

DO WELL.
DO RIGHT.
DO MORE.™

GuideStone Funds Defensive Market Strategies Fund [GDMZX]

The **GuideStone Defensive Market Strategies®** Fund seeks to provide long-term capital appreciation with reduced volatility compared to the equity market. It is a strategically built, well-diversified investment that aims to deliver equity-like returns while pursuing reduced risk over a full market cycle. GuideStone® believes the Fund's multi-manager, multi-strategy approach can generate more consistent alpha while helping to manage the risk typically inherent in traditional equity strategies.

Alpha – The measure of active return on an investment when compared to a market index.

There can be no guarantee that any strategy (risk management or otherwise) will be successful. All investing involves risk, including potential loss of principal.

Fund Overview

INVESTMENT OBJECTIVE

- Seeks to provide long-term capital appreciation with reduced volatility compared to the equity market

BENCHMARK

- 50% S&P 500® Index
- 50% FTSE 3-Month Treasury Bill Index

KEY CHARACTERISTICS

- Active management
- U.S.-focused allocation
- Diversified set of underlying strategies
- Targeted beta (vs. S&P 500®) of approximately 0.50¹

¹Beta vs. S&P 500® Index: 0.63 (Investor shares, as of September 30, 2020)

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Investment Philosophy

GUIDESTONE BELIEVES:

LOWER CORRELATION = BETTER DIVERSIFICATION

- Long-only equities are complemented in the portfolio by convertible bonds and options equity.

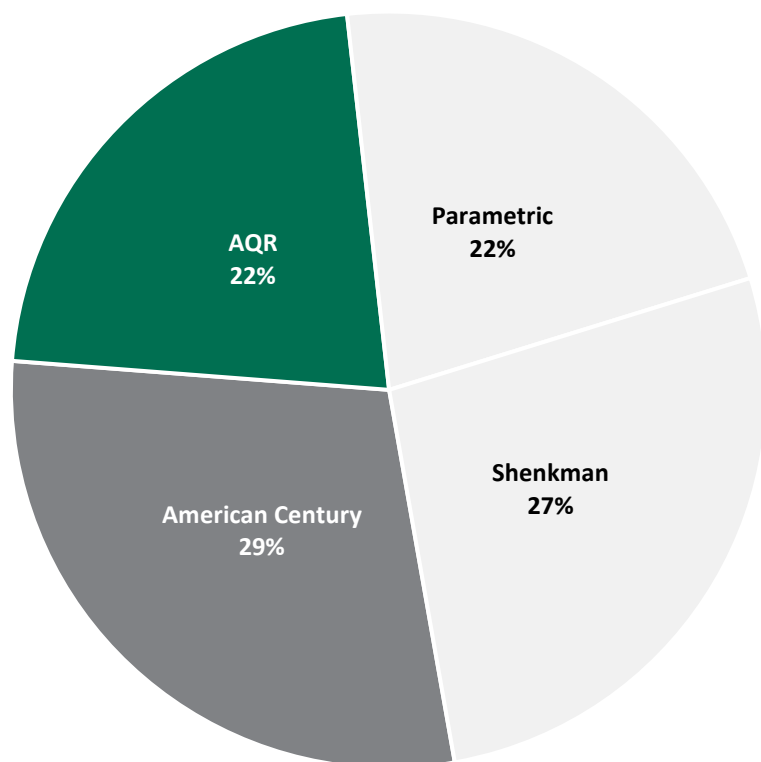
LOWER VOLATILITY = BETTER BETA

- The Fund seeks equity-like returns over a full market cycle with a targeted beta of approximately 0.50 to the S&P 500® Index.

LOWER RISK = BETTER RISK-ADJUSTED RETURNS

- Smaller drawdowns translate to more consistent investment performance and less recovery time after market downturns.

