

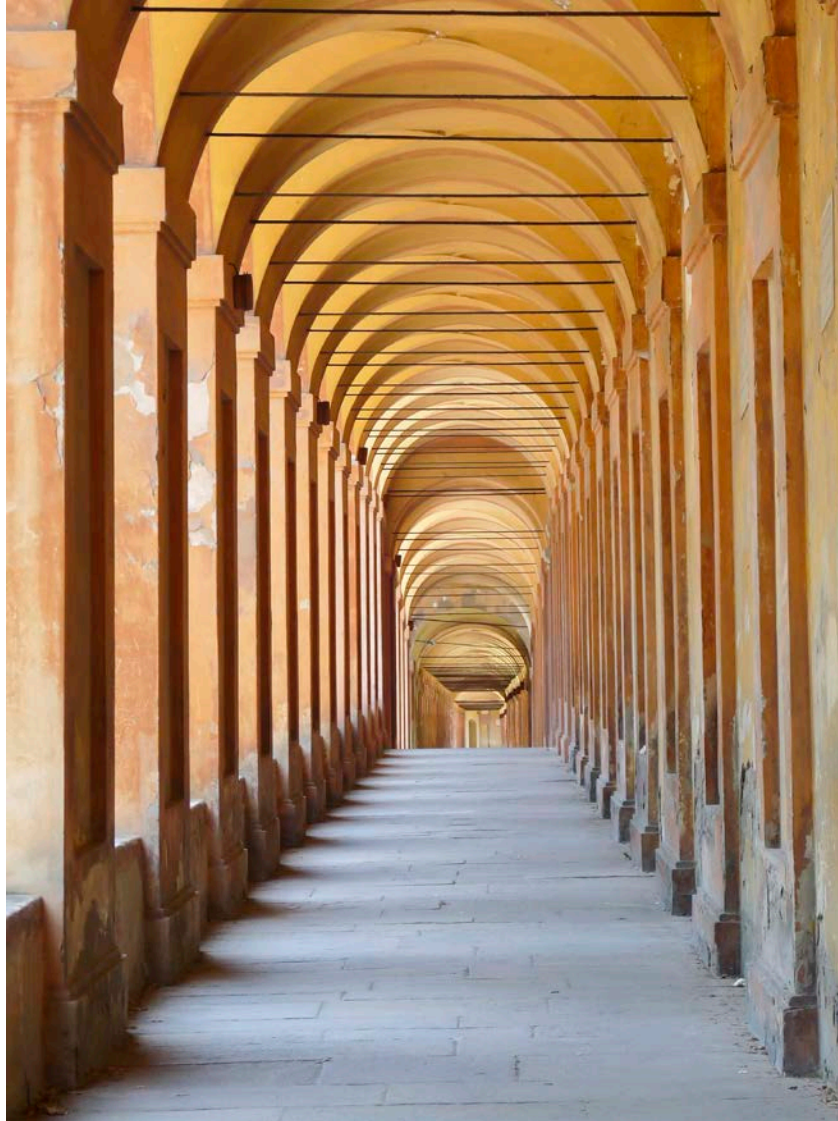


Investments and Accumulation

Pre-retirement Webinar Series

Session 1

Who is Portico?



Today's Presenters

Grace Pomroy
Financial Education
Specialist



Curt Fee, CFA®
Chief Investment
Officer



Josh Stieler, CFA®
Senior Investment
Manager



Brooks Rankin, CFP®
Financial Planning
Manager



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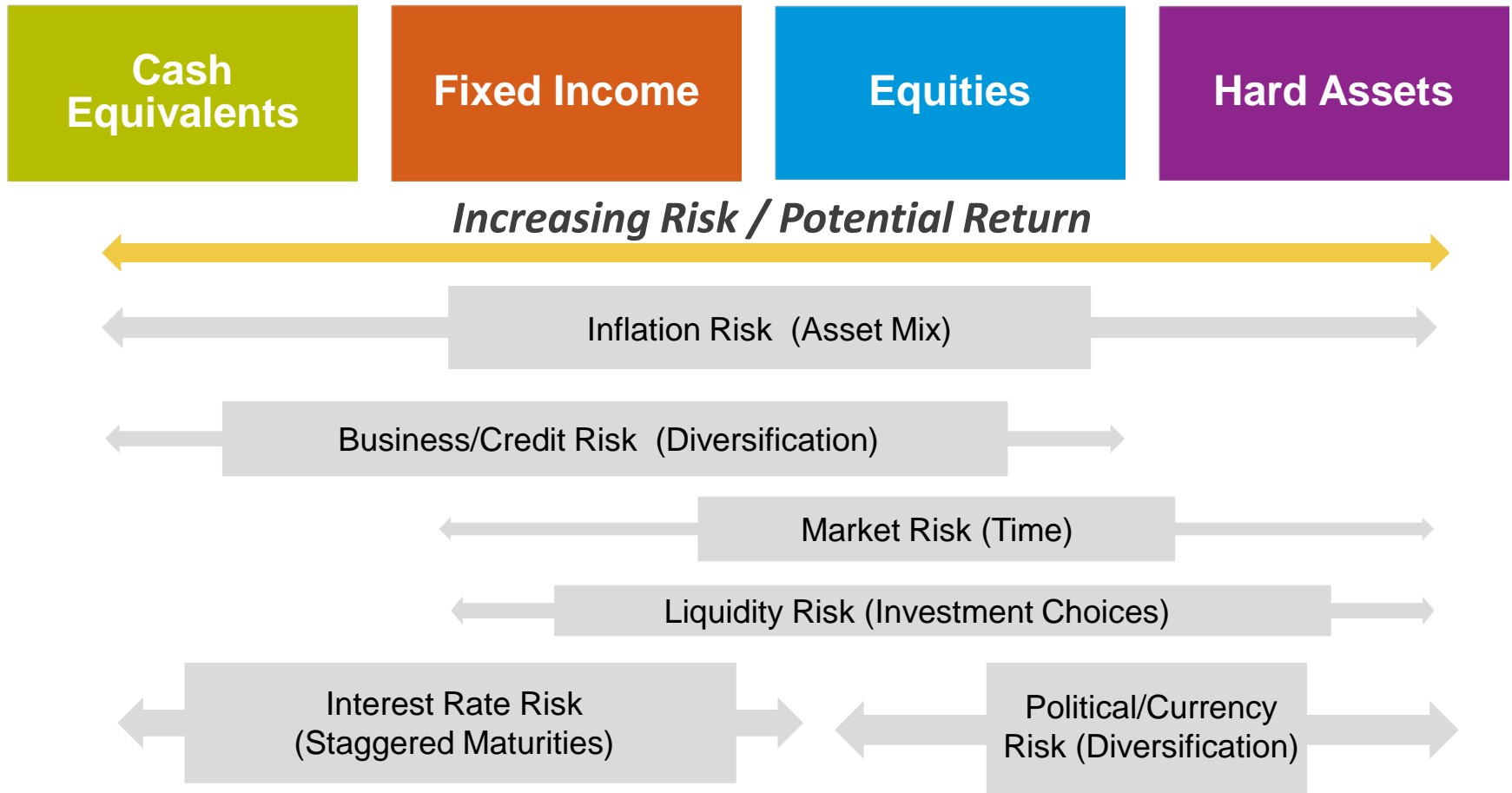
Poll:
**What is the biggest driver
of your investment
decisions?**



