

2021 Investment Review

Prepared for



MARCH 2022



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TABLE OF CONTENTS

EXECUTIVE SUMMARY	2
ASSET ALLOCATION.....	4
TOTAL FUND PERFORMANCE REVIEW.....	10
INVESTMENT MANAGER OVERVIEW.....	12
GLOBAL EQUITY REVIEW.....	12
FIXED INCOME REVIEW.....	16
HEDGE FUND REVIEW.....	19
PRIVATE CREDIT REVIEW.....	22
MEDIUM TERM POOL REVIEW.....	23
SOCIALLY RESPONSIBLE POOL REVIEW.....	24

EXHIBITS

SUMMARY OF PERFORMANCE.....	EXHIBIT 1
FUND SUMMARY TABLE.....	EXHIBIT 2
HISTORICAL FUND PERFORMANCE.....	EXHIBIT 3
GLOBAL EQUITY CHARACTERISTICS.....	EXHIBIT 4
FIXED INCOME CHARACTERISTICS.....	EXHIBIT 5
MEDIUM TERM POOL REVIEW.....	EXHIBIT 6
SOCIALLY RESPONSIBLE POOL REVIEW.....	EXHIBIT 7

EXECUTIVE SUMMARY

This report reviews Humboldt Area Foundation's (HAF's) investment program, including its asset allocation policy, portfolio composition and performance through the end of 2021.

HAF's Long Term Investment pool had \$134.2 million in assets at the end of 2021. This past year was a volatile year in capital markets, however, the year ended strong with all major asset classes generating positive returns. HAF's long term pool returned 13.6% (net of fees) for the year, slightly underperforming its policy benchmark by 10 basis points. Longer term returns (e.g., over the last 10 years) have been strong at 10.3% annualized and net of fees (versus 9.7% for the policy benchmark).

HAF maintains a Socially Responsible Pool (SRP), which is appropriate for long term investors that not only want strong financial returns, but also want their assets to be invested in a responsible way with measurable impact. As of the end of 2021, the Socially Responsible Pool held \$30.6 million in assets and delivered positive absolute returns in 2021. The SRP returned 13.8% (net of fees) in 2021, underperforming the policy index, which returned 14.1%.

HAF also maintains a Medium Term Pool for investment, which is appropriate for funds with a shorter time horizon. As of the end of 2021, the Medium Term Pool held \$4.4 million in assets. The Medium Term Pool returned 6.7% in 2021, which exceeded the policy benchmark return of 6.3%.

BACKGROUND

Angeles Investment Advisors is an independent investment advisor headquartered in Southern California that has worked with the Humboldt Area Foundation since 2003, initially on a project basis to structure the portfolio and then conduct annual reviews through 2006. In 2007, HAF retained Angeles on an ongoing basis to provide consulting services regarding HAF's investment assets. This relationship encompasses preparation of this annual investment report on the Foundation's assets, as well as advice and recommendations on any other investment-related issues throughout the year, including investment policy such as the asset allocation targets, manager monitoring and selection issues, monthly performance reporting and attending Investment Committee and other meetings (including by conference call) as needed.

To prepare this report Angeles undertook the following:

- Reviewed monthly statements for the Foundation's assets and the allocations to each fund;
- Calculated returns for each asset class composite, and compared those to appropriate benchmarks;
- Evaluated performance of each fund individually; and,
- Reviewed organizational issues affecting the funds and their parent companies, including meeting with representatives of the fund families in which HAF invests.

Angeles' major findings in our investment review during 2021 are:

- **Asset Allocation:** The investment policy of HAF's Long Term Pool is to preserve the long-term purchasing power of the Foundation's assets after inflation and spending. With expected inflation over the long term of 2.5%, and HAF's spending rule of 4.5% of the market value of assets, and administrative fees of

1.75%, this implies a **prospective return hurdle of at least 8.75% over the long term**, a challenging hurdle in the future environment in which Angeles expects to have relatively muted absolute returns. To meet this objective, HAF has significant exposure to growth-oriented assets such as publicly traded stocks, private equity, and private credit. This asset allocation mix seeks to maximize HAF’s long term purchasing power. With assistance and recommendations from Angeles, HAF reviews its long term asset allocation policy on a regular basis. The Socially Responsible Pool’s asset allocation mimics the LTP from a risk perspective but is limited only to publicly traded asset classes and targets 80% global equity and 20% fixed income. In 2018, Angeles assisted HAF with the development of the Socially Responsible Investment Pool. This pool was approved by HAF’s Board of Directors in July 2019, and was funded on February 4, 2019 with \$1.3 million and has grown through inflows and performance to \$31 million in total assets as of December 2021. The SRP invests in managers that explicitly address climate change and other environmental, social and governance (ESG) factors in their portfolios. Angeles also monitors HAF’s managers in the Long Term Pool on ESG and diversity and believes they also integrate ESG factors in their portfolios, although to a varying degree. The Medium Term Pool has a significantly more conservative asset allocation than the Long Term Pool, with a target of 60% in bonds and 20% each in US and international equity (all passively managed).

- **Performance Review:** The Long Term Pool returned 13.6% (net of all fees) in 2021, reflecting the market’s strong returns across all asset classes, despite a year of volatility. HAF slightly underperformed its policy index, which returned 13.7%. The Policy Index is a benchmark composed of passive asset class index returns weighted by HAF’s long term asset allocation targets. The Socially Responsible Pool returned 13.8% (net of all fees) in 2021 and trailed the policy index by 30 basis points. The Medium Term Pool returned 6.7% (net of all fees) during 2021 and outperformed the policy index by 40 basis points.

Table 1 below provides a summary of recent and long term performance as of 12/31/2021 for the 3 pools.

Table 1
Summary of HAF Performance¹ – Periods Ending 12/31/21

	Value	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Humboldt Area Foundation Long Term	\$134,199,380	4.3%	13.6%	17.5%	12.3%	10.3%	7.5%
<i>Humboldt Long Term Benchmark</i>		4.5%	13.7%	16.3%	11.4%	9.7%	7.4%
<i>HAF CPI Linked Benchmark</i>		3.3%	11.8%	8.0%	7.4%	6.3%	6.5%
	Value	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Humboldt Area Foundation SRI Pool	\$30,612,633	3.9%	13.8%	--	--	--	17.4%
<i>Humboldt SRI BM</i>		4.9%	14.1%	--	--	--	15.2%
	Value	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception
Medium Term Total	\$4,368,314	2.2%	6.7%	10.1%	7.5%	6.7%	6.7%
<i>Humboldt Medium Term Benchmark</i>		2.5%	6.3%	10.5%	7.5%	6.4%	6.4%

- **Investment Manager Review:** Angeles continues to have confidence in the investment managers HAF has selected with the assistance of Angeles: Capital Group/American Funds, Dimensional Fund Advisors (DFA), Vanguard, PIMCO, Baird, Dodge & Cox, Baillie Gifford, Pax, and TIAA CREF.

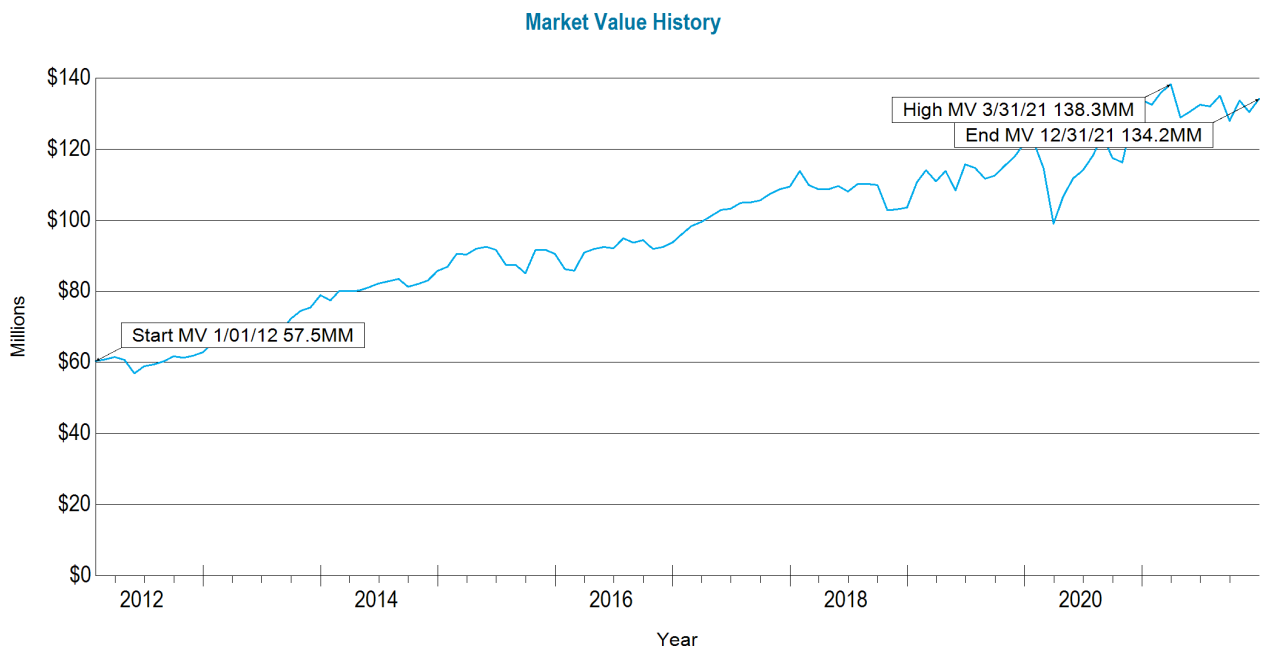
¹ All returns in this report are reported on a net of fee basis.

- **Cost Review:** HAF's portfolio consists primarily of mutual funds from low cost mutual fund families. All of HAF's mutual fund holdings have fees below that of the respective peer group medians. Three of the eight mutual funds held in HAF's Long Term Pool reported fees in the bottom 5th (least expensive) percentile of all mutual funds in their respective peer groups. HAF's overall investment management fees are relatively low; the weighted average management fee for the Long Term Investment Pool was 0.52% (this fee will be coming down in 2022, following the full redemption from hedge funds (effective 12/31/2021), which have a premium fee schedule). The weighted average fee for the Medium Term Pool was 0.18% and 0.36% for the Socially Responsible Pool.
- **Fund Review:** Angeles will continue to review the holdings and investment policy of the Foundation on an ongoing basis and recommend changes to the Investment Committee for its consideration as necessary.

LONG TERM POOL'S ASSET ALLOCATION

HAF's Long Term Investment Pool assets have generally risen strongly since 2004 through a combination of market returns and successful fundraising. Market returns were solid in 2021 as global equity markets returned 18.5% in 2021. HAF's assets were \$134.2 million at the end of 2021, a sizeable increase from the prior year end as a result of the rally in the equity markets following the first quarter of 2020.

Figure 1
HAF Long Term Investment Pool Assets – Through December 31, 2021



The Foundation's current investment policy is oriented to **growth/capital appreciation**, and targets the following allocations in the Long Term Pool:

- 70% in global public equity
- 10% in private markets
- 5% in private credit
- 15% in fixed income

In July 2021, HAF eliminated hedge funds/absolute return from the Long Term Pool's asset allocation policy. HAF submitted a full redemption effective 12/31/2021 (the earliest redemption period available given quarterly liquidity and 90 day notice). As of December 31, 2021, hedge funds accounted for 9.6% of HAF's Long Term Pool; the proceeds (minus the 10% audit hold back²) were paid in early 2022, and were invested in global equity. Global equity will be the source of capital calls for the growing private equity portfolio.

² The 10% is an audit hold back will be paid upon completion of the fund's audit, which is estimated to occur in June 2022.

Table 2*
Long Term Pool's Asset Allocation and Portfolio Holdings as of December 31, 2021

	Market Value	% of Total Assets		Variance from Target	Allowable Range
		Actual	Target		
Global Equity					
AF EuroPacific Growth	\$13,446,953	10.0%	19.0%	-1.3%	
AF EuroPacific Growth F3	\$10,314,273	7.7%			
AF New Perspective	\$3,220,944	2.4%	10.0%	0.2%	
AF New Perspective F3	\$10,450,108	7.8%			
DFA Global Equity	\$34,119,596	25.4%	25.0%	0.4%	
Vanguard Institutional Index	\$23,030,114	17.2%	17.0%	0.2%	
Total Global Equity	\$94,581,988	70.5%	70.0%	0.5%	55-85%
Absolute Return					
Angeles Absolute Return Fund	\$12,944,148	9.6%	0.0%	9.6%	
Total Absolute Return	\$12,944,148	9.6%	0.0%	9.6%	0.0%
Private Markets					
Angeles Private Markets Fund 4	\$1,159,364	0.9%	10.0%	-9.1%	
Total Private Markets	\$1,159,364	0.9%	10.0%	-9.1%	0-15%
Private Credit					
Angeles Private Credit Fund	\$3,182,889	3.5%	5.0%	-1.5%	
Angeles Private Credit Fund 2	\$1,553,538				
Total Private Credit	\$4,736,427	3.5%	5.0%	-1.5%	0-8%
Fixed Income					
PIMCO Income	\$7,086,281	5.3%	6.0%	-0.7%	
Baird Core Plus Bond	\$7,110,000	5.3%	6.0%	-0.7%	
Dodge & Cox Income	\$3,626,561	2.7%	3.0%	-0.3%	
Community Loans	\$2,231,946	1.7%	0.0%	1.7%	
Total Fixed Income	\$20,054,788	14.9%	15.0%	-0.1%	10-25%
Cash					
TDA - Cash Sweep	\$722,665	0.5%	0.0%	0.5%	
TD Bank USA MMDA - Cash Reserve	\$0	0.0%	0.0%		
Total Cash	\$722,665	0.5%	0.0%		0.0%
Total Fund	\$134,199,380	100.0%	100.0%		

*Unless otherwise noted, all HAF market value data in this report was provided to Angeles by Premier Financial Group, except for the Angeles Absolute Return Fund, which is updated using the December 2021 estimated value and the Angeles Private Credit Fund, which reflects total capital paid.