Sub-adviser Analysis



Fund Size: \$1.24 Billion

All data as of September 30, 2020

AMERICAN CENTURY INVESTMENT MANAGEMENT

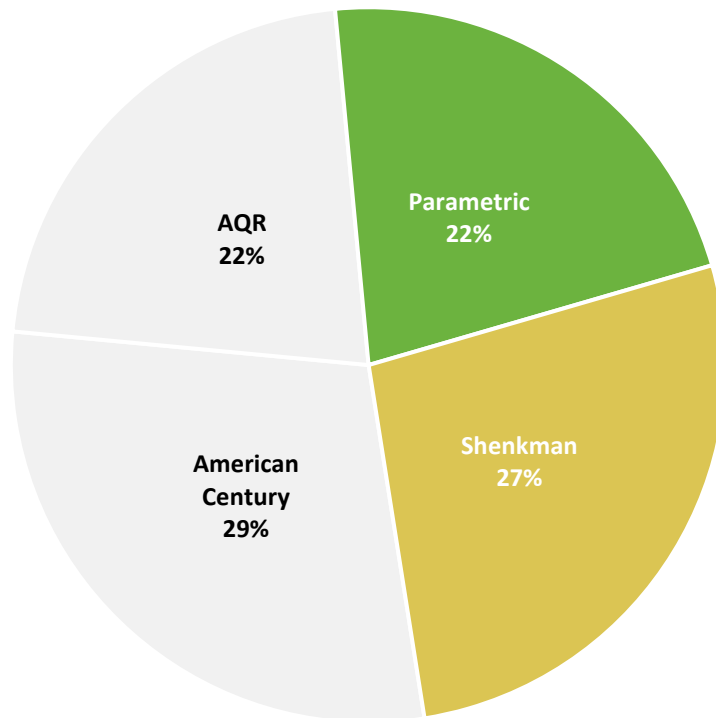
Long-only equity strategy; employs a fundamental, value-driven, low-volatility approach with a focus on higher-quality, lower-risk, dividend-paying equity securities; targets a dividend yield of 2% greater than the S&P 500® Index; makes tactical use of convertible bonds to reduce overall volatility

AQR CAPITAL MANAGEMENT

Defensive equity strategy; utilizes quantitative analytics to identify stable companies with consistent, sustainable earnings and lower amounts of leverage; seeks to mitigate style, sector and industry biases on a risk-adjusted basis

Sub-adviser composite is subject to change at any time. The percentages shown reflect the target allocations of the Fund. Actual sub-adviser weights may differ at any time.
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Sub-adviser Analysis



Fund Size: \$1.24 Billion

All data as of September 30, 2020

PARAMETRIC PORTFOLIO ASSOCIATES

Put and call options strategy; sells fully collateralized put and call options on a base portfolio comprised of exposure to the S&P 500® Index and U.S. Treasury bills; utilizes a systematic approach that seeks to capture insurance risk premiums, capitalizing on the mispricing of risk historically embedded in put and call options

SHENKMAN CAPITAL MANAGEMENT

Convertible bond strategy; places a strong emphasis on credit analysis with a focus on convertibles with low investment premiums priced closer to the bond floor; seeks to identify convertible bonds with twice the upside potential compared to downside potential

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Total Return as of September 30, 2020

