



**United Church Funds**  
Investing Together for a Sustainable World

# Client Town Hall Meeting

Third Quarter 2025

August 14, 2025



# United Church Funds (UCF) – Overview

## Investing Together for a Sustainable Future

- ✓ Trusted investment provider to 1,200 local churches, religious judicatories and faith-based non-profits, with over \$1.2 billion in assets under management.
- ✓ Experienced non-profit partner to fiduciaries in the development, management and governance of endowments.
- ✓ Recognized leader in responsible investing strategies aligned with the United Church of Christ and like-minded progressive Christians.



# Poll Question

# Welcome!

## Town Hall Meeting Agenda

- **Welcome and Introduction** Charles Buck, *President and CEO*
- **UCF Organizational Updates** Kelsey Rose, *Associate, Institutional Relationships*
- **Responsible Investing Updates** Noah Tabor, *General Counsel*
- **Market and Fund Updates** Stacey Pettice, *Executive, Institutional Relationships*  
Matt Wagner, *Vice President, Institutional Relationships*
- **Q&A with Townhall Participants** Lan Cai, *Chief Investment Strategist*  
Minoti Dhanaraj, *Senior Investment Strategist*

# Organizational Updates – Q3 2025

- UCF attended the UCC General Synod 35 in Kansas City, Missouri July 11-15. Watch a recap of some highlights from our time there [HERE](#).
- UCF welcomes new Client Services Associates Melissa Chan and Shirin Kothari! Read their bios [HERE](#).
- UCF names new Board Chair Bernard R. Wilson and welcomes new Board Members Derrick Elliott, Julia Gaughan and Jasmine Coleman Quinerly. Read their bios [HERE](#).
- UCF on the move this fall! Meet us at:
  - ❑ CAiP Alternative Investments Forum – September 18-19
  - ❑ Climate Week NYC – September 21-28
  - ❑ ICCR Fall Conference – October 21-24
  - ❑ PRI in Person – November 4-6



# Responsible Investing

# Poll Question

# Responsible Investing – General Synod 35 Resolutions



## **Resolution: Responding to the Federal Government's Attack on Immigrants, Migrants and Refugees**

- ✓ Calls for all settings of the UCC to review their portfolio for stock ownership in detention centers and consider actions.
- ✓ UCF already screens out ownership in detention centers and private prisons.

## **Resolution: Declaration for an End to Genocide in Palestine**

- ✓ Does not have a specific investment call to action – but generally calls for an end to genocide in Palestine.
- ✓ UCF restricts investment in companies that cause or contribute to human rights harms.
- ✓ UCF restricts investment in companies that derive 10%+ of revenue from weapons, weapon systems, components and support systems and service or nuclear weapons.



# Responsible Investing – UCF 2025 Corporate Commitments

## UCF Came to Agreements with the Following Companies:

**J.P.Morgan**

Enhanced commitment  
to Indigenous Rights,  
specifically Free, Prior,  
Informed Consent  
(FPIC)



Enhanced  
Lobbying  
Transparency



Enhanced  
Lobbying  
Transparency



Enhanced  
Lobbying  
Transparency



Enhanced  
Lobbying  
Transparency

# Responsible Investing – UCF 2025 Shareholder Resolutions

UCF Served as Co-Filer on the Following Two Resolutions:



Enhanced  
Recognition of  
Indigenous Rights

**Vote in Favor: 13.50%**



Adoption of Human  
Rights Policy

**Vote in Favor: 22.90%**

# Responsible Investing – UCF Lends Support to Migrant Dairy Workers



- ✓ Since 2019, Migrant Justice has urged Hannaford Supermarkets to join the Milk with Dignity program. Hannaford is a major buyer of dairy products sourced from farms where workers have reported grueling and unsafe working conditions.
- ✓ In April, UCF invited Migrant Justice to represent UCF at the Annual General Meeting (AGM) of Ahold Delhaize in Amsterdam to amplify the voices of immigrant dairy farmworkers and call for remedies to serious labor abuses within the dairy supply chain.
- ✓ Listen to Marita Canedo from Migrant Justice on UCF's "Just Investing Podcast" [here](#).



Read more about UCF's support of Migrant Justice [here](#).

