COLONY
FAMILY OFFICES

Market Backdrop and Investment Outlook

December 2021

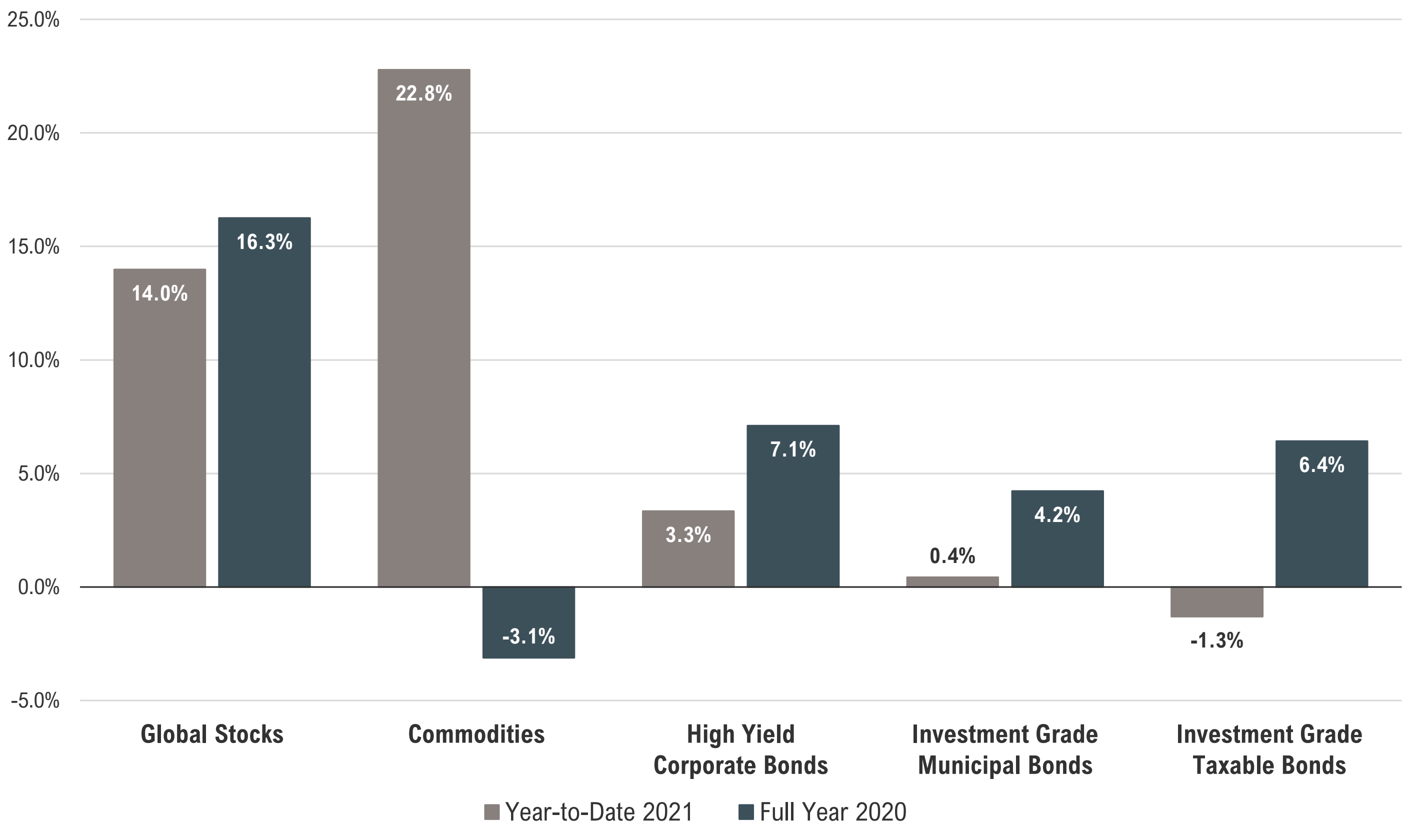
Market Backdrop
Global Market Summary

- The government-ordered economic shutdowns in response to COVID-19 plunged the world into recession and financial markets into a broad-based, severe drawdown
- Aggressive monetary and fiscal responses followed
  - Policy makers reacted on a greater scale and more rapidly than they did during the global financial crisis
- The economic rebound was stronger than most anticipated—but growth and policy support have likely peaked
- Equities and other risk asset categories have rallied sharply from the March 2020 lows
  - Asset prices generally reflect positive expectations
- Stretched valuations and uncertainty about the inflation and monetary outlook remain key risks
  - Realized inflation rates have surged to their highest levels in decades, yet bond yields remain historically low

Note: Opinions above based on research as of November 2021. Please see our disclosures at the end of this document.

Market Backdrop
Broad Asset Category Performance

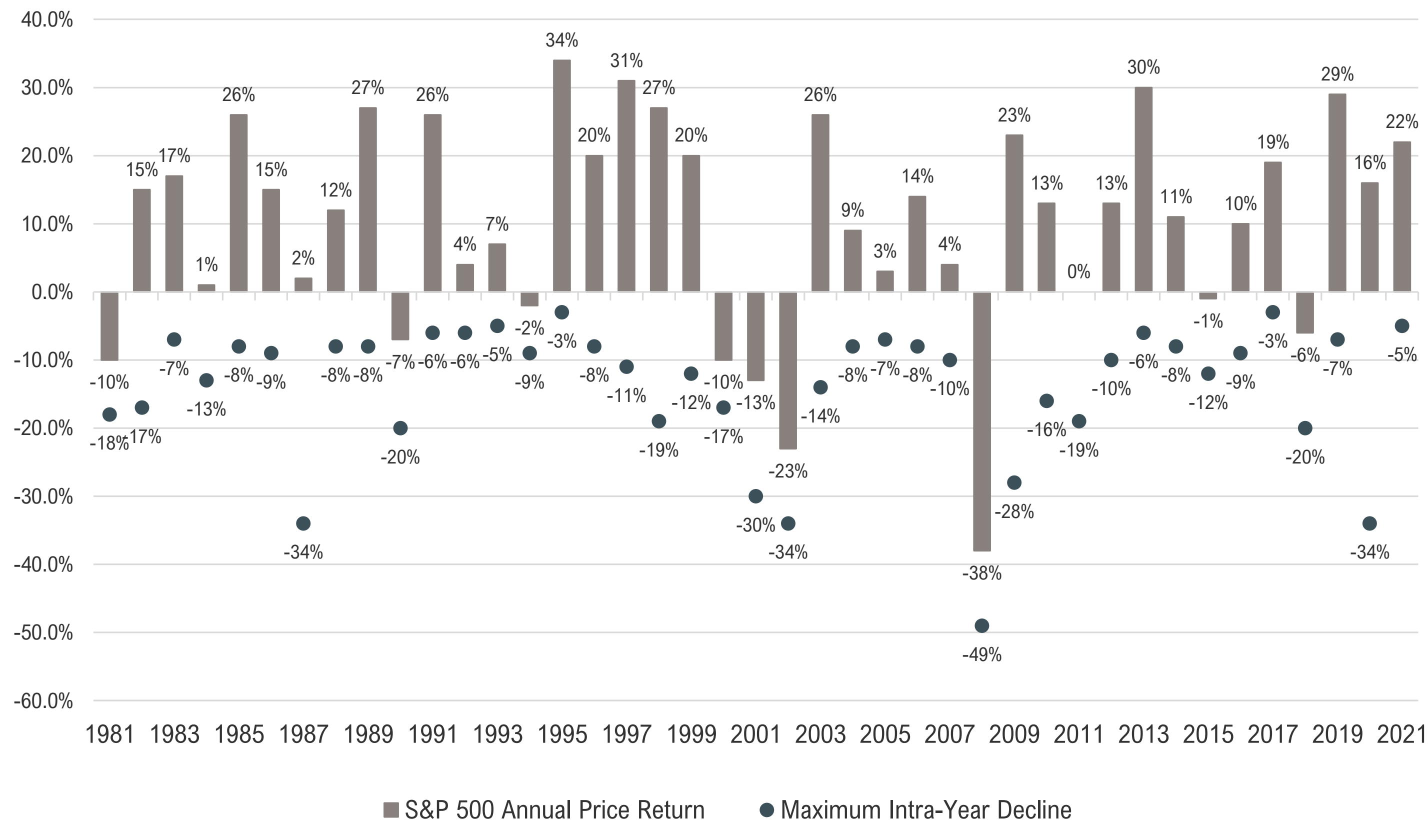
- Most major asset categories have produced positive returns thus far in 2021, with the exception of high-quality bonds that suffered amid a rise in interest rates at the start of the year
  - The chart below illustrates broad asset category performance defined by market benchmarks