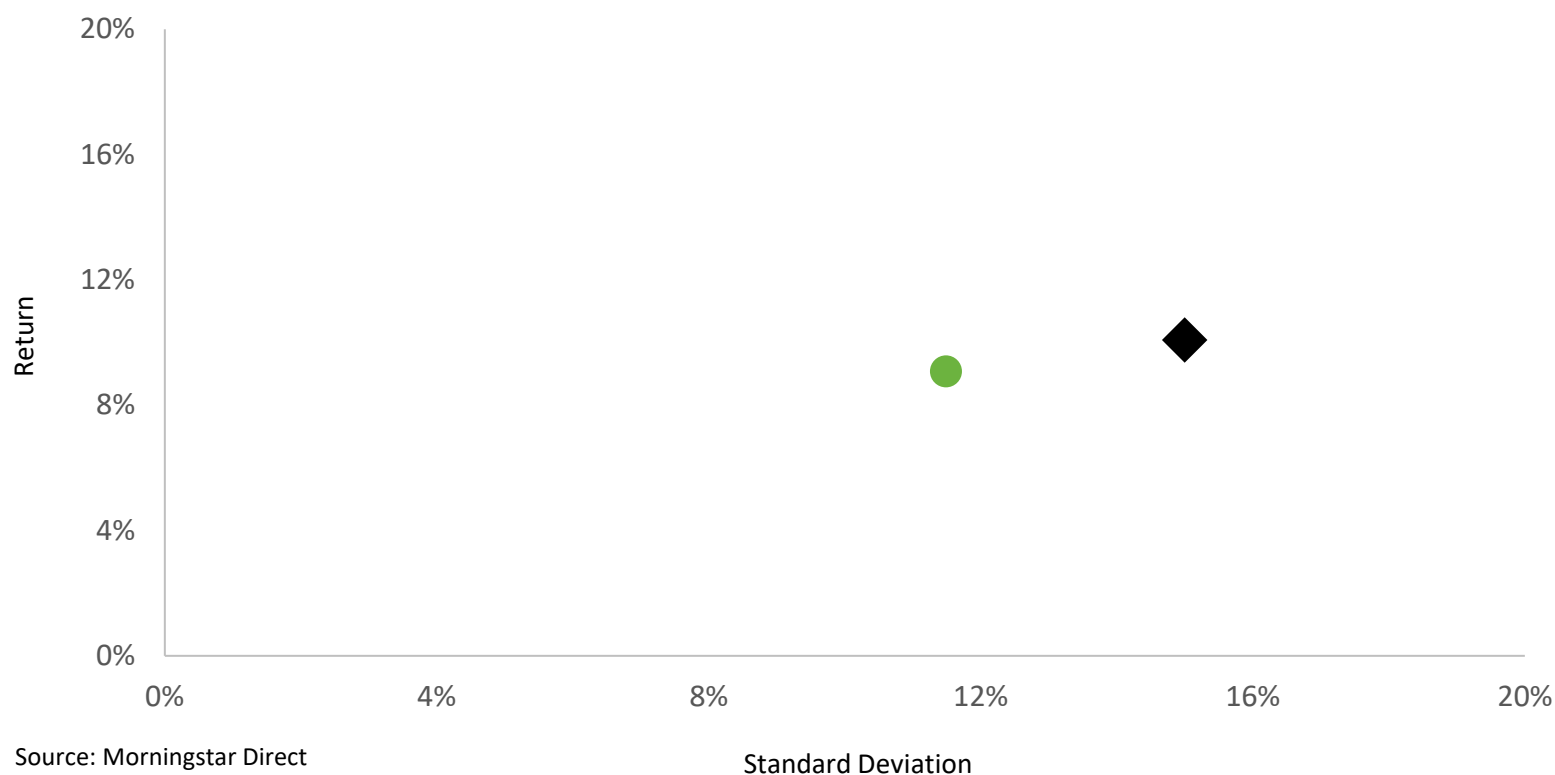
	YTD	1 Year	3 Year	5 Year	Since Inception 9/1/2011
Defensive Market Strategies Fund (Investor Share Class)	0.96%	5.19%	6.95%	9.09%	9.07%
Benchmark	3.70%	8.58%	7.26%	7.77%	7.46%

The performance data quoted represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Performance data current to the most recent month-end and complete calendar year may be obtained at GuideStoneFunds.com/Funds. Benchmark performance numbers are provided by Morningstar, Inc. and have not been verified by GuideStone Funds®. The investment return of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Year 2011 annual performance began 9/1/2011. Returns exceeding 20% reflect unusual market conditions and may not be sustained over the long term. Please refer to the prospectus for more information. Returns over one year are annualized. Expense ratios: Gross 0.94% and Net 0.94%.

