

DEI and ESG Portfolio Review

Q4 2024

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
Q4 2024	2.35	2.30	2.41

- **Stock selection was the primary driver of the underperformance this quarter.**
- **Performance within the S&P 500 by As You Sow (AYS) Score and ESG Risk Score quintile was non-monotonic and uneven. Despite headlines about a small-cap rally this quarter, large-cap growth stocks remained the primary drivers of index returns. Their substantial index weight and significant outperformance heavily influenced spread patterns across quintiles.**

Sector Attribution

Q4 2024 Sector Attribution

	DEI and ESG Strategy			S&P 500			Attribution Analysis		
	Average	Total	Contrib.	Average	Total	Contrib.	Allocation	Selection	Total
	Weight	Return	To Return	Weight	Return	To Return	Effect	Effect	Effect
Energy	2.83	14.25	0.41	3.34	-2.44	-0.05	0.03	0.46	0.49
Communication Services	9.69	10.28	0.93	9.05	8.87	0.74	0.05	0.13	0.18
Consumer Staples	3.66	-2.94	-0.11	5.67	-3.26	-0.19	0.12	0.02	0.13
Real Estate	4.00	-2.69	-0.09	2.21	-7.94	-0.18	-0.18	0.23	0.05
Materials	1.93	-14.24	-0.29	2.09	-12.42	-0.26	0.03	-0.05	-0.02
Utilities	2.37	-6.69	-0.16	2.42	-5.51	-0.13	0.01	-0.04	-0.03
Industrials	6.38	-4.47	-0.25	8.46	-2.27	-0.15	0.10	-0.14	-0.05
Consumer Discretionary	10.87	12.45	1.23	10.57	14.25	1.36	0.03	-0.17	-0.14
Health Care	10.62	-11.73	-1.30	10.76	-10.30	-1.14	0.02	-0.18	-0.16
Financials	13.99	5.04	0.72	13.42	7.09	0.94	0.03	-0.28	-0.25
Information Technology	33.13	3.97	1.26	32.00	4.84	1.48	0.02	-0.28	-0.26
[Cash]	0.52	1.19	0.01	0.00	0.00	0.00	0.00	0.00	0.00
	100.00	2.34	2.34	100.00	2.41	2.41	0.25	-0.31	-0.06

Source: Xponance, FactSet

Positive Contributors

Energy – Despite the energy sector's overall negative performance in Q4 2024, primarily due to declining oil prices and reduced demand, overweight's Kinder Morgan (+25.5%) and Williams Companies (+19.6%) focus on natural gas—a segment that experienced price increases due to heightened electricity demands—enabled them to outperform their sector peers.

Negative Contributors

Information Technology – Not owning Palantir Technologies (+103.3%) was the largest negative stock contributor. driven by robust growth in its U.S. commercial segment, strategic partnerships, and the expansion of its artificial intelligence (AI) platforms. The company's inclusion in the S&P 500 index further supported its performance.

Financials – Following Donald Trump's re-election, banks and capital market companies experienced positive momentum due to anticipated pro-business policies, including potential tax cuts and deregulation. This optimism is expected to lead to increased dealmaking and trading activities, contributing to substantial profit growth in the financial sector. Against this backdrop, underweight exposure to Wells Fargo (+25.1%) and Morgan Stanley (+21.6%) hurt performance.

Risk Factor Attribution

Risk Attribution Analysis – Axioma Risk Model

Cash	Industries	Risk Factors	Stock Selection	Total
0.01	0.10	-0.17	-0.01	-0.06

Risk Factors	Ave Exposure (std dev)	Return (%)	Impact (%)
Size	-0.02	-2.64	0.04
Earnings Yield	-0.02	-0.77	0.01
Market Sensitivity	0.00	0.43	0.01
Medium-Term Momentum	-0.01	1.04	0.01
Value	-0.01	-0.41	0.01
Leverage	0.00	-0.59	0.00
Liquidity	0.00	1.48	0.00
MidCap	0.00	-0.37	0.00
Profitability	-0.01	0.80	0.00
Volatility	-0.04	0.36	-0.01
Dividend Yield	0.02	-1.43	-0.03
Growth	-0.03	2.45	-0.07
Exchange Rate Sensitivity	-0.04	3.77	-0.14
Total			-0.17

Source: Axioma, FactSet

Overall, risk factor positioning detracted from performance. The largest negative contributor was the underweight to Exchange Rate Sensitivity, as companies with significant non-U.S. revenue exposure outperformed. This outcome, while counterintuitive given the pro-U.S. growth policies of the incoming administration, reflects the continued dominance of large-cap growth stocks with substantial international revenue exposure.