# Responsible Investing – UCF Goes to Washington

- In June, UCF participated in high-level meetings on Capitol Hill alongside partners from the United Church of Christ's Washington, D.C. Office and the U.S. Sustainable Investment Forum (US SIF).
- Meetings highlight the growing role of strategic advocacy as a tool of engagement that UCF is employing in response to political attacks on sustainable and responsible investors.
- Met with Senate Majority Leader Charles Schumer (D-NY), House Judiciary Committee Ranking Member Jamie Raskin (D-MD), Representative Ashley Hinson (R-IA) and Representative Sean Casten (D-IL).



(Left to Right:) Noah Tabor and Matthew Illian of UCF with Rev. Michael Neuroth, UCC Public Policy and Advocacy Office.

# Investment Performance and Strategy & Positioning

# Market Themes – Q2 2025 Take-Aways

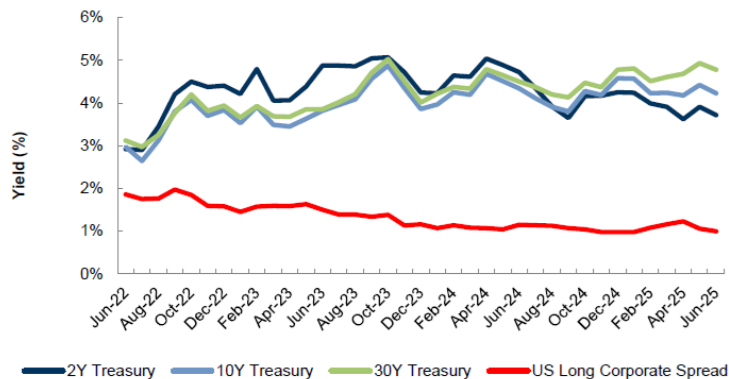
- ✓ **U.S. Back to All-Time High, and International Rallies:** U.S. large cap stocks returned to an all-time high after turbulence in early April. International markets continued strong performance, as European and emerging markets benefited from further U.S. Dollar weakening.
- ✓ **Market Broadens while Big Tech Leads:** Big Tech and growth stocks led the quarter with robust earnings and optimism around the budget reconciliation law. With alleviated tariff concerns and interest rates holding steady, the technology sector returned 21.1%, while the communications sector returned 18.5%.
- ✓ **Fixed Income Remains Resilient:** Fixed income continues to generate positive returns, led by emerging markets debt benefitting from the weakening dollar, followed by U.S. high yield.
- ✓ **Tariff and Inflation Concerns, Geopolitical Risks Remain:** Impact on inflation caused by tariff policies continues to be a concern with the Fed holding rates, tempered by a potential weakening labor market.
- ✓ **Dynamic and Diversified Allocations:** We continue to remain diversified across asset classes and long-term focused with a lens of sustainability, while being cycle-aware.

# Investment Performance – Markets as of June 30, 2025

Public Markets Performance (USD)

	Q2	YTD	3 Yr	5 Yr	10 Yr
MSCI World	11.5%	9.5%	18.3%	14.6%	10.7%
MSCI World ESG Leaders	12.8%	8.3%	17.5%	14.1%	10.6%
ACWI IMI	11.6%	9.8%	16.8%	13.4%	9.7%
S&P 500	10.9%	6.2%	19.7%	16.6%	13.7%
Russell 1000	11.1%	6.1%	19.6%	16.3%	13.4%
MSCI EAFE	11.8%	19.5%	16.0%	11.2%	6.5%
Russell 2000	8.4%	-2.0%	9.5%	9.6%	6.7%
MSCI EM Equity	12.0%	15.3%	9.7%	6.8%	4.8%
Barclays US Govt/Credit	1.2%	3.9%	2.6%	-0.8%	1.9%
Barclays Global Aggregate	4.5%	7.3%	2.7%	-1.2%	1.2%
Barclays US Long Treasury	-1.5%	3.1%	-3.7%	-8.2%	0.1%
Barclays US Long Corporate	1.2%	3.6%	2.8%	-2.3%	3.1%
JPM EM Debt	3.3%	5.7%	8.9%	1.8%	3.5%
JPM EM Debt Local	7.6%	12.3%	8.5%	1.9%	2.1%
Barclays Global High Yield	4.9%	6.8%	11.8%	5.7%	5.0%
FTSE/NAREIT Global	4.5%	6.2%	3.7%	5.3%	3.4%
GSCI Commodities	-2.8%	1.9%	-0.4%	17.7%	1.5%

Yields & Spreads (%)



Changes in Yields and Spreads by Maturity (%)