There can be no guarantee that any strategy (risk management or otherwise) will be successful.
All investing involves risk, including potential loss of principal.

Risk/Return Comparison

The Fund is managed in an effort to create equity-like returns with lower risk relative to a traditional stock portfolio. It seeks to allow risk-sensitive investors to stay allocated to equities and equity-like securities during volatile markets and may help prevent reactionary moves to cash or fixed income.



Source: Morningstar Direct
9/1/2011–9/30/2020

Past performance does not guarantee future results.
The Fund may experience negative performance.

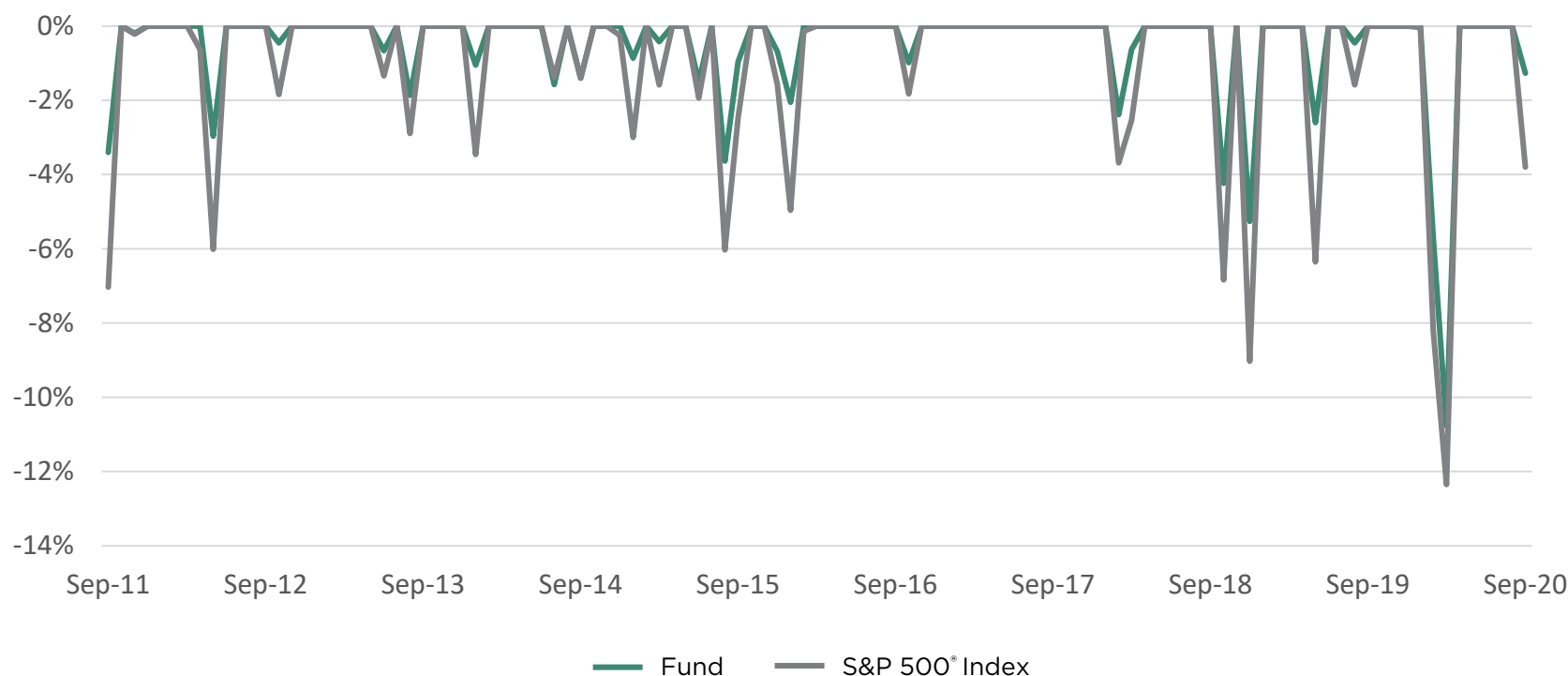
● Fund

◆ S&P 500® Index

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Historical Drawdowns

Since its inception, the Fund has sought to soften the impact of extreme market conditions and lower overall volatility compared to the S&P 500® Index. It accomplishes this through a complementary mix of underlying strategies that provide diversification and potential correlation benefits not available in a traditional stock portfolio.



Source: Morningstar Direct
09/01/2011–9/30/2020

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Fund Metrics

RISK/RETURN CHARACTERISTICS	
Calculated over previous 3 years	
Standard Deviation	11.49%
R-Squared	93.10%
Beta vs. Benchmark	1.28
Beta vs. S&P 500 Index	0.63
Sharpe Ratio	0.50
Information Ratio	-0.15

FEES AND EXPENSES	
Annualized	
Gross Expense Ratio	0.94%
Net Expense Ratio	0.94%

All data as of September 30, 2020

Standard deviation—Depicts how widely returns varied over a certain period of time. A high standard deviation implies greater volatility and greater risk.

R-squared—Shows the percentage of a fund's performance that is explained by movements in the benchmark index. An R-squared of 100% indicates that all movements of a fund can be explained by movements in the benchmark.

Beta vs. benchmark—Beta is a measure of a fund's sensitivity to market movements as defined by the fund's benchmark. A fund with a higher beta relative to the benchmark is more volatile than the benchmark.

Sharpe ratio—A risk-adjusted measure that measures reward per unit of risk. The higher the Sharpe ratio, the better the fund's historical risk-adjusted performance.

