Yield Advantage Limited Duration

Q3 2024

Xponance®
Transforming Access to Alpha

September 30, 2024

Annualized Returns (%)

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception[1]
Gross of fees	2.75	4.88	7.59	2.34	2.35	2.45	2.21	2.08
Net of fees	2.72	4.78	7.45	2.21	2.23	2.34	2.10	1.97
Benchmark[2]	2.94	4.44	7.19	1.50	1.71	1.92	1.65	1.53

[1] Inception Date: June 30, 2010 [2] Bank of America Merrill Lynch 1-3 Year US Corporate & Government Index

Portfolio Team

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Performance Commentary and Attribution

Our Limited Duration strategy finished the third quarter with solidly positive total but negative excess returns as the meaningful rally in US Rates supported fixed income returns broadly. After multiple quarters of declining inflation rates and more recently developing weakness in US labor markets, the Fed officially initiated its next easing cycle in September, with an initial reduction of 50 basis points (bps) to the Fed Funds target rate. This action was welcomed by markets as risk assets remain near post-GFC (credit) and all-time (S&P 500) valuation highs. While the Fed has subsequently reduced expectations of an aggressive rate reduction path in the near-term, the landscape in fixed income has changed, with rate curves now dis-inverting after being inverted for over two years.

The primary contributor to total return was income. Last year we made an effort to put higher coupon bonds within the portfolio as we saw more value in carry as opposed to future price appreciation and that positioning as continued to bear fruit via higher income. As we enter into a new era of monetary policy, we will look to be more diversified as we think about think about higher coupon versus dollar discount bonds. We anticipate continued reduction in floating rate note exposure as these bonds are less attractive in the midst of an easing cycle.

The primary detractor to excess return this quarter was an underweight duration position and adverse interest rate curve positioning. While we anticipated a downward movement in rates, we admittedly didn't anticipate an initial rate cut as aggressive as 50 bps. This larger than expected cut led to more exaggerated rate movements, both absolute and within the yield curve, that were adverse to portfolio performance. We anticipate a combination of market retracement and re-positioning of the portfolio to mitigate the performance detraction going forward.

Total product assets shown above may include accounts that are not reflected in the Global Investment Performance Standards (GIPS®)* report below. Portfolio characteristics are subject to change, and current holdings may differ. Past performance is not an indication of future results. Returns are presented gross and net of management fees and include the reinvestment of all income. GIPS-compliant performance information for the firm's strategies and products are available upon request at info@xponance.com. A GIPS report is found at the end of this presentation. Statistics shown above are supplemental information to the GIPS report at the end of this presentation. Results represent preliminary data which is subject to change. For further performance data, please see the Xponance® Yield Advantage Limited Duration disclosures below.

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Trailing period performance as of 09/30/2024

(%)	QTD	CYTD	1-Year	3-Years	5-Years	10-Years	Since Inception	Inception Date
Composite Gross	2.75	4.88	7.59	2.34	2.35	2.21	2.08	6/30/10
Composite Net	2.72	4.78	7.45	2.21	2.23	2.10	1.97	
Index[1]	2.94	4.44	7.19	1.50	1.71	1.65	1.53	

[1]Benchmark: Bank of America Merrill Lynch 1-3 Year US Corporate & Government Index

Past performance is not indicative of future results. Periods greater than 1 year are annualized. The U.S. Dollar is the currency used to express performance.

Investments in fixed income involve risks, including the loss of principal invested. This strategy's returns may fluctuate in response to one or more of many factors, that include financial condition of individual companies; the business market in which individual companies compete; industry market conditions; interest rates; general economic environments; portfolio management activities; and data or modeling risk where proprietary models are used in the management of the strategy. The strategy is subject to general market risk, interest rate risk, credit (issuer and counterparty) risk, and liquidity risk. General market risk is the risk that the value of the securities owned in the strategy may underperform because of exogenous market factors such as cyclical or geopolitical. Interest rate risk is the risk the values of bonds will change by changes in interest rates. If rates increase, the value of bonds declines in general on a mark to market (price)basis with the offsetting caveat of higher yields . Credit risk is the risk the value of investments may change because of changes in creditworthiness of issuers of debt securities and improbable yet potential default of counterparties in investment transactions. Liquidity risk is the risk the Fund may have a realized loss when it sells securities to raise cash for redemption requests by other bondholders.

Gross of fee returns are presented before management fees, but after custodial fees and transaction costs and include the reinvestment of all income. Net of fee returns reflect the deduction of the actual management fees (including performance-based fees if applicable) from the monthly gross of fee returns. Actual management fees incurred by clients may vary. Prior to June 30, 2004, net of fee performance was calculated using a dollar-weighted average fee

The standard management fee schedule is as follows: First $50mm: 25 bps; Next $25mm: 22 bps; Next $25mm: 20 bps. Fees are charged to clients on a quarterly basis. Fees are calculated as a percentage of assets under management and vary based upon the type of product and the total amount of assets under management. The percentage fee is expressed terms of basis points ("BPS") for our products. One hundred basis points equal 1%. All fees are negotiable.

