

MANAGER COMMENTARY

MoA Balanced Fund

TICKER: MACHX

1 Would you please comment on the Fund's performance relative to the Morningstar Moderate Allocation Category in the second quarter and over longer periods?

In the second quarter of 2024, the Fund returned 3.55%, tripling the Morningstar Moderate Allocation Category average return of 1.18%. In addition, over the 1-year period ended June 30, 2024, the Fund's return of 16.22% surpassed the Morningstar category average 12.61% return by over 360 basis points.

We believe the Fund's relative outperformance is primarily due to our flexible equity allocation and careful balance between risk and reward. In fact, we are pleased the **Fund's performance ranked in the top quintile (20% or better)** among Morningstar Moderate Allocation Category funds for the **1-, 3-, 5- and 10-year periods**, and the Fund received **Morningstar's "Average" or "Below Average" Risk Ratings for the 3-, 5- and 10-year periods** as of June 30, 2024.

2 Would you please comment on the Fund's risk profile?

We employ a conservative investment strategy while prioritizing lower risk. We seek to own high-quality companies with attractive risk-return profiles. As a result, the Fund's risk-adjusted return, as measured by Sharpe Ratio, is higher than the Morningstar category average for the 3-, 5- and 10-year periods as of June 30, 2024. In addition, the Fund has lower downside volatility, as shown by its downside capture ratio, compared to our peers for the same periods.

SHARPE RATIO AND RISK RATING

| | 3 Yr | 5 Yr | 10 Yr |
|--|-------------|-------------|-------------|
| Fund Sharpe Ratio | 0.25 | 0.63 | 0.67 |
| Morningstar Moderate Allocation Cat. Avg. Sharpe Ratio | 0.01 | 0.42 | 0.47 |
| Morningstar Risk Rating | Avg. | Below Avg. | Below Avg. |

Source: Morningstar as of 6/30/2024

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FUND PERFORMANCE (%) as of 6/30/2024

| | ANNUALIZED | | | | | | |
|---|------------|------|-----------|----------|------------|------------|-----------------|
| | 3 Mo | YTD | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since Inception |
| MoA Balanced Fund | 3.55 | 9.99 | 16.22 | 5.85 | 9.27 | 7.88 | 8.26 |
| 60% S&P 500® Index, 40% Bloomberg U.S. Aggregate Bond Index | 2.60 | 8.78 | 15.49 | 4.84 | 9.15 | 8.43 | 9.74 |
| Morningstar Moderate Allocation Cat. Avg. | 1.18 | 6.56 | 12.61 | 2.83 | 7.05 | 6.20 | – |
| Percentile Rank in Morningstar Cat. | | | 15 | 7 | 13 | 17 | |
| # of Funds in Cat. | | | 740 | 689 | 649 | 493 | |
| Morningstar Risk Rating | | | | Avg. | Below Avg. | Below Avg. | |

Date of Inception: 12/31/1984 | Gross Expense Ratio: 0.54%

Morningstar Percentile Ranking based on total returns. The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance, please call 800.914.8716 or visit moafunds.com.



LSEG Lipper Fund Awards

2024 Winner
United States

Best Mixed Assets Small Fund
Family Group Over Three Years

MORNINGSTAR RATING



Overall Morningstar Rating™ based on risk-adjusted returns among 689 Moderate Allocation Category funds.

PORTFOLIO MANAGERS



Christopher Malfant
19 Years Experience



Jacqueline Sabella
26 Years Experience



Joseph R. Gaffoglio, CFA, CPA
28 Years Experience



Jamie Zendel, FRM
26 Years Experience

CONTACT US

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443.652.4218

Shareholder Services:
800.914.8716

moafunds.com

DOWNSIDE CAPTURE RATIO

| | 3 Yr | 5 Yr | 10 Yr |
|---|-----------|-----------|-----------|
| Fund | 88 | 88 | 90 |
| Morningstar Moderate Allocation Cat. Avg. | 94 | 97 | 101 |

Source: Morningstar as of 6/30/2024

3 Would you please describe your approach to equity selection and share an example or two?

In the Fund’s equity portfolio, our disciplined investment approach emphasizes high-quality, primarily dividend paying companies. We believe consistent dividends represent a positive sign of a company’s fundamental financial health. We also view dividends as a potential risk mitigator and an attractive source of incremental portfolio return. Approximately 90% of companies in the Fund’s equity portfolio pay regular dividends. Two companies that illustrate our high-quality approach to stock selection include the following examples:

- Broadcom, Inc. is one of the largest semiconductor companies in the world and offers software products that serve data centers, broadband, wireless, and industrial markets, among others. Broadcom has experienced steady growth over several years and has paid an increasing dividend. The Fund has owned a position in the company since 2018.