Information ratio—Measures how much the fund outperformed the benchmark per unit of additional risk taken.

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All investing involves risk, including potential loss of principal.

Morningstar Ratings as of September 30, 2020

Defensive Market Strategies Fund – Investor Share Class	
Morningstar Category: Allocation--50% to 70% Equity	
Overall	★★★★★ Out of 638 funds
Three Year	★★★★ Out of 638 funds
Five Year	★★★★★ Out of 581 funds

Based on risk-adjusted total returns.

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Using the GuideStone Defensive Market Strategies Fund

With exposures across market capitalizations and no significant style bias, the Fund is a possible fit:

- **Within a portfolio's equity sleeve**
 - The Fund's risk-efficient focus and allocations to multiple lowly correlated strategies can help investors remain invested through volatile markets and avoid fear-driven “buy high, sell low” moves — resulting in potentially higher returns.
- **As a complement to smart beta strategies**
 - With its strategic low-beta and active alpha characteristics, the Fund may help temper market swings — providing more consistent return streams over a full market cycle.
 - Add the Fund to improve diversification and enhance return consistency in muted market environments — delivering higher return potential than fixed income with less risk potential than equities.
- **As an alternative to alternatives**
 - Consider using the Fund in place of sophisticated, single-manager alternative strategies — generating similar risk-adjusted returns with lower investment minimums and reduced fees compared to long/short equity, market-neutral and other multi-strategy approaches.

Why GuideStone Funds?

Since 2001, GuideStone has been a trusted investment manager for both institutional and individual investors. With \$14.9 billion in assets under management, GuideStone Funds is the nation's largest faith-based mutual fund family.* We offer a wide array of equity, fixed income, real assets and alternative investment options to complement any portfolio.

*As of September 30, 2020, GuideStone Funds has \$14.9 billion in assets, which makes GuideStone Funds the nation's largest faith-based mutual fund family. No other faith-based fund family exceeds GuideStone Funds in asset size.

