

# STEWARD EQUITY MARKET NEUTRAL FUND

Profile

## Fund Objective:

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

## Ticker:

Institutional	SMNIX
Class A	SMNAX

## Fund Snapshot:

Product Inception	11/15/2021
Category	Equity Market Neutral

The Steward Equity Market Neutral Fund's investment process employs a combination of fundamental and quantitative factors, values-based criteria, and prudent portfolio constraints and risk management tools. Factors utilized in the traditional multi-factor model include earnings quality, profitability, growth dynamics, valuation, and capital deployment. The Fund is subject to Crossmark's values-based screening methodology and utilizes values-based data from third party providers as well as our in-house research team as it relates to the long holdings. Derivatives are not utilized in this fund which incorporates active risk management with a target beta range of -0.2 to +0.4 versus a widely recognized large- and mega-cap equity index. Inputs including economic indicators, monetary variables, valuation, momentum, and sentiment are utilized as part of a quantitative tool to provide insights for determining the beta position with a central tendency of +0.1. The risk management process involves set parameters around issuers, sectors, industries, and risk factors as compared to the referenced index. The number of holdings in this fund average approximately 100 long and 100 short with full transparency and daily liquidity.

## Key Highlights

### VALUES-BASED INVESTING



- Exclusionary screening allows us to redefine the investable universe by avoiding companies that are not consistent with widely-held traditional values
- Inclusionary screening provides the opportunity to overweight companies that are doing good
- The screening process utilizes third party research coupled with our own proprietary analysis

### EXPERIENCED PORTFOLIO MANAGER



- Crossmark's Chief Investment Officer, Bob Doll, CFA®, brings decades of investment management experience as the lead portfolio manager on this strategy
- Bob's expertise is evidenced through his widely-recognized annual "Top 10 Predictions" and media appearances
- Bob has dedicated his career to developing his investment process for managing U.S. Large Cap Equity portfolios

### DISCIPLINED INVESTMENT PROCESS



- Once the exclusionary screening process has been applied, our quantitative process utilizes a proprietary multi-factor model to rank the remaining securities of the universe
- Qualitative elements allow macro and market cycle considerations to be applied via a combination of top-down and bottom-up analysis
- Risk analysis is provided via multiple factors monitored in relation to the benchmark and around standard deviation targets to ensure alignment with the philosophy of the strategy

## Investment Process

<p><b>Quantitative Analysis</b></p>	<ul style="list-style-type: none"> <li>• Investable universe begins with the constituents of a widely recognized large- to mega-cap equity index</li> <li>• Quantitative tool provides insights for determining appropriate beta position between -0.2 and +0.4 with a central tendency of +0.1 using multiple inputs:             <ul style="list-style-type: none"> <li>• Economic indicators</li> <li>• Monetary variables</li> <li>• Valuation</li> <li>• Momentum</li> <li>• Sentiment</li> </ul> </li> <li>• For the long positions, Crossmark’s values-based screening methodology is applied regarding the following sectors:             <ul style="list-style-type: none"> <li>• Alcohol</li> <li>• Gambling</li> <li>• Recreational Cannabis</li> <li>• Tobacco</li> <li>• Abortion</li> <li>• Adult Entertainment</li> <li>• Embryonic Stem Cell Research</li> </ul> </li> <li>• Multi-factor model used to further define the universe of investable stocks emphasizing those with positive and improving fundamental characteristics including:             <ul style="list-style-type: none"> <li>• Earnings quality</li> <li>• Profitability</li> <li>• Growth dynamics</li> <li>• Valuation</li> <li>• Capital deployment</li> </ul> </li> <li>• Values-based multi-factor model aides in stock selection by focusing on those companies that support their stakeholders across multiple environmental, social and governance categories</li> <li>• These models utilize multiple third party data feeds to populate the data fields and can be updated daily to continually ensure accurate and up-to-date information in our process</li> </ul>
<p><b>Fundamental Analysis</b></p>	<ul style="list-style-type: none"> <li>• Macro and market cycle considerations brought into the process for a top-down component in conjunction with the more bottom-up focused quantitative factors to further narrow the universe of investable stocks</li> </ul>
<p><b>Risk Management</b></p>	<ul style="list-style-type: none"> <li>• Constraints are maintained around issuers, sectors and industries as part of the investment management process</li> <li>• These constraints are basis point parameters versus the benchmark</li> <li>• Risk factors are monitored with specific guidelines for the fund around standard deviation targets</li> <li>• Capitalization and style constraints are established to maintain the integrity of the fund</li> </ul>

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**Before investing in a mutual fund, you should read the fund’s prospectus carefully and consider the fund’s investment objectives, risks, charges, and expenses. The prospectus contains this and other information about the fund. To obtain Fund performance as of the most recent month-end or to obtain a copy of the Steward Funds’ prospectus free of charge, call Crossmark Distributors at 888.845.6910.**

**All Investments are subject to risks, including the possible loss of principal. Past performance does not guarantee future results.** The Steward Equity Market Neutral Fund 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 Equity Market Neutral strategy also exposes the investor to short sale risk. An investor’s account will 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.

The Fund’s values-based screening policies exclude certain securities issuers from the universe of otherwise available investments. As a result, the Fund may not achieve the same level of performance as it otherwise would have in the absence of the screening process. If the Fund has invested in a company that is later discovered to be in violation of one or more screening criteria and liquidation of an investment in that company is required, selling the securities at issue could result in a loss to the Fund. Further, the Fund’s values-based screening policies may prevent the Fund from participating in an otherwise suitable investment opportunity. With respect to Steward Equity Market Neutral Fund, the values-based screening policies apply only to long positions.

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