Asset Allocation Policy:

HAF’s asset allocation policy is reviewed regularly by the HAF Investment Committee with assistance and recommendations from Angeles Investment Advisors. The Committee’s last asset allocation review was in July 2021, when the Investment Committee reviewed portfolio performance and considered the advantages and disadvantages of removing hedge funds/absolute return from the portfolio and adding private equity in its place. Angeles recommended and HAF approved adding a private markets allocation (target of 10%) and eliminating the hedge fund/absolute return allocation (10% of the LT portfolio).

Private equity and real assets have expected return premium over public equities due to both the locked-up nature of capital as well as the active value-add inherent in the private market business model. Implementation of the private market allocation will be implemented over time through the Angeles Private Market Funds to ensure vintage year diversification and exposure to Angeles’ highest conviction private equity and private real asset managers. Angeles waives the management fee for the Angeles Private Markets Fund (APMF) for its clients³. HAF committed \$4 million to the Angeles Private Markets Fund 4, which will account for 2021 and early 2022 commitments. As of December 2021, APMF 4 had called 29% of the commitment.

When we review asset allocation for clients like HAF, Angeles Investment Advisors uses proprietary capital market assumptions to project future long term returns. Our assumptions include the expected return, risk (volatility or standard deviation of returns) and correlation for major asset classes. While the assumptions are for a long-term horizon, which we define as at least 10 years, Angeles updates these assumptions annually, with our most recent review completed in January 2022. Our assumptions are net of management fees and transactions costs, but do not include any excess returns from manager outperformance. Angeles will review asset allocation policy with HAF in mid-2022.

The following table summarizes Angeles’ expected returns and risk for HAF’s major asset classes. Relative to our assumptions last year, Angeles expects lower returns from absolute return (by 0.5%), higher returns from private credit (by 0.1%) and fixed income (by 0.6%), and no changes to global equity and private equity.

Table 3
Angeles’ Projected Long Term (>10 years)
Asset Class Return and Risk⁴ Assumptions as of January 2022

	Expected Return	Expected Risk
Global Equity	5.6%	17.0%
Absolute Return	3.5%	8.0%
Private Equity	8.5%	20.0%
Private Credit	6.1%	14.0%
Fixed Income	1.9%	5.0%
<i>Inflation</i>	2.5%	

³ Third party fees, which include customary legal, audit, and administrative services, are paid at the fund level.

⁴ Risk is measured here by standard deviation or volatility of returns.

A primary long term goal of HAF's investment policy is to preserve the inflation-adjusted purchasing power of its assets after spending and inflation. In 2018, HAF decided to increase its spending rate to 4.5% of assets, based on the average market value of HAF assets over the trailing 16 quarters. In response to the COVID-19 pandemic, the HAF Board approved a 5% spending rate for the 2020-2021 fiscal year.

Angeles' return expectations for HAF's Total Fund, including manager excess returns relative to benchmarks, are illustrated in the table below (**Table 4**). These return expectations reflect a full market cycle; in the short-term, excess returns achieved by managers in aggregate can vary from this amount both in a positive and negative direction.

Based on these long term capital market assumptions for future returns and HAF's current policy targets for the Long Term Investment Pool, we estimate that the expected return of the HAF Long Term Investment Pool will be 5.4% not considering any excess returns, and 6.4% with excess manager returns. **With spending of 4.5% of assets on grants plus 2.5% inflation, plus 1.75% admin fee (summing an 8.75% long term return hurdle), the Long Term Pool's expected returns based on its current asset allocation policy would likely erode the portfolio's purchasing power of its assets over the long term (more than 10 years).**

Table 4
Asset Allocation for the HAF Long Term Investment Pool⁵

	HAF Current Policy
Global Equity	70%
Private Equity	10%
Private Credit	5%
Core Fixed Income	15%
Cash	0%
Expected Return	5.4%
<i>Expected Excess Return</i>	1.0%
Expected Return incl. Mgr Excess Returns	6.4%
Expected Risk	13.9%
Sharpe Ratio	0.38
Probability of a Loss ¹ :	
1-Year	32%
5-Year	19%
10-Year	11%
<u>Expected Returns when correlations move to 1 and:</u>	
2 St. Dev. Negative Event ^{**}	-25%
Very Bad Scenario ²	
3 St. Dev. Negative Event ^{**}	-41%

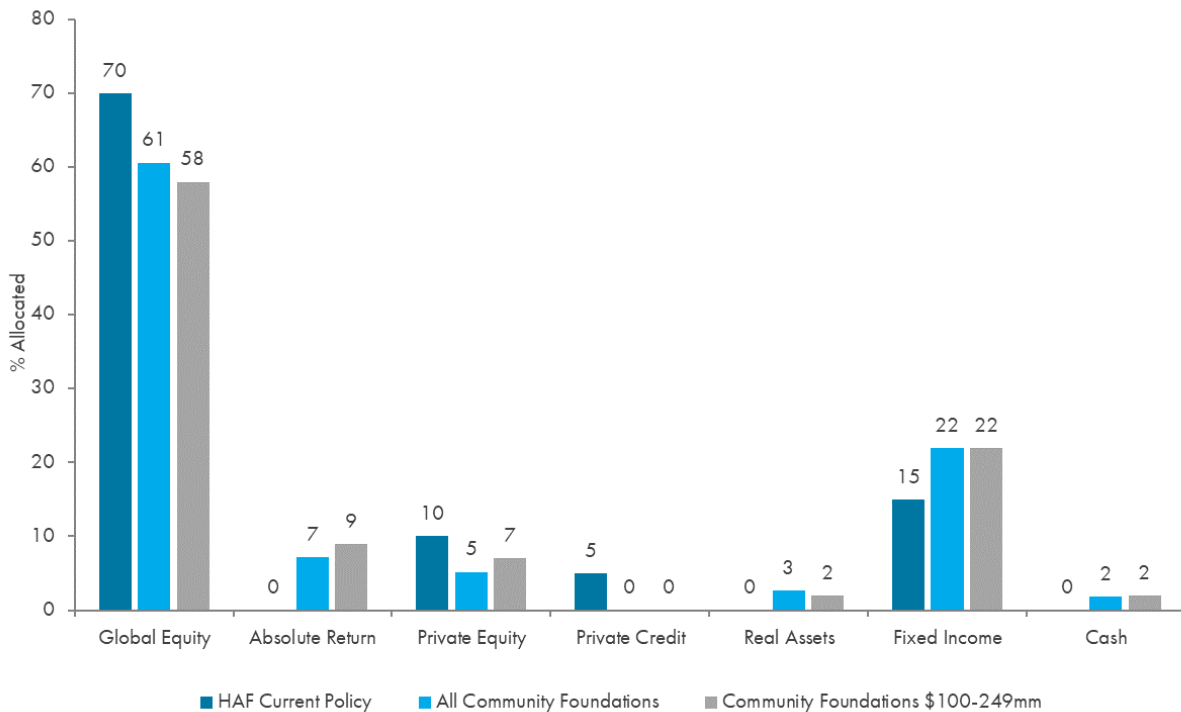
¹ Based on return assumptions without manager excess returns

² Very Bad Scenario assumes that correlations across asset classes go to 1 and each class experiences a two standard deviation negative event.

In comparison to similarly sized Community Foundation peers (\$100-\$250 million), HAF's Long Term investment policy allocations are overweight global equity, private equity, and private credit (not included in the peer survey) and underweight absolute return, real assets, fixed income and cash. This comparison can be seen in **Figure 2** below.

⁵ The Total Fund's expected excess return from manager outperformance is a weighted sum of the underlying asset class composites' excess returns. Global equity's expected excess return is 1.0%, private credit and absolute return's expected excess return is 1.5%, and fixed income's expected excess return is 0.5%. Sharpe Ratio is a measure of risk-adjusted returns.

Figure 2
HAF Asset Allocation vs. Community Foundation Peers⁶



Expenses:

Fees charged by the HAF Long Term Pool’s investment mutual fund managers were all well below the median for mutual funds in each of their respective peer groups, as demonstrated in Figure 3 below. Three of the eight funds held by HAF’s Long Term Pool reported fees in the bottom 5th (least expensive) percentile of all fees for managers in their respective peer groups. Vanguard’s S&P 500 Index fund (the Vanguard Institutional Index) had the lowest fee among all HAF managers with an expense ratio of 4 basis points (bps) (0.04%).

DFA’s Global Equity fund expense ratio remained below peers in 2021 at 28 bps. As active managers with deep resources for fundamental company research, American Funds had relatively higher expense ratios from the rest of the portfolio with 84 bps (EuroPacific Growth Fund) and 75 bps (New Perspective Fund) for the A share classes). However, both are still below the peer median. HAF is invested in the Class A share classes of American Funds EuroPacific Growth Fund and New Perspectives where a broker is affiliated. The Class A share class includes a 12b-1 fee paid to the broker⁷. The Class A Share Class is 38 bps and 33 bps higher, respectively, than the lower fee share class (F3) that is available to HAF. Throughout 2021, HAF moved assets unaffiliated with a broker to the F-3 class (no 12b-1 fee) for American Funds EuroPacific Growth Fund and New Perspectives, resulting in an annualized fee savings of \$74K (assuming December 2021 market values) across both funds.

⁶ Source: FEG 2021 Community Foundation Survey. Asset allocation data for “All Community Foundations” includes 110 participants Community Foundations \$100-\$249.9 mm” includes 18 participants. Cash also includes “other.” Data as of 9/30/2020.

⁷ 12b-1 fees are fees paid out of mutual fund assets to cover the costs of distribution (marketing and selling mutual fund shares). 12b-1 fees get their name from the SEC rule that authorizes a fund to charge them.

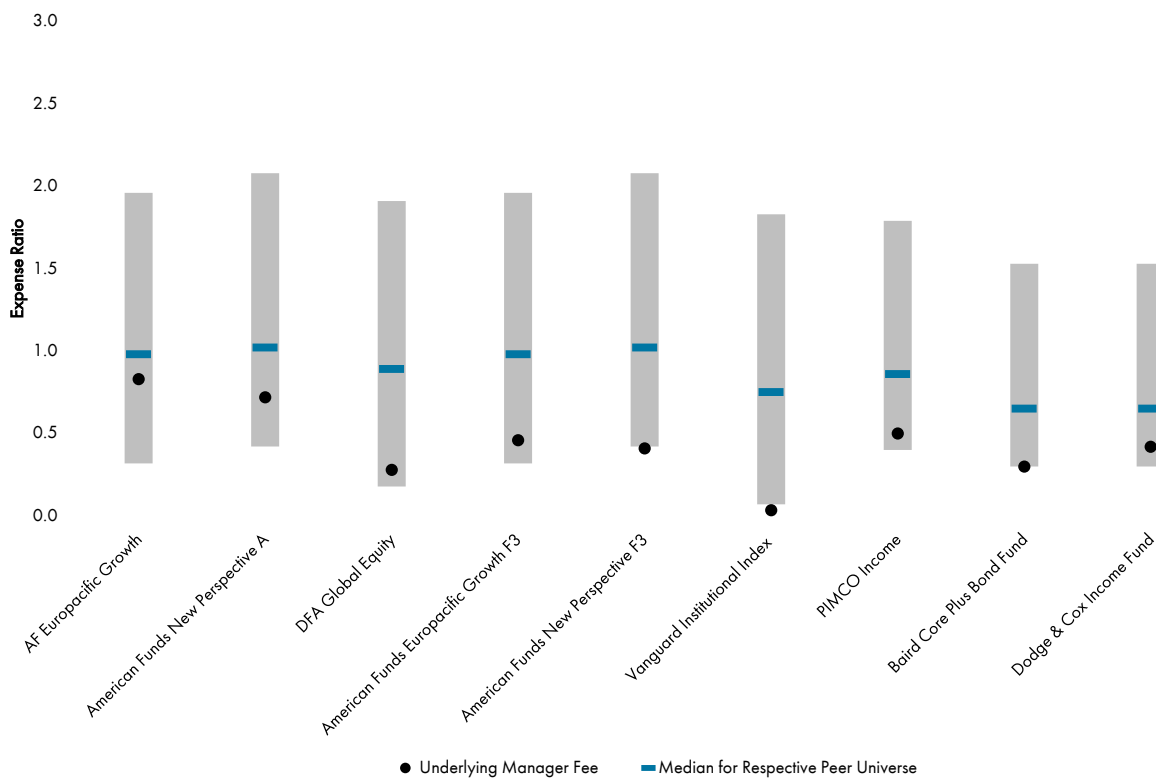
For fixed income, Baird Core Plus had a fee of 30 bps, Dodge & Cox Income was in the middle with 42 bps and PIMCO Income Fund had a fee of 50 bps.