Determine Your Investment Profile

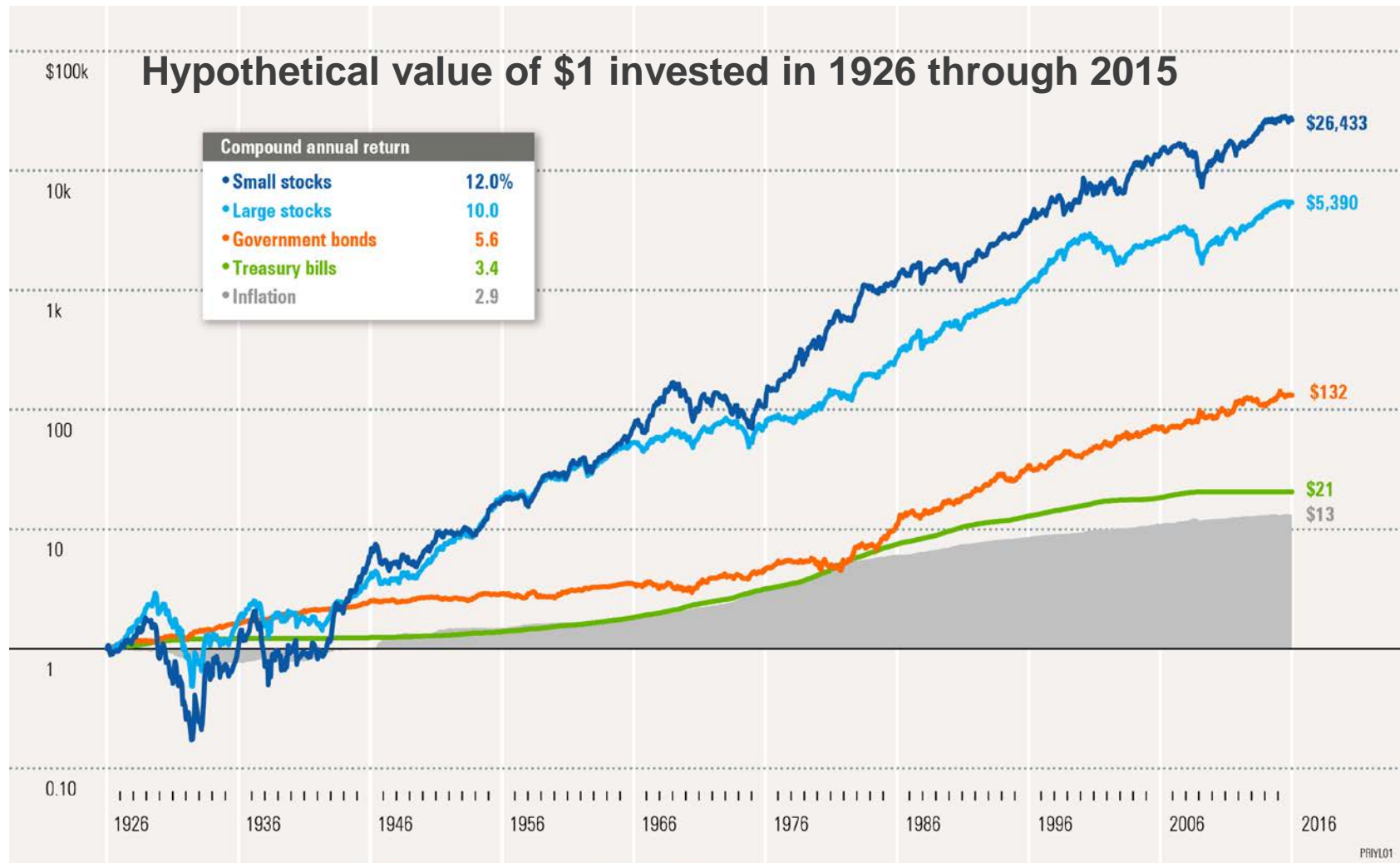
	CONSERVATIVE	MODERATE	AGGRESSIVE
Time Horizon	1-5 years	5-10 years	10 years or more
Objective	Income	Growth & Income	Capital Growth
Ability to Handle Market Risk	Low (little to no fluctuation)	Medium (some fluctuation)	High (greater fluctuation)
Level of Inflation Risk	High	Medium	Low
Target Rate of Return	Low	Medium	High

