INNOVIA FOUNDATION

PORTFOLIO UPDATE

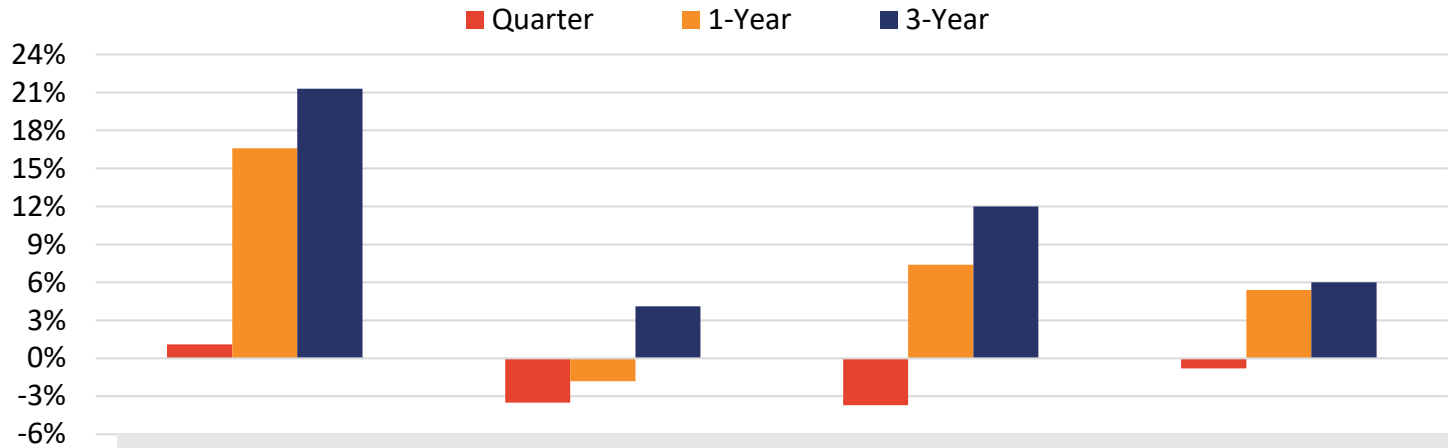
Third Quarter 2026

MARKET UPDATE

The third quarter became a tug-of-war between resilient growth and renewed inflation pressure. Markets responded differently to these competing forces. Large-cap equities held their ground, but bonds and rate-sensitive sectors were reminded that stronger growth can come with a higher cost of capital. For the first time since 2023, the Federal Reserve raised interest rates.

- Global equities finished the third quarter modestly higher, but the headline result masked considerable dispersion. U.S. large-caps advanced while mid- and small-cap stocks declined, and value stocks modestly outpaced growth stocks. Energy was the clear sector leader, with technology and health care also posting gains. Developed international equities moved slightly higher, while emerging markets were roughly flat as country-level results varied widely.
- Fixed income markets struggled during the third quarter as higher yields weighed on most bond sectors. Longer-duration government and corporate bonds absorbed the greatest pressure, while high yield proved more resilient. Floating-rate leveraged loans were a notable exception, benefiting from their limited duration exposure and ending the quarter in positive territory.
- Real assets also faced challenges during the quarter, particularly for real estate and infrastructure, which were negatively affected by higher interest rates. Midstream energy, which includes businesses involved in transporting and storing oil and natural gas, declined modestly during the quarter but remained a standout year-to-date performer after substantial gains earlier in the year. These mixed results highlighted how economic conditions can affect different types of real assets in different ways.
- Hedge funds generally declined during the third quarter, although performance varied by strategy. Macro strategies were the only major category to post positive returns, benefiting from trading opportunities in commodities and currencies. Equity-focused hedge funds experienced the largest declines, particularly among strategies focused on individual companies and market sectors

MARKET INDEX PERFORMANCE



	MSCI All-Country World IMI	Bloomberg U.S. Aggregate Bond	S&P Real Assets Equity	HFRX Global Hedge Fund
Month	1.1%	-3.5%	-3.7%	-0.8%
YTD	16.6%	-1.8%	7.4%	5.4%
1-Year	21.3%	4.1%	12.0%	6.0%

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PORTFOLIO PERFORMANCE[1]

	Qtr	1-Year	3-Year	5-Year	7-Year	10-Year	Inception Date
Traditional Pool	**-0.3%**	**11.8%**	**15.4%**	**7.4%**	**9.1%**	**8.3%**	**Dec, 1994**
Custom Benchmark[2]	*0.2*	*11.4*	*15.4*	*7.1*	*9.4*	*8.5*	
Faith-Based Pool	**-4.3%**	**9.2%**	-	-	-	-	**Jan, 2025**
ESG Pool	**-1.5%**	**8.3%**	**13.4%**	**4.8%**	**8.1%**	-	**Nov, 2018**
Moderate Pool	**-0.9%**	-	-	-	-	-	**Dec, 2025**
Conservative Pool	**0.9%**	-	-	-	-	-	**Dec, 2025**

- The Traditional Pool was essentially flat for the quarter. The US large cap sector outperformed its index by 130bp on the quarter as more value-oriented strategies in the portfolio were underweight technology, which lagged other sectors. While diversifying strategies were 430bp ahead of the index, International equities underperformed their index by roughly 100bp. Fixed income matched the return of the index.
- The Faith-Based Pool returned -4.3% due to the growth overweight in the portfolio and underperformance of some large cap managers.
- The ESG returned returned -1.5%, underperforming the benchmark. Given the fossil fuel free mandate, the portfolio struggled to keep pace as oil/ energy was the best performing sector on the quarter.
- The Moderate pool, at a target allocation of approximately 50% stock and 50% bonds, returned -0.9%. Largely due to lagging returns from the fixed income sector
- The Conservative pool continues to benefit from high short-term yields, returning a positive 0.9% for the quarter with minimal risk.

PORTFOLIO POSITIONING – TARGET ASSET ALLOCATION

	Traditional	Faith Based	ESG	Moderate	Conservative
GLOBAL EQUITY	70%	70%	60%	50%	10%
GLOBAL FIXED INCOME & CASH	25%	30%	40%	50%	90%
DIVERSIFYING STRATEGIES	5%	0%	0%	0%	0%
REAL ASSETS / *OPPORTUNISTIC*	0%	0%	0%	0%	0%

- At the macro-asset category level, all portfolios are positioned conservatively and are close to the IPS targets, given several mixed market signals that make it difficult to identify any significant opportunistic positioning.
- Within equities, all portfolios have a slight overweight to small-cap strategies, which continue to lag large-cap growth but tend to perform well in periods of market growth.
- As an aim to capture market performance in a variety of economic conditions, all portfolios maintain a balance between high growth and market valuations as fund managers rotate in and out of sectors.

1 Portfolio performance is reported net of investment management fees.
2 The Endowment custom benchmark is currently comprised of 70% MSCI ACWI, 25% Bloomberg U.S. Aggregate Index, 5% HFRX Global Hedge Fund Index.
3 The Faith Based Pool benchmark is 70% MSCI ACWI, 30% Bloomberg U.S. Aggregate Index.
4 The ESG Pool benchmark is 60% MSCI ACWI, 40% Bloomberg U.S. Aggregate Index.
5 The Moderate Pool benchmark is 50% MSCI ACWI, 50% Bloomberg U.S. Aggregate Index.
6 The Conservative Pool benchmark is 50% Bloomberg U.S. Aggregate Index, 40% 91-day U.S. Treasuries, 10% MSCI ACWI.

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