-boarded. This requirement addresses survivorship bias.
- Show calendar year returns gross and net of the OCIO's fees and relative to a benchmark, with reported dispersion across the accounts in the composite. Dispersion measures the range of differences between accounts.
- Include the impact of all fees, including manager fees, transactions costs, and the fee paid to the Investment manager/OCIO.

Angeles has a GIPS-compliant long-term track record of its discretionary management for clients that dates to the inception of our first such relationship in 2002. Angeles' track record covers multiple market cycles and comprises three GIPS composites which are distinguished from each other by the level of equity- related exposure in the portfolios. Each is audited by a third party on a regular basis for GIPS compliance.

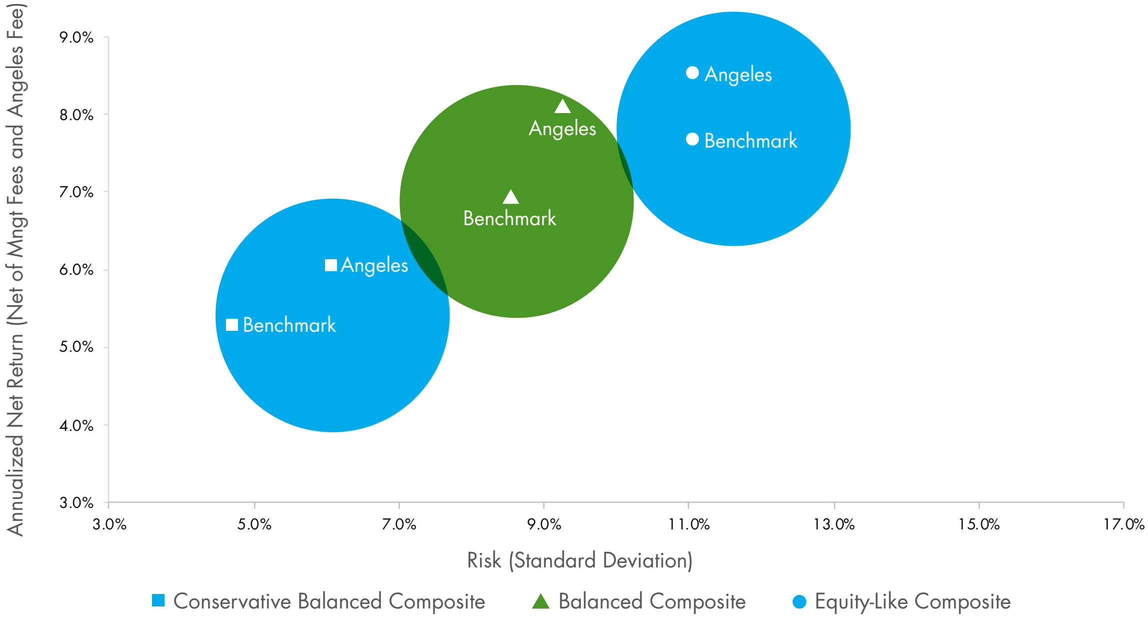
In an OCIO relationship with Angeles, the client retains final say on asset allocation. As OCIO, Angeles provides the essential service of helping clients think through their investment policy based on detailed modeling and projections using proprietary capital market assumptions, and we make policy recommendations. Nevertheless, the final asset allocation policy determination remains with the institution. This contrasts with the services of some other OCIO firms which manage to a single asset allocation policy across all clients.

Given the importance of asset allocation in determining outcomes, asset allocation differences must be accounted for in performance comparisons. Angeles does this by assessing equity exposure (exposure to public equity, hedge funds, and private assets combined) and grouping discretionary client results into three composite "buckets".[5] These buckets range from "Conservative Balanced" (equity <=49% of total assets), to "Balanced" (equity 50-75% of total assets), to "Equity-Like" (equity >=76% of total assets). Each composite has a benchmark that is reflective of the policies adopted by individual clients whose assets Angeles manages in each composite group.

[4] Accounts with less than full discretion are not included. Examples of exclusions are accounts were: a legacy holding that cannot be sold renders the account substantially different than would be the case with discretion; investment exclusions such as no fossil fuels or tobacco; or limits on Angeles authority to rebalance or reposition (hire, reweight, or terminate) managers. As of December 2020, Angeles had 59 OCIO portfolios, of which 53 were fully discretionary and included in our GIPS composites)

[5] Angeles also maintains other composite/pooled vehicle performance records, which are included as an exhibit.

