

# Market Plus Portfolio Review

## Q1 2026

The Market Plus strategy composite returns are shown in the table below.

Period	Composite Gross of Fees	Composite Net of Fees	S&P 500
Q1 2026	-4.06	-4.13	-4.33

- **Stock selection was the primary driver of excess return, with strong selection in Health Care, Materials and Financials offsetting headwinds in other sectors, particularly Information Technology.**
- **Risk factor impacts were positive, supported by Momentum and Liquidity exposures, while Growth and Beta detracted modestly.**
- **Quantitative alpha model quintile returns were inverted, with lower-ranked stocks outperforming higher-ranked names, this provided a performance headwind.**

## Sector Attribution

### Q1 2026 Sector Attribution

	Market Plus			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
Health Care	10.64	1.02	0.12	9.57	-4.88	-0.45	-0.01	0.62	0.61
Materials	4.04	19.61	0.67	2.02	9.73	0.17	0.26	0.33	0.60
Financials	10.90	-6.55	-0.67	12.78	-9.35	-1.17	0.10	0.32	0.42
Consumer Staples	6.88	8.77	0.52	5.13	7.68	0.33	0.19	0.07	0.26
Real Estate	3.89	0.76	0.04	1.91	2.76	0.04	0.14	-0.07	0.07
Communication Services	9.97	-7.08	-0.72	10.53	-6.94	-0.75	0.00	-0.01	0.00
Consumer Discretionary	8.09	-11.36	-0.93	10.14	-9.19	-0.93	0.10	-0.19	-0.09
Utilities	1.46	2.05	0.02	2.37	8.26	0.17	-0.10	-0.08	-0.19
Energy	2.53	39.31	0.74	3.36	38.25	1.03	-0.30	-0.02	-0.32
Industrials	6.70	2.40	0.11	8.84	4.61	0.32	-0.16	-0.15	-0.32
Information Technology	34.54	-11.11	-3.96	33.34	-9.13	-3.10	-0.05	-0.74	-0.79
[Cash]	0.36	0.76	0.00	--	--	--	0.02	--	0.02
	<b>100.00</b>	<b>-4.06</b>	<b>-4.06</b>	<b>100.00</b>	<b>-4.33</b>	<b>-4.33</b>	<b>0.19</b>	<b>0.08</b>	<b>0.27</b>

Source: Xponance, FactSet

#### Positive Contributors

Health Care performance was supported by overweight positioning in defensive, earnings-resilient businesses. McKesson (MCK, +5.6%) and Johnson & Johnson (JNJ, +18.7%) provided steady relative performance, while Bristol-Myers Squibb (BMY, +13.8%) added to results. The contribution reflects a bias toward more stable exposures in a weaker market environment.



Materials also added meaningfully to relative results, driven by exposure to commodity and agricultural inputs. CF Industries (CF, +68.8%) and Corteva (CTVA, +25.2%) led performance, benefiting from strong pricing dynamics, while DuPont (DD, +14.4%) provided additional support.

### Negative Contributors

Information Technology was the largest detractor with weakness across multiple areas of the portfolio. Exposure to enterprise software and IT services, including Salesforce (CRM, -29.5%) and ServiceNow (NOW, -31.8%), weighed on results as high-multiple software came under pressure. Additional weakness in Adobe (ADBE, -30.6%) and Microsoft (MSFT, -23.3%) further detracted. Underweight exposure to strong-performing hardware and semiconductor names, including Sandisk (SNDK, +167.7%) and Western Digital (WDC, +57.1%), also hurt performance.

## Risk Factor Attribution

### Risk Attribution Analysis

Cash	Industries	Risk Factors	Stock Selection	Total
0.00	-0.52	0.40	0.39	<b>0.27</b>

Risk Factors	Ave Exposure (std dev)	Return (%)	Impact (%)
Momentum	0.05	2.35	0.15
Liquidity	0.10	1.20	0.11
Profitability	0.11	0.58	0.06
Size	-0.15	-0.35	0.05
Earnings Yield	0.15	0.28	0.05
Book to Price	0.03	1.31	0.04
Dividend Yield	0.03	1.02	0.03
Volatility	0.03	-0.60	0.01
Leverage	-0.06	0.30	-0.02
Growth	0.04	-1.02	-0.04
Beta	0.02	-0.72	-0.05
<b>Total</b>			<b>0.40</b>

Source: FactSet Global Fundamental Risk Model

The market environment during the quarter favored momentum and valuation-oriented characteristics. Momentum was the best performing factor, reflecting persistence in market leadership, while value-oriented factors broadly posted positive returns, supporting cyclical and valuation-sensitive exposures. Dividend Yield and Profitability also performed well, reinforcing a preference for stable earnings and income characteristics. In contrast, Growth lagged, and both Beta and Volatility were negative, consistent with a more challenging environment for higher-risk and higher-multiple equities. Size was also negative, with smaller-cap stocks outperforming larger-cap peers.

Portfolio positioning benefited from positive exposure to Momentum, Profitability, Size, and value factors, while Growth exposure functioned as a modest headwind.



## Quantitative Model Performance

### Model Performance (Top Quintile minus S&P 500)



Source: Xponance, FactSet

Model performance was negative, driven by weakness in the Cross-Sectional model, partially offset by positive results from the Group model.

Within the Cross-Sectional model, excess returns reflected a market environment dominated by cyclical leadership and valuation-driven dispersion. Value generated the strongest excess return as investors favored energy, materials, and other asset-heavy businesses benefiting from firm commodity prices and improving earnings leverage. In contrast, Growth and Quality underperformed, as higher-multiple technology and defensive franchises faced pressure from elevated rates and a shift away from duration-sensitive equities. Sentiment was modestly positive, supported by continued momentum in leading cyclical segments, but not enough to offset broader weakness. Despite strength in value, the overall Cross-Sectional model underperformed.