Managing Your Risks



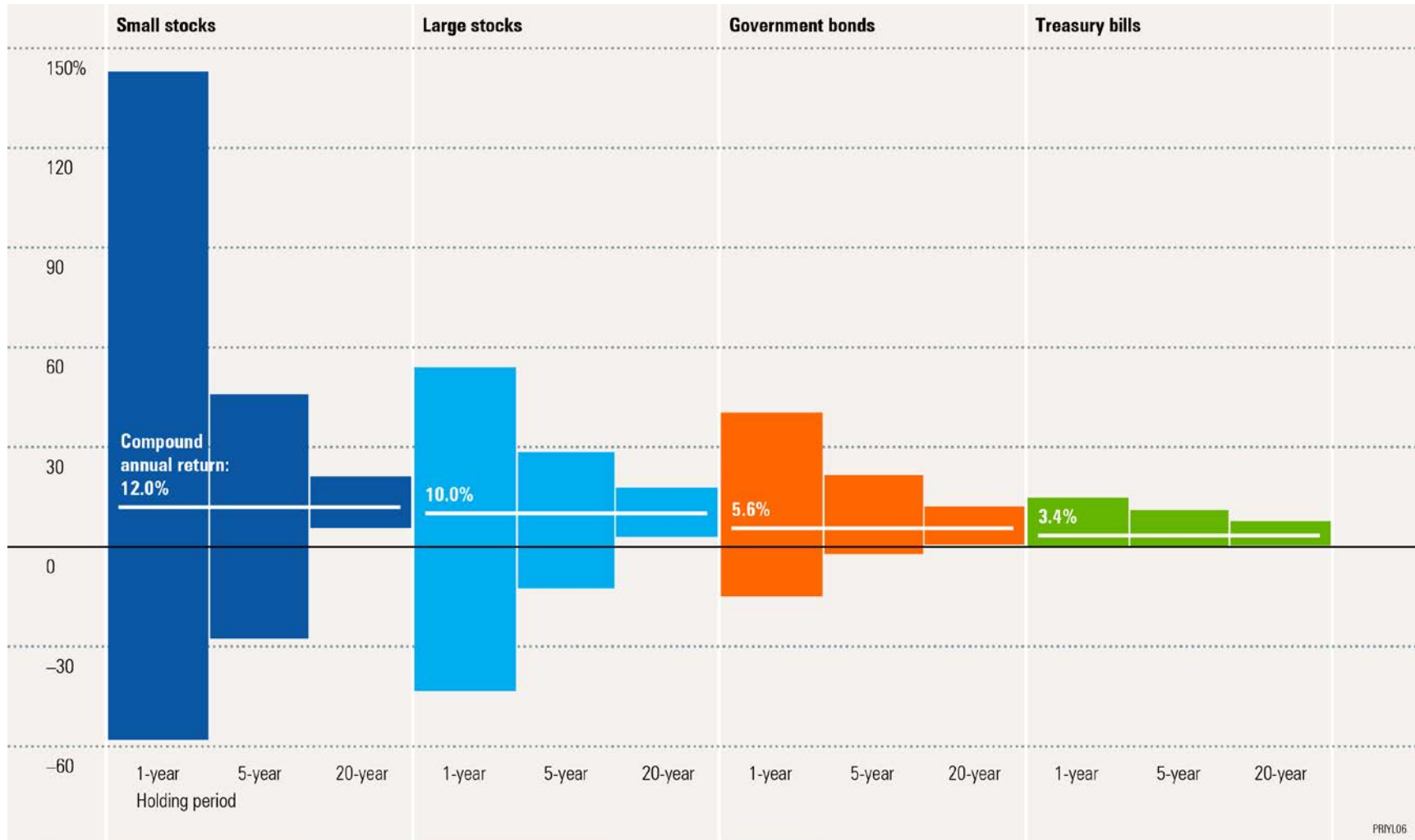
Historical Returns

Stocks, Bonds, Treasury Bills, and Inflation



Past performance is no guarantee of future results. Hypothetical value of \$1 invested at the beginning of 1926. Assumes reinvestment of income and no transaction costs or taxes. For illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © Morningstar. All Rights Reserved.

Reduction of Risk Over Time



Past performance is no guarantee of future results. Each bar shows the range of compound annual returns for each asset class over the period 1926–2015. For illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © Morningstar. All Rights Reserved.

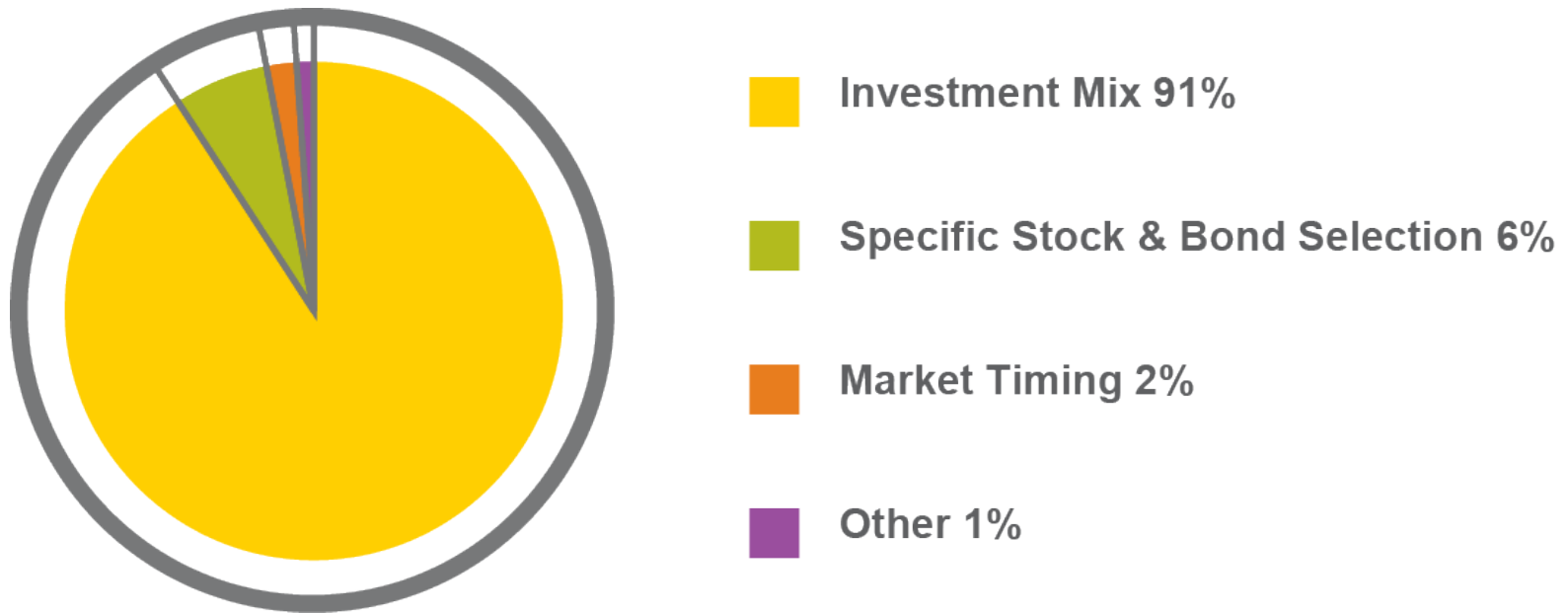
What is Asset Allocation?