ANGELES COMPOSITE PERFORMANCE FOR 10 YEARS ENDED DECEMBER 31, 2020



Note: The above chart should be read in conjunction with the full GIPS composite and disclosure information, available upon request. Please refer to GIPS disclosure details starting on p.9 of this document for additional details regarding the preparation of this information.

Angeles' OCIO portfolios are conceived, vetted, implemented, and monitored by the Angeles Investment Committee, comprising the six senior members of the firm. In developing our model investment portfolios, the Angeles Investment Committee uses an investment process for manager research and portfolio construction that dates to the inception of Angeles in 2001 (and beyond, to our predecessor firm formed in 1991).

Angeles founders and other key personnel have been on the Angeles Investment Committee since the beginning of the firm in most cases, and in most others for an extended period, so the Angeles Investment Committee is fully responsible and accountable for the firm's GIPS track record.

An overview of Angeles' results over the period since inception for the Equity-Like and Balanced composites, shows a track record that outperforms benchmarks, net of all fees and transactions costs, including Angeles' fee to clients. We aim for annualized net of all fees (including Angeles' fees) excess return of at least 0.5-1.0% over long periods of time and have delivered on this. The Angeles Equity-Like composite is our largest (in terms of assets and number of clients as of writing) and has delivered 0.8% annualized excess return (net of all fees) since inception in March 2002, while the next oldest and largest composite by average historical asset size and number of clients, the Balanced composite, has delivered approximately 0.7% annualized, net of all fees, since August 2002.[6] The long-term power of compounding excess return at this level is significant.

GIPS requires that dispersion of results be reported. Dispersion measures the degree of variability in the returns of the constituents of the composite. In Angeles' case, dispersion is less than 2.5% in most years, a tight band.[7] If dispersion is relatively narrow, this suggests the OCIO has a disciplined investment process that delivers similar results to clients with similar asset allocation policies, and

[6] Data as of 12/31/20

[7] Composite dispersion is measured by the equal-weighted standard deviation of the annual gross returns of those accounts included in the composite for the entire year. If five or fewer accounts in a composite for a full year, dispersion will not be calculated.

that the OCIO's "best ideas" are spread evenly across the firms' clients. Wide dispersion could suggest an OCIO investment process that is not executed in similar fashion across clients, making assessment of the track record more ambiguous and potentially raising important questions regarding the OCIO's approach and investment process.

GIPS also requires that results be shown on an annual basis (Exhibit 1). For example, one can see that while Angeles has beaten its benchmarks over time, we have not outperformed every year. In the 18 full calendar years our Balanced Composite has been calculated (2003-2020), we have outperformed 12 out of the 18 years. It's important to realize in advance that performance is not linear and variability is to be expected. Generally, Angeles has outperformed when markets are moving sideways to up, while slightly underperforming when markets are negative.[8]

In the Angeles Equity-Like composite, we have outperformed in 13 of the 18 years the composite has existed, and in 10 of the 16 years the Conservative Balanced composite has existed.

CONCLUSION

This paper argues that it is reasonable and even essential for OCIO "buyers" to request and evaluate a GIPS- compliant performance track record(s) to inform the choice of an OCIO provider. Returns are important, both relative and absolute, but will not be the only or even primary input for decision-making in hiring an OCIO. Performance should be considered along with the myriad of other factors (organization, personnel, resources, commitment to the business, back office resources, experience) that go into selecting an OCIO partner. With performance considered in a holistic fashion, along with other qualitative factors, a fuller picture will emerge to inform a well-grounded OCIO hiring decision.

[8] As determined by rolling 10 year upside/downside capture ratios since inception of the Balanced Composite in August 2002, calculated using our GIPS-compliant track record. Upside/downside capture ratio statistics show you whether a given fund has outperformed–gained more or lost less than–a broad market benchmark during periods of market strength and weakness, and if so, by how much. GIPS® is a registered trademark owned by CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

GENERAL GIPS DISCLOSURES:

Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. To receive a complete list and description of Angeles' composites that adhere to GIPS®, contact Stephen Smetana at 310.393.6300 or ssmetana@angelesinvestments.com.

