

# ACTIVE ADVANTAGE STRATEGY

FACT SHEET | Q3 2025



Available on

TAMP and Model Delivery Platforms

## OBJECTIVE

The Active Advantage Strategy (the "Strategy") seeks total return.

## WHY INVEST

### Adaptive Risk Management

The Strategy employs a tactical allocation strategy that shifts among equities, fixed income, and defensive assets (such as cash and Treasuries) based on market conditions. This approach aims to reduce risk of drawdowns while capturing growth opportunities to help enhance risk-adjusted returns.

### Quantitative Precision

Leveraging robust, data-driven analysis, the Strategy identifies market trends and adjusts exposures accordingly. This disciplined strategy seeks to ensure the portfolio is well-positioned to optimize returns while anticipating market risks.

### Diversification and Flexibility

Designed to complement traditional portfolios, the Strategy strategically balances equity and bond allocations. This versatile approach helps manage risk of drawdown across diverse market environments while pursuing long-term total returns.

## APPROACH

Our Strategy employs a systematic trend-following approach to dynamically allocate among equities, fixed income, and cash equivalents. In favorable markets, we tilt toward equities and higher-yielding fixed income to capture growth opportunities, while in less favorable conditions we shift to higher-quality fixed income and cash. This flexible strategy adapts to market strength indicators, enabling a seamless transition between defensive and opportunistic positions.

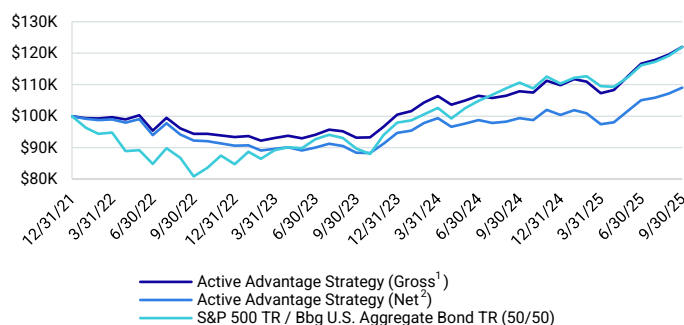
## ABOUT US

At Kensington Asset Management, our strategies are designed to generate steady, above average returns with low volatility and controlled downside exposure, catering to a range of investor needs. Over the course of 40 years and across market cycles, we have proven ourselves as pioneers of systematic investment methodologies – relentlessly defining, refining and evolving our proprietary decision models while intelligently expanding our service set to create both core and complementary portfolio pathways that seek to enhance resilience and optimize risk-adjusted outcomes.

Developed from existing strategies that Kensington has been managing for more than a decade, the Active Advantage Strategy brings our fixed-income and equity approaches together to form an opportunistic strategy intended to perform across market cycles and reduce overall portfolio risk.

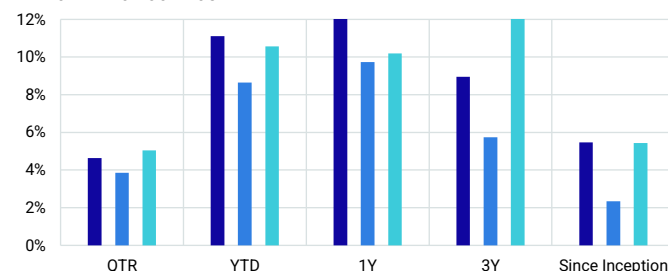
## GROWTH OF \$100,000

As of 09/30/2025



## PERFORMANCE COMPOSITE

As of 09/30/2025



### Active Advantage Strategy (Gross<sup>1</sup>)

|       |        |        |       |       |
|-------|--------|--------|-------|-------|
| 4.64% | 11.11% | 13.08% | 8.96% | 5.46% |
|-------|--------|--------|-------|-------|

### Active Advantage (Net<sup>2</sup>)

|       |       |       |       |       |
|-------|-------|-------|-------|-------|
| 3.85% | 8.65% | 9.74% | 5.74% | 2.34% |
|-------|-------|-------|-------|-------|

### S&P 500 TR / Bbg U.S. Aggregate Bond TR (50/50)

|       |        |        |        |       |
|-------|--------|--------|--------|-------|
| 5.05% | 10.57% | 10.20% | 14.70% | 5.44% |
|-------|--------|--------|--------|-------|

Inception Date: December 31, 2021.

Returns for periods greater than one year annualized

Investing involves risk, including loss of principal. Past performance does not guarantee future results. There is no guarantee that an investment strategy or diversification will generate a profit or prevent a loss.

