

Emerging Markets Equity Strategy

Q2 2020



June 30, 2020

Annualized Returns (%)

	QTD	YTD	1 Year	3 Years	5 Years	Since Inception ¹
Gross of fees	22.07	-8.17	-2.13	2.11	0.64	5.64
Net of fees	21.79	-8.63	-3.10	1.09	-0.36	4.59
Benchmark ²	18.08	-9.78	-3.39	1.90	2.86	4.94

¹ Inception Date: July 1, 2009 ² Benchmark: MSCI Emerging Markets Net

Characteristics

	Portfolio Weight
Excess return (gross since inception)	0.71%
Excess return (net since inception)	-0.34%
Tracking error	4.26%
Standard deviation (annualized)	18.04%
Information ratio (gross since inception)	0.16
Information ratio (net since inception)	-0.08
Upside capture (3 yr)	102.69%
Downside capture (3 yr)	100.78%
Weighted average market cap	\$81,727.46m
Weighted average market cap (benchmark)	\$135,596.65mm

Sector Weights (%)

	Portfolio Weight	Benchmark Weight
Communication Services	8.84	13.50
Consumer Discretionary	22.98	17.38
Consumer Staples	10.37	6.48
Energy	3.74	5.96
Financials	16.17	19.07
Health Care	6.64	4.30
Industrials	4.20	4.69
Information Technology	15.83	16.93
Materials	6.78	6.86
Real Estate	3.40	2.58
Utilities	1.05	2.27

Top Ten Holdings (%)

	Portfolio Weight
Alibaba Group Holding Ltd.	3.15
Tencent Holdings Ltd.	3.14
Meituan Dianping Class B	2.40
Sea Ltd. (Singapore) Sponsored ADR Class A	2.31
Yihai International Holding Ltd.	2.26
Dino Polska S.A.	2.04
Samsung Electronics Co., Ltd.	2.03
Alibaba Health Information Technology Ltd.	1.76
HDFC Bank Limited	1.71
SPDR Portfolio Emerging Markets ETF	1.66

Region Weights (%)

	Portfolio Weight
Pacific Rim	61.36
South Asia	15.22
LatAm	8.84
Europe Periphery	8.79
Africa	2.63
Cash	1.86
Middle East	1.05
Europe Core	0.19
United Kingdom	0.06
Central Asia	0.00

Portfolio Management



Tina Byles Williams
Chief Investment Officer &
Lead Portfolio Manager



Thomas Quinn, CFA
Managing Director, Sr.
Portfolio Manager, Tactical
& Multi-Manager Strategies

About Xponance®

Xponance® is a multi-strategy investment firm offering strategies across equity and fixed income. We are independent and employee owned by women and diverse professionals, whose common passion is to do the right thing for our clients and each other. Xponance® is the successor firm representing the integration of two great legacy firms, FIS Group, Inc. and Piedmont Investment Advisors, LLC.

Investment Philosophy

We believe that a carefully constructed portfolio of small, entrepreneurial managers can outperform its benchmark and large AUM peers on a risk adjusted basis over a full market cycle, without taking on uncompensated levels of active risk. This strategy is defined by exposure to undiscovered, high conviction Non-U.S. equity managers, delivered in customizable solutions.

Portfolio Facts

Inception date	7/1/2009
Assets in strategy	\$705mm
Woman or diverse owned managers	40-60%
Target active share	>70
Benchmark	MSCI Emerging Markets Net
Min. investment	\$25mm
Vehicle(s) available	Separately managed

The information provided on this page should be considered supplemental. For complete performance data, please see the Xponance® Emerging Markets Equity Strategy disclosures on the last page.

Emerging Markets Equity Strategy

Annual Disclosure Presentation

Year End	Total Firm Assets (\$mm)	Composite Assets		Annualized Performance Results (%)				3 Year Ex-Post Standard Deviation (%)	
		USD (\$mm)	Number of Accounts	Composite Gross	Composite Net	Benchmark ¹	Composite Dispersion (%)	Composite	Benchmark ¹
2019	4,621	748	9	21.36	20.17	18.42	2.55	13.78	14.17
2018	4,868	721	12	-16.37	-17.21	-14.57	0.63	13.68	14.60
2017	5,103	434	11	29.89	28.63	37.28	2.52	13.24	15.35
2016	4,695	256	11	1.10	0.09	11.19	1.93	13.47	16.07
2015	4,475	123	8	-12.16	-13.04	-14.92	2.40	12.07	14.06
2014	4,527	182	8	2.27	1.26	-2.19	N/A	13.53	15.00
2013	4,368	172	6	-1.34	-2.32	-2.60	N/A	19.11	19.04
2012	2,710	79	5 or Fewer	18.23	17.06	18.22	N/A	22.51	21.50
2011	2,351	62	5 or Fewer	-15.33	-16.18	-18.42	N/A	N/A ²	N/A ²
2010	2,309	53	5 or Fewer	22.97	21.77	18.87	N/A	N/A ²	N/A ²

¹ Benchmark: MSCI Emerging Markets Net

² Not shown because 36 monthly returns are not available.

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, 2019. A copy of the verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

On August 31, 2018, FIS Group, Inc. ("FIS Group") acquired Piedmont Investment Advisors, Inc.'s ("PIA") predecessor, Piedmont Investment Advisors, LLC. Xponance[®] 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 complete list of composite descriptions, which is available upon request.

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

Xponance[®] Emerging Markets Equity Strategy is an emerging markets equity composite which contains fully discretionary emerging markets equity account(s) that are constructed by using the manager of managers concept and, beginning February 1, 2018, may or may not have applied a tactical completion account to implement Xponance's top down views, including the ability to amplify or reduce overall market beta risk, based on our risk indicators, more nimbly and more efficiently. 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. For comparison purposes this composite is measured against the MSCI Emerging Markets net Index. Since the performance inception of the composite, sub-advisor(s) have been utilized to manage assets within the Xponance[®] Emerging Markets Equity Strategy. For periods prior to January 1, 2010, cash was managed separately for all carve-outs. For calendar year 2010, the composite was made up of 100% carve-outs. The Xponance[®] Emerging Markets Equity Strategy composite was created November 6, 2013. The composite name changed from "FIS Group Emerging Markets Equity Strategy" to "Xponance[®] Emerging Markets Equity Strategy" on April 1, 2020.

Past performance is not indicative of future results. The US Dollar is the currency used to express performance. Returns include the effect of foreign currency exchange rates. Sources of foreign exchange rates may be different among the portfolios within a composite, and between the composite and the benchmark. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. The actual tax rate applied may vary by custodian and the investor's domicile. MSCI uses the maximum withholding tax rate applicable to institutional investors in calculating MSCI net dividends.

Gross of fee performance results are presented gross of management fees and include the reinvestment of all income. Net of fee performance results reflect an annual management fee of 1.00%, applied monthly. Actual management fees incurred by clients may vary. Xponance[®] uses the following asset-based standard fee schedule: 1.00% for the first \$10 million, 0.90% for the next \$15 million, 0.85% for the next \$25 million, 0.80% for the next \$25 million, 0.70% for the next \$25 million, negotiable thereafter. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.