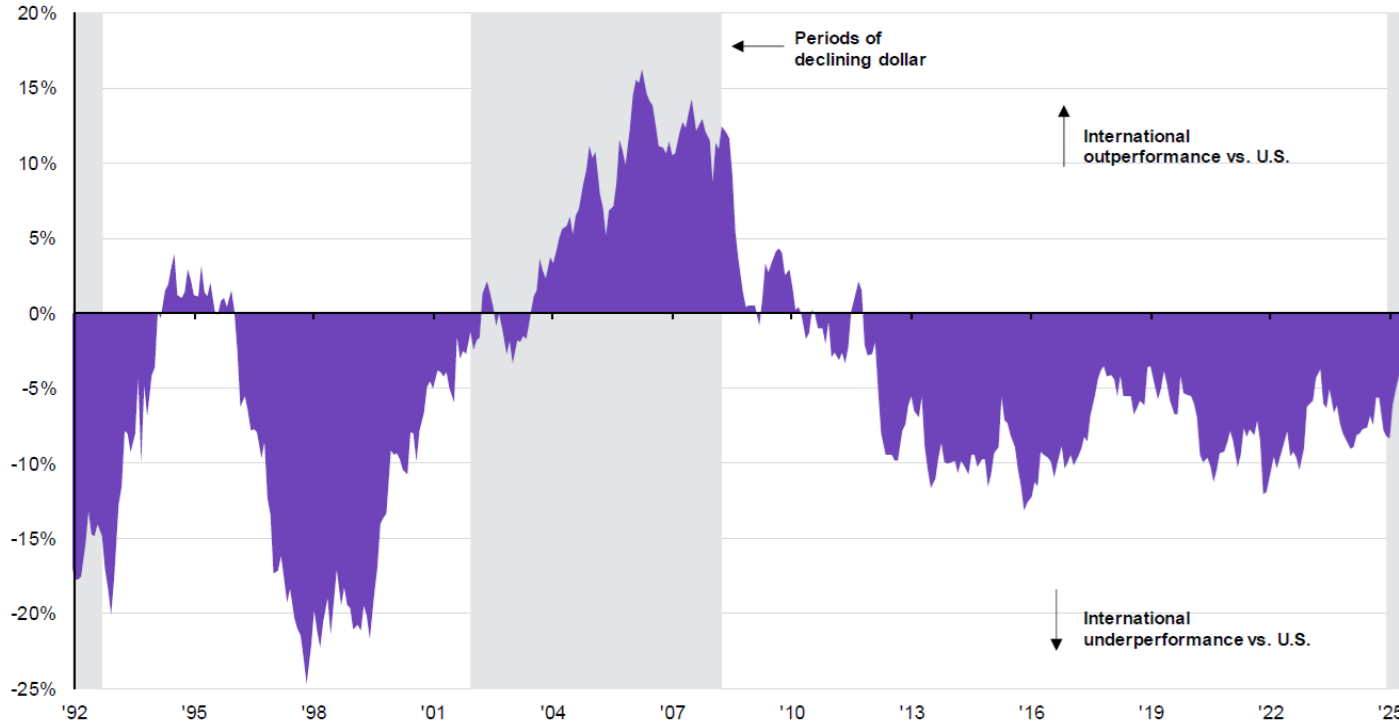
	Jun 2025 (%)	Δ MTD (%)	Δ QTD (%)	Δ YTD (%)
<b>Risk Free</b>				
2Y Treasury	3.72	(0.19)	(0.19)	(0.53)
10Y Treasury	4.23	(0.19)	(0.02)	(0.35)
30Y Treasury	4.78	(0.15)	0.16	(0.01)
US Long Corporate Yield	5.71	(0.22)	(0.01)	(0.08)
US Long Corporate Spread	1.00	(0.06)	(0.16)	0.02

As of 30-June-2025. Source: MAS, Plot Tool. Plot tool is a proprietary analytical tool and database representing developed and emerging markets including the US, Europe, Asia, and Latin America for their respective Fixed Income, Equity, Foreign Exchange, Commodities, and Credit Markets covering thousands of cash, forward, futures, options, and swap instruments. Plot tool houses over 20 years of economic data. Indices are unhedged. **Past performance does not guarantee future results, which may vary.**

# Investment Performance – International vs. U.S.

## Cycles of international outperformance and the U.S. dollar

International out/underperformance versus U.S., MSCI AC World ex-U.S., S&P 500, total return, USD, rolling 3-yrs. ann.