- Costco Wholesale Corp. is a recent addition to the equity portfolio. The membership-based retailer operates over 600 warehouses in the U.S. and another 270 locations in other countries. Costco’s stock price gained approximately 18% in the second quarter.

4 Would you please comment on the fixed income market and how the portfolio is positioned

In the first six months of the year, new issuance of investment grade bonds was robust, with approximately \$927 billion in issuance, compared to about \$1.2 trillion of new issuance for all of 2023. Many issuers have pulled forward their issuance to avoid anticipated volatility in the second half of the year.

In the second quarter, we reduced the Fund’s weighting in Treasuries, and added to our corporate bond positions. As of June 30, 2024, the Fund’s fixed income portfolio was weighted 28% in Treasuries and 34% in corporates, compared to 43% and 25% for the Bloomberg U.S. Aggregate Bond Index, respectively. From a duration perspective, we prefer shorter duration corporates and longer duration Treasuries given the current shape of the yield curve. The Fund’s average duration was 5.9 years compared to 6.1 years for the Index as of June 30, 2024.

ABOUT MoA FUNDS

Mutual of America created its first mutual funds in 1985. Now, Mutual of America Capital Management manages an array of 28 mutual fund strategies that span domestic and international equities, fixed income, target date and allocation funds. With a team of over 20 investment professionals, we manage portfolios with a common goal — to provide investors with attractive returns over time while being mindful of risk.

You should consider the investment objectives, risks, and charges and expenses of the funds carefully before investing. This and other information is contained in the funds’ prospectuses and summary prospectuses, which can be obtained by calling 800.914.8716 or visiting moafunds.com. Read them carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. Diversification cannot assure a profit or protect against loss in a down market. Dividends are not guaranteed and may fluctuate. The portfolio manager’s judgments about the attractiveness, value or potential appreciation of the Fund’s investments may prove to be incorrect. The Fund could underperform in comparison to other funds with a similar benchmark or similar objectives and investment strategies if the Fund’s overall investment selections or strategies fail to produce the intended results.

The LSEG Lipper Fund Awards, granted annually, highlight funds and fund companies that have excelled in delivering consistently strong risk-adjusted performance relative to their peers.

The LSEG Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is an objective, quantitative, risk-adjusted performance measure calculated over 36, 60 and 120 months. The fund with the highest Lipper Leader for Consistent Return (Effective Return) value in each eligible classification wins the LSEG Lipper Fund Award. For more information, see lipperfundawards.com. Although LSEG Lipper makes reasonable efforts to ensure the accuracy and reliability of the data used to calculate the awards, their accuracy is not guaranteed.

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The Morningstar Rating™ for funds, or “star rating”, is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product’s monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Among Moderate Allocation funds, the MoA Balanced Fund received 5 stars among 689 for the 3-year, 4 stars among 649 for the 5-year, and 4 stars among 493 funds for the 10-year period ended 6/30/2024. **Past performance is no guarantee of future results.**

Morningstar percentile rankings are based on a fund’s average annual total return relative to all funds in the same Morningstar category. Fund performance used within the rankings, reflects certain fee waivers, without which, returns and Morningstar rankings would have been lower. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100.

Morningstar Risk scores for a given time period (three, five, or 10 years) reflect the Fund’s Morningstar risk score plotted on a bell curve: Monthly calculations are based on whether the Fund scores in the top 10% of its category, its risk score is considered High; if it falls in the next 22.5% Above Average; a place in the middle 35% is Average; those lower still, in the next 22.5%, are Below Average and the bottom Low. Overall Morningstar risk score is a weighted average of the available three, five, and 10 year Morningstar risk scores. Investments with less than three years of performance history are not rated.

Fund holdings and/or sector allocations are subject to change and are not recommendations to buy or sell any security. Of the companies mentioned, the Fund’s holdings as a percentage of net assets as of 6/30/2024 were as follows: Broadcom, Inc. 2.65%, Costco Wholesale Corp. 2.20%.

The S&P 500® Index is a market-capitalization-weighted index of 500 leading publicly traded companies in the U.S. The Bloomberg U.S. Aggregate Bond Index broad base, market capitalization-weighted bond market index representing intermediate term investment grade bonds traded in the U.S. It is not possible to invest in an index. A basis point is one hundredth of 1 percentage point. Sharpe Ratio is a measure that uses standard deviation and excess return to determine reward per unit of risk. The greater a fund’s Sharpe ratio, the better its risk-adjusted performance has been. Downside Capture Ratio is calculated by taking the fund’s monthly return during the periods of negative benchmark performance and dividing it by the benchmark return. Duration is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices. The yield curve is a line that plots interest rates of bonds having equal credit quality but differing maturity dates. The slope of the yield curve predicts the direction of interest rates and the economic expansion or contraction that could result.

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