

# International Equity Complete Strategy

## Q3 2021



September 30, 2021

### Annualized Returns (%)

|                        | QTD   | YTD  | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception <sup>1</sup> |
|------------------------|-------|------|--------|---------|---------|----------|------------------------------|
| Gross of fees          | -1.90 | 8.45 | 27.18  | 9.79    | 9.64    | 8.70     | 7.37                         |
| Net of fees            | -2.00 | 8.08 | 26.58  | 9.24    | 9.08    | 7.96     | 6.58                         |
| Benchmark <sup>2</sup> | -2.99 | 5.90 | 23.92  | 8.03    | 8.94    | 7.48     | 5.83                         |

<sup>1</sup> Inception Date: October 1, 2008    <sup>2</sup> Benchmark: MSCI ACWI Ex USA net Index

### Characteristics

|   | Portfolio Weight |
|---|------------------|
| Excess return (gross since inception)     | 1.53%            |
| Excess return (net since inception)       | 0.75%            |
| Tracking error                            | 2.83%            |
| Standard deviation (annualized)           | 17.01%           |
| Information ratio (gross since inception) | 0.54             |
| Information ratio (net since inception)   | 0.26             |
| Upside capture (3 yr)                     | 100.67%          |
| Downside capture (3 yr)                   | 96.09%           |
| Weighted average market cap               | \$73,192.4mm     |
| Weighted average market cap (benchmark)   | \$93,713.1mm     |

### Sector Weights (%)

|                        | Portfolio Weight | Benchmark Weight |
|------------------------|------------------|------------------|
| Communication Services | 5.75             | 6.29             |
| Consumer Discretionary | 16.93            | 12.67            |
| Consumer Staples       | 10.98            | 8.50             |
| Energy                 | 2.44             | 4.92             |
| Financials             | 16.05            | 19.33            |
| Health Care            | 10.94            | 9.52             |
| Industrials            | 13.28            | 12.16            |
| Information Technology | 13.92            | 13.18            |
| Materials              | 7.07             | 7.96             |
| Real Estate            | 1.96             | 2.45             |
| Utilities              | 0.68             | 3.01             |

### Top Ten Holdings (%)

|  | Portfolio Weight |
|--|------------------|
| ASML Holding NV                            | 1.65             |
| Roche Holding Ltd                          | 1.20             |
| Sea Ltd. (Singapore) Sponsored ADR Class A | 1.14             |
| Alibaba Group Holding Ltd.                 | 1.12             |
| LVMH Moët Hennessy Louis Vuitton SE        | 1.11             |
| EssilorLuxottica SA                        | 1.07             |
| Sony Group Corporation                     | 1.06             |
| Airbus SE                                  | 1.01             |
| Sonova Holding AG                          | 1.00             |
| Euronext NV                                | 0.96             |

### Region Weights (%)

|                  | Portfolio Weight |
|------------------|------------------|
| Europe Core      | 38.33            |
| Pacific Rim      | 33.78            |
| United Kingdom   | 9.56             |
| South Asia       | 7.51             |
| Canada           | 4.06             |
| LatAm            | 2.86             |
| Europe Periphery | 1.63             |
| Middle East      | 0.83             |
| Cash             | 1.43             |

Total product assets shown above may include accounts that are not reflected in the GIPS® report below. Portfolio characteristics are subject to change, and current holdings may differ. Past performance is not an indication of future results. GIPS-compliant performance information for the firm's strategies and products are available upon request at [info@xponance.com](mailto: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® International Equity Complete Strategy disclosures below.

Philadelphia, PA | Durham, NC

### 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                  | 10/1/2008                  |
| Assets in strategy              | \$1,168mm                  |
| Woman or diverse owned managers | 40-60%                     |
| Target active share             | >75                        |
| Benchmark                       | MSCI ACWI Ex USA net Index |
| Min. investment                 | \$25mm                     |
| Vehicle(s) available            | Separately managed         |

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> |                      |                         |                         |                          |
| 2020     | 15.33                   | 14.78             | 10.65                  | 17.96  | 17.93                  | 5 or Fewer           | N/A                     | 892                     | 12,493                   |
| 2019     | 20.90                   | 20.29             | 21.51                  | 11.16  | 11.34                  | 7                    | 1.29                    | 1,031                   | 4,621                    |
| 2018     | -15.25                  | -15.66            | -14.20                 | 11.35  | 11.38                  | 10                   | 0.65                    | 1,471                   | 4,868                    |
| 2017     | 27.65                   | 27.01             | 27.19                  | 11.10  | 11.87                  | 9                    | N/A                     | 1,260                   | 5,103                    |
| 2016     | 1.65                    | 0.94              | 4.50                   | 11.80  | 12.51                  | 7                    | N/A                     | 1,114                   | 4,695                    |
| 2015     | -0.35                   | -1.18             | -5.66                  | 11.24  | 12.13                  | 5 or Fewer           | N/A                     | 597                     | 4,475                    |
| 2014     | -3.42                   | -4.29             | -3.87                  | 12.05  | 12.81                  | 5 or Fewer           | N/A                     | 601                     | 4,527                    |
| 2013     | 17.22                   | 16.19             | 15.29                  | 15.30  | 16.23                  | 5 or Fewer           | N/A                     | 481                     | 4,368                    |
| 2012     | 18.15                   | 17.10             | 16.83                  | 18.38  | 19.26                  | 5 or Fewer           | N/A                     | 368                     | 2,710                    |
| 2011     | -12.42                  | -13.22            | -13.71                 | 20.99  | 22.71                  | 5 or Fewer           | N/A                     | 324                     | 2,351                    |

Composite inception date: September 30, 2008.

<sup>1</sup> Benchmark: MSCI ACWI ex USA net 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, 2020. 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 pool fund(s) 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 for periods after April 1, 2020 represent the total firm assets of Xponance®.

**Xponance® International Equity Complete Strategy** is a non-US equity composite which contains fully discretionary non-US equity account(s) that are constructed by using the manager of managers concept and 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 nimble 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 ACWI ex USA net Index. Since the performance inception of the composite, sub-advisor(s) have been utilized to manage assets within the Xponance® International Equity Complete Strategy. The Xponance® International Equity Complete Strategy composite was created April 1, 2015.

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. Prior to September 1, 2015, net of fee performance results reflect a model annual management fee of 0.90%, applied monthly. From September 1, 2015 through January 31, 2017, net of fee performance results reflect an annual management fee of 0.70%, applied monthly. The use of actual client fees for NOF calculations, was not fully reflective of the carve-out's asset class fee rate; therefore, the firm's highest fee schedule is used for NOF performance calculations. Net returns are calculated by deducting the model management fee from the monthly gross composite return. Beginning on February 1, 2017 and thereafter, net of fee performance results reflect the deduction of the actual management fees. Actual management fees incurred by clients may vary. Xponance® uses the following asset-based standard fee schedule: 0.90% for the first \$50 million, 0.70% for the next \$50 million, 0.60% for the next \$50 million, 0.58% for the next \$50 million, negotiable thereafter. Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.

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 is calculated using the equal-weighted standard deviation of annual gross of fee returns of those portfolios that were included 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.