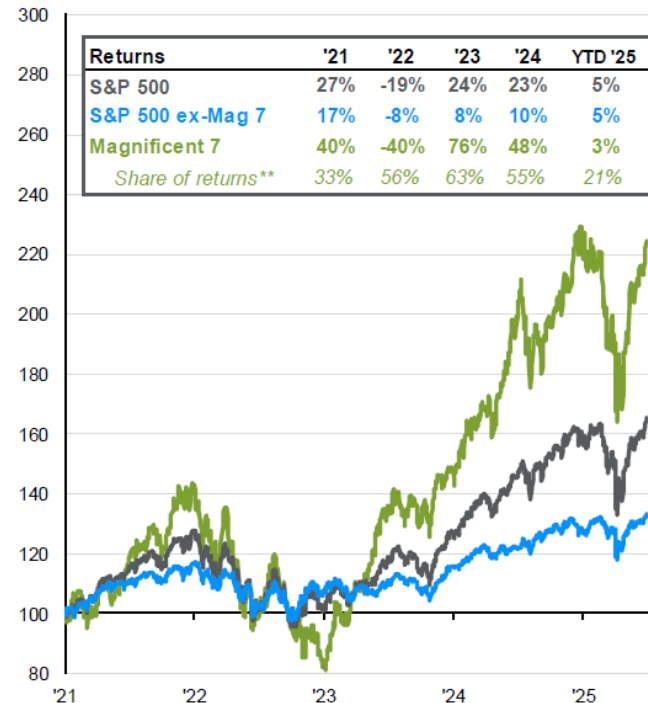


- International equities had strong performance during the quarter and year to date, supported by European government spending, monetary easing and continued decline of the U.S. Dollar.

# Investment Performance – Market Broadens Beyond Mag 7

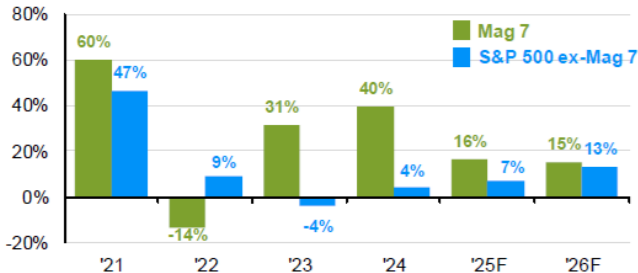
## Performance of “Magnificent 7” stocks in S&P 500\*