As would be expected from an alternative asset investment, the Angeles Private Credit Fund had the highest management fee at 128 bps (typical private credit manager fees are 1.5% to 2.0%). In addition, the underlying private credit managers in the Angeles Private Credit Fund may earn additional fees through incentive fees based on performance, and administrative fees are charged to the fund for legal, accounting, and other services from third parties. There is no additional advisory fee charged by Angeles to consulting clients such as HAF for investing in the Angeles Private Credit Fund.

The combined asset-weighted fee for investment management services for the Foundation was 52 basis points (0.52%) per annum for the Long Term Investment Pool. Manager fees are netted from the performance of the funds in which HAF invests, and not paid out-of-pocket by the Foundation.

Premier Financial Group earns a fee from HAF for custody of all funds held (except American Funds, Hedge Funds, and Local Investing funds) and performance measurement and this amounts to a 0.16% administration fee for the Long Term portfolio and a 0.13% fee for the SRP and Medium Term portfolios. The Foundation also pays a consulting fee to Angeles Investment Advisors, which is 9.5 basis points (0.095% of total assets).

Figure 3
Mutual Fund Manager Fee Rankings: HAF Managers versus Mutual Fund Peer Universes



Source: Morningstar Direct. Each black circle represents the listed manager's net expense ratio. The horizontal gray bars represent fees for the 95th and 5th percentile fee within each respective manager universe.

TOTAL FUND PERFORMANCE REVIEW FOR THE LONG TERM POOL

Most major classes delivered positive returns in 2021, with the best returns coming from public global equity (18.2% for the MSCI All Country World Investable Market Index, which covers US, non-US developed, and emerging country stocks across all market capitalizations). Hedge funds as measured by the HFRI Fund of Funds index returned 5.8% in 2021. Private Credit, as measured by HAF's Private Credit Composite, returned 10.1%. Bond returns were negative for the year amid rising interest rates, with the Bloomberg Aggregate Index returning -1.5%.

In this environment, the Humboldt Area Foundation's Long Term Investment Pool experienced a net of fee return of 13.6% during the year, slightly behind the policy index return of 13.7%, mostly due to underperformance in the Global Equity and Absolute Return portfolios.

Since October 1, 2020, the Foundation's Policy Index is a blended benchmark consisting of asset class index returns weighted according to the Foundation's approved target allocations as specified below:

- 73% MSCI All Country World Investable Market Index (global equity)
- 15% Bloomberg Barclays Aggregate Bond Index (US fixed income)
- 10% HFRI Fund of Funds Composite Index (absolute return)
- 2% HAF's Total Private Credit Composites

Long Term performance through the end of 2021 for the Foundation's Total Fund is shown below in **Table 5**. Performance was good on an absolute basis in 2021 but was slightly below the Policy Index. **Additionally, over more meaningful periods (e.g., 5 and 10 years), HAF was ahead of benchmarks for the total fund and for all asset classes as of December 31, 2021.**

Table 5
Historical Total Fund and Asset Class Performance
As of December 31, 2021 (Annualized, Net of Fees)

	Weight	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception	Inception Date
Humboldt Area Foundation Long Term	100.0%	13.6%	17.5%	12.3%	10.3%	7.5%	12/31/03
Humboldt Long Term Benchmark ¹		13.7%	16.3%	11.4%	9.7%	7.4%	
HAF CPI Linked Benchmark		11.8%	8.0%	7.4%	6.3%	6.5%	
Total Global Equity	70.5%	17.6%	21.8%	15.2%	12.8%	9.1%	12/31/03
MSCI ACWI IMI Net USD		18.2%	20.2%	14.1%	11.8%	8.6%	
Total Absolute Return	9.6%	3.8%	8.5%	6.4%	--	5.0%	12/31/13
HFRI Fund of Funds Index		6.1%	8.4%	5.7%	--	3.9%	
Total Private Equity	0.9%	--	--	--	--	--	09/01/21
Total Private Credit	3.5%	10.6%	--	--	--	20.8%	10/01/20
Total Fixed Income	14.9%	0.8%	5.4%	4.5%	4.1%	3.9%	12/31/03
Bloomberg US Aggregate TR		-1.5%	4.8%	3.6%	2.9%	4.0%	
Total Cash	0.5%	--	--	--	--	--	

Calendar Year Returns by Asset Class (net of fees)

	% of Fund	Calendar Years																	
		2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Global Equity²	70.5%	17.6%	20.1%	27.7%	-10.6%	25.5%	8.0%	-1.2%	3.6%	25.9%	17.7%	-8.9%	15.5%	36.6%	-40.2%	9.0%	17.2%	13.0%	15.8%
Global Equity Blended Index ³		18.2%	16.3%	26.4%	-10.1%	24.0%	8.4%	-2.2%	3.8%	23.6%	16.8%	-6.9%	14.9%	35.9%	-41.7%	8.4%	18.4%	8.5%	14.0%
Fixed Income	14.9%	0.8%	7.0%	8.6%	0.6%	6.1%	5.3%	1.8%	5.7%	1.3%	4.6%	7.3%	7.5%	11.2%	-14.2%	3.2%	6.8%	2.2%	6.5%
Fixed Income Blended Index ⁴		-1.5%	7.5%	8.7%	0.0%	3.5%	2.7%	0.5%	6.0%	-1.8%	5.5%	7.4%	7.2%	8.6%	2.4%	6.5%	5.0%	2.7%	5.0%
Absolute Return	9.6%	3.8%	12.8%	8.9%	-5.9%	13.4%	2.0%	0.2%	5.4%	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Index		6.1%	10.8%	8.3%	-4.1%	7.6%	0.5%	-0.3%	3.4%	--	--	--	--	--	--	--	--	--	--
Private Equity	0.9%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Private Equity ⁵		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Private Credit	3.5%	10.6%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Private Credit ⁶		10.6%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

¹ Effective October 1, 2020, the Policy Benchmark = 73% MSCI ACWIMI, 15% Bloomberg Barclays Aggregate, 10% HFRI Fund of Funds Composite Index, and 2% HAF's Total Private Credit Composite.

From August 1, 2015 to September 30, 2020, the Policy Benchmark = 70% MSCI ACWIMI, 15% Bloomberg Barclays Aggregate, 10% HFRI Fund of Funds Composite Index, and 5% S&P Global REIT Index.

From January 1, 2014 to July 31, 2015, the Policy Benchmark = 70% MSCI ACWIMI, 20% Bloomberg Barclays Aggregate, 5% HFRI Fund of Funds Composite Index, and 5% S&P Global REIT Index.

From April 1, 2013 to December 31, 2013, the Policy Index = 70% MSCI All Country World Investable Market Index, 25% Bloomberg Barclays Aggregate Index, and 5% S&P Global REIT Index. From August 1, 2012 to March 31, 2013, the Policy Index = 70% MSCI All Country World Investable Market Index, 25% Bloomberg Barclays Universal Index, and 5% S&P Global REIT Index. From June 1, 2008 to July 31, 2012, the Policy Index = 35% Russell 3000 Index, 35% MSCI All Country World Ex US Investable Market Index, 25% Bloomberg Barclays Capital Universal Index (formerly Lehman Brothers Universal Index) and 5% Blended REIT Index. The Blended REIT Index consists of 50% Wilshire REIT Index and 50% S&P/Citi Global Ex US REIT Broad Market Index. From June 1, 2006 to May 31, 2008, the policy index consists of 50% Russell 3000 Index, 20% MSCI ACWI Ex-US Index, 25% Bloomberg Barclays Capital Universal Index (formerly Lehman Brothers Universal Index), and 5% DJ Wilshire REIT Index. Prior to June 1, 2006, the policy index consists of 50% Russell 3000 Index, 15% MSCI ACWI Ex-US Index, 30% Bloomberg Barclays Capital Universal Index (formerly Lehman Brothers Universal Index), and 5% DJ Wilshire REIT Index.

² Historical performance of the Global Equity composite is based on the consolidated weighted returns of the US Equity and International Equity composites.

³ Effective August 1, 2012, the Global Equity Blended Index consists of 100% MSCI All Country World Investable Market Index. Prior to August 1, 2012, the blended benchmark is calculated based on the weighted returns of the US Equity Benchmark and the International Equity Benchmark. From June 1, 2008 to August 1, 2012, the blended index consists of 50% Russell 3000 Index and 50% MSCI All Country World Ex US Investable Market Index. From June 1, 2006 to May 31, 2008, the blended index consists of 71.4% Russell 3000 Index and 28.6% MSCI ACWI Ex-US Index. Prior to June 1, 2006, the blended index consists of 76.9% Russell 3000 Index and 23.1% MSCI ACWI Ex-US Index.

⁴ Effective April 1, 2013, the Fixed Income Blended Index consists of 100% Bloomberg Barclays Aggregate Index. Prior to April 1, 2013, the blended benchmark consisted of 100% Bloomberg Barclays Universal Index.

⁵ Private Equity benchmark reflects the returns of the Private Equity Composite.

⁶ Private Credit benchmark reflects the returns of the Private Credit Composite.

^Returns are annualized for periods greater than a year.

INVESTMENT MANAGER OVERVIEW FOR THE LONG TERM POOL

All six of the investment management firms used by HAF in the Long Term Pool — American Funds (Capital Group), Dimensional Fund Advisors (DFA), Vanguard, PIMCO, Baird, and Dodge & Cox — are solid, stable and highly-regarded organizations. All managers are in good standing.

GLOBAL EQUITY REVIEW

The global equity market continued to recover throughout the year as the economy re-opened and saw positive returns in 2021. The MSCI ACWI and S&P 500 returned 18.5% and 28.7% in 2021, respectively. Despite positive returns, 2021 was a year marked by elevated volatility. The continued rise in COVID-19 cases and spike in inflation caused shifting investor confidence and sentiment throughout the year.

HAF's global equity portfolio is invested in four mutual funds, and is well diversified across investment styles, geography, and market capitalization. The Foundation's total global equity composite returned +17.6% during 2021, underperforming the global equity benchmark, the MSCI All Country World Investable Market Index (ACWI IMI), which returned +18.2%. A significant portion of HAF's public equities (75%) are actively managed.

Table 6 displays the global equity portfolio's composition at the end of 2021 versus HAF's global equity policy targets. At year-end, HAF was in line with all the targets.

Table 6
Global Equity Allocation – As of 12/31/21

	Market Value	% of Total Assets		Variance from Target	Allowable Range
		Actual	Target		
Global Equity					
AF EuroPacific Growth	\$13,446,953	10.0%	19.0%	-1.3%	
AF EuroPacific Growth F3	\$10,314,273	7.7%			
AF New Perspective	\$3,220,944	2.4%	10.0%	0.2%	
AF New Perspective F3	\$10,450,108	7.8%			
DFA Global Equity	\$34,119,596	25.4%	25.0%	0.4%	
Vanguard Institutional Index	\$23,030,114	17.2%	17.0%	0.2%	
Total Global Equity	\$94,581,988	70.5%	70.0%	0.5%	55-85%

The best absolute performer in 2021 in the equity portfolio was the Vanguard Institutional Index, returning 28.7%, which performed in line with the S&P 500 Index. American Funds New Perspective Fund continued to be the strongest relative performing equity manager over the trailing 5 years as of December 2021.

Amid high inflation, the Fed pivoted in December to tighter monetary policy, announcing it would end its bond purchases in March and signaled 3 interest rate hikes in 2022. This shift led to a sell off in hyper growth stocks starting in mid-November as higher rates mean future profits are worth less today. This dynamic was a headwind to growth-oriented active managers (American Funds New Perspective and EuroPacific Growth Fund) in late 2021.

AF EuroPacific underperformed the MSCI ACWI ex USA by 530 basis points and AF New Perspective underperformed the MSCI ACWI by 80 basis points for 2021. The AF EuroPacific Fund provides a diversified approach to international growth. The AF New Perspective Fund provides a flexible approach to global growth. Both of these funds complement the value bias in the DFA Global Equity fund; however, both funds' growth-tilt detracted from relative performance in 2021.