A systematic way to invest in several broad asset classes, aiming to achieve a target return, consistent with one's time horizon and personal risk tolerance.



- Foreign Equity __%
- Fixed Income __%
- Large Cap US Equity __%
- Mid/Small Cap US Equity __%

What strategy determines my investment return?



Source: Brinson, Singer, and Beebower

201-2203

Asset Class Winners and Losers



Past performance is no guarantee of future results. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. The diversified portfolio is equally weighted between small stocks, large stocks, long-term government bonds, Treasury bills, and international stocks (20% each). © Morningstar. All Rights Reserved.

Asset Allocation Considerations

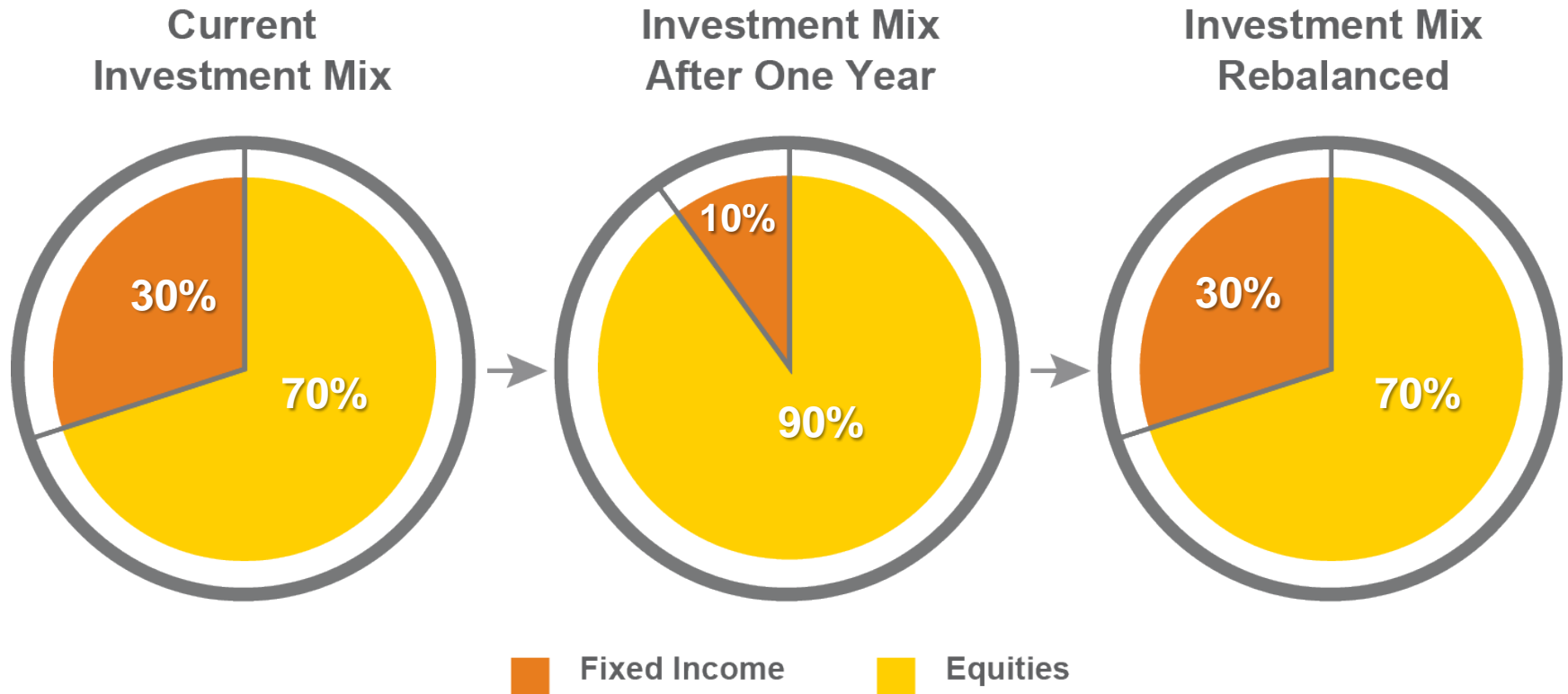
Higher-risk investments may fluctuate more in value but, over time, generally provide more growth toward your goals



Lower-risk investments may be “safer” from an investment risk perspective, but may leave you short of your goals



Rebalancing Your Investments



ACTION STEP

Check your asset allocation annually and rebalance your portfolio (if needed)

Key Decisions

KEY DECISIONS	DO IT YOURSELF	DO IT FOR ME	DO IT WITH GUIDANCE
Time required	High	Low	Medium
Knowledge required	High	Low	Low
Asset allocation	You	Retirement Planning Tool	You, with guidance from a Portico Financial Planner
Investment selection	You	Retirement Planning Tool	You
Reallocating current balances and contributions	You	Retirement Planning Tool	You, with guidance from a Portico Financial Planner
Rebalancing	You	Retirement Planning Tool (annually)	You, with guidance from a Portico Financial Planner



ELCA Retirement Plan

ELCA Retirement Plan Governance

ENTITY	ROLE
ELCA	<ul style="list-style-type: none"> • ELCA Philosophy of Benefits • Established Portico as a ministry of the ELCA • Churchwide Assembly elects Portico Board of Trustees • Creates social teaches and policies
Portico Benefit Services (Investment Team)	<ul style="list-style-type: none"> • Creates investment fund lineup • Asset allocation • Investment selection
Investment Management Organizations	<ul style="list-style-type: none"> • Manage assets on behalf of retirement plan members
Fidelity	<ul style="list-style-type: none"> • Serves as recordkeeper

Portico's Investment Management

- Portico's investment team
 - 11 investment professionals
 - Average 18 years of investment experience
 - 8 with advanced degrees; 8 hold Chartered Financial Analyst designation; 1 Chartered Alternative Investment Analyst designation
- Well-defined investment philosophy, policies, and processes
- Over \$8 billion in assets under management
- Alignment of interests – Portico employees are plan members