PERFORMANCE RESULTS – EQUITY-LIKE COMPOSITE

Year	Gross Total Return (%)	Net Total Return (%)	Benchmark Return (%)	Composite - 3 Year Standard Deviation	Benchmark - 3 Year Standard Deviation	# of Portfolios	Composite Dispersion	Total Composite Assets at End of Period (USD M)	Total Firm Assets (USD M)
2020	17.3	17.1	15.2	13.5	14.3	25	2.5	$1,622	$6,595
2019	19.4	19.2	21.4	8.0	8.5	21	2.4	$1,247	$5,754
2018	(5.9)	(6.1)	(6.9)	8.2	7.8	21	1.9	$1,046	$4,346
2017	19.5	19.2	16.9	8.1	7.1	11	2.0	$408	$3,251
2016	7.7	7.5	6.0	8.8	7.8	9	0.5	$267	$2,842
2015	(1.6)	(1.8)	(0.8)	8.8	8.0	7	1.0	$185	$2,512
2014	5.1	4.8	4.1	8.7	8.4	6	NA	$175	$2,076
2013	23.2	22.7	18.8	12.3	12.1	5	0.4	$52	$1,718
2012	15.2	14.7	13.6	13.9	15.2	5	NA	$38	$1,394
2011	(6.3)	(6.8)	(6.9)	15.2	18.9	3	NA	$16	$1,304
2010	12.3	11.9	12.1	18.3	22.5	3	NA	$47	$1,302
2009	28.9	28.4	32.1	16.9	20.6	3	NA	$43	$910
2008	(36.6)	(36.8)	(37.8)	14.9	16.2	3	NA	$33	$948
2007	7.3	6.9	5.9	7.9	7.7	3	NA	$53	$1,356
2006	16.8	16.4	17.6	8.0	7.1	3	NA	$50	$1,020
2005	10.1	9.8	7.3	9.6	9.0	2	NA	$44	$605
2004	17.0	16.6	13.6	NA	NA	2	NA	$32	$248
2003	35.3	34.9	32.4	NA	NA	1	NA	$27	$132

EQUITY-LIKE COMPOSITE:

The 2020 information presented above represents supplemental information for GIPS®-compliance purposes. Data is preliminary, subject to change, with approximately 75% of underlying account performance by market value utilizing estimates for one or more monthly periods as of generation of this data. Angeles' Equity-Like Composite is for client discretionary accounts with Capital Appreciation, consisting of equity, absolute return, and private equity, ratios of 76% or more. Performance for periods greater than one year is annualized. From January 2020 –present the weighting is: 58% MSCI ACWI IMI, 12% Russell 3000, 13% HFRI FOF, 17% BBgBarcUS Aggregate Index. Historical benchmark information is available upon request. Please see attached compliant composite report foradditional information regarding these returns and benchmarks. Past performance is no guarantee of future results.

Angeles Investment Advisors, LLC is an independent registered investment advisor that invests assets on behalf of institutional investors such as endowments, foundations, non-profits, and pension funds. Angeles Investment Advisors, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Angeles Investment Advisors, LLC has been independently verified for the periods from March 1, 2002 through December 31, 2019. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Equity-Like Composite has had a performance examination for the periods from March 1, 2002, through December 31, 2019. The verification and performanceexamination reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

The Equity-Like Composite was created on March 1, 2002 and has an inception date of March 1, 2002. The composite is defined to include all fee-paying, discretionary accounts that are managed according to an equity-oriented (but including bonds) investment strategy with generally greater than 75% Capital Appreciation, consisting of equity, absolute return, and private equity. Actual exposure may temporarily fall outside this range based on market conditions but will generally meet these parameters. Since composite inception, a significant cash flow policy has been in effect where any accounts experiencing a cash inflow or outflow in excess of 15% of the account's beginning market value for a given period are removed for the month. Angeles Investment Advisors' standard fees for discretionary accounts are 0.50% on the first $30 million, 0.40% on the next $30 million, and 0.30% on the balance. Fee schedules will vary among clients. The list of composite and limited distribution pooled fund descriptions is available upon request.