Indexed to 100 on 1/1/2021, price return



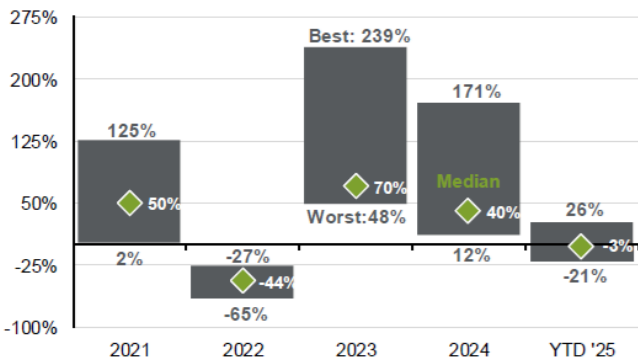
## Earnings growth

Year-over-year



## Magnificent 7 performance dispersion

Price returns, best, median and worst performing Mag 7 stock by year

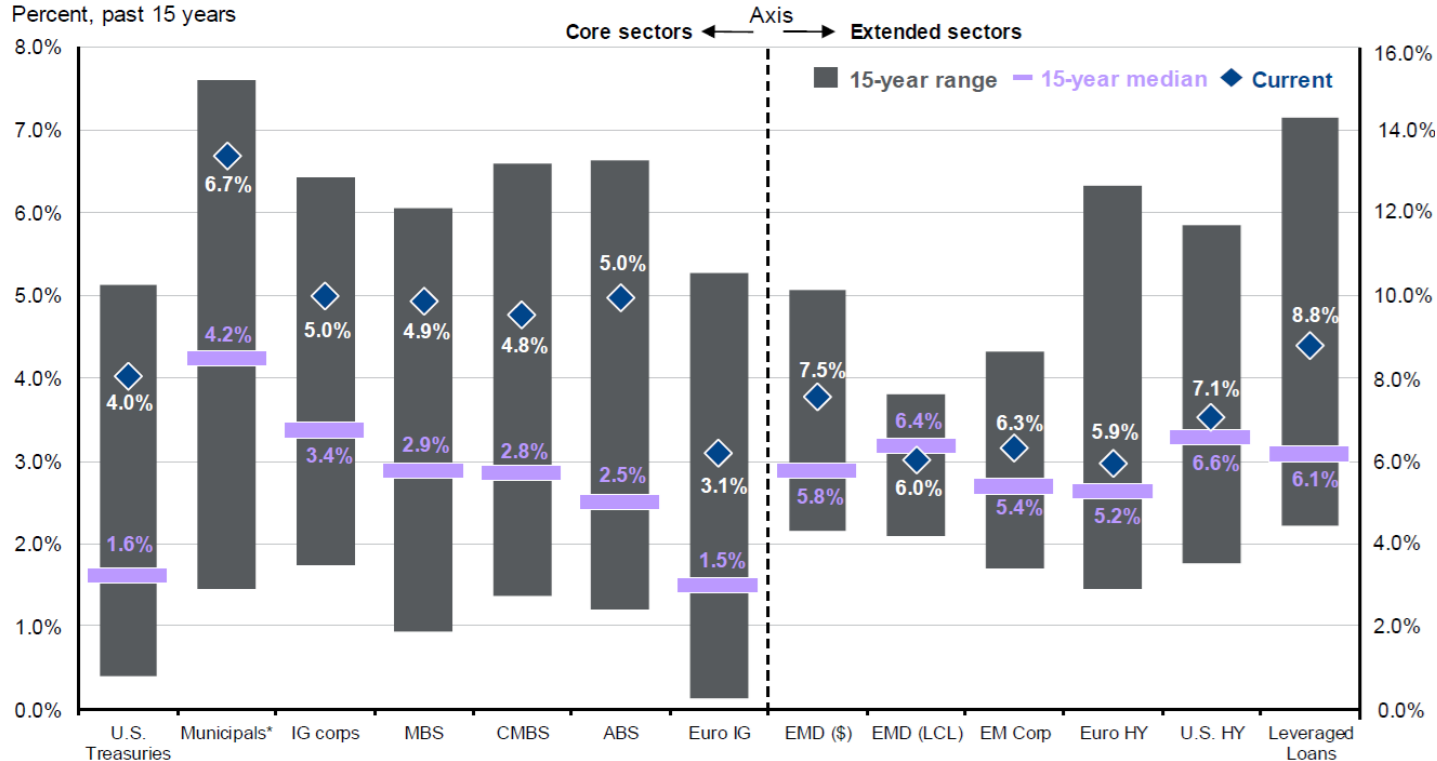


- The Magnificent 7 only attributed to 21% of S&P 500's returns year-to-date as market concentration decreases.

