

ENHANCED SRI FOSSIL FUEL FREE SRI STRATEGY

As of December 31, 2024

Inception Dates: 3/31/2013 to 12/31/2023 & 4/1/2024**
Number of Equity Holdings: 39
Benchmark: MSCI KLD 400 Social Index

Strategy Description: The Enhanced SRI Fossil Fuel Free strategy is an all-equity enhanced index strategy. Horizon believes its Enhanced SRI Fossil Fuel Free strategy can achieve outperformance by applying quantitative overlays to the MSCI KLD 400 Social Index, an index that is selected largely on qualitative characteristics, with additional screens that are designed to eliminate companies with exposure to fossil fuels. The MSCI KLD 400 Social Index is a free float-adjusted market capitalization index designed to provide exposure to U.S. companies that have positive Environmental, Social and Governance (ESG) characteristics. The MSCI KLD 400 Social Index consists of 400 companies selected from the MSCI USA Investable Market Index (IMI).

Strategy Methodology: The starting universe for the strategy is the MSCI KLD 400 Social Index. Horizon scores each of the 400 stocks in the index using Horizon's proprietary Quadrix® stock-rating system. The 40 highest-scoring stocks in the index in terms of Quadrix Overall score (excluding the bottom 2% of index components based on market cap) are subjectively screened removing companies that associate with, contribute to, or consume substantial by-products of the fossil fuel industry such as auto, trucking, airline, and steel industries. Initial individual positions are approximately equal-weighted and typically held for 12 months, at which time the equity portfolio is rebalanced and reconstituted depending on the results of Horizon's quantitative methodology. Changes to the equities may occur more frequently than annually in the event of takeovers or other corporate actions. For the initial investment selection, no sector can account for more than 25% of the total portfolio. While the portfolio may be 100% invested in stocks, cash and fixed-income investments may be held depending on macro market conditions.

Portfolio Allocations

Sector	% Equity Assets	Market Capitalization	% Equity Assets
Consumer Discretionary	16%	Large Cap	72%
Consumer Staples	8%	Midcap	18%
Financials	29%	Small Cap	10%
Health Care	18%		
Industrials	19%		
Information Technology	10%		

Performance Summary (Period 2: 4/1/2024 to 12/31/2024)

	----- Annualized ¹ -----				Cum. Since Incept.	Cum. Since Incept.
	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Incept.	Incept.
Enh.Fossil Fuel Free (Gross)	N/A	N/A	N/A	N/A	4.7%	4.7%
Enh.Fossil Fuel Free (Net)	N/A	N/A	N/A	N/A	3.7%	3.7%
S&P 500	N/A	N/A	N/A	N/A	13.1%	13.1%
Benchmark	N/A	N/A	N/A	N/A	10.4%	10.4%

¹ Returns and statistics are not annualized if less than one year of data.

Performance Summary (Period 1: 3/31/2013 to 12/31/2023)

	----- Annualized -----				Cum. Since Incept.	Cum. Since Incept.
	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Incept.	Incept.
Enh.Fossil Fuel Free (Gross)	21.4%	14.1%	15.5%	9.0%	11.1%	208.6%
Enh.Fossil Fuel Free (Net)	19.9%	12.7%	14.1%	7.7%	9.7%	169.9%
S&P 500	26.3%	10.0%	15.7%	12.0%	13.0%	273.2%
Benchmark	28.6%	10.0%	16.2%	12.1%	13.2%	278.2%

** The Enhanced SRI Fossil Fuel Free composite had no assets in the composite from 1/1/2024 through 3/31/2024 — creating a break in performance. The Global Investment Performance Standards (GIPS) dictate in provision 4.A.5:

"If the composite loses all of its member portfolios, the composite track record must end. If portfolios are later added to the composite, the composite track record must restart. The periods both before and after the break in track record must be presented, with the break in performance clearly shown. The firm must not link performance prior to the break in track record to the performance after the break in track record."

Annualized¹ Statistics (for both periods)

	3/31/2013 to 12/31/2023		4/1/2024 to 9/30/2024	
	Standard Deviation	Sharpe Ratio	Standard Deviation	Sharpe Ratio
	Period 1	Period 1	Period 2	Period 2
Enh.Fossil Fuel Free (Gross)	17.5%	0.56	13.7%	0.05
Enh.Fossil Fuel Free (Net)	17.5%	0.49	13.7%	-0.02
S&P 500	14.8%	0.80	10.0%	0.91
Benchmark	15.2%	0.79	10.6%	0.60

¹ Returns and statistics are not annualized if less than one year of data.