Table 7
Global Equity Performance as of December 31, 2021
(Annualized, Net of Fees)

	Weight	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception	Inception Date
Total Global Equity	70.5%	5.9%	4.8%	17.6%	21.8%	15.2%	12.8%	9.1%	12/31/03
MSCI ACWI IMI Net USD		6.1%	4.9%	18.2%	20.2%	14.1%	11.8%	8.6%	
American Funds Europacific Growth	10.0%	-1.2%	-3.6%	2.5%	17.5%	12.5%	9.6%	8.1%	01/31/04
MSCI ACWI ex USA		1.8%	-1.2%	7.8%	13.2%	9.6%	7.3%	6.4%	
American Funds Europacific Growth F3	7.7%	-1.1%	-3.4%	--	--	--	--	-0.1%	01/12/21
MSCI ACWI ex USA		1.8%	-1.2%	--	--	--	--	4.7%	
American Funds New Perspective	2.4%	6.6%	6.5%	17.7%	26.9%	19.9%	--	15.3%	07/28/15
MSCI ACWI		6.7%	5.6%	18.5%	20.4%	14.4%	--	11.6%	
American Funds New Perspective F3	7.8%	6.7%	6.6%	--	--	--	--	14.4%	01/12/21
MSCI ACWI		6.7%	5.6%	--	--	--	--	16.1%	
DFA Global Equity	25.4%	7.6%	6.4%	23.2%	21.0%	13.9%	--	--	07/31/12
MSCI World		7.8%	7.8%	21.8%	21.7%	15.0%	--	--	
Vanguard Institutional Index	17.2%	11.0%	11.7%	28.7%	26.0%	18.4%	--	15.0%	03/29/14
S&P 500		11.0%	11.7%	28.7%	26.1%	18.5%	--	15.0%	

	% of Fund	Calendar Years																	
		2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Global Equity¹	70.5%	17.6%	20.1%	27.7%	-10.6%	25.5%	8.0%	-1.2%	3.6%	25.9%	17.7%	-8.9%	15.5%	36.6%	-40.2%	9.0%	17.2%	13.0%	15.8%
Global Equity Blended Index ²		18.2%	16.3%	26.4%	-10.1%	24.0%	8.4%	-2.2%	3.8%	23.6%	16.8%	-6.9%	14.9%	35.9%	-41.7%	8.4%	18.4%	8.5%	14.0%
AF EuroPacific Growth	10.0%	2.5%	24.8%	26.9%	-15.2%	30.7%	0.7%	-0.8%	-2.6%	20.2%	19.2%	-13.6%	9.4%	39.1%	-40.5%	19.0%	21.9%	21.1%	19.7%
MSCI ACWI ex-US Index		7.8%	10.7%	21.5%	-14.2%	27.2%	4.5%	-5.7%	-3.9%	15.3%	16.8%	-13.7%	11.2%	41.5%	-45.5%	16.7%	26.7%	16.6%	20.9%
AF EuroPacific Growth F3	7.7%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
MSCI ACWI ex-US Index		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
AF New Perspectives	2.4%	17.7%	33.4%	30.1%	-5.9%	28.9%	1.9%	5.3%	3.2%	26.8%	20.8%	-7.6%	12.8%	37.4%	-37.8%	16.0%	19.9%	11.3%	14.3%
MSCI ACWI Index		18.5%	16.3%	26.6%	-9.4%	24.0%	7.9%	-2.4%	4.2%	22.8%	16.1%	-7.4%	12.7%	34.6%	-42.2%	11.7%	21.0%	10.8%	15.2%
AF New Perspectives F3	7.8%	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
MSCI ACWI Index		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
DFA Global Equities	25.4%	23.2%	13.5%	26.7%	-11.5%	22.2%	12.9%	-2.7%	4.6%	29.2%	18.2%	-7.4%	19.4%	34.5%	-40.0%	4.4%	20.5%	11.0%	19.0%
MSCI World		21.8%	15.9%	27.7%	-8.7%	22.4%	7.5%	-0.9%	4.9%	26.7%	15.8%	-5.5%	11.8%	30.0%	-40.7%	9.0%	20.1%	9.5%	14.7%
Vanguard Institutional Index	17.2%	28.7%	18.4%	31.5%	-4.4%	21.8%	11.9%	1.4%	13.7%	32.4%	16.0%	2.1%	15.1%	26.6%	-37.0%	5.5%	15.8%	4.9%	10.9%
S&P 500 Index		28.7%	18.4%	31.5%	-4.4%	21.8%	12.0%	1.4%	13.7%	32.4%	16.0%	2.1%	15.1%	26.6%	-37.0%	5.5%	15.8%	4.9%	10.9%

Note: Performance displayed above reflects historical returns since fund inception. Some funds include extended performance based on oldest share class, adjusted for fees.

¹ Historical performance of the Global Equity composite is based on the consolidated weighted returns of the US Equity and International Equity composites.

² Effective August 1, 2012, the Global Equity Blended Index consists of 100% MSCI All Country World Investable Market Index. Prior to August 1, 2012, the blended benchmark is calculated based on the weighted returns of the US Equity Benchmark and the International Equity Benchmark. From June 1, 2008 to August 1, 2012, the blended index consists of 50% Russell 3000 Index and 50% MSCI All Country World Ex US Investable Market Index. From June 1, 2006 to May 31, 2008, the blended index consists of 71.4% Russell 3000 Index and 28.6% MSCI ACWI Ex-US Index. Prior to June 1, 2006, the blended index consists of 76.9% Russell 3000 Index and 23.1% MSCI ACWI Ex-US Index.

^ Returns are annualized for periods greater than a year.

* Prior to April 1, 2008 the portfolio was based off returns from DFA Emerging Markets (DFEMX). Since April 1, 2008, the portfolio has been based off performance from DFA Emerging Markets Core Equity (DFCEX).

American Funds – EuroPacific Growth Fund (Non-US Equity)

Overview: The EuroPacific Growth Fund provides core international equity exposure by investing in non-US companies of all sizes and wide geographies, including emerging markets, with a growth bias. The firm's portfolio construction process is centered on in-depth company research and analysis undertaken by highly experienced managers. Typically, at least 80% of assets are invested in companies domiciled in Europe and the Pacific Basin. The portfolio is well diversified across regions and sectors, with approximately 402 names and relatively low annual turnover of ~32%. The fund's cash reserves at year end were 4.9%, in line with their historical average. Jesper Lyckeus, who managed 4% of the EuroPacific Fund, retired at the end of 2021. There were no other changes to the portfolio management team.

HAF invested in American Funds' EuroPacific Growth strategy in January 2004.

Performance: EuroPacific Growth Fund returned 2.5% during 2021 versus 7.8% for its index. The strongest contributor for the year was ASML (semiconductors). Financials were the largest detractor from performance. The portfolio's growth orientation detracted returns during 2021.

Conclusion: EuroPacific Growth Fund remains a strong core international holding from a stable firm (owned by 400 shareholders that are mostly active employees, with no one person owning over 2.5%) and a multiple portfolio manager process that ensures continuity. Angeles remains confident in EuroPacific's team and long-term, research-driven approach.

American Funds – New Perspective Fund (Global Equity)

Overview: The New Perspective Fund provides global equity exposure by investing in US and non-US companies of all sizes that are capable of taking advantage of changing patterns of global trade. The portfolio has significant exposure in large cap emerging market companies that are global leaders in their industries. The portfolio also has exposure to the Pacific Rim and the US, with 9 of its top 10 names in the US; Tesla is the top holding at 7.6%. There were no changes at the portfolio management level.

HAF invested in American Funds' New Perspective strategy in July 2015.

Performance: New Perspective returned +17.7% in 2021, versus its index return of +18.5%. Tesla and ASML were the strongest contributors for the year. The fund's underweight to NVIDIA and Apple were large detractors as well as its positive active weight in PayPal.

Conclusion: New Perspective continues to deliver good returns relative to a passive alternative through an investment process that is well-resourced and consistent. New Perspective (and EuroPacific Growth Fund) are good complements to the passive and value-oriented approach of DFA and we retain confidence in this holding.

DFA – Global Equity Portfolio (Global Equity)

Overview: The DFA Global Equity Portfolio allocates its assets to a combination of underlying funds offered by DFA that invest in equities in the US, international and emerging markets. The strategy is fully diversified across over 14,766 securities and over 40 countries, minimizing the effect of any single company or country on investment results. While still designed to put greater emphasis on securities with higher expected returns—small cap and value—it also provides broad exposure to large company stocks. The portfolio is slightly overweight the US, with 70.7% in the US at the end of 2021 versus 69.0% for the MSCI World Index.

HAF invested in DFA’s Global Equity strategy in July 2012.

Performance: The DFA Global Equity fund returned +23.2% in 2021 outperforming its index return of +21.8% by 140 bps. The main driver of outperformance is attributed to the positive value premium.

Conclusion: DFA’s Global Equity fund provides a good complement to the other growth biased equity strategies. We continue to have confidence in this fund as a low cost way for HAF to gain access to a global portfolio of stocks.

FIXED INCOME REVIEW

At the end of 2021, HAF's Long Term Pool consisted of three active bond managers and a portfolio of community loans.

At the end of the year, the fixed income allocations were in line with their targets.

Table 8
Fixed Income Allocation – as a Percent of Total Assets

	Market Value	% of Total Assets		Variance from Target	Allowable Range
		Actual	Target		
Fixed Income					
PIMCO Income	\$7,086,281	5.3%	6.0%	-0.7%	
Baird Core Plus Bond	\$7,110,000	5.3%	6.0%	-0.7%	
Dodge & Cox Income	\$3,626,561	2.7%	3.0%	-0.3%	
Community Loans	\$2,231,946	1.7%	0.0%	1.7%	
Total Fixed Income	\$20,054,788	14.9%	15.0%	-0.1%	10-25%

Table 9
Fixed Income Fund Performance as of December 31, 2021
(Annualized, Net of Fees)

	Weight	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception	Inception Date
Total Fixed Income	14.9%	0.0%	0.4%	0.8%	5.4%	4.5%	4.1%	3.9%	12/31/03
<i>Fixed Income Blended Index</i> ⁴		0.0%	0.1%	-1.5%	4.8%	3.6%	2.9%	4.0%	
PIMCO Income Fund	5.3%	0.2%	0.8%	2.6%	5.4%	5.1%	--	5.4%	12/31/12
<i>Bloomberg Aggregate Index</i>		0.0%	0.1%	-1.5%	4.8%	3.6%	--	2.8%	
Baird Core Plus Bond Fund	5.3%	-0.1%	0.0%	-1.0%	5.8%	4.3%	--	4.2%	11/17/16
<i>Bloomberg Aggregate Index</i>		0.0%	0.1%	-1.5%	4.8%	3.6%	--	3.4%	
Dodge & Cox Income Fund	2.7%	-0.4%	-0.3%	-0.9%	6.0%	4.4%	--	4.3%	11/17/16
<i>Bloomberg Aggregate Index</i>		0.0%	0.1%	-1.5%	4.8%	3.6%	--	3.4%	
Community Loans	1.7%	0.9%	1.9%	4.0%	4.2%	4.7%	--	4.8%	12/31/14

	% of Fund	Calendar Years																	
		2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Fixed Income	14.9%	0.8%	7.0%	8.6%	0.6%	6.1%	5.3%	1.8%	5.7%	1.3%	4.6%	7.3%	7.5%	11.2%	-14.2%	3.2%	6.8%	2.2%	6.5%
<i>Fixed Income Blended Index</i> ¹		-1.5%	7.5%	8.7%	0.0%	3.5%	2.7%	0.5%	6.0%	-1.8%	5.5%	7.4%	7.2%	8.6%	2.4%	6.5%	5.0%	2.7%	5.0%
PIMCO Income Fund	5.3%	2.6%	5.8%	8.0%	0.6%	8.6%	8.7%	2.6%	7.2%	4.8%	22.2%	6.4%	20.5%	19.2%	-5.5%	--	--	--	--
<i>Bloomberg Aggregate Index</i>		-1.5%	7.5%	8.7%	0.0%	3.5%	2.7%	0.6%	6.0%	-2.0%	4.2%	7.8%	6.5%	5.9%	5.2%	--	--	--	--
Baird Core Plus Bond	5.3%	-1.0%	8.8%	10.1%	-0.5%	4.7%	4.7%	0.1%	6.6%	-1.3%	8.0%	7.9%	9.8%	15.4%	-1.8%	6.0%	6.6%	2.2%	6.3%
<i>Bloomberg Aggregate Index</i>		-1.5%	7.5%	8.7%	0.0%	3.5%	2.7%	0.6%	6.0%	-2.0%	4.2%	7.8%	6.5%	5.9%	5.2%	7.0%	4.3%	2.4%	4.3%
Dodge & Cox Income Fund	2.7%	-0.9%	9.5%	10.1%	-0.3%	4.4%	5.6%	-0.6%	5.5%	0.6%	7.9%	4.8%	7.2%	16.1%	-0.3%	4.7%	5.3%	2.0%	3.6%
<i>Bloomberg Aggregate Index</i>		-1.5%	7.5%	8.7%	0.0%	3.5%	2.7%	0.6%	6.0%	-2.0%	4.2%	7.8%	6.5%	5.9%	5.2%	7.0%	4.3%	2.4%	4.3%
Community Loans	1.7%	0.9%	3.9%	5.2%	5.2%	5.4%	4.3%	5.8%	--	--	--	--	--	--	--	--	--	--	--

Note: Performance displayed above reflects historical returns since fund inception. Some funds include extended performance based on oldest share class, adjusted for fees. These tables reflect historical performance for the funds in which the Long Term Investment Pool invests, but HAF did not hold these funds for the entire period shown.

^ Returns are annualized for periods greater than a year.

¹ The fixed income index consists of the Bloomberg US Aggregate Index is a blend of the Bloomberg Aggregate Index (which covers all investment grade dollar-denominated bonds) from 4/1/13-12/31/14 and the Universal Index (which includes investment grade and non-investment grade issues) prior to 4/1/13.

HAF's fixed income composite outperformed its benchmark in 2021. The Bloomberg-Barclays Aggregate Index returned -1.5% in 2021, while HAF's bond composite gained 0.8%. The strongest performer was the PIMCO Income Fund, which returned +2.6% during the year and HAF's community loan's which returned 4%. Dodge & Cox Income and Baird Core Plus Bond held back absolute returns for the year, but were still positive on a relative basis.

PIMCO – Income Fund (Opportunistic Fixed Income)

Overview: PIMCO Income Fund invests in opportunistic bond sectors, with an opportunistic approach that takes full advantage of the deep fixed income resources and skills at PIMCO, a global leader in bonds. The Income strategy is not benchmark dependent and is not managed to a specific benchmark, but rather is a go anywhere strategy in search of reliable income/yield. PIMCO funds are managed in the context of the firm's outlook for the global economy and markets, but investment decisions and value-added come primarily from traditional bottom-up credit analysis. This strategy allows for access to PIMCO's "top down" views and value add through strategies such as exposure to interest rates, duration, changing volatility, yield curve positioning and sector rotation.