Note: Performance data as of November 30, 2021. Benchmark data obtained from Addepar. Past performance is not indicative of future results. Global stocks (MSCI All Country World Index), high yield corporate bonds (Barclays US Corporate High Yield Index), commodities (Bloomberg Commodity Index), investment grade municipal bonds (Barclays 1-10 Year Municipal Bond Index Index), and investment grade taxable bonds (Barclays Intermediate US Government/Credit Index).

Market Backdrop
Equity Market Intra-Year Declines

- Historically, so-called equity market "corrections" or declines of 5-10% or more have occurred frequently, even in years with positive equity returns
  - The chart below illustrates the S&P 500 annual price returns and intra-year price declines over time



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management as of November 30, 2021. Past performance is not indicative of future results. Returns are based on price index only and do not include dividends. Intra-year declines refers to the largest market declines from a peak to a trough during the year.

Market Backdrop
Periodic Table of Returns

- Real assets, including energy-related investments and commodities, have been among the top-performers in 2021, while US large cap stocks continued to provide equity market leadership
  - The table below illustrates annual returns for various asset classes ranked in order of performance

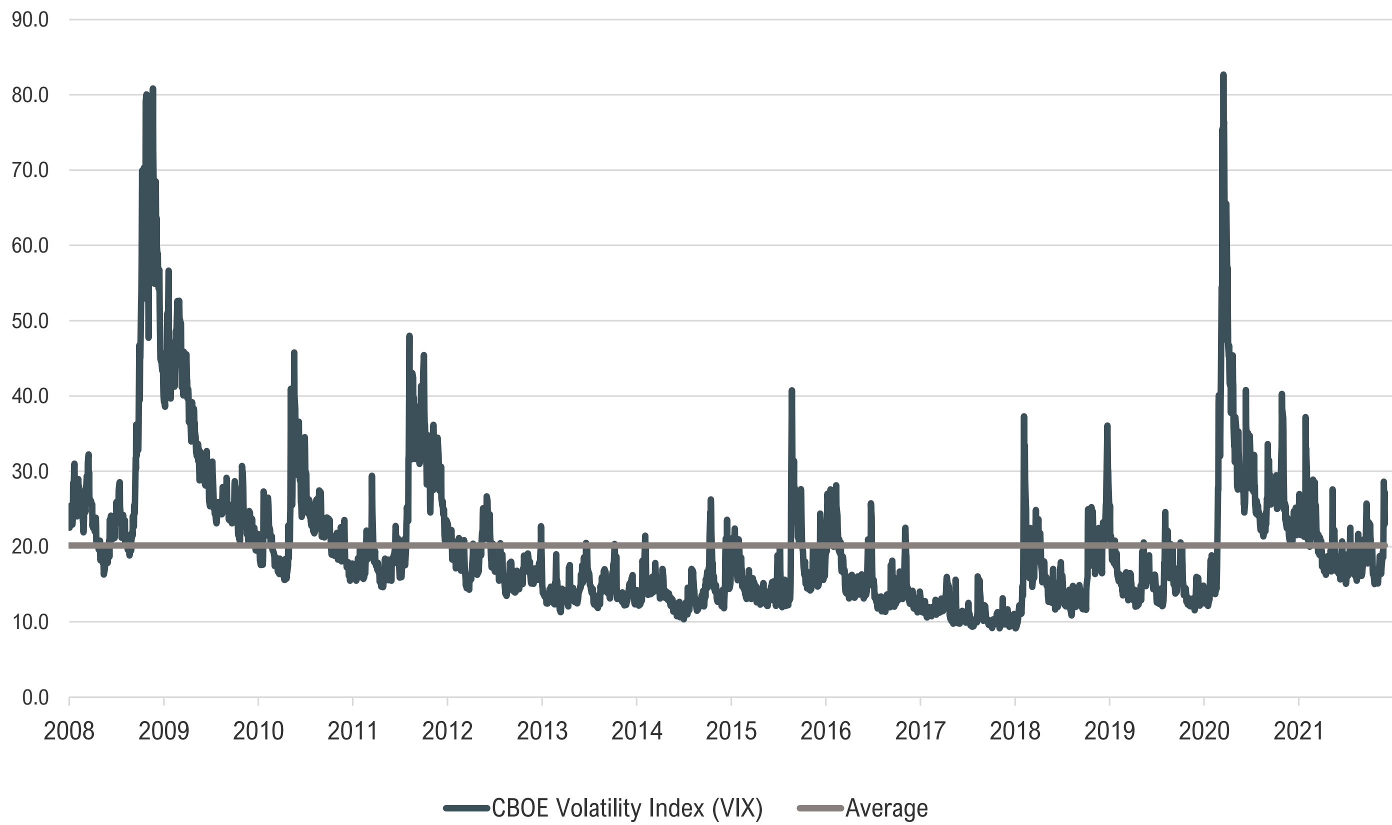
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Energy MLPs 35.9%	Energy MLPs 13.9%	REITs 20.1%	US Large Cap 32.4%	REITs 27.2%	Private Equity 5.7%	Energy MLPs 18.3%	Emerging Markets Equity 37.3%	Private Equity 10.7%	US Large Cap 31.5%	Private Equity 27.2%	Energy MLPs 35.4%
REITs 27.6%	Private Equity 11.3%	Emerging Markets Equity 18.2%	Energy MLPs 27.6%	US Large Cap 13.7%	Municipal Bonds 2.5%	Private Equity 13.3%	International Equity 25.0%	Cash 1.9%	REITs 28.1%	US Large Cap 18.4%	REITs 28.1%
Private Equity 20.7%	Municipal Bonds 7.6%	International Equity 17.3%	International Equity 22.8%	Private Equity 11.1%	REITs 2.3%	US Large Cap 12.0%	US Large Cap 21.8%	Municipal Bonds 1.6%	International Equity 22.0%	Emerging Markets Equity 18.3%	Private Equity 25.5%
Emerging Markets Equity 18.9%	REITs 7.3%	US Large Cap 16.0%	Private Equity 21.3%	Energy MLPs 4.8%	US Large Cap 1.4%	Commodities 11.8%	Private Equity 18.7%	Bank Loans 0.4%	Emerging Markets Equity 18.4%	International Equity 7.8%	US Large Cap 23.2%
Commodities 16.8%	US Large Cap 2.1%	Private Equity 14.2%	Hedge Funds 6.7%	Municipal Bonds 4.7%	Cash 0.1%	Emerging Markets Equity 11.2%	REITs 9.3%	US Large Cap -4.4%	Private Equity 14.0%	Hedge Funds 6.8%	Commodities 22.8%
US Large Cap 15.1%	Bank Loans 1.5%	Bank Loans 9.7%	Bank Loans 5.3%	Bank Loans 1.6%	Bank Loans -0.7%	Bank Loans 10.2%	Hedge Funds 6.0%	REITs -4.4%	Bank Loans 8.6%	Municipal Bonds 4.2%	International Equity 5.8%
Bank Loans 10.1%	Cash 0.1%	Energy MLPs 4.8%	REITs 3.2%	Cash 0.0%	International Equity -0.8%	REITs 9.3%	Bank Loans 4.1%	Hedge Funds -6.7%	Hedge Funds 8.6%	Bank Loans 3.1%	Bank Loans 4.5%
International Equity 7.8%	Hedge Funds -8.9%	Municipal Bonds 3.6%	Cash 0.1%	Hedge Funds -0.6%	Hedge Funds -3.6%	Hedge Funds 2.5%	Municipal Bonds 3.5%	Commodities -11.3%	Commodities 7.7%	Cash 0.7%	Hedge Funds 3.2%
Hedge Funds 5.2%	International Equity -12.1%	Hedge Funds 3.5%	Municipal Bonds -0.3%	Emerging Markets Equity -2.2%	Emerging Markets Equity -14.9%	International Equity 1.0%	Commodities 1.7%	Energy MLPs -12.4%	Energy MLPs 6.6%	Commodities -3.1%	Municipal Bonds 0.4%
Municipal Bonds 3.1%	Commodities -13.3%	Cash 0.1%	Emerging Markets Equity -2.6%	International Equity -4.9%	Commodities -24.7%	Cash 0.3%	Cash 0.9%	International Equity -13.8%	Municipal Bonds 5.6%	REITs -5.9%	Cash 0.0%
Cash 0.1%	Emerging Markets Equity -18.4%	Commodities -1.1%	Commodities -9.5%	Commodities -17.0%	Energy MLPs -32.6%	Municipal Bonds -0.1%	Energy MLPs -6.5%	Emerging Markets Equity -14.6%	Cash 2.3%	Energy MLPs -28.7%	Emerging Markets Equity -4.3%

