



2020 ANNUAL REPORT

HIGHGROUND ADVISORS
THE YEAR OF FLEXIBLE FOCUS

FAST FACTS



\$2.1 BILLION

in net assets under management in 2020



\$859.8 MILLION

distributed to institutions over the last decade



\$99.8 MILLION

distributed to institutions, donors & income beneficiaries in 2020



\$23.2 MILLION

in new gifts from donors in 2020



\$15.8 MILLION

in scholarships awarded to 6,425 students since inception

The Burg Scholarship Fund, established under the terms of the Kenneth and Viola Burg Trust, has provided scholarships to students pursuing Christian education at Texas Baptist institutions of higher education since 2000.

LETTER FROM OUR PRESIDENT

Each year, HighGround develops a strategic theme to help guide us and grow us. The theme is a simple phrase that reminds us of an important idea to be applied to our work.

When we unveiled our 2020 theme, Flexible Focus, at our all-staff vision meeting, we discussed the importance of pursuing our goals with adaptability, with a willingness to adjust and recalculate as needed along the path to success. Little did we know just how fitting this theme would prove to be.

We could not have predicted the health crisis and economic volatility that lay ahead. We didn't foresee the lockdown, the mass transition to work-from-home environments, the virtual schooling. The pandemic was unexpected. Since March of last year, we have all lived with an increased measure of uncertainty.

However, difficult seasons can be the most revealing and the most shaping. 2020 showed us what we're made of and pushed us to grow. There is story after story of how our client partners innovated and creatively problem-solved to continue to advance their missions. Likewise, at HighGround, we were indeed flexible in our focus and adapted to continue to serve our client partners with excellence.

In January 2021, as we considered a new theme for a new year, we acknowledged there is no magic in simply turning the pages of our calendars. We did not suddenly have all the answers or immediately return to pre-pandemic "normal" just by moving from December to January. No, the uncertainty remains.

It can be trying to journey through the unknown and unfamiliar, to adapt to an evolving situation, to be forced off-trail to forge new paths. But it can also be exhilarating. It can be an opportunity to push past the constraints of the expected to reimagine how we accomplish our missions.

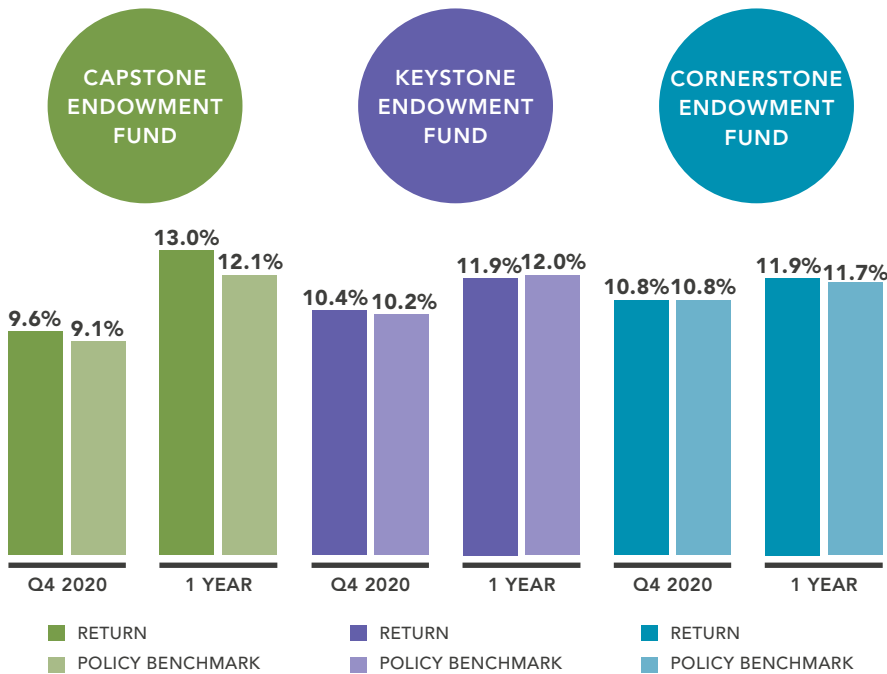
Stepping into 2021 not knowing what to expect, we intend to trust our Guide who knows all and to dream big. So with that in mind, at our all-staff vision meeting earlier this month, we unveiled our theme for 2021: *Beyond the Expected*. As we support you and your goals this year, we will be keeping this theme in mind. Your mission is important; our mission is to serve yours. And we hope immeasurably more than we can imagine for both.

Jeff Smith
President and CEO

FLEXIBLE INVESTMENT PLATFORM

We offer a flexible investment platform that includes HighGround Pre-Designed Endowment Solutions, HighGround Proprietary Asset Class Funds and Third-Party Mutual Funds/ETFs. These funds, along with our ability to create custom, unique investment options, demonstrate HighGround's flexibility in delivering multiple solutions to meet your diverse investment needs.

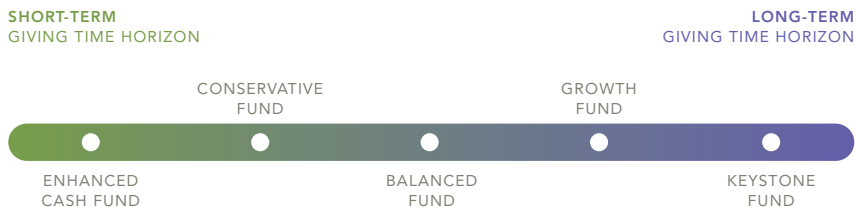
PRE-DESIGNED ENDOWMENT SOLUTIONS PERFORMANCE AS OF DECEMBER 31, 2020



For additional fund fact information please visit our website:
www.highgroundadvisors.org/asset-management.

DONOR-ADVISED FUND SOLUTIONS

A donor-advised fund is an excellent vehicle for donors who wish to maximize their charitable impact, give in a tax-advantageous way and streamline the administration of their donations. HighGround offers five investment funds in which donors may invest their DAF contributions. These investment funds are comprised of underlying asset allocation strategies that are intended to align with the donor's charitable giving time horizon. Once a donor selects which investment fund is right for them, their contribution has the potential to grow, tax-free, maximizing the donor's charitable impact.



2020 HIGHLIGHTS



TOP PERFORMER

HighGround's Capstone Endowment Fund's performance continues to rank in the top quartiles of our peer group.



DIVERSIFICATION

The S&P 500 was off 19.6% at the close of the first quarter in 2020, its worst quarter since 2008. In contrast, HighGround's Capstone Endowment Fund was down only 10.5%, demonstrating the advantages of strong diversification during short-term market disruptions.



DEPENDABLE DISTRIBUTION

Despite the pandemic-driven market volatility in 2020, we were pleased to increase distributions for the seventh consecutive year.



FAVORABLE YIELD

The Enhanced Cash Fund provided a favorable yield in comparison to what was available in the marketplace, as short-term interest rates were almost zero for much of the year.

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