

CBIS Portfolio Construction Update

CRI Bond Fund



The updates in this document impact the following Catholic Responsible Investments Funds:

- Bond
- Magnus 45/55
- Magnus 75/25
- Magnus 60/40 Alpha Plus
- Magnus 60/40 Beta Plus

The objective of the Catholic Responsible Investments **Bond Fund** is current income and long-term capital appreciation. In an effort to achieve this objective, the sub-advisers invest primarily in U.S. government and agency securities, corporate bonds, mortgage- and asset-backed securities. The Fund is categorized as a U.S. Core Fixed Income Fund.



Portfolio Review

The fixed income markets have experienced a significant change in the interest rate environment from the one we've experienced since the Global Financial Crisis of 2008-09. Central Banks worldwide have successfully moved away from a policy of "financial repression" (i.e., zero to negative real interest rates) designed to stave off deflation to a more traditional approach to managing inflation.

In this environment, we would expect ongoing volatility to result from changing relative valuations of sectors and security pricing as opposed to significant changes in the level of interest rates. On consideration, the Catholic Responsible Investments Committee believes that an allocation to Loomis, Sayles & Company, L.P. (Loomis Sayles) given its demonstrated expertise in sector management along the credit spectrum, would provide the Bond Fund improved management of this expected volatility in the coming fixed income markets.

Integrated Strategies Summary

Loomis Sayles applies a well-rounded approach that incorporates a number of different research groups across the firm. Macroeconomic teams develop top-down views on the economy and asset allocation themes that shape portfolios, while sector specialist groups focus on bottom-up security analysis and recommendations. The depth and breadth of the firm’s fundamental credit analysis is a key strength. We positively view the alignment of portfolio managers, research analysts, and traders to provide a sector view that is generated and analyzed from multiple perspectives.

In addition, this integration ensures that the insights generated internally benefit the portfolio and provide checks and balances on analysis, through ongoing critical review. The Loomis Core Bond strategy, which will be used

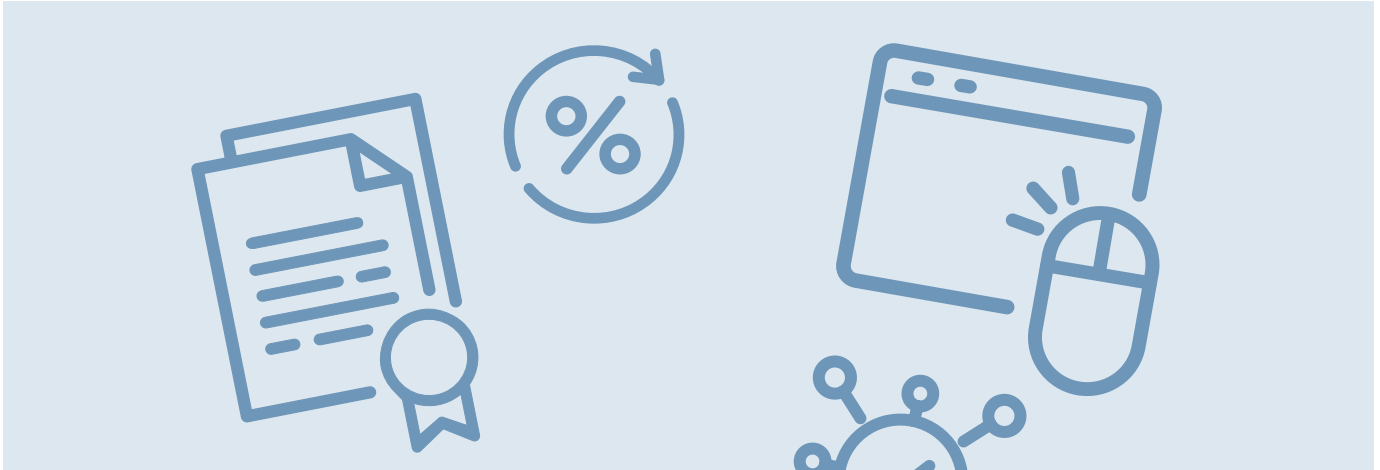
in the Bond Fund, leans heavier upon top-down and macro viewpoints than many other strategies at the firm yet continues to benefit from Loomis Sayles’ strength in credit research and security selection. The strategy emphasizes opportunistic sector rotation within a relative return and benchmark-aware framework.

Result of Portfolio Reconstruction

Dodge & Cox, which has served the Bond Fund well during the previous interest rate regime, has been replaced due to the retention of Loomis Sayles. The allocations across sub-advisers have been adjusted to balance the contribution to risk from each of the three investment styles — bottom-up security selection, sector rotation, and opportunistic macro views — resulting in slightly higher expected returns with lower expected tracking error.

Current Allocation (as of 7/18/2024)		Prior Allocation	
SLC Management	35%	SLC Management	35%
^{NEW} Loomis Sayles	25%	Brandywine	25%
Brandywine	20%	TAL/Nuveen*	20%
TAL/Nuveen*	20%	Dodge & Cox	20%
TOTAL	100%	TOTAL	100%

* Teachers Advisors LLC (“TAL”), an investment adviser subsidiary of Nuveen (“TAL/Nuveen”), Nuveen is the wholly owned investment manager subsidiary of TIAA. Nuveen provides investment advisory solutions through its investment specialists including Teachers Advisors, LLC, a registered investment adviser, and sub-adviser to the CRI Bond Fund.



Important Information

Carefully consider the funds' investment objectives, risks, and charges and expenses. This and other information can be found in the funds' full and summary prospectus, which may be obtained by visiting www.cbisonline.com or by calling 1-866-348-6466. Please read the prospectus carefully before investing.

There are risks involved in investing, including loss of principal. Asset allocation may not protect against market risk. There is no guarantee that these strategies will result in positive performance. Bonds and bond funds are subject to interest rate risk and will decline in value as interest rates rise. Mortgage-backed securities are subject to prepayment and extension risk and therefore react differently to changes in interest rates than other bonds. Small movements in interest rates may quickly and significantly reduce the value of certain mortgage-backed securities. There is no guarantee that the Fund's income will be exempt from federal or state income taxes. Capital gains, if any, are subject to capital gains tax. Income from municipal bonds may be subject to the alternative minimum tax.

Catholic Responsible Investment ("CRI") is an investment strategy designed specifically to help investors seek sound financial returns while remaining faithful to the teaching of the Roman Catholic Church.

The Funds consider the CBIS's CRI criteria in its investment process and may choose not to purchase, or may sell, including at inopportune times which would result in losses to the Fund, otherwise profitable investment in companies which have been identified as being in conflict with the CBIS's CRI criteria. Funds may underperform other similar funds that do not consider CRI guidelines when making decision.

The funds are distributed by SEI Investments Distribution Co. (SIDCO). SIDCO is not affiliated with CBIS, the adviser, or the sub-advisers, to the funds

Tracking error shows a discrepancy between the price behavior of a position or a portfolio and the price behavior of a benchmark.

Contact Us

If you have any questions, please reach out to your CBIS representative:



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or



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