**Private Equity data is final as of June 30, 2020.*

Note: Performance data as of November 30, 2021. Benchmark data obtained from Zephyr Associates. Past performance is not indicative of future results. US Large Cap (S&P 500 Index), International Equity (MSCI EAFE Index), Emerging Markets Equity (MSCI Emerging Markets Index), REITs (FTSE Nareit All REITs Index), Bank Loans (S&P/LSTA US Leveraged Loan Index), Municipal Bonds (Barclays 1-10 Year Municipal Bond Index, Energy MLPs (Alerian MLP Index), Commodities (Bloomberg Commodity Index), Hedge Funds (HFRX Global Index), Private Equity (Cambridge Private Equity Index) and Cash (BofA Merrill Lynch US 3-Month Treasury Bill).

Market Backdrop
Equity Market Volatility

- Market volatility spiked in March 2020 to levels last seen during the 2008 global financial crisis and remains somewhat elevated
  - The chart below plots the CBOE Volatility Index, a gauge of equity market uncertainty



Source: Federal Reserve Bank of St. Louis, Economic Research Division as of November 30, 2021. The CBOE Volatility Index (VIX) is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices.

Market Backdrop
Interest Rate Environment

- On a year-to-date basis, Treasury bond yields moved up from all-time lows reached in 2020 but remain toward the bottom of their historical range
  - The chart below plots both the 1-Year and 10-year US Treasury Yield

Source: Federal Reserve Bank of St. Louis, Economic Research Division as of November 30, 2021.

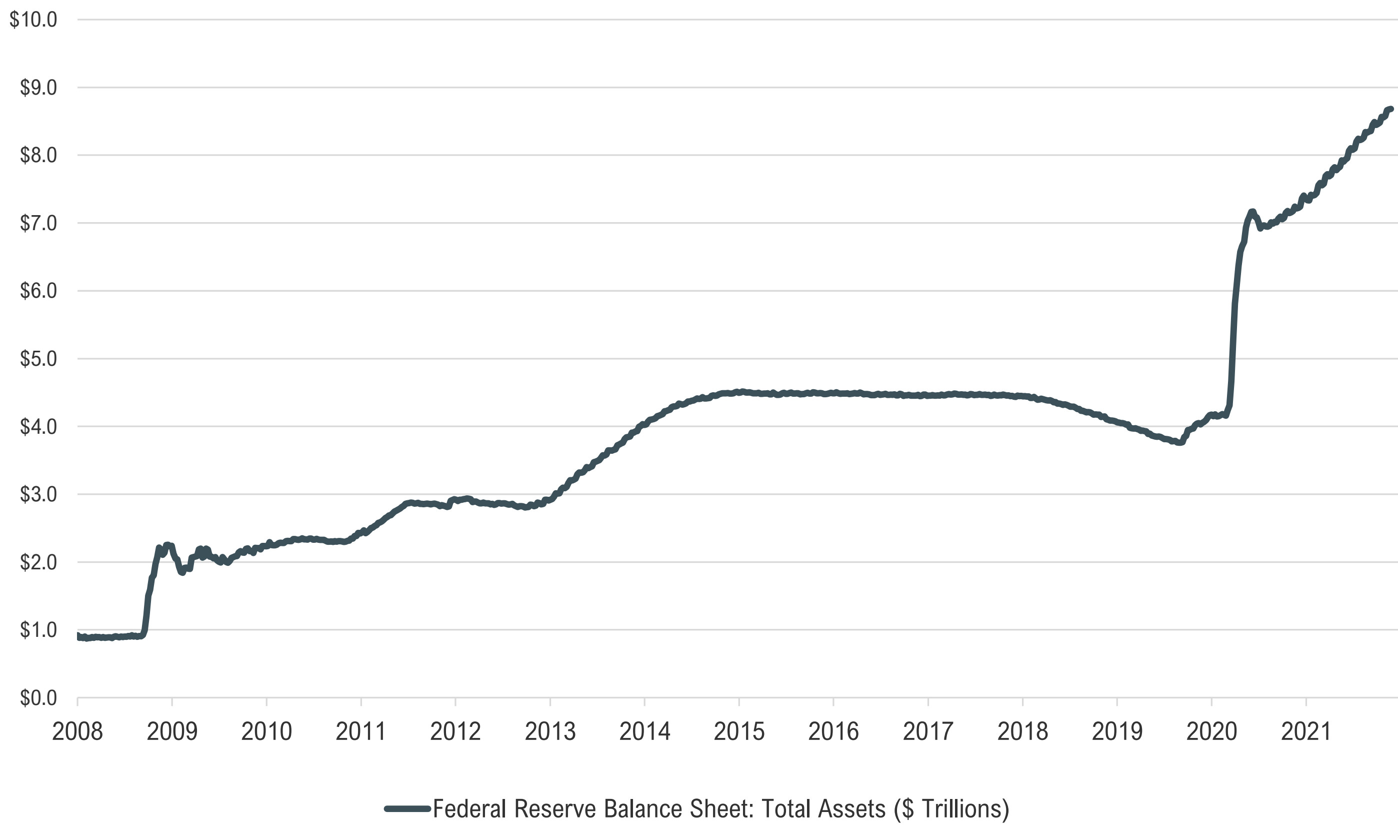
Market Backdrop
High Yield Credit Spreads

