

Yield Advantage Opportunistic Core

Q2 2020



June 30, 2020

Annualized Returns (%)

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	Since Inception ¹
Gross of fees	4.68	5.81	8.04	5.10	4.31	4.13	4.51
Net of fees	4.64	5.73	7.88	4.93	4.13	3.95	4.30
Benchmark ²	2.90	6.14	8.74	5.32	4.30	3.96	4.29

¹ Inception Date: June 30, 2003 ² Bloomberg Barclays U.S. Aggregate Index

Characteristics

Average Duration	6.23
Weighted Average Life	8.22
Average YTM	2.32
Average YTW	2.26
Average Weighted Coupon	3.25
Average Quality (Moody's)	AA3

Sector Weights (%)

	Portfolio Weight	Benchmark Weight
Cash	0.13	0.00
U.S. Treasury	19.28	37.18
Govt-Related	6.05	1.40
Corporate Credit	46.74	32.00
Securitized	27.93	29.50

Duration Distribution (%)

	Portfolio Weight	Benchmark Weight
0-1 Year	12.4	4.1
1-3 Years	15.7	35.2
3-5 Years	22.7	23.0
Over 5 Years	49.2	36.7

Distinguishing Attributes

- Significantly enhanced credit diversification
- Focused on directional changes in the price of risk
- Wisdom of experienced investment team
- Corporate culture built on client service and diversity

Portfolio Facts

Benchmark	Bloomberg Barclays U.S. Aggregate Index
Inception	6/30/2003
Total Product Assets*	\$1,662mm
Vehicle(s) available	Separately managed

*Total product assets shown above may include accounts that are not reflected in the GIPS composite performance.

Portfolio characteristics are subject to change, and current holdings may differ. Past performance is not an indication of future results. A complete list of firm composites and performance results is available upon request. Additional disclosures are found at the end of this presentation. Statistics shown are supplemental information to the GIPS compliant presentation at the end of this presentation. Results represent preliminary data which is subject to change.

The information provided on this page should be considered supplemental. For complete performance data, please see the Xponance® Yield Advantage Opportunistic Core disclosures on the last page.

Portfolio Team



Charles L. Curry, Jr.
Managing Director, Sr.
Portfolio Manager, U.S.
Fixed Income



Noel McElreath, CFA
Director, Portfolio
Manager, U.S. Fixed Income

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 Objective

The Xponance® Opportunistic Core strategy is a yield maximizing total return bond strategy with primary investment objectives of current income and capital preservation. A secondary investment objective is long-term capital appreciation. The Strategy invests at least 85% of its debt exposure around securities within the Bloomberg Barclays Aggregate benchmark.

Investment Strategy

The strategy goal is to deliver long-term results that maximize yield's contribution to total return within a risk-aware framework. This includes a cyclical/trend assessment of granular economic data in concert with a fundamental assessment of risk premia. The strategy's differentiated exposure includes index securities as well as out of index exposure such as high yield, FRNs, TIPS and other market opportunities.

All portfolios are managed within a diversified, risk-adjusted framework. Client-driven risk parameters dictate our non-index exposure.

Yield Advantage Opportunistic Core

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	5,411	1,383	7	8.53	8.37	8.72	N/A ²	2.63	2.87
2018	4,026	981	5 or fewer	-0.44	-0.61	0.01	N/A ²	2.54	2.84
2017	6,817	1,102	7	4.10	3.90	3.54	0.07	2.59	2.78
2016	6,249	759	5 or fewer	4.34	4.15	2.65	N/A ²	2.85	2.98
2015	5,577	629	5 or fewer	0.23	0.05	0.55	N/A ²	2.94	2.88
2014	2,542	699	5 or fewer	5.59	5.41	5.97	N/A ²	2.84	2.63
2013	2,731	661	5 or fewer	-1.59	-1.78	-2.03	N/A ²	2.84	2.75
2012	3,425	719	6	6.42	6.23	4.22	0.09	2.35	2.42
2011	3,441	638	6	7.62	7.44	7.84	0.09	3.02	2.82
2010	3,449	378	5 or fewer	8.50	8.29	6.54	N/A ²	N/A	N/A

¹Benchmark: Bloomberg Barclays U.S. Aggregate Index

²The internal dispersion is not presented for those periods marked "N/A" because the composite did not have at least six portfolios for the entire annual period.

The 3-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. Standard deviation is not required for periods prior to 2011.

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 is 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 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®.

Yield Advantage Opportunistic Core Composite contains fully discretionary core fixed income accounts with increased credit exposure and mortgage-backed and asset-backed securities and is measured against the Bloomberg Barclays U.S. Aggregate Bond Index. The product typically has 75-150 holdings with duration ranging from 88 to 112% of the prospective index and a predicted tracking error of 0.75 to 1.50%. The Yield Advantage Opportunistic Core Composite was created June 30, 2003.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. Piedmont maintains a significant cash flow policy. A significant cash flow has been defined as any client requested cash withdrawal where we must execute trades to generate the requested cash. We will remove the cash from the account the day we raise the cash; therefore, significant cash flows out of an account will be treated as a temporary account and the member account will remain in the composite.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. Prior to June 30, 2004, net of fee performance was calculated using a dollar-weighted average fee. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows: First \$50mm: 30 bps; Next \$25mm: 28 bps; Next \$25mm: 25 bps; Over \$100mm: 20 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.