# Investment Performance – Fixed Income Remains Resilient

## Yield-to-worst across fixed income sectors

Percent, past 15 years

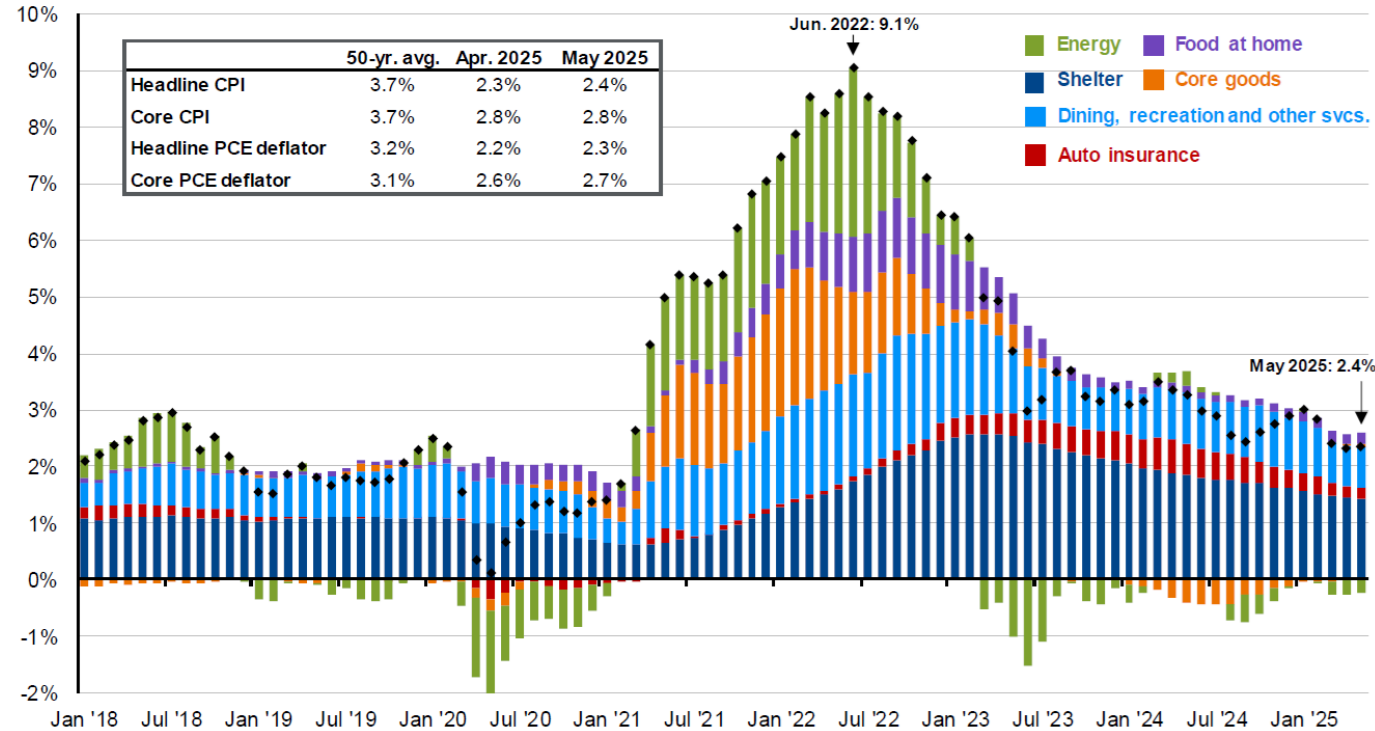


- Fixed income continues to be a source of steady performance, particularly in emerging markets debt, given dollar weakness.

# Investment Performance – Inflation Remains Top-of-Mind Amid Tariff Uncertainty

## Contributors to headline CPI inflation

Contribution to y/y % change in CPI, non-seasonally adjusted



- Inflation is expected to pick up again in second half of 2025, as impact from tariffs roll in. This could be offset by potential weakening of labor market.