- Financial conditions tightened significantly in March 2020 due to stock market declines, a stronger US dollar, and wider credit spreads—but have since eased
  - The chart below plots the BofA US High Yield Index spread (relative to treasuries)

Source: Federal Reserve Bank of St. Louis, Economic Research Division as of November 30, 2021.

Market Backdrop
Monetary Policy

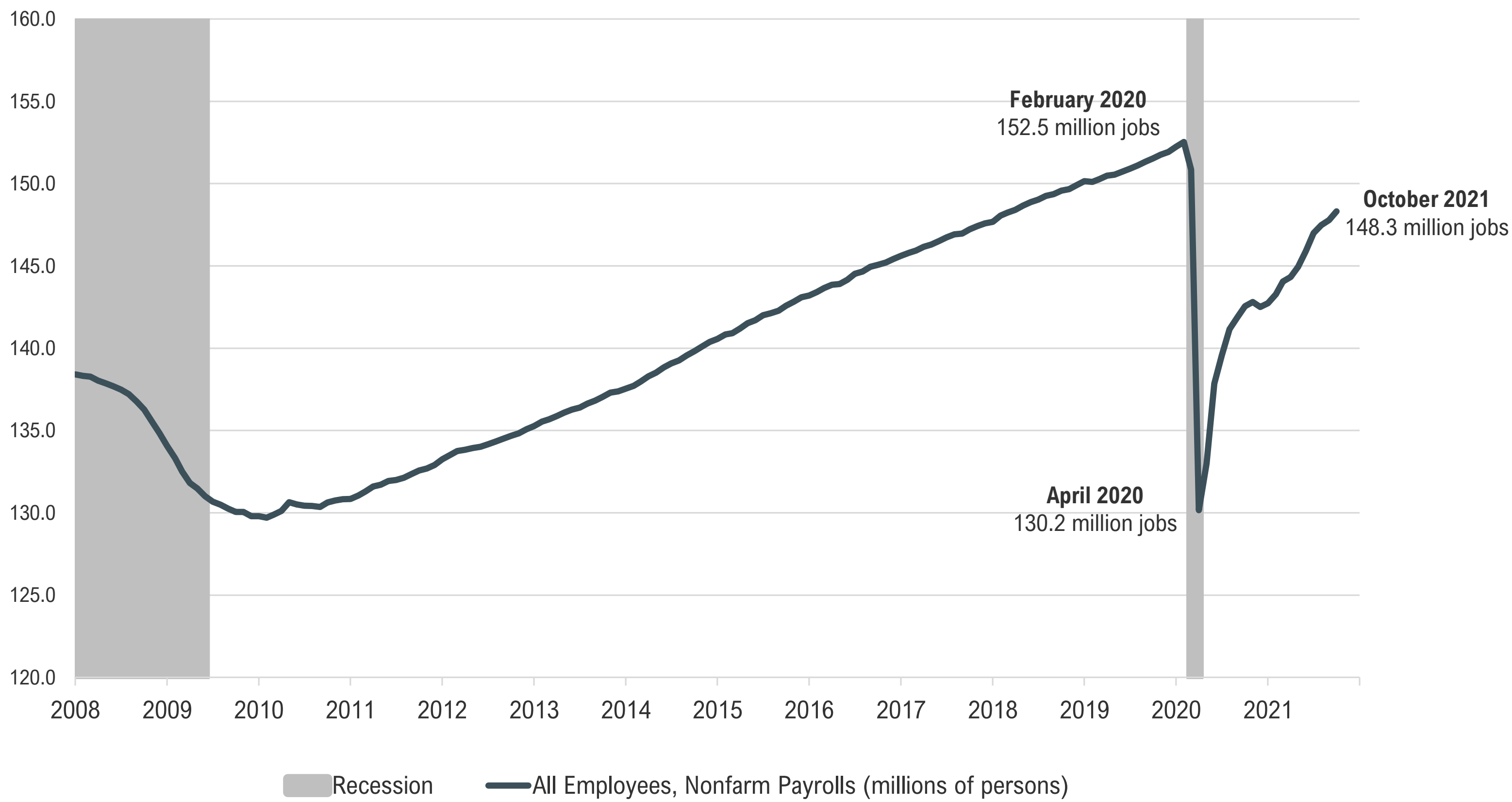
- In response to COVID-19 central banks engaged in significant accommodation, including large expansions of quantitative easing, that has supported financial market liquidity
  - The chart below illustrates the size of the Federal Reserve's balance sheet (measured in trillions)



Source: Federal Reserve Bank of St. Louis, Economic Research Division as of November 30, 2021.

