DEI and ESG Portfolio Review

Q3 2024

Xponance
Transforming Access to Alpha

The DEI and ESG strategy composite returns are shown in the table below.

Period	Composite Gross of Fees	Composite Net of Fees	S&P 500
Q3 2024	6.58	6.53	5.89

- **Stock selection was the primary driver of the outperformance this quarter.**
- **Performance by As You Sow Score and ESG Risk Score quintile within the S&P 500 was negative and non-monotonic, with Q1 underperforming Q5 and the benchmark. However, as market strength broadened, stock selection more than offset the negative allocation effect.**

Sector Attribution

Q3 2024 Sector Attribution

	DEI and ESG Strategy			S&P 500			Attribution Analysis		
	Average Weight	Total Return	Contrib. To Return	Average Weight	Total Return	Contrib. To Return	Allocation Effect	Selection Effect	Total Effect
Financials	13.48	13.47	1.74	12.95	10.66	1.32	0.01	0.37	0.38
Real Estate	4.40	17.84	0.75	2.32	17.17	0.38	0.22	0.03	0.25
Energy	3.03	3.19	0.10	3.53	-2.32	-0.09	0.05	0.17	0.22
Consumer Discretionary	10.14	8.96	0.89	9.88	7.80	0.75	0.01	0.12	0.12
Health Care	12.00	6.62	0.79	11.97	6.07	0.72	0.00	0.07	0.06
Materials	2.03	11.10	0.21	2.21	9.70	0.20	-0.01	0.03	0.02
Information Technology	32.56	1.80	0.64	31.51	1.61	0.57	-0.06	0.06	0.01
Utilities	2.45	18.16	0.40	2.41	19.37	0.44	0.01	-0.05	-0.04
Consumer Staples	3.86	8.84	0.33	5.95	8.96	0.53	-0.05	-0.01	-0.07
Industrials	6.28	11.71	0.72	8.33	11.55	0.94	-0.11	0.01	-0.10
Communication Services	9.28	0.58	0.02	8.94	1.68	0.13	-0.02	-0.11	-0.13
[Cash]	0.50	1.43	0.01	--	--	--	-0.03	--	-0.03
	100.00	**6.58**	**6.58**	**100.00**	**5.89**	**5.89**	**0.02**	**0.68**	**0.69**

Source: Xponance, FactSet

Positive Contributors

Financials – The sector outperformed due to favorable interest rate dynamics and strong economic activity. Nasdaq, Inc. (+21.7%) benefited from growth in its market technology and data services segments, along with strong performance in listing services during Q2 2024. Bank of New York Mellon (+20.9%) exceeded earnings expectations, driven by fee income growth and expense management.

Real Estate – Overweight exposure to the outperforming Real Estate sector drove most of the positive impact. Strong demand for industrial properties, particularly warehouses and data centers, supported the sector's gains, fueled by e-commerce and AI growth. Real estate companies also benefited from inflation-hedging and operational efficiencies, boosting earnings amid a stabilizing interest rate environment.

Negative Contributors

Communication Services – the modest underperformance was due to the underweighting of Meta (+13.6%) and AT&T +16.6%). Meta's investments in AI, particularly in its AI-driven advertising tools, significantly boosted its earnings results. For AT&T, growth in 5G and fiber services was a major contributor to its performance.

Risk Factor Attribution

Risk Attribution Analysis – Axioma Risk Model

Cash	Industries	Risk Factors	Stock Selection	**Total**
-0.03	0.26	0.18	0.28	**0.69**

Risk Factors	Ave Exposure (std dev)	Return (%)	Impact (%)
Volatility	-0.04	-3.17	0.11
Growth	-0.03	-1.25	0.04
Earnings Yield	-0.02	-0.85	0.01
Dividend Yield	0.02	0.47	0.01
Size	-0.02	-1.60	0.01
Exchange Rate Sensitivity	-0.02	-1.00	0.01
Value	-0.01	-0.47	0.01
Liquidity	0.00	-1.39	0.00
Leverage	0.00	0.54	0.00
MidCap	0.00	0.12	0.00
Market Sensitivity	0.01	0.29	0.00
Medium-Term Momentum	-0.01	1.09	-0.01
Profitability	0.00	2.09	-0.01
Total			**0.18**

Source: Axioma, FactSet

Overall, the risk factor positioning positively impacted performance. The largest contributor was underweight exposure to Volatility, as low-volatile stocks outperformed during this volatile equity period. The underweight position in the underperforming Growth factor also contributed positively. No factor had a significant negative impact on performance this quarter. Industry exposures and stock selection further enhanced results.