Investment Philosophy

- Beware Forecasts
- Diversify
- Analyze Cost/Benefit

Choosing Your Funds: Select Series and Build-Your-Own

SELECT SERIES
ELCA 40e Balanced Fund
ELCA 60e Balanced Fund
ELCA 80e Balanced Fund
ELCA Social Purpose 40e Balanced Fund
ELCA Social Purpose 60e Balanced Fund
ELCA Social Purpose 80e Balanced Fund

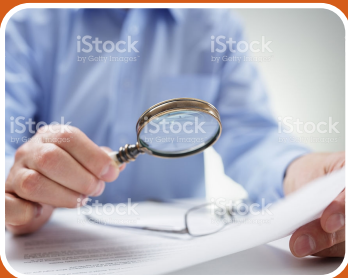
BUILD-YOUR-OWN
ELCA Money Market Fund
ELCA Bond Fund
ELCA High-Yield Bond Fund
ELCA Social Purpose Bond Fund
ELCA U.S. Stock Fund
ELCA Social Purpose Stock Index Fund
ELCA Social Purpose U.S. Stock Fund
ELCA S&P 500 Stock Index Fund
ELCA Small/Mid Cap Index Fund
ELCA Non-U.S. Stock Fund
ELCA Social Purpose Non-U.S. Stock Fund
ELCA Global Stock Fund
ELCA Social Purpose Global Stock Fund
ELCA Global Real Estate Securities Fund

Social Purpose Investing



Advocacy (applies to all Portico funds)

- Initiate dialog, proxy vote, and file shareholder resolutions
- Influence companies to cease or adopt behaviors to strengthen their financial position and, where possible, align with ELCA social teachings



Screening (applies to Social Purpose funds)

- Removes about 10% of companies from investment consideration because their business practices conflict with ELCA screens
- Screens include: distilled alcohol, environmental, gambling, military weapons, pornography, private prisons, and tobacco



Positive Social Investing (applies to Social Purpose funds)

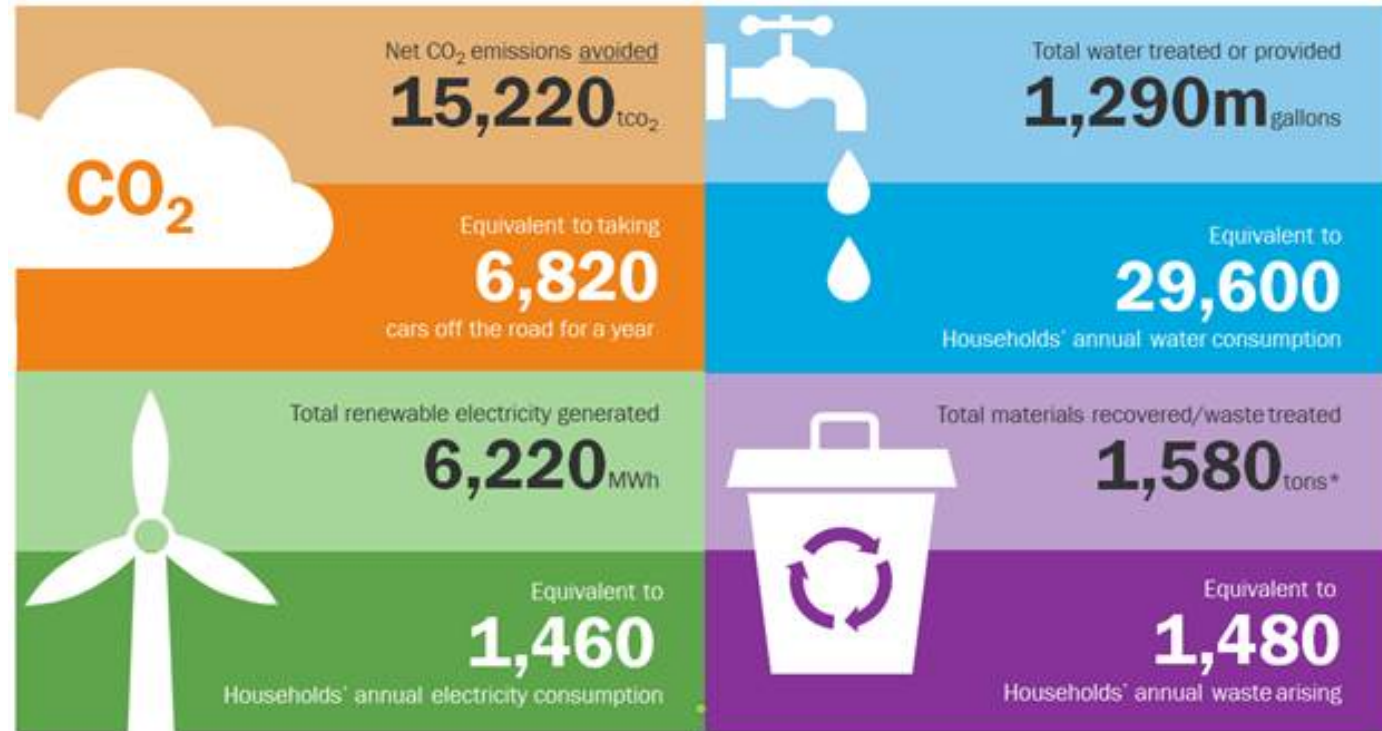
- Invest in companies expected to deliver financial returns as well as positive social impact
- Introduced Social Impact First (SIF) Investing to seven ELCA social purpose funds

Social Impact First (SIF) Added to Social Purpose Funds

- An increasingly popular form of positive social investing that prioritizes social impact over financial return
- Limited to no more than 10% of assets in a social purpose fund
- Investments can accept no more than 25% greater projected risk and no more than 25% lower projected return in pursuit of greater measurable impact