HAF invested in the PIMCO Income strategy in December 2012.

Performance: The PIMCO Income Fund outperformed in 2021 with a return of +2.6% versus -1.5% for the Index. Exposure to investment grade and high yield corporates as well as non-agency MBS were among the top contributors for the strategy. Exposure to emerging market local debt and agency MBS were the largest detractors from performance.

Conclusion: Angeles believes PIMCO Income Fund remains a great diversifier for HAF's fixed income portfolio that offers a significant boost to current income and has less interest rate sensitivity (duration) than the benchmark. The firm and investment team are highly experienced and well-resourced. The fund benefits from its investment process, which combines global top-down views on the macro-economic environment with proprietary bottom-up analysis of credit quality and market factors by the firm's global credit analysts.

Baird – Core Plus Bond Fund (Core Plus Fixed Income)

Overview: Baird's philosophy is that interest rates are difficult to forecast consistently over time. Therefore, Baird employs a duration-neutral, risk-controlled approach. They add incremental value through security selection, sector allocation, yield curve positioning and competitive execution of trades. They focus on the relative value, or risk/return profile, offered by various industry sectors within the bond market. Sector positions are analyzed on a contribution to duration basis and carefully evaluated for the return potential of each sector, focusing on general and specific risks involved.

HAF invested in the Baird Core Plus Bond Fund in November 2016.

Performance: Baird Core Plus Bond fund outperformed in 2020 with a return of -1.0% versus -1.5% for the Index. The strategy benefitted from its credit and securitized positioning throughout the year, but was hurt by the volatility in the yield curve experience in the fourth quarter of 2021.

Conclusion: Baird focuses on the relative value, or risk/return profile, offered by various industry sectors within the bond market. Baird has a strong credit team and controls portfolio risk by maintaining duration neutral to the index. We continue to have confidence in this fund as a relatively low cost way for HAF to gain diversified exposure to the fixed income market in a risk-controlled fashion.

Dodge & Cox – Income Fund (Core Plus Fixed Income)

Overview: The philosophy guiding the firm’s fixed income portfolios is to construct and manage a high average quality, diversified portfolio of securities that are selected through bottom-up, fundamental analysis. They believe that by combining fundamental research with a long-term investment horizon, it is possible to uncover and act upon inefficiencies in the valuation of market sectors and individual securities. To seek attractive returns for clients, they emphasize market sector and individual security selection, strive to build portfolios that have a higher yield than the composite yield of the broad bond market, and analyze portfolio and individual security risk.

Fundamental research is central to the investment process. The purpose of their research is to find securities that they believe will provide a relatively high and predictable stream of income and an opportunity for attractive relative price performance. An extended investment horizon enables them to take advantage of short-term uncertainty in their effort to seek long-term performance. They typically construct their portfolios with the goal of generating a relatively high, sustainable income stream without assuming undue levels of risk. Though it is rarely critical in any single year, the compounding of this income can have a significant positive effect on the total return of a fixed income portfolio over longer periods of time.

HAF invested in the Dodge & Cox Income Fund in November 2016.

Performance: Dodge & Cox Income returned -0.9% net of fees versus -1.5% for the index during the year. The Fund’s relative outperformance was driven by its security selection within credit, asset allocation (underweight to US Treasuries and overweight to credit), and its below-benchmark duration position. The Fund’s key rate duration positioning (underweight to the 20+ year key rates) detracted from relative performance.

Conclusion: The strategy is well-resourced with a stable investment team led by an eight-member investment committee with an average tenure at Dodge & Cox of 21 years. Reflecting Dodge & Cox’s well-known value orientation in equity, its fixed income team seeks attractively valued securities and will step into sectors that are out-of-favor with markets by taking a longer-term view. Angeles believes the fund is attractive as it seeks to deliver excess returns by taking credit risk rather than interest rate risk, which we think is more repeatable for sustained long term performance.

Regional Mission Related Investments/Community Investing (Community Loans)

Overview: Community Loans are investments in alignment with HAF’s mission that support projects that directly benefit the local community and meet HAF due diligence standards as sound investments for the Foundation. These investments are approved on a case-by-case basis by the HAF Investment Committee and Board of Directors and shall comply with the guidelines outlined in the Investment Policy Statement (IPS).

As of December 31, 2021, the foundation had \$2.2 million (1.7% of the Long-Term Investment Pool) invested in Community Loans. This allocation is in line with the HAF Investment Policy Statement, which targets up to 5% to Community Loans.

HEDGE FUNDS REVIEW

At the end of 2021, HAF had \$12.9 million, or approximately 9.6% of the Foundation's total assets, invested in hedge funds through the Angeles Absolute Return Fund. In July 2021, HAF eliminated hedge funds/absolute return from the Long Term Pool's asset allocation policy. HAF submitted a full redemption effective 12/31/2021 (the earliest redemption period available given quarterly liquidity and 90 day notice). As of December 31, 2021, hedge funds accounted for 9.6% of HAF's Long Term Pool; the proceeds (minus the 10% audit hold back⁸) were paid in early 2022, and were invested in global equity. Global equity will be the source of capital calls for the growing private equity portfolio.

Table 10

Hedge Fund Allocation– as a % of Total Assets as of 12/31/21

	Market Value	% of Total Assets		Variance from Target	Allowable Range
		Actual	Target		
Absolute Return					
Angeles Absolute Return Fund	\$12,944,148	9.6%	0.0%	9.6%	
Total Absolute Return	\$12,944,148	9.6%	0.0%	9.6%	0.0%

Table 11

Angeles Absolute Return Fund Performance as of December 31, 2021 (Annualized, Net of Fees)

	Weight	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception	Inception Date
Total Absolute Return	9.6%	1.6%	1.5%	4.1%	8.6%	6.4%	--	5.0%	12/31/13
<i>HFRI Fund of Funds Index</i>		0.4%	1.1%	6.1%	8.4%	5.7%	--	4.0%	
Angeles Absolute Return Fund	9.6%	1.6%	1.5%	4.1%	8.6%	6.4%	--	5.0%	12/31/13
<i>HFRI Fund of Funds Index</i>		0.4%	1.1%	6.1%	8.4%	5.7%	--	4.0%	

	% of Fund	Calendar Years							
		2021	2020	2019	2018	2017	2016	2015	2014
Absolute Return	9.6%	4.1%	12.8%	8.9%	-6.0%	13.4%	2.0%	0.2%	5.4%
<i>HFRI Fund of Funds Index</i>		6.1%	10.8%	8.4%	-4.0%	7.8%	0.5%	-0.3%	3.4%
Angeles Absolute Return Fund	9.6%	4.1%	12.8%	8.9%	-6.0%	13.4%	2.0%	0.2%	5.4%
<i>HFRI Fund of Funds Index</i>		6.1%	10.8%	8.4%	-4.0%	7.8%	0.5%	-0.3%	3.4%

Since inception, the absolute return composite index is the HFRI Fund of Funds Composite Index.

⁸ The 10% is an audit hold back will be paid upon completion of the fund's audit, which is estimated to occur in June 2022.

ANGELES ABSOLUTE RETURN FUND

Overview: The Angeles Absolute Return Fund LTD (ARF) provides Angeles’s manager selection and portfolio construction expertise in hedge funds in a fund-of-funds format, which allows investors to gain hedge fund exposure through a diversified structure that is administratively simple. The goal of the Angeles Absolute Return Fund is to generate superior risk-adjusted returns with moderate volatility by investing in funds managed by historically successful and high-quality managers pursuing a cross-section of absolute return strategies. The goal of the fund is to mitigate losses in falling markets, exhibit lower correlation to traditional asset classes, and provide a range of exposures across sectors, regions, strategies, and managers.

The fund is well diversified across strategies, and as of January 1st, 2022, the fund held 13 underlying managers. Managers tend to employ low to no leverage; in aggregate the fund has a leverage ratio of about 1.0x as of December 31, 2021.

HAF invested in the Angeles Absolute Return Fund in on January 1, 2014.

Performance: The Angeles Absolute Return Fund returned +4.1% in 2021, underperforming the benchmark return of +6.1%. The credit-oriented managers drove performance for the year while the long/short managers, particularly those focused on technology and China, detracted from performance.

Conclusion: Angeles recommended and HAF approved eliminating the hedge fund allocation, which frees up liquidity for the private market allocation (10% target to be implemented over time). While the Angeles Absolute Return Fund has outpaced its benchmark since HAF invested in 2013, absolute returns and returns versus stocks and bonds have been disappointing over the last several years. Low interest rates and credit spreads, significantly increased industry assets targeting similar strategies, and a difficult environment for shorting have contributed to the lackluster performance. HAF will get exposure to Angeles’ high conviction credit managers and strategies through the Angeles Private Credit Funds, which is a more appropriate structure for such strategies. Because these private credit strategies have 4 to 7 year fund lives, the co-investor risk found in traditional open-ended fund structures is removed. These hybrid credit funds have lower and more attractive fee schedules than hedge fund structures as well.

Figure 4
Strategy Allocations (% Long Exposure) as of January 1, 2022

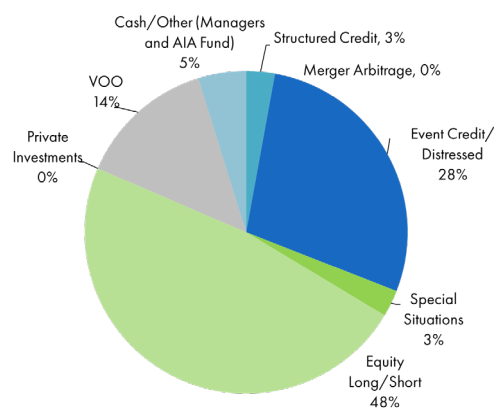


Table 12
Manager Allocations as of January 1, 2022

Manager	Allocation as of 1/1/2022*	Strategy	Investment Focus
AKO Global	18%	Global Long/Short Equity	Invests long/short globally based on in-depth fundamental and forensic analysis
Vanguard S&P 500 ETF	14%	VOO	S&P 500 ETF
Parsifal	12%	Global Long/Short Equity	Invests long/short in special situations globally
Beach Point	11%	Global Credit/Distressed	Invests in event driven and distressed credit with a focus on complex and underfollowed situations.
Whale Rock	11%	TMT Long/Short Equity	Global technology focused long/short equity manager.
Sculptor	9%	Global Credit/Distressed	Invests in U.S. and European corporate and structured credit.
Eversept	6%	Global Long/Short Healthcare Equity	Invests in long/short equities across different subsectors of healthcare globally.
Albacore Liquid Income	5%	Opportunistic Credit	Pursues a more liquid strategy focused on senior debt and target a 5-7% return
Arbour Lane	4%	Opportunistic Credit	Invests in middle-market opportunistic credit
AlbaCore Investment Opps	2%	Opportunistic Credit	Invests in middle-market opportunistic credit
Charlesbank	3%	Opportunistic Credit	Invests in middle-market opportunistic credit
Charlesbank Dislocation	1%	Opportunistic Credit	Focused on more distressed/ special situations
Cash/Other	5%	Other	Cash, Side pocket investments, liquidation process

PRIVATE CREDIT REVIEW

At the end of 2021, HAF had \$4.7 million, or approximately 3.5% of the Foundation’s total assets, invested in private credit through the Angeles Private Credit Fund, slightly below the long term target of 5% of total Long Term Pool assets. Angeles waives its management fee for the fund for its clients, including HAF.

Table 13
Private Credit Allocation– as a percent of Total Assets and as of 12/31/21

	Market Value	% of Total Assets		Variance from Target	Allowable Range
		Actual	Target		
Private Credit					
Angeles Private Credit Fund	\$3,182,889	3.5%	5.0%	-1.5%	
Angeles Private Credit Fund 2	\$1,553,538				
Total Private Credit	\$4,736,427	3.5%	5.0%	-1.5%	0-8%

Table 14
Angeles Private Credit Fund Performance as of December 31, 2021
(Annualized, Net of Fees)

	Weight	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception	Inception Date
Total Private Credit	3.5%	2.7%	10.1%	--	--	--	--	10/01/20
Angeles Private Credit Fund	2.4%	3.2%	10.6%	--	--	--	--	10/01/20
Angeles Private Credit Fund 2	1.2%	--	--	--	--	--	--	07/01/21

ANGELES PRIVATE CREDIT FUND

Overview: The Angeles Private Credit Fund (APCF) allows investors to gain private credit exposure through a diversified structure that is administratively simple, leveraging Angeles’ opportunistic manager selection and portfolio management expertise. The fund is primarily comprised of less liquid credit strategies that include positions with a high level of current yield, typically in the high single digits, with the potential for additional return from below-par entry prices including distressed assets, and equity participation.

The funds are well diversified across strategies. As of January 1, 2022, APCF1 was committed to 6 funds and APCF2 was committed to 3 funds. APCF2 is actively making commitments with the intent to continue diversifying the fund.

HAF invested in APCF1 on October 1, 2020, and APCF2 on July 1, 2021.

Performance: The Angeles Private Credit Fund returned +10.6% in 2021. APCF1 benefitted from opportunities uncovered or arisen due to the COVID-19 dislocation.

Conclusion: The Angeles Private Credit Fund provides an efficient structure to gain risk-adjusted returns in the current low rate environment. Over the long term, Angeles expects investments in Private Credit to provide

returns between hedge funds and private equity, with expected volatility greater than that of liquid high yield bonds and leveraged loans but lower than equities.