# Investment Performance – Diversification Remains Key

2010–2024		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Ann.	Vol.																
Large Cap	Small Cap	REITs	REITs	REITs	Small Cap	REITs	REITs	Small Cap	EM Equity	Cash	Large Cap	Small Cap	REITs	Comdty.	Large Cap	Large Cap	DM Equity
13.9%	20.6%	27.9%	8.3%	19.7%	38.8%	28.0%	2.8%	21.3%	37.8%	1.8%	31.5%	20.0%	41.3%	16.1%	26.3%	25.0%	19.9%
Small Cap	EM Equity	Small Cap	Fixed Income	High Yield	Large Cap	Large Cap	Large Cap	High Yield	DM Equity	Fixed Income	REITs	EM Equity	Large Cap	Cash	DM Equity	Small Cap	EM Equity
10.3%	17.9%	26.9%	7.8%	19.6%	32.4%	13.7%	1.4%	14.3%	25.6%	0.0%	28.7%	18.7%	28.7%	1.5%	18.9%	11.5%	15.6%
REITs	REITs	EM Equity	High Yield	EM Equity	DM Equity	Fixed Income	Fixed Income	Large Cap	Large Cap	REITs	Small Cap	Large Cap	Comdty.	High Yield	Small Cap	Asset Alloc.	Asset Alloc.
9.4%	16.8%	19.2%	3.1%	18.6%	23.3%	6.0%	0.5%	12.0%	21.8%	-4.0%	25.5%	18.4%	27.1%	-12.7%	16.9%	10.0%	7.0%
Asset Alloc.	DM Equity	Comdty.	Large Cap	DM Equity	Asset Alloc.	Asset Alloc.	Cash	Comdty.	Small Cap	High Yield	DM Equity	Asset Alloc.	Small Cap	Fixed Income	Asset Alloc.	High Yield	High Yield
7.2%	16.5%	16.8%	2.1%	17.9%	14.9%	5.2%	0.0%	11.8%	14.6%	-4.1%	22.7%	10.6%	14.8%	-13.0%	14.1%	9.2%	6.8%
High Yield	Comdty.	Large Cap	Cash	Small Cap	High Yield	Small Cap	DM Equity	EM Equity	Asset Alloc.	Large Cap	Asset Alloc.	DM Equity	Asset Alloc.	Asset Alloc.	High Yield	EM Equity	Large Cap
5.9%	16.1%	15.1%	0.1%	16.3%	7.3%	4.9%	-0.4%	11.6%	14.6%	-4.4%	19.5%	8.3%	13.5%	-13.9%	14.0%	8.1%	6.2%
DM Equity	Large Cap	High Yield	Asset Alloc.	Large Cap	REITs	Cash	Asset Alloc.	REITs	High Yield	Asset Alloc.	EM Equity	Fixed Income	DM Equity	DM Equity	REITs	Comdty.	Comdty.
5.7%	15.1%	14.8%	-0.7%	16.0%	2.9%	0.0%	-2.0%	8.6%	10.4%	-5.8%	18.9%	7.5%	11.8%	-14.0%	11.4%	5.4%	5.5%
EM Equity	Asset Alloc.	Asset Alloc.	Small Cap	Asset Alloc.	Cash	High Yield	High Yield	Asset Alloc.	REITs	Small Cap	High Yield	High Yield	High Yield	Large Cap	EM Equity	Cash	Fixed Income
3.4%	10.4%	13.3%	-4.2%	12.2%	0.0%	0.0%	-2.7%	8.3%	8.7%	-11.0%	12.6%	7.0%	1.0%	-18.1%	10.3%	5.3%	4.0%
Fixed Income	High Yield	DM Equity	DM Equity	Fixed Income	Fixed Income	EM Equity	Small Cap	Fixed Income	Fixed Income	Comdty.	Fixed Income	Cash	Cash	EM Equity	Fixed Income	REITs	Cash
2.4%	9.4%	8.2%	-11.7%	4.2%	-2.0%	-1.8%	-4.4%	2.6%	3.5%	-11.2%	8.7%	0.5%	0.0%	-19.7%	5.5%	4.9%	2.1%
Cash	Fixed Income	Fixed Income	Comdty.	Cash	EM Equity	DM Equity	EM Equity	DM Equity	Comdty.	DM Equity	Comdty.	Comdty.	Fixed Income	Small Cap	Cash	DM Equity	REITs
1.2%	4.7%	6.5%	-13.3%	0.1%	-2.3%	-4.5%	-14.6%	1.5%	1.7%	-13.4%	7.7%	-3.1%	-1.5%	-20.4%	5.1%	4.3%	1.8%
Comdty.	Cash	Cash	EM Equity	Comdty.	Comdty.	Comdty.	Comdty.	Cash	Cash	EM Equity	Cash	REITs	EM Equity	REITs	Comdty.	Fixed Income	Small Cap
-1.0%	0.9%	0.1%	-18.2%	-1.1%	-9.5%	-17.0%	-24.7%	0.3%	0.8%	-14.2%	2.2%	-5.1%	-2.2%	-24.9%	-7.9%	1.3%	-1.8%

- Despite volatile markets in the first half of 2025, careful diversification across asset classes continues to generate strong performance.

**Thank You!**

**Q&A**



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For questions regarding this disclaimer, please contact Noah Tabor at [noah.tabor@ucfunds.org](mailto:noah.tabor@ucfunds.org).