Market Backdrop
US Labor Market

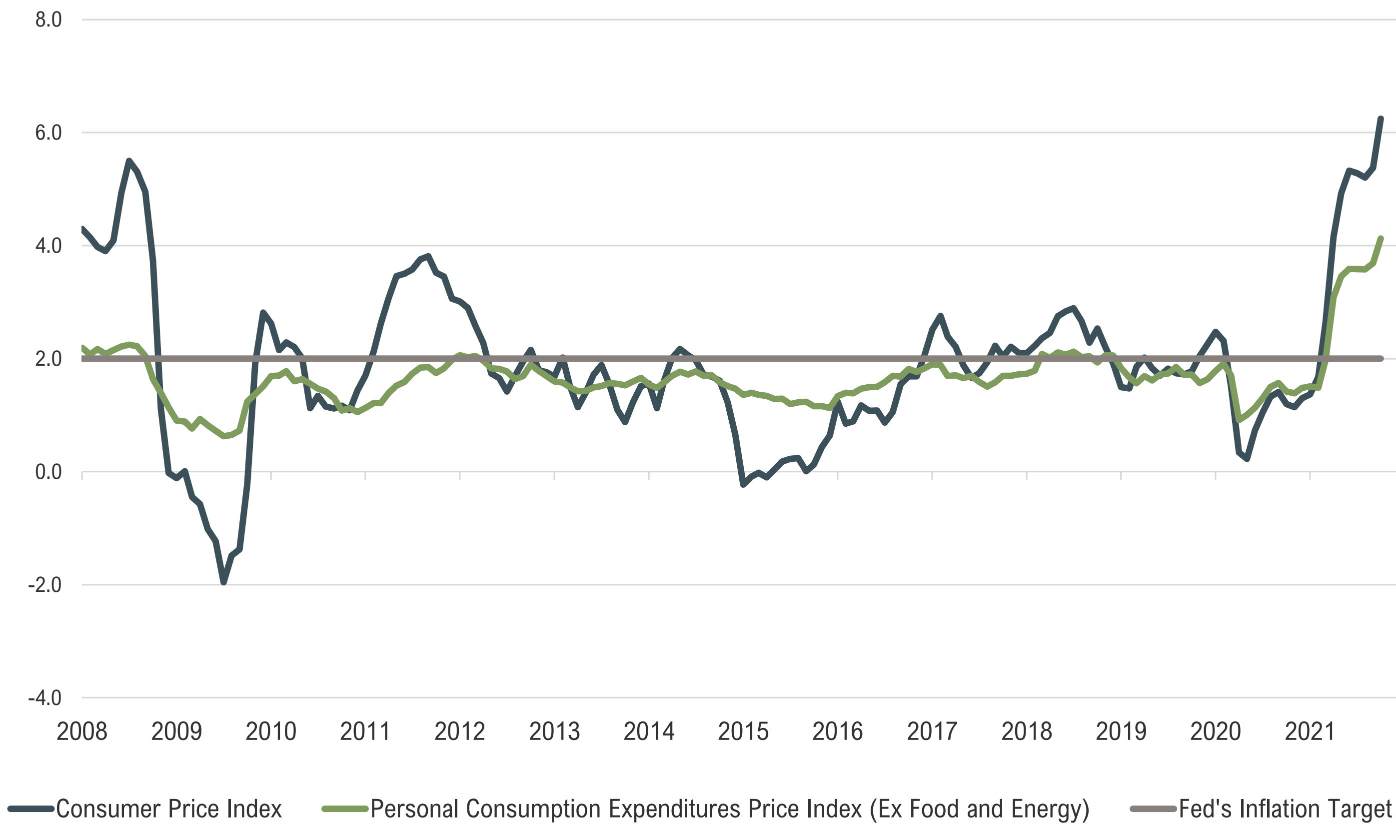
- After the steepest downturn for the US labor market since the Great Depression, approximately 80% of the jobs lost in March/April 2020 have been recovered
  - The chart below plots the total nonfarm payroll employment in the United States



Source: Federal Reserve Bank of St. Louis, Economic Research Division, U.S. Bureau of Labor Statistics as of October 31, 2021.

Market Backdrop
US Inflation

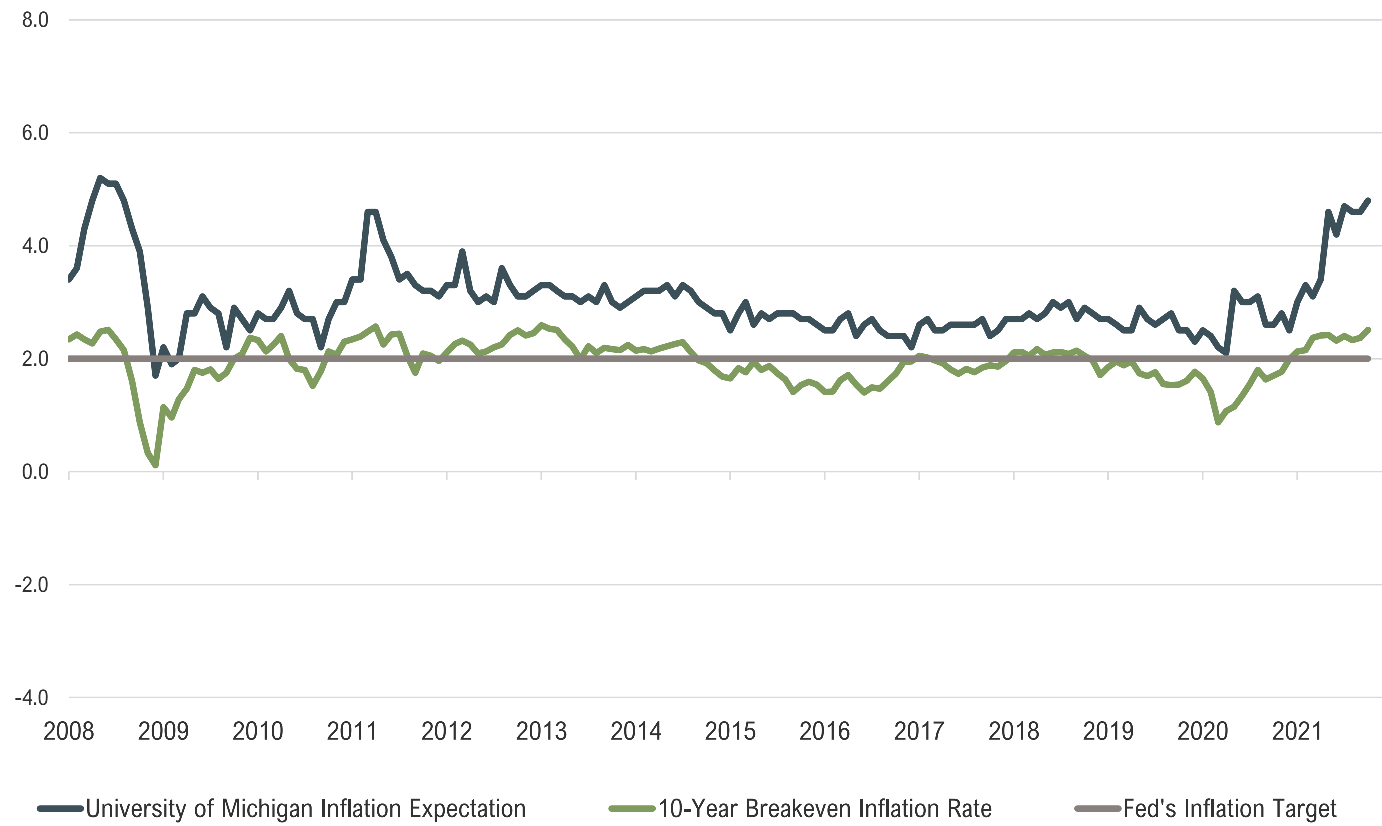
- Supply disruptions due to COVID-19 and labor market constraints have sustained inflationary pressures
  - The chart below plots the year over year change in the Consumer Price Index and the Personal Consumption Expenditures Price Index (excluding food and energy) compared to the Fed's long-term inflation target of 2%



Source: Federal Reserve Bank of St. Louis, Economic Research Division, U.S. Bureau of Labor Statistics as of October 31, 2021.

Market Backdrop
US Inflation Expectations

- Inflation expectations among US consumers have reached their highest level since 2008
  - The chart below plots two measures of inflation expectations based on the University of Michigan's survey of consumers and the 10-Year Breakeven Inflation Rate compared to the Fed's long-term inflation target of 2%



Source: Federal Reserve Bank of St. Louis, Economic Research Division, U.S. Bureau of Labor Statistics as of October 31, 2021. The University of Michigan Inflation Expectations survey of consumers presents the median expected price changes for the next 12 months. The 10-Year Breakeven Rate measures the difference or gap between 10-Year Treasury Bond and Treasury Inflation Protected Securities (TIPS). The 10-Year Breakeven Rate serves as an indication of the markets' inflation expectations over the 10-year horizon.