Xponance claims compliance with the Global Investment Performance Standards (GIPS®). To obtain GIPS-compliant performance information for the firm's strategies and products, please contact info@xponance.com.

The firm maintains a complete list and description of composites and limited distribution pooled fund(s) which is available upon request. Please refer to the GIPS® report for additional performance information which is included on the next page of this presentation.

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Annual Disclosure Presentation

	Performance Results (%)			3-Yr Annualized Ex-Post Standard Deviation (%)				
Year End	Composite Gross TWR	Composite Net TWR	Benchmark[1]	Composite Gross	Benchmark[1]	Number of Portfolios	Composite Assets ($mm)	Total Firm Assets ($mm)
2023	6.14	5.98	4.62	2.17	2.11	Five or fewer	9	16,613
2022	-3.20	-3.31	-3.79	2.70	1.68	Five or fewer	11	13,512
2021	-0.14	-0.24	-0.41	2.18	0.96	Five or fewer	180	14,866
2020	3.64	3.54	3.34	2.12	0.94	Five or fewer	115	12,493
2019	4.47	4.36	4.07	0.72	0.89	Five or fewer	111	5,411
2018	1.69	1.59	1.64	0.75	0.79	Five or fewer	107	4,026
2017	1.63	1.54	0.85	0.74	0.71	Five or fewer	64	6,817
2016	2.58	2.48	1.28	0.79	0.73	Five or fewer	63	6,249
2015	0.54	0.46	0.67	0.75	0.57	Five or fewer	61	5,577
2014	1.29	1.17	0.80	0.81	0.49	Five or fewer	61	2,542

Composite inception date: June 30, 2010.

[1] Benchmark: Bank of America Merrill Lynch 1-3 Year US Corporate & Government Index

Xponance,® Inc. ("Xponance®") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Xponance® has been independently verified for the periods from November 1, 1998 through December 31, 2023. The verification report is available upon request.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

On August 31, 2018, FIS Group, Inc. ("FIS Group") acquired Piedmont Investment Advisors, Inc.'s ("PIA") predecessor, Piedmont Investment Advisors, LLC. Xponance®, Inc. ("Xponance®") is an independent, registered investment adviser and is the successor registrant under the Investment Advisers Act of 1940 (the "Advisers Act") to both FIS Group and its wholly-owned subsidiary, PIA. Pursuant to a corporate rebranding and consolidation strategy, Xponance® was established effective April 1, 2020, to leverage the long histories of its predecessor entities in providing customized investment management products to institutional clients. FIS Group (through its former subsidiaries, Fiduciary Investment Solutions, Inc. and FIS Funds Management, Inc.) managed assets since 1996 and PIA (through its former affiliate Piedmont Investment Advisors, LLC) began managing assets in 2000. The firm maintains a list of composite descriptions and limited distribution pool fund(s) descriptions, which is available upon request.

Xponance is an investment adviser registered with the United States Securities and Exchange Commission ("SEC"). Our registration as an investment adviser does not imply any level of skill or training and the information in this report has not been approved or verified by the SEC or by any state securities authority.

Total firm assets presented through, and including, Calendar Year 2019 represent total firm assets for PIA, prior to April 1, 2020, this composite was managed by legacy firm PIA. Total firm assets presented post April 1, 2020 represent the total firm assets of Xponance®.

Yield Advantage Limited Duration Composite contains fully discretionary core fixed income accounts with a one to five-year maturity horizon and is measured against the Bank of America Merrill Lynch 1-3 Year U.S. Corporate/ Government Bond Index. The product typically has 80-100 holdings with duration ranging from 90 to 110% of the prospective index and a predicted tracking error of 0.25 to 0.50%. The Yield Advantage Limited Duration Composite was created June 30, 2010.

Results are based on fully discretionary accounts under management. Accounts that are no longer with the firm are included through the last full measurement period such accounts were managed in the composite's style. Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance.

The composite maintains a significant cash flow policy. Effective 9/30/2022, for cash flows 25% or greater in Fixed income accounts, we will remove the member account from the composite until trading is complete.

Gross of fee returns are presented before management fees, but after custodial fees and transaction costs and include the reinvestment of all income. Net of fee returns reflect the deduction of the actual management fees (including performance-based fees if applicable) from the monthly gross of fee returns. Actual management fees incurred by clients may vary.

The standard management fee schedule is as follows: First $50mm: 13 bps; Next $25mm: 10 bps; Next $25mm: 10 bps; Over $100mm: 8 bps. Fees are charged to clients on a quarterly basis. Fees are calculated as a percentage of assets under management and vary based upon the type of product and the total amount of assets under management. The percentage fee is expressed terms of basis points ("BPS") for our products. One hundred basis points equal 1%. All fees are negotiable.

The three-year annualized standard deviation measures the variability of the composite gross returns and the benchmark returns over the preceding 36-month period.

Internal dispersion presented is an equal-weighted standard deviation of annual gross returns of those portfolios that were in the composite for the entire year. For those years when less than six portfolios were included in the composite for the full year, no dispersion measure is presented.

Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.