MEDIUM TERM POOL REVIEW

HAF maintains a Medium Term Pool for investment, which is appropriate for funds with a shorter time horizon.

As of the end of 2021, the Medium Term Pool held \$4.4 million in assets. The Medium Term Pool has a significantly more conservative asset allocation than the Long Term Pool, with a target of 60% in bonds and 20% each in US and international equity (all passively managed).

The pool experienced modest returns over 2021 with a 6.7% return. The portfolio outperformed the policy benchmark return of 6.3%.

Table 15
Historical Total Fund and Asset Class Performance
As of December 31, 2021 (Annualized, Net of Fees)

	Weight	3 Mo	Fiscal YTD	1 Yr	3 Yrs	Inception	Inception Date
Humboldt Area Foundation Medium Term Pool	100.0%	2.2%	1.6%	6.7%	10.1%	6.7%	11/30/11
<i>Humboldt Medium Term Benchmark</i>		2.5%	2.0%	6.3%	10.5%	6.4%	
Total US Equity	19.9%	9.2%	9.1%	25.7%	25.8%	16.1%	07/31/12
<i>Russell 3000</i>		9.3%	9.2%	25.7%	25.8%	16.2%	
Total International Equity	19.9%	2.1%	-1.2%	8.1%	13.5%	6.1%	10/27/14
<i>FTSE All World ex US</i>		1.8%	-0.9%	8.7%	14.0%	7.0%	
Total Fixed Income	59.6%	-0.1%	0.2%	0.1%	4.5%	2.7%	03/20/13
<i>Bloomberg US Aggregate TR</i>		-0.1%	-0.1%	1.4%	4.4%	2.6%	
Total Cash	0.6%	--	--	--	--	--	

SOCIALLY RESPONSIBLE INVESTMENT POOL REVIEW

HAF maintains a Socially Responsible Pool (SRP), which is appropriate for investors that not only want strong financial returns, but also want their assets to be invested in a responsible way with measurable impact.

As of the end of 2021, the Socially Responsible Pool held \$30.6 million in assets. The Socially Responsible Pool maintains an asset allocation target of 20% in bonds and 80% in global equity (all actively managed).

HAF's Socially Responsible Pool delivered positive absolute returns in 2021. The SRP returned 13.8% (net of fees) in 2021, underperforming the policy index, which returned 14.1%.

Table 16
HAF Socially Responsible Pool (SRP) – As of December 2021

Fund Name	Style	Ticker	Fees (bps)	Target %	Actual %	Overview
DFA US Sustainability Core 1	US Large Core	DFSIX	23	36%	36.3%	Tilts stocks with high sustainability ratings, including addressing climate change, environmental vulnerability, and environmental strength variable. A third-party vendor, MSCI ESG Research. Provides data to support.
DFA Intl Sustainability Core 1	Int'l Core	DFSPX	33	20%	20.3%	
DFA EM Sustainability	Emerging Markets	DESIX	64	7%	6.9%	
Baillie Gifford Positive Change	Foreign Blend	BPEX	65	6.5%	9.6%	Seeks capital appreciation with an emphasis on investing in businesses that deliver positive change by contributing towards a more sustainable and inclusive world. The Fund invests predominantly in securities issued by companies located in countries contained in the MSCI ACWI Index.
Pax Global Environmental Markets	Global Equity	PGINX	97	10.5%	6.4%	Focus on alternative energy, energy efficiency, water infrastructure, pollution control, environmental support services, waste management technology, sustainable food, agriculture, and forestry.
TIAA-CREF Social Choice Bond	Core Bond	TSBIX	36	20.0%	19.4%	Affordable housing, community and economic development, renewable energy, climate change.

Table 17
Historical Total Fund and Asset Class Performance
As of December 31, 2021 (Annualized, Net of Fees)

	Weight	3 Mo	Fiscal YTD	1 Yr	Inception	Inception Date
Humboldt Area Foundation SRI Pool	100.0%	3.9%	3.5%	13.8%	17.4%	02/04/19
<i>Humboldt SRI Benchmark</i>		4.9%	4.0%	14.1%	15.2%	
Total Global Equity	79.5%	4.9%	4.3%	17.5%	20.5%	02/04/19
<i>MSCI ACWI IMI Net USD</i>		6.1%	4.9%	18.2%	17.7%	
Total Fixed Income	19.4%	-0.1%	-0.1%	-1.1%	4.8%	02/04/19
<i>Bloomberg US Aggregate TR</i>		0.0%	0.1%	-1.5%	4.8%	
Total Cash	1.1%	--	--	--	--	

**Exhibit 1:
Summary of Performance through
December 31, 2021**

Long Term Pool - Performance through December 31, 2021

	Value	Weight	Policy %	1 Mo	3 Mo	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Inception	Inception Date	Estimated Fee
Humboldt Area Foundation Long Term	\$134,199,380	100.0%	100.0%	2.8%	4.4%	3.7%	13.6%	17.5%	12.3%	10.3%	7.5%	12/31/03	0.52%
Humboldt Long Term Benchmark				2.9%	4.5%	3.8%	13.7%	16.3%	11.4%	9.7%	7.4%		
HAF CPI Linked Benchmark				1.1%	3.3%	6.1%	11.8%	8.0%	7.4%	6.3%	6.5%		
Total Global Equity	\$94,581,988	70.5%	70.0%	3.7%	5.9%	4.8%	17.6%	21.8%	15.2%	12.8%	9.1%	12/31/03	
MSCI ACWI IMI Net USD				4.0%	6.1%	4.9%	18.2%	20.2%	14.1%	11.8%	8.6%		
American Funds Europacific Growth	\$13,446,953	10.0%		2.2%	-1.2%	-3.6%	2.5%	17.5%	12.5%	9.6%	8.1%	01/31/04	0.84%
MSCI ACWI ex USA				4.1%	1.8%	-1.2%	7.8%	13.2%	9.6%	7.3%	6.4%		
American Funds Europacific Growth F3	\$10,314,273	7.7%		2.2%	-1.1%	-3.4%	--	--	--	--	-0.1%	01/12/21	0.46%
MSCI ACWI ex USA				4.1%	1.8%	-1.2%	--	--	--	--	4.7%		
American Funds New Perspective	\$3,220,944	2.4%		2.2%	6.6%	6.5%	17.7%	26.9%	19.9%	--	15.3%	07/28/15	0.75%
MSCI ACWI				4.0%	6.7%	5.6%	18.5%	20.4%	14.4%	--	11.6%		
American Funds New Perspective F3	\$10,450,108	7.8%		2.2%	6.7%	6.6%	--	--	--	--	14.4%	01/12/21	0.42%
MSCI ACWI				4.0%	6.7%	5.6%	--	--	--	--	16.1%		
DFA Global Equity	\$34,119,596	25.4%		4.9%	7.6%	6.4%	23.2%	21.0%	13.9%	--	--	07/31/12	0.28%
MSCI World				4.3%	7.8%	7.8%	21.8%	21.7%	15.0%	--	--		
Vanguard Institutional Index	\$23,030,114	17.2%		4.5%	11.0%	11.7%	28.7%	26.0%	18.4%	--	15.0%	03/29/14	0.04%
S&P 500				4.5%	11.0%	11.7%	28.7%	26.1%	18.5%	--	15.0%		
Total Absolute Return	\$12,944,148	9.6%	0.0%	0.3%	1.6%	1.5%	4.1%	8.6%	6.4%	--	5.0%	12/31/13	
HFRI Fund of Funds Index				0.4%	0.4%	1.1%	6.1%	8.4%	5.7%	--	4.0%		
Angeles Absolute Return Fund	\$12,944,148	9.6%		0.3%	1.6%	1.5%	4.1%	8.6%	6.4%	--	5.0%	12/31/13	1.14%
HFRI Fund of Funds Index				0.4%	0.4%	1.1%	6.1%	8.4%	5.7%	--	4.0%		
Total Private Markets	\$1,159,364	0.9%	10.0%	--	--	--	--	--	--	--	--	09/01/21	
Angeles Private Markets Fund 4	\$1,159,364	0.9%		--	--	--	--	--	--	--	--	09/01/21	1.68%
Total Private Credit	\$4,736,427	3.5%	5.0%	0.0%	0.0%	2.7%	10.1%	--	--	--	20.8%	10/01/20	
Angeles Private Credit Fund	\$3,182,889	2.4%		0.0%	0.0%	3.2%	10.6%	--	--	--	21.3%	10/01/20	1.28%
Angeles Private Credit Fund 2	\$1,553,538	1.2%		--	--	--	--	--	--	--	0.0%	07/01/21	1.12%
Total Fixed Income	\$20,054,788	14.9%	15.0%	0.4%	0.0%	0.4%	0.8%	5.4%	4.5%	4.1%	3.9%	12/31/03	
Bloomberg US Aggregate TR				-0.3%	0.0%	0.1%	-1.5%	4.8%	3.6%	2.9%	4.0%		
PIMCO Income Fund	\$7,086,281	5.3%		1.1%	0.2%	0.8%	2.6%	5.4%	5.1%	--	5.4%	12/31/12	0.50%
Bloomberg US Aggregate TR				-0.3%	0.0%	0.1%	-1.5%	4.8%	3.6%	--	2.8%		
Baird Core Plus Bond Fund	\$7,110,000	5.3%		-0.1%	-0.1%	0.0%	-1.0%	5.8%	4.3%	--	4.2%	11/17/16	0.30%
Bloomberg US Aggregate TR				-0.3%	0.0%	0.1%	-1.5%	4.8%	3.6%	--	3.4%		
Dodge & Cox Income	\$3,626,561	2.7%		0.1%	-0.4%	-0.3%	-0.9%	6.0%	4.4%	--	4.3%	11/17/16	0.42%
Bloomberg US Aggregate TR				-0.3%	0.0%	0.1%	-1.5%	4.8%	3.6%	--	3.4%		
Community Loans	\$2,231,946	1.7%		0.3%	0.9%	1.9%	4.0%	4.2%	4.7%	--	4.8%	12/31/14	0.00%
Total Cash	\$722,665	0.5%	0.0%	--	--	--	--	--	--	--	--	--	
TDA - Cash Sweep	\$722,665	0.5%		--	--	--	--	--	--	--	--	--	
TD Bank USA MMDA - Cash Reserve	\$0	0.0%		--	--	--	--	--	--	--	--	--	

Note: Market value data and Total Fund returns provided by Premier. Fiscal Year is June 30.

*Estimated average total fund fee based on individual fund audited expense ratio and target allocations. Expense ratio for Angeles Absolute Return Fund only includes management fees, but does not include administrative fees or variable performance fees. Administrative fees will vary each year.

**Performance and market value are based on underlying manager estimates for the trailing month.

^ Prior to April 1, 2008, performance was for DFA Emerging Markets (DFEMX).

Effective October 1, 2020 the Policy Benchmark = 70% MSCI ACWIMI, 15% Bloomberg-Barclays Aggregate, 10% HFRI Fund of Funds Index, and 2% Total Private Credit Composite

From August 1, 2015 to September 30, 2020, the Policy Benchmark = 70% MSCI ACWIMI, 15% Bloomberg-Barclays Aggregate, 10% HFRI Fund of Funds Index, and 5% S&P Global REIT Index.

From January 1, 2014 to July 31, 2015, the Policy Benchmark = 70% MSCI ACWIMI, 20% Bloomberg-Barclays Aggregate, 5% HFRI Fund of Funds Index, and 5% S&P Global REIT Index.

From April 1, 2013 to December 31, 2013, the Policy Benchmark = 70% MSCI ACWIMI, 25% Bloomberg-Barclays Aggregate, and 5% S&P Global REIT Index.

From August 1, 2012 to March 31, 2013, the Policy Benchmark = 70% MSCI ACWIMI, 25% Bloomberg-Barclays Universal, 5% S&P Global REIT Index.

From June 1, 2008 to July 31, 2012, the Policy Benchmark = 35% Russell 3000 Index, 35% MSCI All Country World Ex US Investable Market Index, 25% Bloomberg-Barclays Capital Universal Index (formerly Lehman Brothers Universal Index) and 5% Blende REIT Index. From

June 1, 2006 to May 31, 2008, the policy benchmark consists of 50% Russell 3000 Index, 20% MSCI ACWI Ex-US Index, 25% Bloomberg-Barclays Capital Universal Index (formerly Lehman Brothers Universal Index) and 5% DJ Wilshire US Select REIT Ind

Prior to June 1, 2006, the policy benchmark consists of 50% Russell 3000 Index, 15% MSCI ACWI Ex-US Index, 30% Bloomberg-Barclays Capital Universal Index (formerly Lehman Brothers Universal Index), and 5% DJ Wilshire US Select REIT Index.