Social Impact First Investing

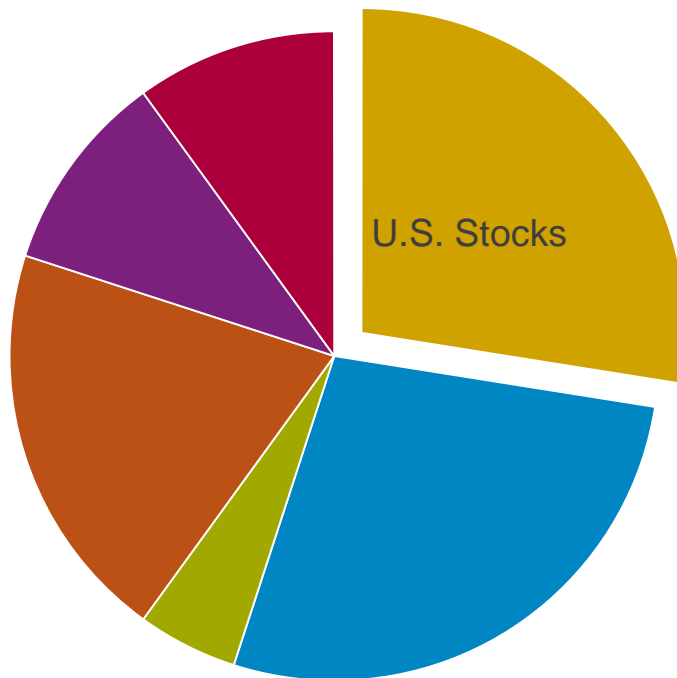
In 2015, a \$20 million investment with Impax added up to:



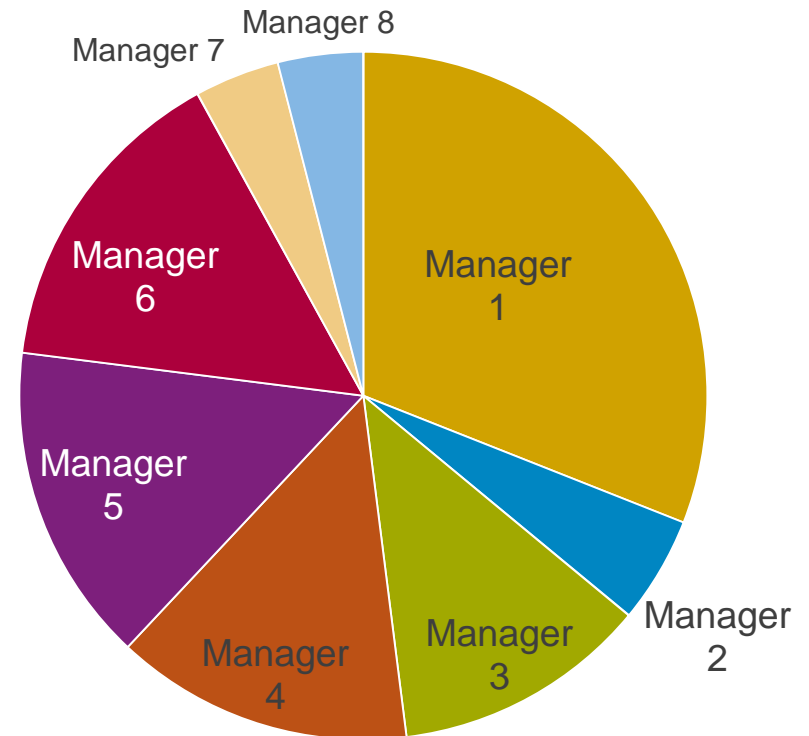
*US tons. Impact of \$20 million invested in the strategy for one year. The UK Green Investment Bank's calculator was used to translate the impact into everyday equivalents (e.g., cars on the road, household energy use). Based on most recently reported annual impact data for holdings in the portfolio as of Dec. 31, 2015. Methodology has been assured by Ernst & Young LLP. Impax Asset Management is an adviser to Portico Benefit Services.

Multi-Manager

60e Allocation



U.S. Stock Components



You should carefully consider the target asset allocations, investment objectives, risks, charges and expenses of any fund before investing in it. All funds, including ELCA funds, are subject to risk and uncertainty. Past performance cannot be used to predict future performance. ELCA funds are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Fund assets are invested in multiple sectors of the market. Some sectors, as well as the funds, may perform below expectations and lose money over short or extended periods. See Investment Fund Descriptions for more information about our funds.

Investment Approach Focused on Serving Plan Members

EXAMPLES OF OUR FUND MANAGERS*

Adams Street Partners	Loomis Sayles & Co.
AQR Capital Management	State Street Global Advisors
Baillie Gifford Overseas, Limited	T. Rowe Price Associates
BlackRock Institutional Trust Company, N.A.	The Vanguard Group

*A complete list of ELCA investment managers is available on myPortico.

Choosing Your Funds: Select Series and Build-Your-Own

SELECT SERIES
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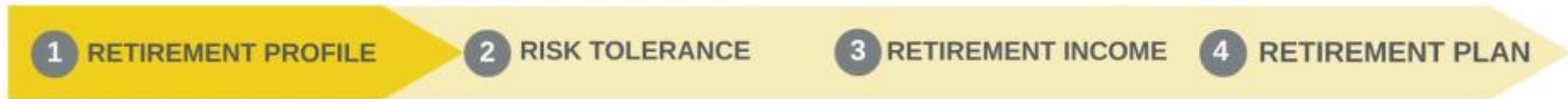
BUILD-YOUR-OWN
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ELCA Non-U.S. Stock Fund
ELCA Social Purpose Non-U.S. Stock Fund
ELCA Global Stock Fund
ELCA Social Purpose Global Stock Fund
ELCA Global Real Estate Securities Fund



Poll:
**Have you used Portico's
new Retirement Planning
Tool?**



An Insider's Look at the Retirement Planning Tool



Get a Retirement Plan in Just Four Steps

Why do you need my spouse's compensation?

Spouse Information

This is the information we have on record. If you have any questions or if this information is incorrect, please contact us at **800.352.2876**.

First Name

Last Name

Date of Birth

Spouse's Compensation

Enter your spouse's annual compensation including wages, commissions, bonuses, and tips:

\$ 0

Enter \$0 or more

Can I include other retirement income sources?

▲ ELCA RETIREMENT ACCOUNT

Your ELCA retirement account is already included in your plan, so you don't need to add it again.

Account Name	Owner	Account Balance	Balance as of	Included in Plan	
ELCA Retirement Account	You		09/13/2017	Yes	Review

▼ RETIREMENT ACCOUNTS

▼ OTHER INCOME

▼ SOCIAL SECURITY INCOME

▼ SPOUSE'S INCOME

Can I edit the tool's Social Security income estimate?