Risk Analysis (vs. Benchmark - for both periods)

	Period 1: 3/31/2013 to 12/31/2023					Period 2: 4/1/2024 to 9/30/2024				
	Alpha	Beta	R ²	Up Capture	Down Capture	Alpha	Beta	R ²	Up Capture	Down Capture
Enh.Foss.Fuel Free (Gross)	-2.1%	1.05	83%	97%	106%	-5.6%	1.07	69%	89%	135%
Enh.Foss.Fuel Free (Net)	-3.4%	1.05	83%	93%	109%	-6.5%	1.07	69%	85%	139%
S&P 500	0.3%	0.97	99%	97%	96%	3.1%	0.93	98%	106%	85%
Benchmark	0.0%	1.00	100%	100%	100%	0.0%	1.00	100%	100%	100%

Each time a new account is initiated, the quantitative methodology of the Enhanced SRI Fossil Fuel Free strategy is applied to create a portfolio of 40 stocks. Because of this, individual portfolio performance may differ materially because different stocks may be selected from the universe.

An investment in this strategy involves the risk of loss. Investment return and principal value will fluctuate so that the investment, when redeemed, may be worth more or less than the original investment.

As a fiduciary adviser, Horizon is legally and ethically bound to act in the best interests of their clients.

The Quadrix® stock-rating system is a proprietary product wholly-owned by Horizon Publishing Company, Horizon Investment Services' sister company. Horizon Investment Services has contracted with Horizon Publishing Company to use the Quadrix stock-rating system for its stock-screening processes. No formula or other device being offered can, in and of itself, be used to determine which securities to buy or sell.

"Number of Equity Holdings" and "Portfolio Allocations" are based on the equity holdings of an actual representative client account invested in the Enhanced SRI Fossil Fuel Free strategy. The remainder of the account is comprised of fixed-income and money market funds. Other account holdings may differ as a result of market conditions, client restrictions, and any number of other factors.

Portfolio Allocations (Sector and Market Capitalization) may not add up to 100% due to rounding.

Informa Investment Solutions/Zephyr StyleADVISOR is a software program that uses returns-based style analysis to quickly seek to ascertain a manager's style and creates a unique style benchmark that seeks to reflect that style. Source: www.styleadvisor.com. StyleADVISOR annualized returns may differ immaterially from Horizon Fact Sheet returns due to rounding.

Glossary of Statistics

Alpha measures nonsystematic return, or the return that cannot be attributed to the market. Thus, it can be thought of as how the manager performed if the market has had no gain or loss. In contrast, beta measures the return that is attributable to the market and is a measure of the portfolio's overall volatility. If the market's return as measured by an index was equal to the risk-free rate, the manager's expected excess return would be alpha.

Beta measures the risk level of the manager. Beta measures the systematic risk, or the return that is attributable to market movements. In contrast, alpha measures the nonsystematic return of the portfolio, and standard deviation measures the volatility of a portfolio's returns compared to the average return of the portfolio. A beta equal to one indicates a risk level equivalent to the market. Higher betas are associated with higher risk levels, while lower betas are associated with lower risk levels. Beta is estimated by the slope of the best fit line based on the ordinary least squares regression using the market's quarterly return less the risk-free rate as the independent variable and the manager's quarterly return less the risk-free rate as the dependent variable.

Down Capture is a measure of how badly the manager was affected by phases of negative benchmark returns.

R-Squared (R²) is a statistic that measures the reliability of alpha and beta in explaining the return of a manager as a linear function of the market. It is produced by regression analysis. If you are searching for a manager with a particular style, for example a growth manager, you would expect that manager to have an R-Squared that is high relative to a growth index if the manager has a diversified portfolio. If the manager's return is explained perfectly, the R-Squared would equal 100, while an R-Squared of 0 would indicate that no relationship exists between the manager and the linear function. Higher R-Squared values indicate more reliable alpha and beta statistics and are useful in assessing a manager's investment style.

Sharpe Ratio is one of two alternative, yet similar, methods of measuring excess return per unit of risk. In the case of the Sharpe Ratio, risk is measured using the standard deviation of the returns in the portfolio. The Sharpe Ratio relates the difference between the portfolio return and the risk-free rate to the standard deviation of that difference for a given time period.

Standard Deviation of return measures the average deviations of a return series from its mean, and is often used as a measure of risk. A large standard deviation implies that there have been large swings in the return series of the manager.

Up Capture is a measure of how well a manager was able to replicate or improve on phases of positive benchmark returns.

Horizon Investment Services, LLC Enhanced SRI Fossil Fuel Free Composite GIPS® Composite Report

