

## Snapshot

Morningstar Category	US SA Equity Market Neutral
Inception Date	7/1/2021
Strategy Assets	\$ 11,170,000
Investment Minimum	\$ 1,000,000
Average Market Cap (mil)	\$ 20,180

## Portfolio Manager

Robert C. Doll, CFA

## Strategy Objective

Seeks long-term capital appreciation and to provide absolute returns independent of equity market direction

## Model Portfolio Statistics\*

Asset Mix: Long	100.06%
Asset Mix: Short	92.44%
Asset Mix: Net	7.62%
# of Long Stock Holdings	112
# of Short Stock Holdings	114
Long/Short Ratio	1.08

## Model Portfolio Characteristics\*

	Long	R1000	Short
Dividend Yield (%)	1.42	1.21	0.68
Dividend Growth - 3 Yr (%)	9.69	9.50	8.82
Median Dividend Payout Ratio (%)	22.44	29.32	9.79
EPS Growth - 3 Yr (%)	17.48	25.27	15.69
P/E	15.67	18.55	30.18
P/B	3.86	4.03	4.72
P/FCF	19.79	37.10	53.75
ROE	20.32	19.23	-8.02

All Investments are subject to risks, including the possible loss of principal. Past performance does not guarantee future results.

Composite illustrated is the Crossmark Equity Market Neutral Composite.

Net performance was calculated using actual management fees. As of the date presented, the composite contained only one account, which is a commission-based account that pays a management fee of 0.05% annually.

\* Model Portfolios are based on a hypothetical account managed during the current quarter. Actual characteristics and income may differ from model.

## Composite Performance

	QTR	Since Inception
Equity Market Neutral - Gross	8.86%	11.70%
Equity Market Neutral - Net	8.84%	11.68%
ICE BofA US 3M Trsy Bill TR	0.01%	0.02%

## Model Portfolio GICS Sector Weights (%)\*

	Long	Short	Net
Communication Services	3.81	6.35	-2.53
Consumer Discretionary	21.95	12.18	9.78
Consumer Staples	1.69	4.21	-2.53
Energy	0.00	3.00	-3.00
Financials	12.34	5.60	6.74
Healthcare	13.38	12.77	0.61
Industrials	14.61	18.91	-4.30
Information Technology	23.89	13.54	10.35
Materials	0.60	5.27	-4.66
Real Estate	7.79	2.03	5.76
Utilities	0.00	8.58	-8.58
Total	100.06	92.44	7.62

## Model Portfolio Top 10 Long Holdings\*

	Weight
Anthem Inc	1.25%
Prologis Inc	1.21%
Jones Lang LaSalle Inc	1.21%
CVS Health Corp	1.20%
Gartner Inc	1.20%
CBRE Group Inc Class A	1.17%
Cirrus Logic Inc	1.16%
Intuit Inc	1.15%
Genpact Ltd	1.14%
Booz Allen Hamilton Holding Corp Class A	1.14%

11.82%

## Model Portfolio Top 10 Short Holdings\*

	Weight
TransDigm Group Incorp	-1.14%
Atmos Energy Corp	-1.13%
RPM International Inc.	-1.09%
Upstart Holdings Inc.	-1.09%
Boeing Company	-1.08%
Medical Properties Trust, Inc.	-1.08%
Penn National Gaming, Inc.	-1.07%
OGE Energy Corp.	-1.07%
TripAdvisor, Inc.	-1.05%
Dun & Bradstreet Holdings Inc	-1.05%
Total % of Portfolio	-10.85%

## Leading Long Contributors

	Return	Contribution
Lam Research Corp	26.63	0.30
Capri Holdings Ltd	34.08	0.29
Accenture PLC Class A	29.96	0.28
Anthem Inc	24.69	0.27
HP Inc	38.61	0.24
AECOM	22.49	0.24
Acuity Brands Inc	22.20	0.23
LKQ Corp	19.82	0.22
Iron Mountain Inc	21.98	0.21
Intuit Inc	19.37	0.21

## Leading Long Detractors

	Return	Contribution
Teradata Corp	-25.95	-0.29
Gap Inc	-21.85	-0.20
Dropbox Inc Class A	-16.02	-0.16
Biogen Inc	-15.22	-0.17
World Wrestling Entertainment Inc Class A	-12.08	-0.07
Flowserve Corp	-11.17	-0.09
The Western Union Co	-10.65	-0.11
ManpowerGroup Inc	-8.85	-0.08
Fox Corp Class A	-8.00	-0.09
Polaris Inc	-7.63	-0.02

## Leading Short Contributors

Holding	Return	Contribution
StoneCo Ltd.	-51.44	0.59
Vimeo, Inc.	-36.22	0.58
Peloton Interactive, Inc.	-58.92	0.57
DraftKings Inc	-42.96	0.48
C3.ai, Inc	-29.68	0.32
Zillow Group, Inc	-29.76	0.30
Vroom, Inc.	-51.11	0.30
Palantir Technologies Inc	-24.81	0.30
Wayfair, Inc	-26.15	0.29
Freshpet Inc	-33.23	0.28

## Leading Short Detractors

Holding	Return	Contribution
Dollar Tree, Inc.	46.80	-0.41
Marvell Technology, Inc.	45.20	-0.41
Enphase Energy, Inc.	21.98	-0.41
Cloudflare Inc Class A	16.73	-0.38
Grocery Outlet Holdings	31.11	-0.31
Vistra Corp	34.12	-0.30
RPM International Inc.	30.69	-0.29
Coty Inc.	30.41	-0.29
Devon Energy Corp	26.51	-0.28
PG&E Corp	26.46	-0.26

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The Equity Market Neutral strategy seeks long-term capital appreciation and to provide absolute returns independent of equity market direction. The Crossmark Equity Market Neutral Composite was created on July 1, 2021 and consists of all discretionary, fee-paying, commission-based, dual contract and/or separately managed accounts that are managed according to this strategy. The primary benchmark for this composite is the ICE Bank of America 3 Month Treasury Bill Index.

The U.S. Dollar is the currency used to express performance. The performance reflects the reinvestment of dividends and other earnings to the extent that client accounts included in the composite elected to reinvest dividends and earnings. Performance figures shown gross of fees do not reflect the payment of investment advisory fees.

All Investments are subject to risks, including the possible loss of principal. Past performance does not guarantee future results. The Equity Market Neutral strategy may not achieve its objective if the managers' expectations regarding particular securities or markets are not met. Equity investments generally involve two principal risks—market risk and selection risk. The value of equity securities will rise and fall in response to general market and/or economic conditions (equity market risk). The value of any individual equity security will rise and fall in response to the market's perception of the issuer's revenues, earnings, balance sheet, credit worthiness, business plan, and overall perception of the viability of the issuer's business (selection risk).

The Strategy also exposes the investor to short sale risk. An investor's account would incur a loss as a result of a short sale if the price of the security sold short increases in value between the date of the short sale and the date on which the account purchases the security to replace the borrowed security. In addition, the securities sold short may have to be returned to the lender on short notice, which may result in the account having to buy the securities sold short at an unfavorable price to close out a short position. If this occurs, any anticipated gain to the account may be reduced or eliminated, or the short sale may result in a loss.

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