▲ SOCIAL SECURITY INCOME

Your Social Security benefit will vary based on the age you begin receiving benefits (between 62 and 70); 66 or 67 is the typical start age for full benefits. You can plan your Social Security benefits based on or independent of your retirement age.

Estimated monthly Social Security benefits are shown below. You can choose to build your retirement plan based on one of these scenarios:

- Calculate a Social Security benefit based on retirement age
- Calculate a Social Security benefit based on a specific age
- Choose a specific start age and monthly benefit amount
- Exclude Social Security benefits

If you have questions, please contact us at **800.922.4896**.

Owner	Start Age 	Estimated Monthly Benefit 	Included in Plan	Edit or Review
You	70		<input checked="" type="checkbox"/>	
Your Spouse	70		<input checked="" type="checkbox"/>	

▼ SPOUSE'S INCOME

How to Edit the Tool's Social Security Income Estimate

▲ SOCIAL SECURITY INCOME

Choose a Social Security Income Option

Calculate Social Security benefit based on retirement age

- Social Security start age and calculated monthly benefit amount will be based on retirement age, which you can edit in a later step.
- Use this option if you want to begin receiving Social Security benefits when you retire and want the model to calculate your monthly benefit amount.

Calculate Social Security benefit based on a specific age

- Enter a Social Security start age, and the monthly benefit amount will be calculated based on the age provided.
- Use this option if you want to begin receiving Social Security benefits at a specified age independent of retirement age, and want the model to calculate the monthly benefit amount.

Enter a Social Security start age and benefit amount

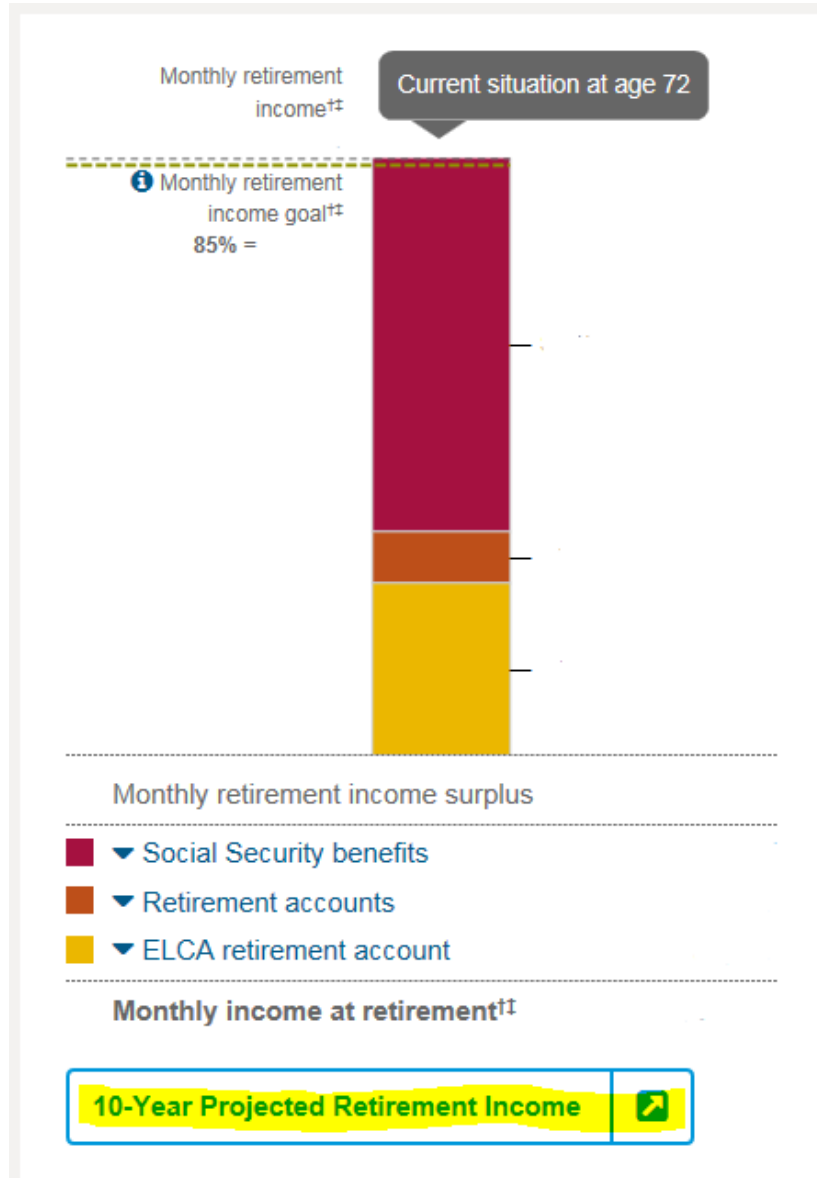
- Enter a Social Security start age and monthly benefit amount which won't change if the retirement age is adjusted in a later step.
- Use this option if you want to begin receiving Social Security benefits at a specified age independent of retirement age, and want to provide a Social Security benefit amount based on a current Social Security statement or other source.

Start Age	Monthly Benefit
<input style="border: 1px solid #ccc;" type="text" value="70"/>	<input style="border: 1px solid #ccc;" type="text" value="\$ 3,500"/>

Do you want to include Social Security in your retirement plan?
 You can include or exclude the Social Security benefit as part of your retirement plan. If you exclude Social Security benefits, the information will be saved so you can include it later.