Past performance is no indication of future results. Performance results reflect reinvestment of dividends and other earnings. All returns above are stated in US Dollars. Dividends are recorded net of withholding taxes. Gross returns exclude Angeles' fee, but are net of all mutual fund and ETF expense ratios, transaction costs and generally custody fees. Net returns shown represent gross returns further reduced by all actual management fees paid. Performance shown represents the time-weighted rate of return for all client portfolios that qualify under the composite description. The 3-Year Standard Deviation presented is the dispersion of monthly composite gross and benchmark returns over the trailing 3-year period as of the end of each calendar year. Composite dispersion is measured by the equal-weighted standard deviation of the annual gross returns of those accounts included in the composite for the entire year. If five or fewer accounts in a composite for a full year, dispersion will not be calculated. The benchmark return was calculated by asset-weighting each client's benchmark return. Each client's benchmark return is calculated by multiplying the individual benchmark component returns by the policy target percentages. For 2019, the weighting was: 57% MSCI ACWI IMI Net, 12% Russell 3000, 14% HFRI Fund of Funds Composite Index (net of fees), 17% BBgBarcUSAggregate Index. Benchmark returns since inception have been calculated monthly. Benchmark components for previous periods available on request. The Index components are widely recognized, unmanaged indices. It is not possible to invest in the indices. The components that constitute the portfolio-weighted custom benchmark, including the weights that each component represents, are available for prior periods upon request. The volatility of the composite may be greater or less than its respective benchmark. Benchmark returns are not covered by the report of the independent verifiers. Additional information regarding policies for valuing investments, calculating performance, and preparing GIPS reports is available upon request.

PERFORMANCE RESULTS – BALANCED COMPOSITE

Year	Gross Total Return (%)	Net Total Return (%)	Benchmark Return (%)	Composite - 3 Year Standard Deviation	Benchmark - 3 Year Standard Deviation	# of Portfolios	Composite Dispersion	Total Composite Assets at End of Period (USD M)	Total Firm Assets (USD M)
2020	16.6	16.3	13.7	12.0	11.6	20	2.0	$752	$6,595
2019	17.7	17.4	17.5	6.8	6.4	20	1.6	$667	$5,754
2018	(4.5)	(4.7)	(5.3)	7.0	5.9	20	1.2	$667	$4,346
2017	17.2	17.0	14.1	7.3	5.6	29	1.5	$1,399	$3,251
2016	7.8	7.5	5.4	7.7	6.0	27	0.9	$1,209	$2,842
2015	(2.1)	(2.3)	(0.5)	7.4	6.1	24	0.8	$1,109	$2,512
2014	5.8	5.5	4.2	6.8	6.3	21	0.8	$1,035	$2,076
2013	18.0	17.8	13.7	9.1	8.6	16	2.0	$728	$1,718
2012	13.2	13.0	11.4	10.8	10.5	16	0.8	$840	$1,394
2011	(2.6)	(2.8)	(2.0)	12.4	13.8	18	1.2	$819	$1,304
2010	11.9	11.7	11.6	16.0	17.6	11	1.0	$720	$1,302
2009	21.5	21.1	22.6	14.8	16.5	8	3.2	$448	$910
2008	(31.9)	(32.1)	(30.4)	13.0	13.2	15	2.6	$540	$948
2007	5.1	4.9	5.4	6.4	5.8	18	0.9	$859	$1,356
2006	14.8	14.5	14.4	6.3	5.5	10	0.9	$601	$1,020
2005	8.0	7.7	6.7	7.8	7.0	9	1.0	$413	$605
2004	14.4	14.0	11.5	NA	NA	8	0.4	$122	$248
2003	28.2	27.5	24.8	NA	NA	5	NA	$84	$132

BALANCED COMPOSITE:

The 2020 information presented above represents supplemental information for GIPS®-compliance purposes . Data is preliminary, subject to change, with approximately 75% of underlying account performance by market value utilizing estimates for one or more monthly periods as of generation of this data. Angeles Balanced Composite is for client discretionary accounts with target Capital Appreciation,consisting of equity, absolute return, and private equity, ratios of 50-75%. Performance for periods greater than one year is annualized. From January 2020 –present, the weighting is: 59% MSCI ACWI IMI, 12% HFRI FOF, 29% BBgBarcUS Aggregate Index. Historical benchmark information is available upon request. Please see attached compliant composite report page for additional information regarding these returns and benchmarks. Past performance is no guarantee of future results.