## RISK CHARACTERISTICS

As of 09/30/2025

| Strategy           | Active Advantage Strategy (Gross <sup>1</sup> ) | Active Advantage Strategy (Net <sup>2</sup> ) | S&P 500 TR/Bbg U.S. Aggregate Bond (50/50) |
|--------------------|-------------------------------------------------|-----------------------------------------------|--------------------------------------------|
| Standard Deviation | 7.10%                                           | 7.08%                                         | 10.98%                                     |
| Sharpe Ratio       | 0.19                                            | -0.24                                         | 0.16                                       |
| Sortino Ratio      | 0.28                                            | -0.31                                         | 0.22                                       |
| Maximum Drawdown   | -8.08%                                          | -11.73%                                       | -19.17%                                    |
| Upside Capture     | 62.02%                                          | 52.06%                                        | 100.00%                                    |
| Downside Capture   | 47.83%                                          | 56.18%                                        | 100.00%                                    |
| Correlation        | 0.77                                            | 0.77                                          | 1.00                                       |



## COMPOSITE RETURNS

As of 09/30/2025

|          |                    | Q1     | Q2     | Q3     | Q4     | Annual Return |
|----------|--------------------|--------|--------|--------|--------|---------------|
| 2025 YTD | Gross <sup>1</sup> | -2.27% | 8.65%  | 4.64%  | -      | -             |
|          | Net <sup>2</sup>   | -2.99% | 7.84%  | 3.85%  | -      | -             |
| 2024     | Gross              | 5.80%  | 0.12%  | 1.37%  | 1.77%  | 9.27%         |
|          | Net                | 5.01%  | -0.63% | 0.60%  | 1.00%  | 6.03%         |
| 2023     | Gross              | -0.39% | 1.16%  | -1.02% | 7.91%  | 7.64%         |
|          | Net                | -1.12% | 0.41%  | -1.77% | 7.10%  | 4.46%         |
| 2022     | Gross              | -0.31% | -4.34% | -1.07% | -1.02% | -6.62%        |
|          | Net                | -1.05% | -5.05% | -1.81% | -1.76% | -9.38%        |

### Disclosures

Investment advisory services offered through Kensington Asset Management, LLC ("KAM"). KAM does not charge an advisory fee.

<sup>1</sup>Gross returns do not include the deduction of transaction costs and are shown as supplemental information.

<sup>2</sup>Net performance values and statistics reflect the deduction of model fees of 3% as the highest possible fee that would be charged to an investor and may not reflect actual deducted fees.

Any indices and other financial benchmarks shown are provided for illustrative purposes only, are unmanaged, reflect reinvestment of income and dividends and do not reflect the impact of advisory fees. Investors cannot invest directly in an index. Comparisons to indexes have limitations because indexes have volatility and other material characteristics that may differ from a particular strategy such as the types of securities being substantially different.

Investment returns will be reduced by advisory fees and other expenses charged in the management of a client's account. Clients should carefully review applicable fees and understand how advisory fees, compounded over a number of years, reduce the value of an investment portfolio, as investment balances and potential gains on the investment balances are reduced by fees. Additional information is provided in the SEC Investors Bulletin "How Fees and Expenses Affect Your Investment Portfolio."

KAM claims compliance with the Global Investment Performance Standards (GIPS®). KAM has been independently verified for the period of January 1, 2022 through December 31, 2024. Inception calculation based on the inception date: 1/1/2022.

The Composite was created and inceptioned in January 2022 and only includes accounts with a minimum of \$100K. 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. Results are based on fully discretionary accounts under management, including those accounts no longer with the Firm. The U.S. Dollar is the currency used to express performance. Returns are presented net of fees and include the reinvestment of all income. Performance represents past performance.

The Active Advantage Strategy uses a 50/50 blend of the S&P 500 TR Index and the Bloomberg US Aggregate Bond Index. In KAM's view, these indices serve as representative indices for the broader fixed income and equity markets. Weightings were chosen to represent the Strategy's balanced nature when fully invested. The Bloomberg U.S. Aggregate Bond Index is a market capitalization-weighted intermediate term index which tracks the performance of investment grade rated debt publicly traded in the United States. The S&P 500 TR Index is a capitalization weighted index of 500 stocks representing all major domestic industry groups. The S&P 500 TR Index assumes the reinvestment of dividends and capital gains.

Risks specific to the Active Advantage Strategy include Management Risk, High-Yield Risk, Fixed-Income Security Risk, Equity Securities Risk, Loans Risk, Market Risk, Underlying Funds Risk, Derivatives Risk, Non-Diversification Risk, Turnover Risk, US Government Securities Risk, Models and Data Risk.

### Glossary

**Bloomberg U.S. Aggregate Bond Index:** An unmanaged index comprised of US Investment-grade, fixed rate bond market securities, including government agency, corporate and mortgage-backed securities. Index returns assume reinvestment of dividends

**Correlation:** A measure of investment risk that quantifies the degree to which a fund's performance tracks the performance of a benchmark.

**Downside Capture:** A measurement of performance relative to positive or negative periods for the benchmark.

**Maximum Drawdown:** A measure of the maximum loss from a peak to a trough of a portfolio or index, before a new peak is attained.

**Sharpe Ratio:** A risk-adjusted measure of a fund's performance that indicates a fund's return per unit of risk.

**Sortino Ratio:** A variation of the Sharpe Ratio that includes only the standard deviation of negative portfolio returns instead of the total standard deviation.

**Standard Deviation:** A statistical measure of the volatility of the fund's returns. The larger the standard deviation is, the greater the volatility of return.

**S&P 500 TR Index:** A capitalization weighted index of 500 stocks representing all major domestic industry groups. The S&P 500 TR Index assumes the reinvestment of dividends and capital gains.

**Upside Capture:** A measurement of performance relative to positive or negative periods for the benchmark.

**Upside/Downside Capture Ratio:** A measurement of performance relative to positive or negative periods for the benchmark.