Yes

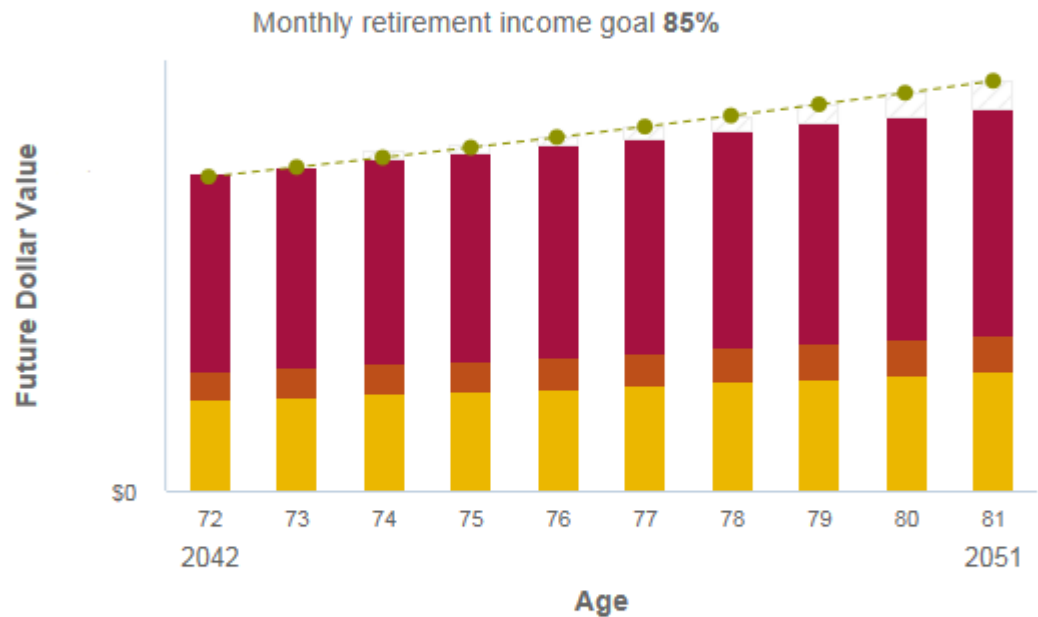
How much income will I have after the first year?



What will the first 10 years look like?

10 Year Projected Retirement Income


This shows your estimated monthly retirement income goal by year for the first 10 years of your retirement.



- Monthly retirement income goal
- ▨ Monthly retirement income gap
- Social Security benefits
- Retirement accounts
- ELCA retirement account

The Tool's Recommended Plan

OPTION 1: CHOOSE RECOMMENDED PLAN


Monthly Income Surplus	
Monthly Pretax Contribution	Increased from 0.00% = \$0 to 5.00% =
Risk Tolerance	5 - Targeted Higher Risk & Return
ELCA Retirement Account	Recommended investment allocation  See details
Retirement Age & Life Expectancy	You 73-92 Your Spouse 72-92 Social Security start age and benefit amount will be determined by the option chosen in step three.
Monthly Retirement Income Goal	85.00% =

Continue with Recommended Plan
▶

Customize Your Plan

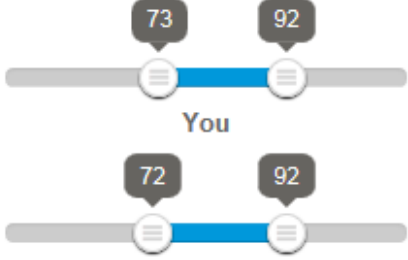
CUSTOMIZE YOUR PLAN

Monthly Pretax Contribution



A horizontal slider with a blue bar. The left end is labeled '0%' and the right end is labeled '14.56%'. A white circle with a menu icon is positioned at 5.00%, with a callout box above it containing '5.00% ='. Below the slider, the word 'You' is centered.

Retirement Age & Life Expectancy*



Two horizontal sliders. The top slider is for 'You' with values 73 and 92. The bottom slider is for 'Your Spouse' with values 72 and 92. Each slider has a white circle with a menu icon at the selected value.


You

Your Spouse

Social Security start age and benefit amount will be determined by the option chosen in step three.

▶ Edit this option

Monthly Retirement Income Goal



A horizontal slider with a blue bar. The left end is labeled '70%' and the right end is labeled '150%'. A white circle with a menu icon is positioned at 85%, with a callout box above it containing '85% ='. Below the slider, the word 'You' is centered.

Can I add Social Purpose Funds to my portfolio?

OPTION 1: CONTINUE BASED ON CURRENT PERCENTAGES

Some or all of your current ELCA Retirement Account is invested in Social Purpose funds today.

- For fund categories in your retirement plan offering both Unscreened and Social Purpose funds in which you are currently invested, your current percentages have carried forward.
- For the new fund categories in your retirement plan investment recommendation, you'll be entirely invested in Unscreened funds. If you want to invest in Social Purpose funds, choose Option 2.

[Continue Based on Current Percentages](#) ▶

OPTION 2: CHANGE UNSCREENED & SOCIAL PURPOSE FUND PERCENTAGES

Within fund categories that offer both Unscreened and Social Purpose funds, you can change the percentage to invest in each fund.

[Change Fund Percentages](#) ▶

ELCA Retirement Account Investment Recommendation



Investment
Allocation

Fund Category or Name

i Social
Purpose
Split

40.00%

80e Balanced

ELCA 80E Balanced Fund
ELCA Social Purpose 80E
Balanced Fund

75.02%
24.98%

40.00%

Global Stock

ELCA Global Stock Fund
ELCA Social Purpose Global
Stock Fund

100.00%
0.00%








20.00%

U.S. Stock

ELCA U.S. Stock Fund
ELCA Social Purpose U.S.
Stock Fund

74.99%
25.01%

Changing the Percentages of Social Purpose & Conventional Funds

Review or Change Your Social Purpose Split	ELCA Retirement Account			
	Investment Allocation	Category	Fund Name	Social Purpose Split 
40.00%	80e Balanced	 ELCA 80E Balanced Fund	75.02 %	
		 ELCA Social Purpose 80E Balanced Fund	24.98 %	
	<i>Must equal 100% Total</i>			100.00%
	40.00%	Global Stock	 ELCA Global Stock Fund	100.00 %
 ELCA Social Purpose Global Stock Fund			0.00 %	
<i>Must equal 100% Total</i>			100.00%	
20.00%	U.S. Stock	 ELCA U.S. Stock Fund	74.99 %	
		 ELCA Social Purpose U.S. Stock Fund	25.01 %	
	<i>Must equal 100% Total</i>			100.00%
100% Total Assets				

Should I save or implement my plan?

Save this Plan and Come Back

Implement These Changes For Me



You're Not Alone



4 Things You Can Do Today

1. Review your investments and contributions on myPortico
2. Use Portico's new Retirement Planning Tool to see if you're on track for retirement
3. Look into the ELCA Social Purpose Funds and see if they might be a good investment option for you
4. Call the Portico Financial Planner Line at 800.922.4896 with any investment questions