Exhibit 2: Fund Summaries

Fund Summaries

	Ticker	Assets (\$MM) as of 12/31/21	Expense Ratio (bps)	Turnover	Number of Holdings	Morningstar Rating
Global Equity						
AF EuroPacific Growth Fund	AEPGX	\$171,758	0.84%	32%	402	★★★
AF EuroPacific Growth Fund F3	FEUPX	\$171,758	0.46%	32%	402	★★
AF New Perspective	ANWPX	\$132,385	0.75%	22%	304	★★★★
AF New Perspective F3	FNPFX	\$132,385	0.42%	22%	304	★★★★
DFA Global Equity	DGEIX	\$8,744	0.28%	6%	14,766	★★★★
Vanguard Institutional Index	VINIX	\$288,319	0.04%	4%	509	★★★★★
Fixed Income						
PIMCO Income Fund	PIMIX	\$143,532	0.50%	396%	7,521	★★★★
Baird Core Plus Bond Fund	BCOIX	\$27,985	0.30%	33%	1,485	★★★★
Dodge & Cox Income Fund	DODIX	\$69,928	0.42%	94%	1,118	★★★★

Source: Morningstar;. Morningstar expense ratios are based on Annual Reports provided by managers

Exhibit 3:
Historical Fund Performance Through
December 31, 2021

Long Term Pool - Historical Fund Performance through December 31, 2021⁹

	Weight	Estimated Fee	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
American Funds Europacific Growth	10.0%	0.84%	2.5%	79	17.5%	74	12.5%	71	9.6%	57
MSCI ACWI ex USA			7.8%	--	13.2%	--	9.6%	--	7.3%	--
American Funds Europacific Growth F3	7.7%	0.46%	--	--	--	--	--	--	--	--
MSCI ACWI ex USA			--	--	--	--	--	--	--	--
Foreign Large Growth MStar MF Median			8.7%	--	19.2%	--	13.7%	--	9.8%	--
American Funds New Perspective	2.4%	0.75%	17.7%	30	26.9%	30	19.9%	23	--	--
MSCI ACWI			18.5%	--	20.4%	--	14.4%	--	--	--
American Funds New Perspective F3	7.8%	0.42%	--	--	--	--	--	--	--	--
MSCI ACWI			--	--	--	--	--	--	--	--
World Large Growth MStar MF Median			15.6%	--	24.7%	--	18.5%	--	--	--
DFA Global Equity	25.4%	0.28%	23.2%	10	21.0%	27	13.9%	39	--	--
MSCI World			21.8%	--	21.7%	--	15.0%	--	--	--
World Large Blend MStar MF Median			18.1%	--	19.4%	--	13.3%	--	--	--
Vanguard Institutional Index	17.2%	0.04%	28.7%	22	26.0%	21	18.4%	16	--	--
S&P 500			28.7%	--	26.1%	--	18.5%	--	--	--
Large Blend Mstar MF Median			26.7%	--	24.4%	--	17.0%	--	--	--

⁹ Source: Morningstar. Ranks are percentile rankings versus peer groups for managers in respective styles; 1 is the top percentile ranking while 99 is worst.

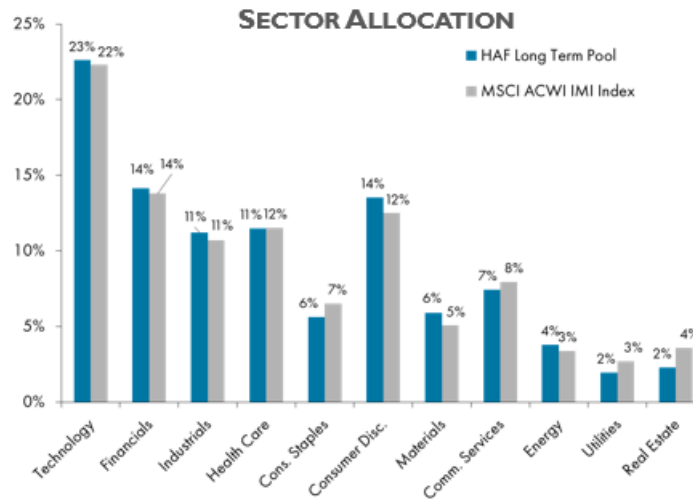
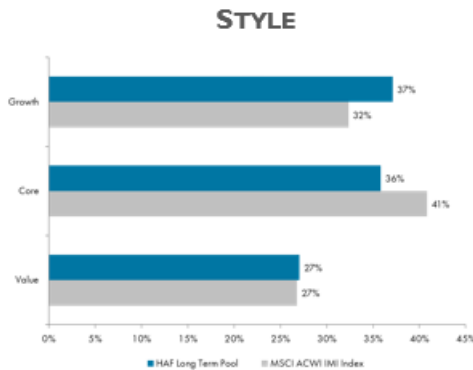
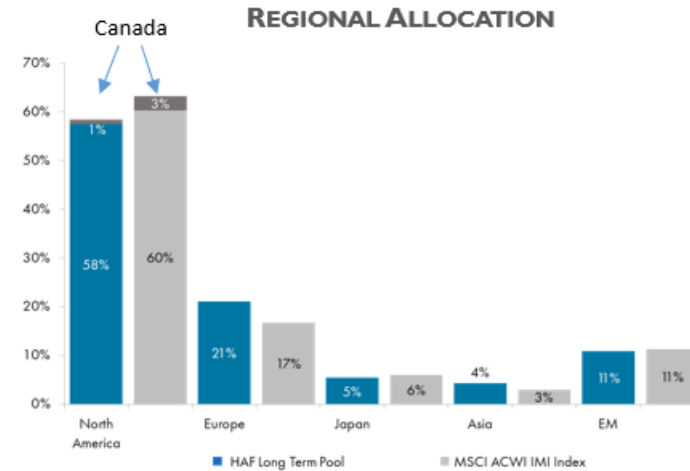
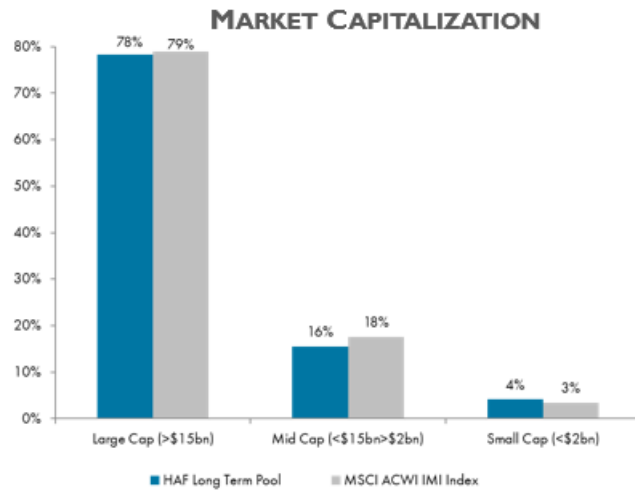
Historical Fund Performance through December 31, 2021¹⁰

	Weight	Estimated Fee	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
PIMCO Income Fund	5.3%	0.50%	2.6%	43	5.4%	65	5.1%	25	--	--
<i>Bloomberg US Aggregate TR</i>			-1.5%	--	4.8%	--	3.6%	--	--	--
<i>Multisector Bond MStar MF Median</i>			2.4%	--	6.0%	--	4.5%	--	--	--
Baird Core Plus Bond Fund	5.3%	0.30%	-1.0%	60	5.8%	38	4.3%	30	--	--
<i>Bloomberg US Aggregate TR</i>			-1.5%	--	4.8%	--	3.6%	--	--	--
<i>Intermediate Core Plus Bond MStar MF Median</i>			-0.8%	--	5.5%	--	4.0%	--	--	--
Dodge & Cox Income	2.7%	0.42%	-0.9%	54	6.0%	33	4.4%	27	--	--
<i>Bloomberg US Aggregate TR</i>			-1.5%	--	4.8%	--	3.6%	--	--	--
<i>Intermediate Core Plus Bond MStar MF Median</i>			-0.8%	--	5.5%	--	4.0%	--	--	--
Community Loans	1.7%	0.00%	4.0%	--	4.2%	--	4.7%	--	--	--

¹⁰ Source: Morningstar. Ranks are percentile rankings versus peer groups for managers in respective styles; 1 is the top percentile ranking while 99 is worst.

Exhibit 4:
Global Equity Characteristics
December 31, 2021

Long Term Pool: Global Equity Characteristics as of December 31, 2021

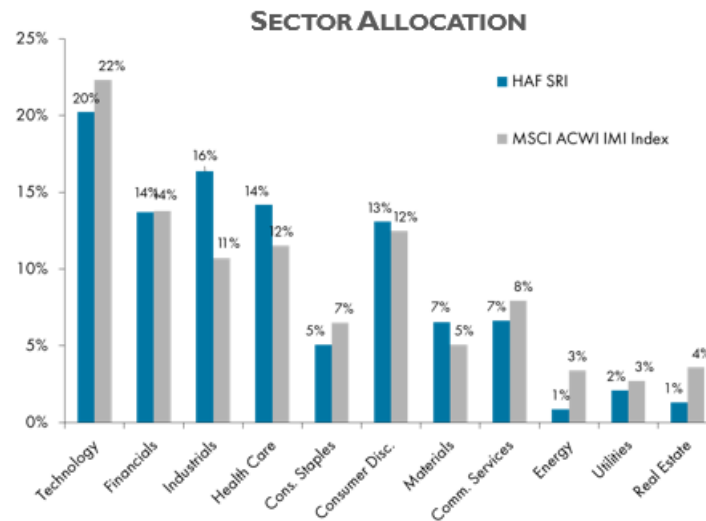
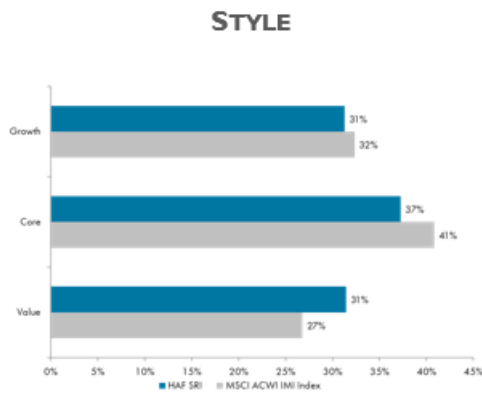
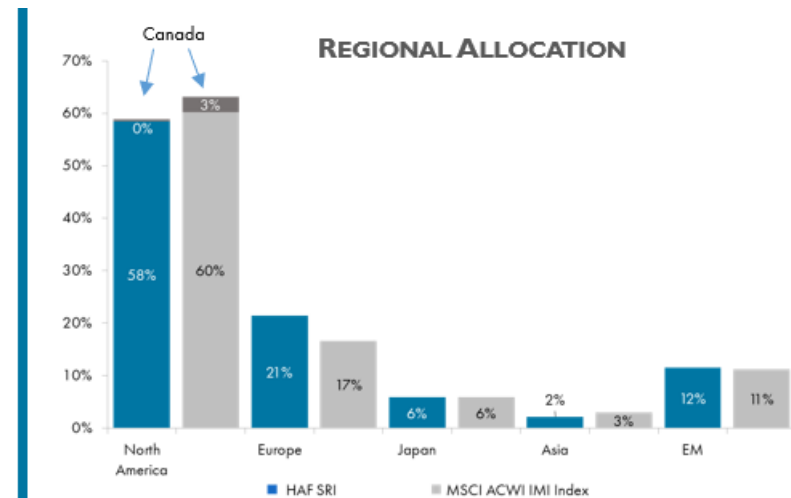
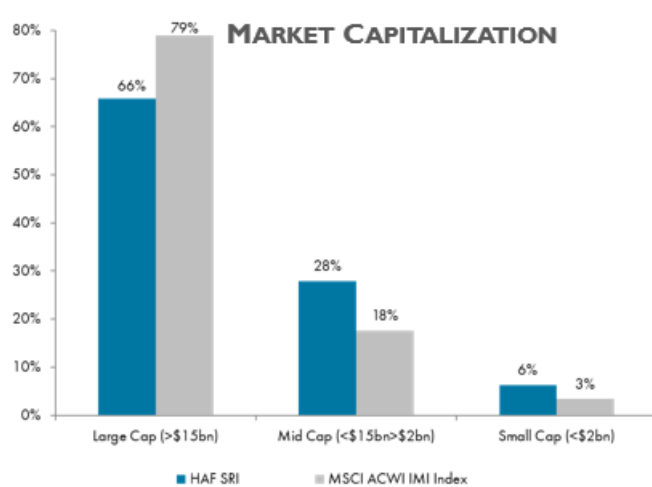


TOP 10 HOLDINGS

Company	% of Equities
Microsoft Corp	3.1
Apple Inc	3.0
Amazon.com Inc	1.9
Tesla Inc	1.7
ASML Holding NV	1.3
Meta Platforms Inc	1.2
Taiwan Semi. Mfg. Co Ltd	1.2
Alphabet Inc	1.9
Reliance Industries Ltd	0.8
LVMH Moet Hnsgy. LV. SE	0.7
Top 10 Holdings	16.8

Data is sourced from respective managers as of 12/31/2021. Weights and top 10 as of 12/31/2021. Style characteristics based off Morningstar and Angeles assumptions. Figures may not add up to 100% due to rounding.