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The Balanced Composite was created on August 1, 2002 and has an inception date of August 1, 2002. The composite is defined toinclude all fee-paying, discretionary accounts that are managed according to a balanced investment strategy with 50%-75% target total Capital Appreciation exposure, consisting of equity, absolute return, and private equity. Actual exposure may temporarily fall outside this range based on market conditions but will generally meet these parameters. Since composite inception, a significant cash flow policy has been in effect where any accounts experiencing a cash inflow or outflow in excess of 15% of the account's beginning market value for a given period are removed for the month. Angeles Investment Advisors' standard fees for discretionary accounts are Angeles Investment Advisors' standard fees for discretionary accounts are 0.50% on the first $30 million, 0.40% on the next $30 million, and 0.30% on the balance. Fee schedules will vary among clients. The list of composite and limited distribution pooled fund descriptions is available upon request.

Past performance is no indication of future results. Performance results reflect reinvestment of dividends and other earnings. All returns above are stated in US Dollars. Dividends are recorded net of withholding taxes. Gross returns exclude Angeles' fee, but are net of all mutual fund and ETF expense ratios, transaction costs and generally custody fees. Net returns shown represent gross returns further reduced by all actual management fees paid. Performance shown represents the time-weighted rate of return for all client portfolios that qualify under the composite description. The 3-Year Standard Deviation presented is the dispersion of monthly composite gross and benchmark returns over the trailing 3-year period as of the end of each calendar year. Composite dispersion is measured by the equal-weighted standard deviation of the annual gross returns of those accounts included in the composite for the entire year. If five or fewer accounts in a composite for a full year, dispersion will not be calculated. The benchmark return was calculated by asset-weighting each client's benchmark return. Each client's benchmark return is calculated by multiplying the individual benchmark component returns by the policy target percentages. For 2019, the weighting was: 52% MSCI ACWI IMI Net, 15% HFRI Fund of Funds Composite Index (net of fees), 7% CPI +2%, 26% BBgBarcUSAggregate Index. Benchmark returns since inception have been calculated monthly. The Index components are widely recognized, unmanaged indices. It is not possible to invest in the indices. The components that constitute the portfolio-weighted custom benchmark, including the weights that each component represents, are available for prior periods upon request. The volatility of the composite may begreater or less than its respective benchmark. Benchmark returns are not covered by the report of the independent verifiers. Additional information regarding policies for valuing investments, calculating performance, and preparing GIPS reports is available upon request.

PERFORMANCE RESULTS – CONSERVATIVE BALANCED COMPOSITE

Year	Gross Total Return (%)	Net Total Return (%)	Benchmark Return (%)	Composite - 3 Year Standard Deviation	Benchmark - 3 Year Standard Deviation	# of Portfolios	Composite Dispersion	Total Composite Assets at End of Period (USD M)	Total Firm Assets (USD M)
2020	11.8	11.4	10.3	7.8	5.6	4	NA	$46	$6,595
2019	12.7	12.4	13.2	4.0	3.5	5	NA	$81	$5,754
2018	(2.7)	(3.1)	(2.3)	4.3	3.5	5	NA	$66	$4,346
2017	11.4	11.1	9.3	4.8	3.5	3	NA	$37	$3,251
2016	6.5	6.2	4.3	5.1	3.8	3	NA	$36	$2,842
2015	(1.1)	(1.4)	(0.0)	5.2	3.9	3	NA	$37	$2,512
2014	4.5	4.1	5.0	4.9	3.8	4	NA	$42	$2,076
2013	10.9	10.5	6.1	6.0	5.3	3	NA	$39	$1,718
2012	10.7	10.3	7.9	7.0	6.5	4	NA	$40	$1,394
2011	0.7	0.4	0.2	8.8	9.8	4	NA	$36	$1,304
2010	10.2	9.9	9.1	11.2	11.9	7	0.5	$113	$1,302
2009	16.3	15.9	8.5	10.7	11.3	6	NA	$176	$910
2008	(20.0)	(20.2)	(18.0)	9.2	8.6	3	NA	$34	$948
2007	3.3	2.9	6.2	5.3	3.9	1	NA	$34	$1,356
2006	12.8	12.5	9.9	NA	NA	1	NA	$33	$1,020
2005	5.4	5.1	3.7	NA	NA	2	NA	$29	$605

