

Manager Announcement

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Fred Alger Management's Capital Appreciation Focus Strategy Brings Differentiated Momentum Approach to the New Covenant Growth Fund

The Fred Alger Management, Inc. (Alger) Capital Appreciation Focus strategy has been added to the New Covenant Growth Fund (the Fund).

Investment Philosophy and Process

Alger's investment philosophy focuses on exploiting positive dynamic change through developing a differentiated view. The investment team believes its competitive advantages are to identify change, analyze which companies will ultimately be the beneficiaries of the change, and capitalize on a differentiated view of a company's future earnings growth before the change is fully recognized by the market. Alger's philosophy diverges from most growth/momentum managers through its additional consideration of companies benefiting from a lifecycle change, such as a new business model, new management, or corporate restructuring.

The investment process is focused on idea generation and identifying the most impactful themes in the market. Alger's analysts identify companies experiencing dynamic changes in their sectors and regions. They perform in-depth analysis to develop a differentiated view, supported by detailed financial models and stress-tested for a range of potential outcomes. The analysts then present their idea to portfolio manager Patrick Kelly, who challenges their assumptions. The end portfolio contains about 46 stocks.

Role in the Fund

We expect Alger's strategy to align the growth portion of the Fund with SEI's momentum alpha source. We believe the strategy will perform best in the expansion phase of the market cycle.

About Alger

Based in New York, NY, Fred Alger Management, Inc. is a family-owned investment firm. As of September 30, 2018, the firm had \$28.1 billion in assets under management.

Why We Like Them

- **Commitment to investment philosophy:** The strategy's investment philosophy and process are predicated on finding changes in the market. The investment team structure supports this goal, and the philosophy has been in practice for decades.
- **Experienced portfolio manager:** Patrick Kelly is a tenured portfolio manager who demonstrates a passion for investing and reinforces the rigor and depth of analysis undertaken at Alger.
- **Portfolio concentration:** We like the portfolio concentration and see evidence of sizing skill. We think the team is focused on putting enough capital behind the right opportunities. Much of the effort is at the security level.
- **Deep research:** Alger's research and modeling practices enable repeatability. We believe its advantage lies within its execution and use of its research analysts.

Glossary of Financial Terms

Alpha Source: Alpha source is a term used by SEI as part of our internal classification system to categorise and evaluate investment managers in order to build diversified fund portfolios. An alpha source is the investment approach taken by an active investment manager in an effort to generate excess returns. Another way to define an alpha source is that it is the inefficiency that an active investment manager seeks to exploit in order to add value.

Momentum: Momentum refers to stocks whose prices are expected to keep moving in the same direction (either up or down) and are not likely to change direction in the short-term.

Important Information

This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. This information should not be relied upon by the reader as research or investment advice and is intended for educational purposes only.

For those New Covenant Funds which employ the 'manager of managers' structure, SEI Investments Management Corporation (SIMC) has ultimate responsibility for the investment performance of the Funds due to its responsibility to oversee the sub-advisers and recommend their hiring, termination and replacement.

SEI Investments Management Corporation (SIMC) is the adviser to the New Covenant Funds, which are distributed by SIMC's affiliate, SEI Investments Distribution Co. (SIDCo). SIMC and SIDCo are wholly owned subsidiaries of SEI Investments Company.

There are risks involved with investing, including possible loss of principal. Diversification may not protect against market risk. There is no assurance the goals of the strategies discussed will be met.

To determine if the Fund(s) are an appropriate investment for you, carefully consider the investment objectives, risk factors and charges and expenses before investing. This and other information can be found in the Funds' full and summary prospectuses, which can be obtained by calling 1-877-835-4531. Read them carefully before investing.