Market Outlook
Economic Scenarios

- The table below summarizes three scenarios designed to characterize a broad range of potential outcomes for the global macroeconomic backdrop and capital markets over the next few years
  - We refer to these scenarios as the base, bull, and bear cases

Scenario	Probability	Description
Base Case	60%	▪ Analyst expectations for earnings growth, even modified lower by forecasts for GDP growth, remain supportive ▪ Capital expenditures remain elevated enough to support increases in productivity as businesses compensate for current labor shortages ▪ Low real bond yields continue to support equity markets on the margin as an attractive alternative on a risk adjusted basis ▪ Vaccination efforts outrun the evolution of viral variants and there are no meaningful surprises from the Fed
Bull Case	15%	▪ Supply bottlenecks ease more quickly and fully than expected ▪ The combination of stabilizing labor costs and expanded productivity combine to support elevated earnings and valuations ▪ The evolution of both the tax regime and new spending bills is more favorable than what is currently priced into the market ▪ Deglobalization is limited in scope and impact
Bear Case	25%	▪ Supply bottlenecks are more durable and complex than anticipated ▪ Deglobalization increases production costs while the market does not reward reductions in risk through localizing supply lines ▪ New viral variants emerge and dilute the power of vaccines ▪ The Fed makes a policy error ▪ A historically high degree of leverage in securities markets begins to unwind

Note: Based on research and opinion provided by Greycourt & Co. as of November 2021. Probability weights shown are averages across markets.

Market Outlook
Summary Macro Views

- A wide range of potential outcomes still exists
  - Given the unusual nature of the current cycle, economic data is likely going to be erratic which could lead to market volatility
- Economic growth may have peaked for the current cycle, yet recession risk remains relatively low
  - Even as US fiscal stimulus diminishes, consumer balance sheets are well-positioned to fuel consumption as household savings exceeds pre-pandemic levels by over $2 trillion
- Monetary policy is likely to remain accommodative, though central banks move towards normalization
  - The US Fed recently announced it will begin tapering its $120 billion monthly quantitative easing (QE) asset purchases starting in December 2021, but short-term interest rates are likely to remain low by historical standards
- Base case assumptions of continued economic recovery and still-accommodative monetary policy should support equities and other risk assets over the intermediate term—but valuations are stretched
  - Corporate earnings growth is likely to remain strong, however US equity valuations, in particular, may reflect an overly optimistic outlook
- Risk of higher inflation has increased as supply-side constraints are likely less transitory than expected
  - While inflation rates are likely to decline in 2022 due to base effects, supply-side pressures—disruptions, depleted inventories, high backlogs of orders—are likely to keep inflation elevated for some time
  - In addition, the combination of greater policy experimentation and "peak globalization" trends pose a longer-term inflation risk

Note: Opinions above based on research as of November 2021. Please see our disclosures at the end of this document.

Market Outlook
Capital Market Assumptions and Tactical Views

	10-Year	10-Year	3-Year	Current Tactical Views				
	Trailing Return	Strategic Return Assumption	Tactical Return Assumption	Strong Underweight	Underweight	Neutral	Overweight	Strong Overweight
Inflation	1.9%	2.2%						
Cash								
Cash	0.6%	0.6%					■	
Fixed Income								
US Investment Grade Bonds	3.0%	1.8%			■			
Non-US Investment Grade Bonds	0.6%	2.2%			■			
Tax-Free Municipal Bonds	3.9%	1.2%			■			
High Yield/Bank Loans	7.1%	4.6%				■		
Equities (Public & Private)								
US Large Cap	16.6%	6.3%	4.3%		■			
US Small Cap	14.6%	7.6%	5.2%			■		
Non-US Developed Markets	8.6%	6.9%	5.4%			■		
Emerging Markets	6.5%	8.7%	4.4%			■		
Private Equity		10.0%						
Real Assets (Public & Private)								
Commodities	-2.7%	4.4%					■	
Public Real Estate (Core)	11.9%	6.2%		■				
Private Real Estate (Opportunistic)		8.3%						
Flexible/Alternative Strategies								
Diversifying Hedge	4.5%	5.0%					■	

Note: Based on research and opinion provided by Greycourt & Co. as of November 2021. Trailing returns shown as of September 30, 2021. Inflation based on the Consumer Price Index (CPI). Tactical views reflect a three-year investment horizon. Suggested asset class weights are influenced by Greycourt's detailed quarterly tactical analysis and are used as a starting point in assessing client portfolio weights against strategic targets which typically reflect a ten-year investing horizon. Past performance is no guarantee of future results. Please see the disclosure pages at the end of this presentation.

Market Outlook
Portfolio Positioning Themes

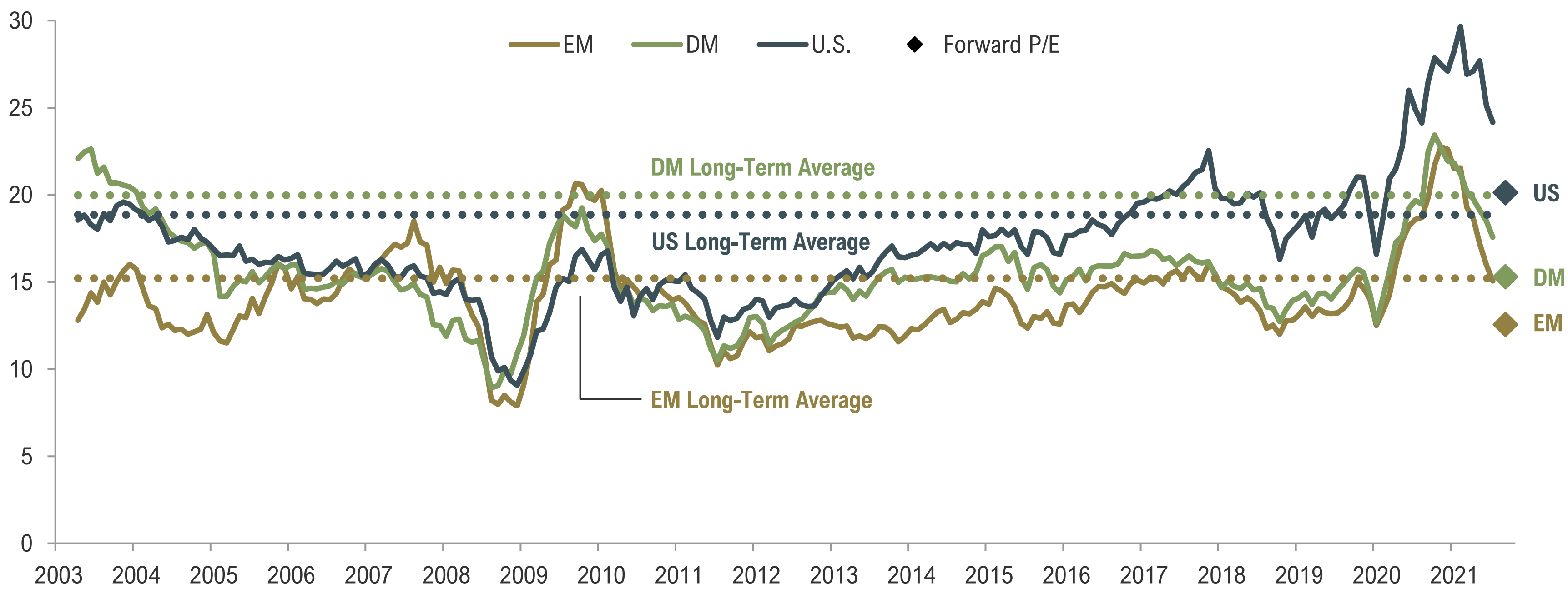
- Don’t tilt too far away from an appropriate strategic asset mix
  - Aim to position for a range of outcomes and seek to take advantage of market volatility by opportunistically rebalancing
- Maintain an underweight position to core/investment grade fixed income
  - High quality bonds play an important role in portfolio strategy, providing a source of stability and liquidity, but historically low yields have diminished the income component and diversification potential of these “protective assets”
  - In our view, Treasury Inflation Protected Securities (TIPS) and select high yield credit strategies warrant an allocation
- Continue to target a slight underweight position in US large cap equities while emphasizing high quality stocks and more reasonably priced international and emerging markets
  - Non-US stocks stand to benefit from more attractive valuations and their greater orientation toward cyclical sectors
  - We continue to prefer a tilt towards higher quality companies, those with strong balance sheets, stable earnings and high margins
- Target an overweight position to real assets given attractive valuations and the risk or higher inflation
  - Commodities and commodity-producer equities can help hedge against surprise increases in inflation while providing potential capital appreciation in a higher growth environment
- Maintain an overweight position to certain diversifying and credit-oriented alternative strategies
  - We believe the investment case is particularly compelling given stretched equity valuations and low yields across most fixed income sectors