CONSERVATIVE BALANCED COMPOSITE:

The 2020 information presented above represents supplemental information for GIPS®-compliance purposes. Data is preliminary, subject to change, with approximately 75% of underlying account performance by market value utilizing estimates for one or more monthly periods as of generation of this data. Angeles Conservative Balanced Composite is for client discretionary accounts with target Capital Appreciation, consisting of equity, absolute return, and private equity, ratios of 49% or less. Performance for periods greater than one year is annualized. From January 2020 –present, the weighting is: 25% MSCI ACWI IMI, 75% BBgBarcUS Aggregate Index.Historical benchmark information is available upon request. Please see attached compliant composite report page for additional information regarding these returns and benchmarks. Past performance is no guarantee of future results.

Angeles Investment Advisors, LLC is an independent registered investment advisor that invests assets on behalf of institutional investors such as endowments, foundations, non-profits, and pension funds. Angeles Investment Advisors, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Angeles Investment Advisors, LLC has been independently verified for the periods from March 1, 2002 through December 31, 2019. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Conservative Balanced Composite has been examined for the periods June 1, 2004, through December 31, 2019. The verification and performance examination reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

The Conservative Balanced Composite was created on June 1, 2004 and has an inception date of June 1, 2004. The composite is defined to include all fee-paying, discretionary accounts that are managed according to a conservative balanced investment strategy with less than 50% target total Capital Appreciation exposure, consisting of equity, absolute return, and private equity, Actual exposure may temporarily fall outside this range based on market conditions, but will generally meet these parameters. Since composite inception, a significant cash flow policy has been in effect where any accounts experiencing a cash inflow or outflow in excess of 15% of the account's beginning market value for a given period are removed for the month. AngelesInvestment Advisors' standard fees for discretionary accounts are 0.50% on the first $30 million, 0.40% on the next $30 million, and 0.30% on the balance. Fee schedules will vary among clients. The list of composite and limited distribution pooled fund descriptions is available upon request.

Past performance is no indication of future results. Performance results reflect reinvestment of dividends and other earnings. All returns above are stated in US Dollars. Dividends are recorded net of withholding taxes. Gross returns exclude Angeles' fee, but are net of all mutual fund and ETF expense ratios, transaction costs and generally custody fees. Net returns shown represent gross returns further reduced by all actual management fees paid. Performance shown represents the time-weighted rate of return for all client portfolios that qualify under the composite description. The 3-Year Standard Deviation presented is the dispersion of monthly composite gross and benchmark returns over the trailing 3-year period as of the end of each calendar year.Composite dispersion is measured by the equal-weighted standard deviation of the annual gross returns of those accounts included in the composite for the entire year. If five or fewer accounts in a composite for a full year, dispersion will not be calculated. The benchmark return was calculated by asset-weighting each client's benchmark return. Each client's benchmark return is calculated by multiplying the individual benchmark component returns by the policy target percentages. From August 2018 –December 2019, the weighting was: 25% MSCI ACWI IMI Net, 5% HFRI Fund of Funds Composite Index (net of fees), 70% BBgBarcUSAggregate Index. Benchmark returns since inception have been calculated monthly. The Index components are widely recognized, unmanaged indices. It is not possible to invest in the indices. The components that constitute the portfolio-weighted custom benchmark, including the weights that each component represents, are available for prior periods upon request. The volatility of the composite may be greater or less than its respective benchmark. Benchmark returns are not covered by the report of the independent verifiers. Additional information regarding policies for valuing investments, calculating performance, and preparing GIPS reports is available upon request.

CONTACT US

www.angelesinvestments.com

Santa Monica
429 Santa Monica Blvd., Suite 650
Santa Monica, CA 90401
310-393-6300

New York
375 Park Avenue, Suite 2209
New York, NY 10152
212-451-9240

Angeles

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