Socially Responsible Pool: Global Equity Characteristics as of December 31, 2021



TOP 10 HOLDINGS

Company	% of Equities
Apple Inc	2.5
Microsoft Corp	1.3
ASML Holding NV	1.1
Tesla Inc	1.1
Taiwan Semi. Mfg. Co Ltd	1.0
Amazon.com Inc	1.0
Meta Platforms Inc	0.9
Moderna Inc	0.9
Alphabet Inc	1.5
UnitedHealth Group Inc	0.7
Top 10 Holdings	12.1

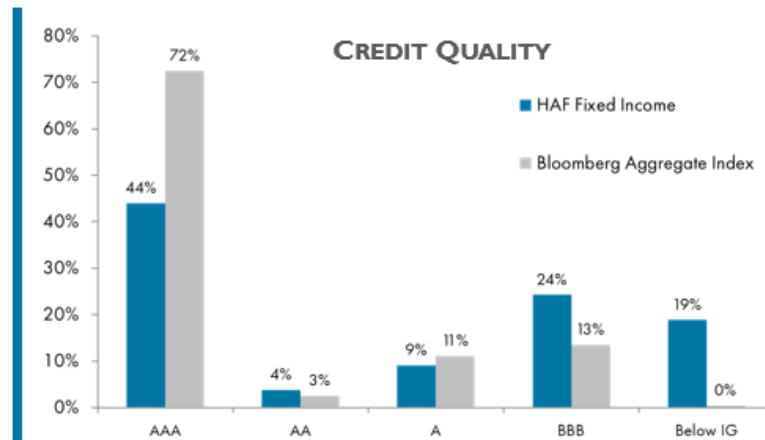
Exhibit 5:
Fixed Income Characteristics
December 31, 2021

Long Term Pool: Fixed Income Characteristics as of December 31, 2021

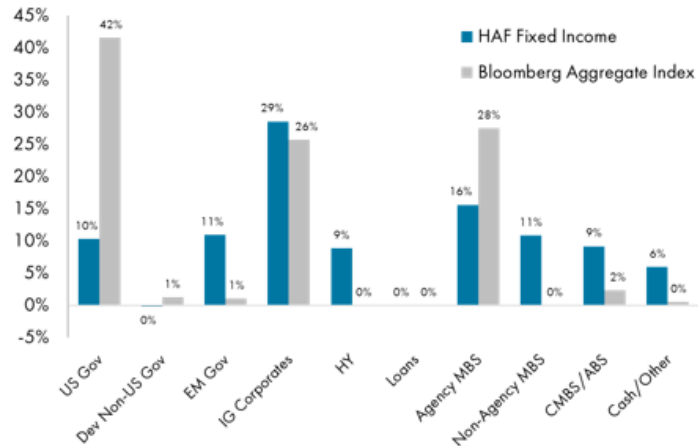
CHARACTERISTICS

	% of FI	30 Day SEC Yield	Yield-to-Maturity	Duration	Maturity	Credit Quality
PIMCO Income (PIMIX)	40%	N/A	3.7%	1.2	2.2	BBB
Baird Core Plus (BCOIX)	40%	N/A	2.0%	6.5	8.2	A
Dodge & Cox Income (DODIX)	20%	1.6%	2.1%	4.7	8.3	AA
Fixed Income Portfolio	100%	0.3%	2.7%	4.0	5.8	A
Bloomberg Aggregate Index	N/A	N/A	1.8%	6.8	8.7	AA

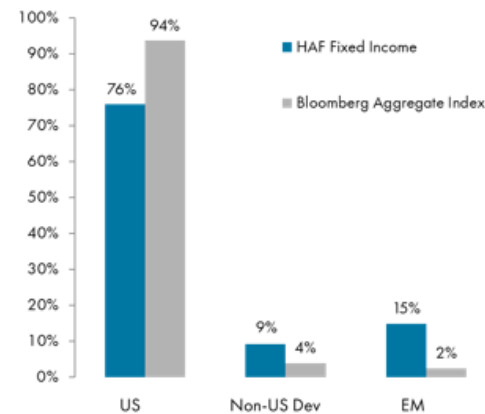
CREDIT QUALITY



SECTOR ALLOCATION



REGIONAL ALLOCATION



CURRENCY EXPOSURE

Currency	% of Portfolio
USD	96.1%
RUB	0.9%
MXN	0.8%
AUD	0.5%
Other	1.7%
Total	100.0%

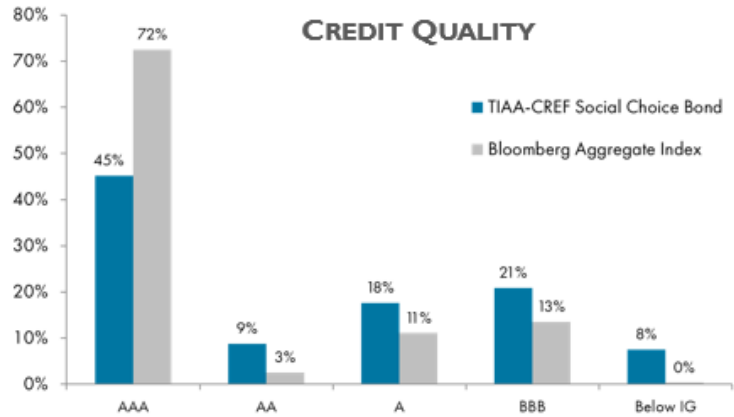
All data sourced from respective managers as of 12/31/21. AEDC Loans not included. Figures may not add up to 100% due to rounding. "Cash/Other" includes Converts/Preferreds, TIPS, and Municipals. Currency Exposure table represents the top 4 significant positions (in absolute terms) within the holdings-weighted portfolio. The Bloomberg U.S. Aggregate Index covers the U.S. investment grade fixed rate bond market (plus a small amount of foreign bonds traded in the US). The index is a market capitalization-weighted index, meaning the securities in the index are weighted according to the ending market value of the bonds issued.

Socially Responsible Pool: Fixed Income Characteristics as of December 31, 2021

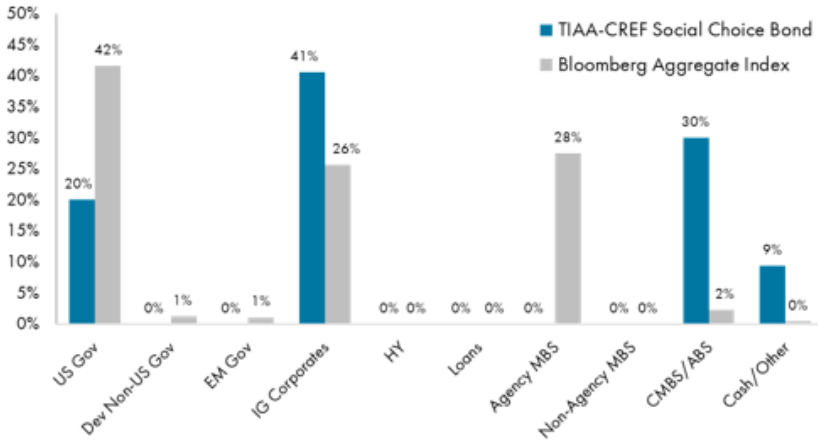
CHARACTERISTICS

	30 Day SEC Yield	YTM	Duration	Maturity	Credit Quality
TIAA-CREF Social Choice Bond Fund	N/A	2.2%	6.7	9.2	BBB
Bloomberg-Barclays Aggregate Index	N/A	1.8%	6.8	8.7	AA

CREDIT QUALITY



SECTOR ALLOCATION



REGIONAL ALLOCATION

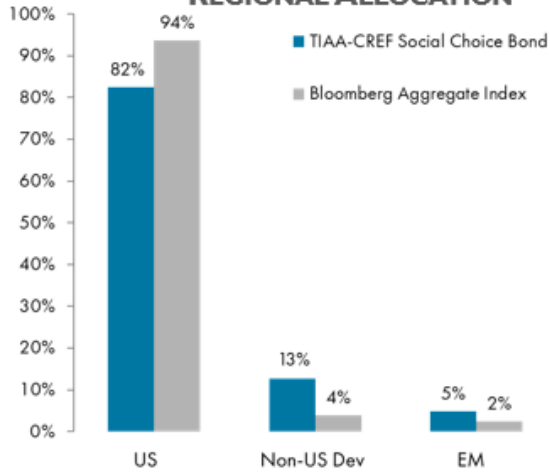


Exhibit 6: HAF Medium Term Pool

HUMBOLDT AREA FOUNDATION
2021 INVESTMENT PERFORMANCE REVIEW

	Value	Weight	Policy %	1 Mo	3 Mo	Fiscal YTD	1 Yr	3 Yrs	Inception	Inception Date
Medium Term Total	\$4,368,314	100.0%	100.0%	1.7%	2.2%	1.6%	6.7%	10.1%	6.7%	11/30/11
<i>Humboldt Medium Term Benchmark</i>				1.7%	2.5%	2.0%	6.3%	10.5%	6.4%	
Total US Equity	\$868,502	19.9%	20.0%	3.8%	9.2%	9.1%	25.7%	25.8%	16.1%	07/31/12
<i>Russell 3000</i>				3.9%	9.3%	9.2%	25.7%	25.8%	16.2%	
Vanguard Total Stock Market Index Fund	\$868,502	19.9%	20.0%	3.8%	9.2%	9.1%	25.7%	25.8%	16.1%	07/25/12
<i>Russell 3000</i>				3.9%	9.3%	9.2%	25.7%	25.8%	16.2%	
Total International Equity	\$871,263	19.9%	20.0%	4.1%	2.1%	-1.2%	8.1%	13.5%	6.1%	10/27/14
<i>FTSE All World ex US</i>				4.3%	1.8%	-0.9%	8.7%	14.0%	6.5%	
Vanguard FTSE All World ex US Index Fund	\$871,263	19.9%	20.0%	4.1%	2.1%	-1.2%	8.1%	13.5%	6.1%	10/27/14
<i>FTSE All World ex US</i>				4.3%	1.8%	-0.9%	8.7%	14.0%	6.5%	
Total Fixed Income	\$2,604,287	59.6%	60.0%	0.3%	-0.1%	0.2%	0.2%	4.5%	2.7%	03/20/13
<i>Humboldt MT Custom FI BM</i>				-0.2%	-0.1%	-0.1%	-1.4%	4.4%	2.6%	
Vanguard Total Bond Market Index	\$1,035,661	23.7%	24.0%	-0.4%	-0.1%	0.0%	-1.9%	4.7%	3.5%	02/03/17
<i>Bloomberg US Aggregate TR</i>				-0.3%	0.0%	0.1%	-1.5%	4.8%	3.6%	
DFA Short-Term Extended Quality	\$521,392	11.9%	12.0%	-0.1%	-0.7%	-0.7%	-0.6%	2.0%	1.6%	03/20/13
<i>ICE BofA 1-5 Yrs US Corp & Govt TR</i>				-0.2%	-0.7%	-0.7%	-0.9%	2.9%	1.8%	
PIMCO Income Fund	\$1,047,234	24.0%	24.0%	1.1%	0.2%	0.8%	2.6%	5.5%	5.2%	03/20/13
<i>Bloomberg US Aggregate TR</i>				-0.3%	0.0%	0.1%	-1.5%	4.8%	2.8%	
Total Cash	\$24,262	0.6%	0.0%							
TDA - Cash Sweep	\$24,262	0.6%	0.0%							
Bank USA MMDA - Cash Reserve	\$0	0.0%	0.0%							

Exhibit 7: HAF Socially Responsible Pool Information

HAF Socially Responsible Pool¹¹

	Value	Weight	Policy %	1 Mo	3 Mo	Fiscal YTD	1 Yr	Inception	Inception Date
Humboldt Area Foundation SRI Pool	\$30,612,632	100.0%	100.0%	2.8%	3.9%	3.5%	13.8%	17.4%	02/04/19
<i>Humboldt SRI BM</i>				3.1%	4.9%	4.0%	14.1%	15.2%	
Total Global Equity	\$24,349,093	79.5%	80.0%	3.5%	4.9%	4.3%	17.5%	20.5%	02/04/19
<i>MSCI ACWI IMI Ned USD</i>				4.0%	6.1%	4.9%	18.2%	17.7%	
Baillie Gifford Positive Change	\$2,938,385	9.6%	10.5%	-3.3%	-6.0%	-3.3%	8.6%	44.5%	12/05/19
<i>MSCI ACWI</i>				4.0%	6.7%	5.6%	18.5%	19.0%	
DFA Emerging Markets Sustainability Core	\$2,122,682	6.9%	7.0%	2.9%	-0.1%	-8.1%	0.5%	7.4%	02/04/19
<i>MSCI Emerging Markets</i>				1.9%	-1.3%	-9.3%	-2.5%	8.1%	
DFA International Sustainability Core 1	\$6,215,081	20.3%	20.0%	4.3%	2.6%	1.6%	11.4%	13.1%	02/04/19
<i>MSCI World ex USA</i>				5.1%	3.1%	2.5%	12.6%	11.6%	
DFA US Sustainability Core	\$11,112,216	36.3%	36.0%	4.6%	9.6%	9.5%	26.4%	23.6%	02/04/19
<i>Russell 3000</i>				3.9%	9.3%	9.2%	25.7%	23.1%	
Pax World Global Environmental Markets	\$1,960,729	6.4%	6.5%	5.6%	8.6%	9.4%	21.3%	21.4%	04/26/19
<i>MSCI ACWI</i>				4.0%	6.7%	5.6%	18.5%	16.7%	
Total Fixed Income	\$5,934,053	19.4%	20.0%	-0.3%	-0.1%	-0.1%	-1.1%	4.7%	02/04/19
<i>Bloomberg US Aggregate TR</i>				-0.3%	0.0%	0.1%	-1.5%	4.7%	
TIAA-CREF Social Choice Bond	\$5,934,053	19.4%	20.0%	-0.3%	-0.1%	-0.1%	-1.1%	4.8%	02/22/19
<i>Bloomberg US Aggregate TR</i>				-0.3%	0.0%	0.1%	-1.5%	4.8%	
Total Cash	\$329,487	1.1%	0.0%						
TDA - Cash Sweep	\$329,487	1.1%	0.0%						
Bank USA MMDA - Cash Reserve	\$0	0.0%	0.0%						

¹¹ The HAF Socially Responsible Pool was approved by the HAF Board of Directors in July 2018 and was funded in February 2019.