Note: Opinions above based on research as of November 2021. Please see our disclosures at the end of this document.

Market Outlook
Equity Valuations

- Global equity valuations moved lower during the third quarter as strong earnings growth outpaced stock price gains
  - Trailing and forward-looking price-to-earnings (P/E) ratios remain elevated for U.S. equities relative to their historical averages, but valuations for developed and emerging markets are more reasonable relative to their long-term histories
  - The chart below plots both the price-to-earnings ratios for U.S., international developed markets, and emerging markets

Global Market Price-Earnings (P/E) Ratios

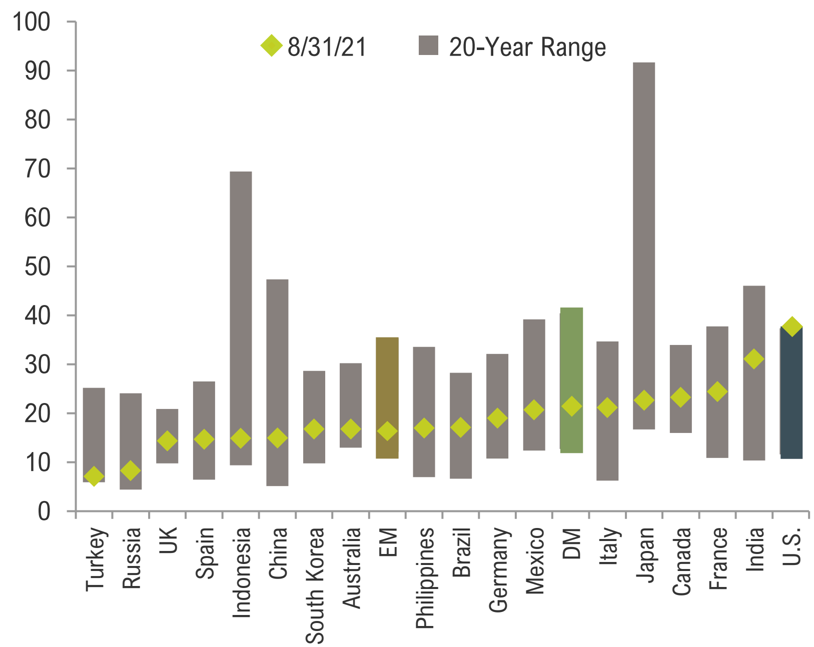


Source: Fidelity Investments and Bloomberg as of September 30, 2021. International Developed Markets (DM – MSCI EAFE Index), U.S. (S&P 500 Index) and Emerging Markets (EM – MSCI Emerging Markets Index). Long-term average P/Es based on: Developed markets 1973-2017, Emerging markets 1988-2017, and U.S. 1926-2017. Price-to-earnings ratio (P/E) is the stock price divided by earnings per share.

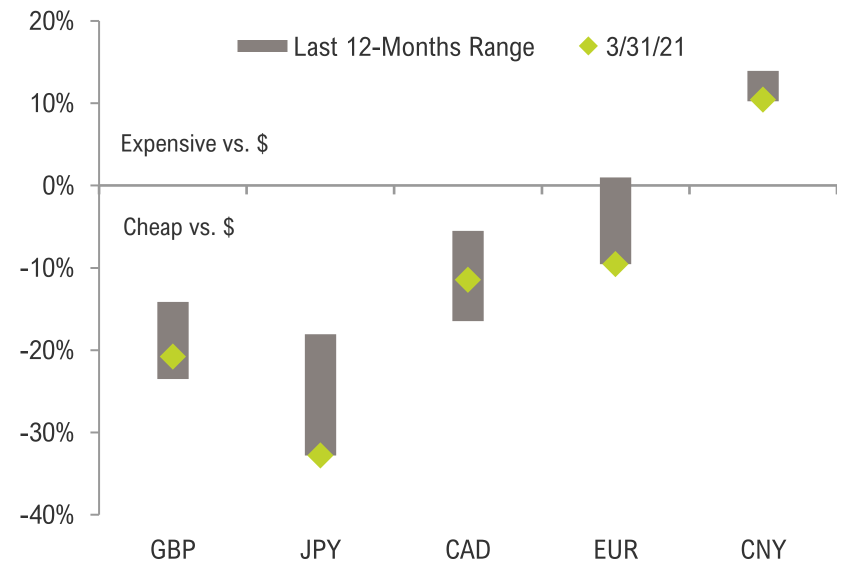
Market Outlook
Non-US Assets Relatively Attractive

- Cyclically adjusted P/E (CAPE) ratios for non-US equities remain below US valuations, indicating an attractive long-term backdrop for non-US stocks
  - After a broad-based decline in 2020, the US dollar has appreciated in 2021—and remains relatively expensive against most major currencies, providing a positive backdrop for non-US assets and currencies
  - The below charts illustrate CAPE ratios by country and geography relative to their 20-year range, and valuation of major currencies versus the U.S. dollar over the trailing twelve months

Cyclically Adjusted P/Es (Shiller CAPE)