The Group model generated positive excess returns, as stock selection within groups proved more effective in a market driven by industry-level trends. In contrast to the broader Cross-Sectional approach, this framework benefited from aligning stock selection more closely with prevailing sector leadership.

Overall, results reflect a market where macro-driven sector rotation and valuation dispersion dominated. This environment presents a more challenging backdrop for a diversified strategy such as this, as narrow leadership and strong sector rotation reduce the effectiveness of broad, balanced ranking approaches.

### Alpha Model Attribution

Alpha Model Quintile	Portfolio			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
Q1 (High)	56.29	-4.15	-2.24	27.02	-8.05	-2.09	-1.12	2.26	1.14
Q2	28.50	-1.72	-0.60	27.92	-2.99	-0.97	0.04	0.34	0.38
Q3	7.76	-8.78	-0.78	15.84	-4.89	-0.89	0.11	-0.40	-0.29
Q4	6.19	-1.78	-0.48	18.04	-3.52	-0.76	-0.07	-0.07	-0.14
Q5 (Low)	0.82	-9.15	-0.05	11.12	4.14	0.37	-0.83	-0.08	-0.91
	<b>100.00</b>	<b>-4.06</b>	<b>-4.06</b>	<b>100.00</b>	<b>-4.33</b>	<b>-4.33</b>	<b>-1.78</b>	<b>2.05</b>	<b>0.27</b>

Source: Xponance, FactSet



Alpha model quintile returns were inverted during the period, with lower-ranked stocks outperforming higher-ranked names, creating a headwind for model-aligned positioning. This dynamic was driven by a concentration of returns in value-oriented and cyclical segments, where the highest-ranked quintile was more exposed to large-cap growth stocks that declined sharply, while lower-ranked names were more tilted toward value exposures that delivered strong positive returns.

Despite this, the portfolio outperformed the S&P 500 index, driven primarily by stock selection within the highest-ranked quintile, demonstrating the portfolio's ability to identify relative outperformers even within a segment that lagged in absolute terms. Allocation effects detracted overall. Overweight exposure to higher-ranked quintiles weighed on performance given their weaker returns, while underweight exposure to the lowest-ranked cohort detracted as those stocks outperformed. This reflects a headwind from positioning aligned with the model during a period when returns were concentrated outside of its primary signal.

Overall, results show that the outperformance this quarter was driven by strong stock selection overcoming a narrow, value-led market environment, which negatively impacted performance based on alpha model ranking.

### Disclosures:

Average Weight refers to the average daily portfolio weight of a security or factor over the specified reporting period. This metric reflects the time-weighted exposure to each position or factor, accounting for changes in portfolio composition throughout the period.

Past performance is not an indication of future results. Results for the period are time weighted. Returns are presented gross and net of management fees and include the reinvestment of all income. GIPS® reports and a complete list of firm composites and performance results are available upon request by contacting [info@xponance.com](mailto:info@xponance.com). 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.

## Trailing period performance as of 03/31/2026

(%)	QTD	CYTD	1- Year	3- Years	5- Years	10- Years	Since Inception	Inception Date
Composite Gross	-4.06	-4.06	20.74	19.61	12.57	14.07	9.88	12/31/01
Composite Net	-4.13	-4.13	20.37	19.24	12.23	13.79	9.59	
Index <sup>1</sup>	-4.33	-4.33	17.80	18.32	12.06	14.16	9.48	

<sup>1</sup>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 reflects the deduction of actual management fees (including performance-based fees if applicable) from the monthly composite gross of fee returns. Prior to June 30, 2004, net of fee returns was calculated using a dollar-weighted average fee. Actual management fees incurred by clients may vary. The composite include zero commission accounts.

The standard management fee schedule for the composite is as follows: First \$50mm: 35 bps; Next \$50mm: 30 bps; Over \$100mm: 25 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.

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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<sup>®</sup> report for additional performance information which is included on the next page of this presentation.

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## Annual Disclosure Presentation

Year End	Performance Results (%)			3-Yr Annualized Ex-Post Standard Deviation (%)		Number of Portfolios	Internal Dispersion (%)	Composite Assets (\$mm)	Total Firm Assets (\$mm)
	Composite Gross TWR	Composite Net TWR	Benchmark <sup>1</sup>	Composite Gross	Benchmark <sup>1</sup>				
2025	19.83	19.46	17.88	11.89	11.78	16	0.03	493	24,266
2024	26.38	25.99	25.02	17.04	17.15	16	0.03	426	20,489
2023	27.25	26.85	26.29	17.11	17.29	14	0.04	336	16,613
2022	-19.54	-19.78	-18.11	20.90	20.87	15	0.02	300	13,512
2021	29.49	29.19	28.71	17.58	17.17	14	0.01	951	14,866
2020	14.32	14.07	18.40	18.83	18.53	11	0.01	1,000	12,493
2019	28.84	28.57	31.49	12.29	11.93	10	0.01	1,095	5,411
2018	-6.51	-6.69	-4.38	11.29	10.80	6	0.02	799	4,026
2017	25.64	25.41	21.83	10.15	9.92	Five or fewer	N/A	733	6,817
2016	12.82	12.65	11.96	10.84	10.59	Five or fewer	N/A	543	6,249

Composite inception date: December 31, 2001.

<sup>1</sup> Benchmark: S&P 500

Xponance® LLC (the corporate transition from Xponance, Inc was effective January 2, 2026).

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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®.

**Market Plus Composite** contains fully discretionary low tracking error large cap core equity accounts and for comparison purposes is measured against the S&P 500 Index. The product typically has 100-175 holdings. The Market Plus Composite was created December 31, 2001.

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 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.

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