As You Sow and ESG Risk Score Attribution

As You Sow Score Attribution

	DEI and ESG Strategy			S&P 500			Attribution Analysis		
As You Sow Score Quintile	Average Weight	Total Return	Contrib. To Return	Average Weight	Total Return	Contrib. To Return	Allocation Effect	Selection Effect	Total Effect
Q1 (High)	56.65	5.52	3.20	40.67	3.36	1.42	-0.37	1.21	0.83
Q2	14.38	6.68	0.95	16.24	6.50	1.05	-0.01	0.02	0.01
Q3	15.35	9.58	1.42	19.91	8.79	1.70	-0.10	0.11	0.01
Q4	10.23	6.90	0.70	15.24	6.66	1.01	-0.03	0.02	-0.01
Q5 (Low)	2.88	11.04	0.30	7.88	9.09	0.70	-0.16	0.06	-0.11

Source: Xponance, FactSet

ESG Risk Score Attribution

	DEI and ESG Strategy			S&P 500			Attribution Analysis		
ESG Risk Score Quintile	Average Weight	Total Return	Contrib. To Return	Average Weight	Total Return	Contrib. To Return	Allocation Effect	Selection Effect	Total Effect
Q1 (Lowest Risk)	39.10	4.53	1.81	25.03	1.88	0.50	-0.55	1.05	0.50
Q2	27.67	11.08	2.97	21.25	9.67	2.01	0.23	0.38	0.61
Q3	11.09	6.23	0.69	12.74	5.56	0.70	0.01	0.07	0.09
Q4	12.24	4.63	0.53	18.70	6.16	1.11	-0.03	-0.18	-0.21
Q5 (Highest Risk)	9.04	5.63	0.52	21.46	6.57	1.42	-0.09	-0.09	-0.19

Source: Xponance, FactSet

Performance by As You Sow Score and ESG Risk Score quintile within the S&P 500 was negative and non-monotonic, with Q1 underperforming Q5 and the benchmark. Quintiles 2 through 4 had mixed results. The underperformance of Q1 stocks was largely due to the heavy weighting of large-cap growth companies in this group. Expectations of a Fed rate cut, and the avoidance of a recession supported the broader sector outperformance beyond the concentrated group of large-cap growth Information Technology and Communication Services companies that led the market earlier in the year. In a diversified strategy like this, when outperformance is concentrated in a few companies, it limits the positive impact of being overweight those stocks if the rest of the index underperforms the benchmark. This dynamic was a headwind in the first half of the year. However, as market strength broadened, stock selection more than offset the negative allocation effect

S&P 500 ESG and DEI Strategy Composite

Trailing period performance as of 09/30/2024

(%)	QTD	CYTD	1-Year	3-Years	5-Years	10-Years	Since Inception	Inception Date
Composite Gross	6.58	22.12	36.48	N/A	N/A	N/A	9.17	11/30/21
Composite Net	6.53	21.95	36.23	N/A	N/A	N/A	8.99	
Index[1]	5.89	22.08	36.35	N/A	N/A	N/A	10.27	

[1]Benchmark: S&P 500

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 public equities 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.

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: 20 bps; Next $50mm: 15 bps; Over $100mm: 10 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.

S&P 500 ESG and DEI Strategy Composite

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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	22.78	22.56	26.29	N/A	N/A	Five or fewer	80	16,613
2022	-18.06	-18.17	-18.11	N/A	N/A	Five or fewer	66	13,512
2021[2]	4.37	4.35	4.48	N/A	N/A	Five or fewer	57	14,866

Composite inception date: November 30, 2021.

[1] Benchmark: S&P 500

[2] Results shown for the calendar year 2021 represent partial period performance from November 30, 2021 through December 31, 2021.

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.

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S&P 500 ESG and DEI Strategy Composite contains fully discretionary S&P 500 accounts where the portfolios are constructed to achieve specific target weights for Racial Justice and Workplace Equity Scores from As You Sow and ESG Risk Ratings from Sustainalytics. The S&P 500 ESG and DEI Strategy Composite was created on November 30, 2021. For comparison purposes this strategy is measured against the S&P 500 Index. The S&P 500 is an index of 500 stocks seen as a leading indicator of U.S. equities and a reflection of the performance of the large cap universe. The S&P 500 is a market value weighted index and one of the common benchmarks for the U.S. stock market.

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.

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The three-year annualized standard deviation measures is not presented because 36 monthly returns are not available.

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.