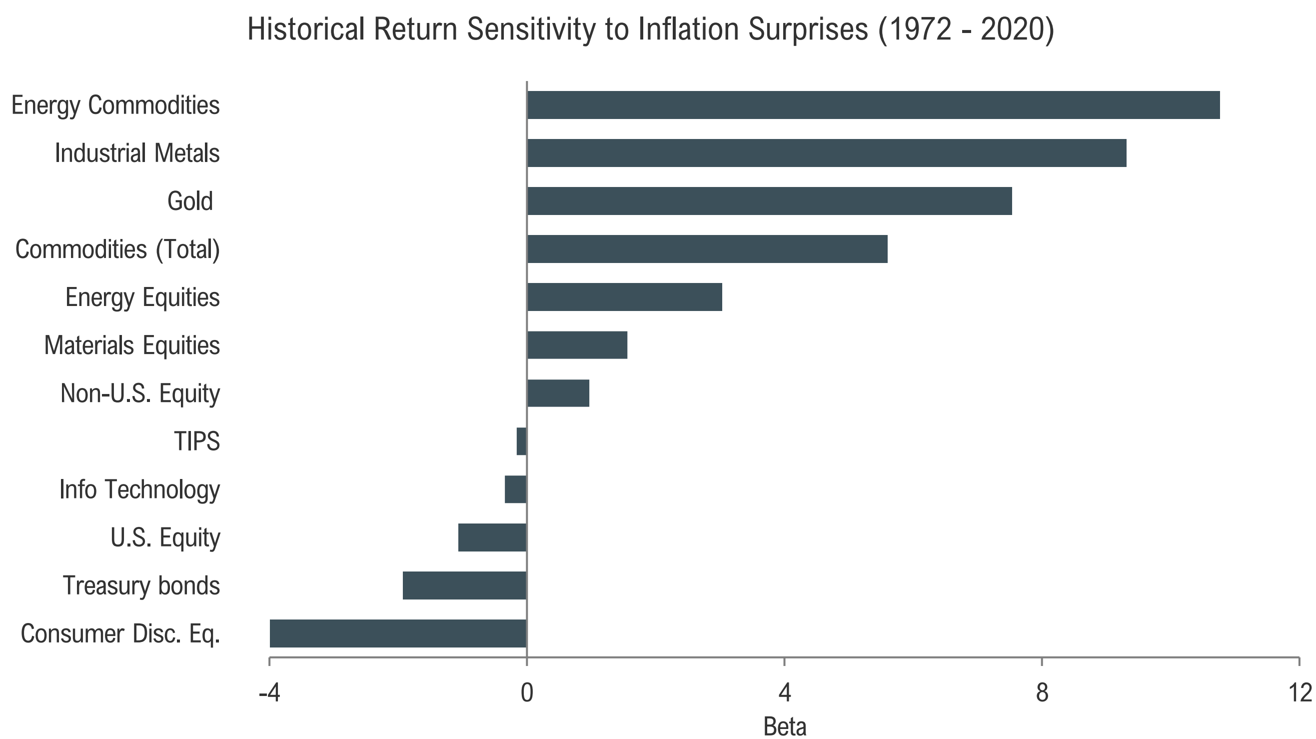
Valuation of Major Currencies vs. USD (Real Exchange Rates)



Source: LEFT - Fidelity Investments, FactSet, and Haver Analytics as of August 31, 2021. Price-to-earnings ratio (P/E) is the stock price divided by earnings per share. Cyclically adjusted earnings are 10-years averages adjusted for inflation. RIGHT – Fidelity Investments, Federal Reserve Board, and Haver Analytics as of March 31, 2021. GBP (British Pound), JPY (Japanese Yen), CAD (Canadian dollar), EUR (euro), CNY (Chinese yuan).

Market Outlook
Inflation-Sensitive Assets

- The potential for higher inflation represents a risk factor for a diversified portfolio
  - Inflation-resistant assets, including commodities and commodity-producer equities, can help hedge against surprise increases in inflation while providing potential for capital appreciation in a higher nominal-growth environment
  - In fixed income, inflation-hedging assets such as TIPS have provided better diversification than Treasury bonds
  - The chart below illustrates the historical return sensitivity (or beta) of certain asset classes (based on index proxies) to inflation surprises



Source: Bureau of Labor Statistics, Fidelity Investments, data from January 1, 1972 through October 31, 2020. Past performance is no guarantee of future results. Inflation sensitivity measured relative to CPI, an index that tracks the percentage change in the price of a specified "basket" of consumer goods and services. Beta is a measure of a variable's sensitivity (response) relative to changes (volatility) in a reference (benchmark), which has a beta of 1.

COLONY
FAMILY OFFICES

Appendix

Appendix
Disclaimer

This presentation is furnished on a confidential basis to the recipient for informational purposes only and does not constitute investment, legal or tax advice and should not be used as a substitute for the advice of a professional legal or tax advisor. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any interest in any investment vehicle, and should not be relied on as such. Targets, ranges and expectations set forth in this presentation are approximations; actual results may differ.

The securities identified may represent relevant contributors to or detractors from performance over the period described, and any projections herein are provided by Colony as an indicator of the direction Colony's professional staff believes the markets will move, but Colony makes no representations such projections will come to pass. Any identified securities do not represent all of the securities purchased, sold or recommended over the past year. It should not be assumed that any of the securities identified were or will be profitable, or that investment recommendations or decisions that Colony makes in the future will be profitable.

Colony Family Offices does not accept any responsibility or liability arising from the use of this presentation. No representation or warranty, express or implied, is being given or made that the information presented herein is accurate, current or complete, and such information is at all times subject to change without notice. This presentation may not be copied, reproduced or distributed without prior written consent of Colony Family Offices. By accepting this presentation, you acknowledge that all of the information contained in this presentation shall be kept strictly confidential by you.

Forward-looking statements, including without limitation any statement or prediction about a future event contained in this presentation, are based on a variety of estimates and assumptions by Colony Family Offices, including, but not limited to, estimates of future operating results, the value of assets and market conditions. These estimates and assumptions are inherently uncertain and are subject to numerous business, industry, market, regulatory, geo-political, competitive and financial risks that are outside of Colony Family Offices' control. There can be no assurance that the assumptions made in connection with any forward-looking statement will prove accurate, and actual results may differ materially. The inclusion of any forward-looking statement herein should not be regarded as an indication that Colony Family Offices considers forward-looking statements to be a reliable prediction of future events.

Indices have been selected for comparison purposes only. Client account holdings may differ significantly from the securities in the indices and the volatility of the index may be materially different from client account performance. You can not invest directly in an index.

This analysis could change significantly as we learn more about your account and suitability. The actual characteristics with respect to any particular client account will vary based on a number of factors including but not limited to: (i) the size of the account; (ii) investment restrictions applicable to the account, if any; and (iii) market exigencies at the time of investment. Colony Family Offices reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs.

Colony Family Offices is a registered investment advisor. More information about the firm, including its investment strategies and objectives, can be found in our ADV Part 2, which is available, without charge, upon request. Our Form ADV contains information regarding our Firm's business practices and the backgrounds of our key personnel.

Past performance is not necessarily indicative of future results, and the value of investments and the income they might generate can fluctuate. Performance shown is gross of Colony's fees, but net of third party manager fees and expenses. These performance numbers will need to be reduced by our advisory fees with respect to the management of your account. For example, a 0.85% annual fee deducted quarterly from an account with a ten year annualized growth rate of 10% will produce a net result of 9.1%. Actual performance will vary from this example. The investment advisory fees charged by Colony are described in Form ADV Part 2 which is available upon request.