Year End	Total Firm Assets (millions)	Composite Assets		Annual Performance Results				3 Yr. Standard Deviation	
		(USD) (millions)	Number of Accounts	Benchmark	Gross Composite	Net Composite	Composite Dispersion	Benchmark	Composite
1 Apr – 31 Dec 2024*	316.0	0.1	5 or fewer	10.4%	4.7%	3.7%	N.A.		
2023	258.2	0.3	5 or fewer	28.6%	21.4%	19.9%	N.A.	18.3%	19.5%
2022	224.0	0.3	5 or fewer	(21.5)%	(11.3)%	(12.5)%	N.A.	21.4%	23.1%
2021	281.2	0.3	5 or fewer	31.6%	38.0%	36.3%	N.A.	17.4%	21.3%
2020	215.3	1.8	5 or fewer	21.1%	9.9%	8.5%	N.A.	18.5%	22.2%
2019	198.8	2.7	9	31.7%	25.8%	24.2%	2.8%	12.0%	14.5%
2018	193.9	3.8	15	(3.5)%	(16.1)%	(17.1)%	3.5%	11.2%	13.0%
2017	295.5	8.2	25	21.6%	18.8%	17.4%	3.0%	10.2%	11.7%
2016	265.7	11.9	30	10.9%	10.8%	9.4%	2.7%	10.9%	12.6%
2015	320.0	2.7	16	1.0%	(6.1)%	(7.3)%	1.7%		
2014	259.5	2.4	11	12.7%	11.6%	10.2%	1.6%		

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.
* There were no portfolios in the composite from 1 January through 31 March 2024.

Enhanced SRI Fossil Fuel Free Composite contains fully discretionary Enhanced SRI Fossil Fuel Free commission and bundled fee-paying accounts and, for comparison purposes, is measured against the MSCI KLD 400 Social Index. The Enhanced SRI Fossil Fuel Free strategy is an all-equity enhanced index strategy. Horizon believes its Enhanced SRI Fossil Fuel Free strategy can achieve outperformance by applying quantitative overlays to the MSCI KLD 400 Social Index, an index that is selected largely on qualitative characteristics, with additional screens that are designed to eliminate companies with exposure to fossil fuels. The 40 highest-scoring stocks in the index in terms of Quadrix Overall score (excluding the bottom 2% of index components based on market cap) are subjectively screened removing companies that associate with, contribute to, or consume substantial by-products of the fossil fuel industry such as auto, trucking, airline, and steel industries. Initial individual positions are approximately equal-weighted and typically held for 12 months, at which time the equity portfolio is rebalanced and reconstituted depending on the results of Horizon's quantitative methodology. Changes to the equities may occur more frequently than annually in the event of takeovers or other corporate actions. For the initial investment selection, no sector can account for more than 25% of the total portfolio. While the portfolio may be 100% invested in stocks, cash and fixed-income investments may be held depending on macro market conditions. The MSCI KLD 400 Social Index is a free float-adjusted market capitalization-weighted total-return index designed to provide exposure to U.S. companies that have positive Environmental, Social and Governance (ESG) characteristics. The MSCI KLD 400 Social Index consists of 400 companies selected from the MSCI USA Investable Market Index (IMI).

Horizon Investment Services, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Horizon Investment Services, LLC has been independently verified for the periods September 1, 2000 through December 31, 2024. A copy of 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 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.

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Horizon Investment Services, LLC is a registered investment adviser with the United States Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940. The firm maintains a complete list of composite descriptions, which is available upon request.

The composite performance returns include all fully discretionary active and terminated commission and bundled fee-paying accounts for the strategy and exclude any accounts with significant client-imposed investment restrictions.

The U.S. Dollar is the currency used to express performance. All composite performance returns include the reinvestment of all income. Gross composite performance returns are asset-weighted total-return figures. Beginning in October 2019, gross composite performance returns reflect accounts that do not pay any brokerage commissions. Prior to October 2019, gross composite performance returns were after brokerage commissions paid or the highest asset-based brokerage fee of 0.20%, applied monthly; which include brokerage commissions and custodial service fees, but do not reflect the payment of management fees. Net composite performance returns are further reduced by the highest applicable annual management fee of 1.25%, applied monthly. Prior to October 2019, bundled accounts paid a fee based on a percentage of assets under management which includes all charges for trading costs, portfolio management, custody, and other administrative fees. The annual composite dispersion presented is equal-weighted standard deviation of gross returns calculated for the accounts in the composite the entire year. The 3-year standard deviation is the equal-weighted ex-post standard deviation of gross returns annualized over three years. Policies for valuing investments, calculating performance, and preparing GIPS® Reports are available upon request.

The investment management fee schedule for the composite is 1.25% on the first \$2 million, 1.10% on the next \$2 million, 0.95% on the next \$2 million and 0.80% on the remainder. Actual investment advisory fees incurred by clients may vary depending on fee schedule and portfolio size. Management fee schedules are available upon request or may be found in Part 2A of Horizon Investment Services' Form ADV.

Prior to April 1, 2022 the Carbon Underground 200 list was used as a tool to screen out companies in the coal, oil, and gas industries with potential carbon emissions. After April 1, 2022 screening is performed by Horizon Investment Services removing companies that associate with, contribute to, or consume substantial by-products of the fossil fuel industry such as auto, trucking, airline, and steel industries.

The Enhanced SRI Fossil Fuel Free Composite was created and inceptioned March 31, 2013. There were no portfolios in the composite from January 1, 2024 through March 31, 2024.

Past performance is no guarantee of future results.