As You Sow and ESG Risk Score Attribution

As You Sow Score Attribution

As You Sow Score Quintile	DEI and ESG Strategy			S&P 500			Attribution Analysis		
	Average	Total	Contrib.	Average	Total	Contrib.	Allocation	Selection	Total
	Weight	Return	To Return	Weight	Return	To Return	Effect	Effect	Effect
Q1 (High)	54.47	1.92	1.13	38.57	2.43	0.96	0.02	-0.29	-0.27
Q2	22.61	0.14	0.49	23.75	0.86	0.51	0.02	-0.03	-0.01
Q3	10.91	-0.72	-0.28	16.62	0.52	0.00	0.11	-0.21	-0.10
Q4	8.64	15.94	1.04	12.43	11.56	1.02	-0.24	0.32	0.08
Q5 (Low)	2.83	-1.33	-0.04	8.61	-1.38	-0.07	0.24	0.00	0.24

Source: Xpounce, FactSet

ESG Risk Score Attribution

ESG Risk Score Quintile	DEI and ESG Strategy			S&P 500			Attribution Analysis		
	Average	Total	Contrib.	Average	Total	Contrib.	Allocation	Selection	Total
	Weight	Return	To Return	Weight	Return	To Return	Effect	Effect	Effect
Q1 (Lowest Risk)	38.76	-1.69	-0.55	24.56	-1.02	-0.18	-0.47	-0.29	-0.77
Q2	27.80	4.35	1.24	21.76	4.12	0.88	0.12	0.07	0.18
Q3	11.49	0.32	0.03	12.63	-0.92	-0.12	0.05	0.14	0.19
Q4	11.96	10.10	1.07	19.40	7.17	1.28	-0.35	0.35	-0.01
Q5 (Highest Risk)	9.08	6.41	0.55	20.77	2.20	0.50	0.02	0.38	0.40

Source: Xpounce, FactSet

Performance within the S&P 500 by As You Sow (AYS) Score and ESG Risk Score quintile was non-monotonic and uneven. Despite headlines about a small-cap rally this quarter, large-cap growth stocks remained the primary drivers of index returns. Their substantial index weight and significant outperformance heavily influenced spread patterns across quintiles.

For example, Tesla's +54.4% return (ranked in the lower AYS quintile) disrupted the otherwise monotonic AYS spread pattern. Similarly, ESG quintiles were impacted by the outsized performance of key large-cap growth names: NVIDIA (+10.6%) in Q1, Apple (+7.6%) in Q2, Tesla (+54.4%) and Alphabet (+14.0%) in Q4, and Amazon (+17.7%) in Q5. By contrast, Microsoft's -1.9% performance tempered Q1 results.

Overall, AYS and ESG risk considerations appeared to have played a secondary role in driving performance during this period, as outcomes were dominated by the exceptional returns of large-cap growth stocks.

Trailing period performance as of 12/31/2024

(%)	QTD	CYTD	1- Year	3- Years	5- Years	10- Years	Since Inception	Inception Date
Composite Gross	2.35	24.98	24.98	7.93	N/A	N/A	9.21	11/30/21
Composite Net	2.30	24.75	24.75	7.75	N/A	N/A	9.03	
Index ¹	2.41	25.02	25.02	8.94	N/A	N/A	10.24	

¹Benchmark: 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.

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Annual Disclosure Presentation

Year End	Performance Results (%)			3-Yr Annualized Ex-Post Standard Deviation (%)		Number of Portfolios	Composite Assets (\$mm)	Total Firm Assets (\$mm)
	Composite Gross TWR	Composite Net TWR	Benchmark ¹	Composite Gross	Benchmark ¹			
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.

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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 measure 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.

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