# Investment Performance

## Managed Funds as of June 30, 2025

TOTAL RATES OF RETURN AS OF 6/30/25					ANNUALIZED					
Returns on UCF's funds are presented net of fees		Quarter	Year To Date	One Year	Three Years	Five Years	Ten Years	Current Yield	Unit Value	Market Value
MANAGED FUNDS	Beyond Fossil Fuels Fund	14.50%	11.30%	16.86%	19.83%	15.49%	10.84%	2.13%	\$23.76	\$235.0M
	S&P 500/MSCI ACWI IMI net, linked	11.62%	9.83%	15.89%	16.80%	13.40%	10.28%			
	Lipper Global Equity	10.69%	9.57%	14.14%	13.44%	11.38%	8.32%			
	Domestic Core Equity Fund	10.65%	5.25%	13.64%	19.26%	16.19%	12.56%	1.22%	\$48.85	\$285.8M
	S&P 500 Index	10.94%	6.20%	15.16%	19.71%	16.64%	13.65%			
	Lipper Large Cap Core	10.69%	5.80%	12.85%	18.73%	15.51%	12.48%			
	International Equity Fund	12.25%	17.92%	16.98%	13.30%	8.25%	5.56%	2.90%	\$17.70	\$184.0M
	MSCI ACWI ex US net/Custom Index, linked	12.03%	17.90%	17.72%	13.99%	10.13%	6.17%			
	Lipper International Equity	11.85%	20.09%	18.63%	15.21%	11.08%	6.21%			
	Small Cap Equity Fund	9.44%	-1.69%	6.01%	9.86%	9.77%	7.42%	1.15%	\$33.12	\$ 63.0M
	Russell 2000 Index	8.50%	-1.79%	7.68%	10.00%	10.04%	7.12%			
	Lipper Small Cap Core	5.92%	-2.12%	5.86%	9.48%	11.99%	7.24%			
	Fixed Income Fund	1.41%	3.93%	6.05%	2.80%	-0.49%	1.52%	3.82%	\$ 4.46	\$214.8M
	Bloomberg U.S. Govt/Credit Linked Index	1.22%	3.95%	5.89%	3.28%	-0.06%	2.21%			
	Lipper Core Plus Fixed Income	1.37%	4.08%	6.31%	3.29%	0.00%	2.02%			
	Alternatives Fund	0.50%	0.90%	3.74%	3.87%	7.16%	4.79%	N/A	\$21.29	\$ 118.5M
	Custom Index 70% HFRI Funds of Funds Composite, 30% NCREIF Fund Index	2.32%	2.38%	5.75%	2.73%	5.38%	4.31%			
	Cash & Equivalent Fund	1.14%	2.16%	4.60%	4.45%	2.69%	1.86%	4.21%	\$1.0000	\$52.3M
	Lipper Money Market Funds Index	1.06%	2.14%	4.70%	4.58%	2.76%	1.85%			

# Investment Performance

## Funds of Funds as of June 30, 2025

TOTAL RATES OF RETURN AS OF 6/30/25		ANNUALIZED								
Returns on UCF's funds are presented net of fees		Quarter	Year To Date	One Year	Three Years	Five Years	Ten Years	Current Yield	Unit Value	Market Value
FUNDS OF FUNDS	<b>Total Equity Fund</b>									
	46.90% Domestic Core Equity, 13.00% Small Cap Equity and 40.10% International Equity	11.09%	8.82%	13.90%	15.58%	12.00%	8.79%	1.88%	\$29.13	\$442.6M
	MSCI ACWI IMI net/Policy Index, linked	11.62%	9.83%	15.89%	16.80%	13.40%	9.70%			
	Lipper Global Equity	10.69%	9.57%	14.14%	13.44%	11.38%				
	<b>UCF Balanced Fund</b>	7.11%	6.77%	10.44%	10.44%	7.17%	5.98%	2.63%	\$15.33	\$381.1M
	62.10% Equity, 36.00% Fixed Income and 1.90% C&E									
	Current Policy Index 60% MSCI ACWI IMI net, 40% Fixed Income Policy Index	7.40%	7.54%	11.90%	11.36%	8.01%	6.87%			
	Lipper Mixed-Asset Target Allocation Moderate	5.78%	5.93%	10.16%	9.81%	7.38%	6.06%			
	<b>Beyond Fossil Fuels Balanced Fund<sup>4</sup></b>	8.85%	8.07%	12.15%	12.65%	9.17%	7.01%	2.83%	\$16.38	\$291.3M
	61.70% BFF, 36.80% Fixed Income and 1.50% C&E									
	Current Policy Index 60% MSCI ACWI IMI net, 40% Fixed Income Policy Index	7.40%	7.54%	11.90%	11.36%	8.01%	6.87%			
	Lipper Mixed-Asset Target Allocation Moderate	5.78%	5.93%	10.16%	9.81%	7.38%	6.06%			
	<b>Alternatives Balanced Fund<sup>3</sup></b>	5.79%	5.17%	9.22%	9.43%	8.00%	6.15%	N/A	\$22.34	\$308.3M
	51.1% Equity, 13.4% Fixed Income, 33.0% Alternatives, 2.5% C&E									
	Current Policy Index 50% MSCI ACWI IMI net, 30% Fixed Income Policy and 20% Alternatives Policy	6.58%	6.62%	10.88%	9.93%	7.83%				



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