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The GuideStone Difference

INTENTIONAL

Our goal is to understand the specific risks within a fund. We make intentional risk-allocation decisions — emphasizing certain risks and de-emphasizing others — in an effort to generate excess returns.

ACTIVE

Experienced and diligent qualitative analysis, combined with robust quantitative analytics, allows us to evaluate, select and monitor sub-advisers — allocations to which are optimized at the Fund level.

CHRISTIAN

We do not invest in any company that is publicly recognized, as determined by GuideStone Financial Resources®, as being in the alcohol, tobacco, gambling, pornography or abortion industries or any company whose products, services or activities are publicly recognized as being incompatible with the moral and ethical posture of GuideStone Financial Resources.

There can be no guarantee that any strategy (risk management or otherwise) will be successful. All investing involves risk, including potential loss of principal.

Risk Considerations

There can be no guarantee that any strategy will be successful. Investing involves risk, including potential loss of principal.

The Defensive Market Strategies Fund may be suitable for investors who have a medium- to long-term investment horizon, possess a moderate tolerance for risk and seek to participate in the return potential of stocks at a slightly lower risk level than an all-stock portfolio. This Fund is subject to credit risk and interest rate risk. Interest rate risk means, when interest rates rise, the value of the existing bonds decreases and vice versa. Changes in interest rates have a bigger impact on long-duration holdings than on short-duration holdings. The value of convertible securities increases and decreases with the value of the underlying common stock, but may also be sensitive to changes in interest rates. Foreign securities may be subject to greater risk than domestic securities due to currency volatility, reduced market liquidity, and political and economic instability. This description of risks is provided as a summary of the principal investment risks associated with this mutual fund. Refer to the Fund's prospectus for more detailed risk information.

Morningstar Ratings

As of September 30, 2020, the Fund was rated 4 stars overall (out of 638 funds), 4 stars over five years (out of 581 funds) and 3 stars over three years (out of 638 funds) in the Allocation--50% to 70% Equity category (Investor share class). 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 3-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 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 3-, 5- and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% 3-year rating for 36–59 months of total returns, 60% 5-year rating/40% 3-year rating for 60–119 months of total returns and 50% 10-year rating/30% 5-year rating/20% 3-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 3-year period actually has the greatest impact because it is included in all three rating periods. **Past performance is no guarantee of future results.**

Benchmark Disclosures

The S&P 500® Index is a market capitalization-weighted equity index composed of approximately 500 U.S. companies representing all major industries. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of its constituents. “Standard & Poor’s®”, “S&P®”, “S&P 500®”, “Standard & Poor’s 500” and “500” are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by GuideStone Funds. The Product is not sponsored, endorsed, sold or promoted by Standard & Poor’s, and Standard & Poor’s makes no representation regarding the advisability of investing in the Product. The FTSE 3-Month Treasury Bill Index measures monthly return equivalents of yield averages that are not marked to market, consisting of the last three 3-month Treasury bill issues. All rights in the FTSE 3-Month Treasury Bill Index vest in FTSE Fixed Income LLC (FTSE FI). “FTSE®” is a trademark of the London Stock Exchange Group companies and is used by FTSE FI under license. The FTSE 3-Month Treasury Bill Index is calculated by FTSE or its agent. FTSE FI and its licensors are not connected to and do not sponsor, advise, recommend, endorse or promote the Product and do not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Index or (b) investment in or operation of the Product. All indexes used with permission. It is not possible to invest directly in an index.

As of September 30, 2020, GuideStone Funds has \$14.9 billion in assets, which makes GuideStone Funds the nation’s largest faith-based mutual fund family. No other faith-based fund family exceeds GuideStone Funds in asset size.

Risk Considerations

You should carefully consider the investment objectives, risks, charges and expenses of the GuideStone Funds before investing. A prospectus with this and other information about the Funds may be obtained by calling 1-888-GS-FUNDS (1-888-473-8637) or downloading one at GuideStoneFunds.com/Funds. It should be read carefully before investing.

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