SAPIENCE INVESTMENTS

Portfolio Review
Second Quarter 2025

Market Review

"In general, markets know more than the people who write about them." ~James Grant, Financial Journalist

As 2025 began, the financial markets showed signs of the kind of overexcitement former Fed Chair Alan Greenspan once called "irrational exuberance." When policymakers shifted from raising interest rates to easing them towards a more neutral stance in late 2024, many investors became confident that the entire equity market was poised for a strong rebound (indeed, while Tech remained strong, market breadth did improve in Q2). This optimistic view was fueled by expectations of a new pro-business U.S. administration promising deregulation, tax cuts, controlled spending, and a focus on economic growth.

However, six months later, the reality for investors was very different from those initial hopes. While not a full-blown crisis, this period was incredibly frustrating and unsettling. It was marked by confusion, unpredictability, and slowing economic momentum. Key problems included escalating and ever-changing tariffs, supply chain disruptions, speculative volatility, persistent inflation and interest rate uncertainty, deficit anxieties, potential shifts in tax policy, and continued geopolitical instability stemming from the wars in Ukraine and the Middle East, which impacted global order and commodity prices. The first half of 2025 introduced a series of unexpected challenges that created uncertainty for many investors. A few observations:

First, short-term market movements are often driven by transitory political sentiments and policy concerns. However, basic economic realities and rational forces ultimately take over, acting like an "invisible hand" to correct extremes. We believe the biggest challenge for investors is staying calm and not overreacting during such market turmoil.

Second, trying to invest based on short-term events is nearly impossible due to overwhelming noise and volatility. Lasting investment success requires patience and a long-term perspective, focusing on real news rather than daily distractions and avoiding knee-jerk reactions to temporary shocks. Our portfolio, built on solid companies with manageable leverage and consistent earnings growth over the medium term, withstood the recent market chaos well.

Third, recent data suggests the U.S. economy has proven remarkably strong, supporting overall global stability. This period highlighted the deep interconnectedness of the world economy. We believe one positive outcome might be encouraging key U.S. allies to build greater independence, as over-reliance on any single partner is unhealthy. In addition, many investors are only now beginning to realize that U.S. small and mid-sized companies are unlikely to be directly adversely affected by many of the new administration's policy shifts and generalized uncertainty.

Fourth, extreme market swings caused by short-term panic created excellent chances for active investors who could move quickly. When others rushed to sell almost everything in a "risk-off" regime, the prices of good companies, even those we as value investors previously thought were too expensive, fell to attractive levels. Market volatility allowed us to steadily upgrade the quality of our portfolio.

For investors closely following the daily ups and downs of early 2025, the experience was undoubtedly stressful. Interestingly, someone returning after a six-month sabbatical, looking only at where economic indicators and asset markets started in January 2025 and where they ended up in June 2025, might observe relatively modest change and conclude that the year's original optimism remains largely intact. This difference in perception shows how focusing too much on short-term noise can distort the bigger picture. For now, core company fundamentals remain solid, offering us many attractive investment opportunities as disciplined, long-term investors.

Russell Index Returns—*As of June 30, 2025*

	Quarter	Year to Date	1 Year	3 Years	5 Years	10 Years
Russell 2000 Index	8.5	-1.8	7.7	10.0	10.0	7.1
Russell 2000 Value Index	5.0	-3.2	5.5	7.5	12.5	6.7
Russell 2000 Growth Index	12.0	-0.5	9.7	12.4	7.4	7.1
Russell 2500 Index	8.6	0.4	9.9	11.3	11.4	8.4
Russell 2500 Value Index	7.3	1.0	10.5	10.7	14.0	7.7
Russell 2500 Growth Index	11.3	-0.7	8.8	12.1	7.5	8.5
Russell Mid Cap Index	8.5	4.8	15.2	14.3	13.1	9.9
Russell 1000 Index	11.1	6.1	15.7	19.6	16.3	13.4

Sources: Russell Investments. Full definitions of the Indexes may be found in the Disclosures and Composite Notes sections.

Small- and Mid-Cap Market Review

The second quarter was anything but normal. In reaction to the tariffs announcement, the Russell 2000 Index dropped more than 12% by April 8 and then, with pressure from the bond market and the prevailing of rational thinking, pauses on tariffs were declared. From the bottom on April 8, the Russell 2000 bounced nearly 24%, ending the quarter up 8.5%. Across the market cap spectrum, as measured by Russell, all Indices posted positive returns during the second quarter—casting off nearly all the declines from the first three months of the year. While performance was strong, the Small Cap Index moderately underperformed both the broad market and the Large Cap Index with the Russell 2000 up 8.5%, the S&P 500 up 10.9%, and the Russell 1000 up 11.1%. With regards to style, and a continuation of the quarterly seesaw, growth once again took the lead over value across all market cap ranges for the quarter.

From a sector perspective, most finished the second quarter in positive territory. Across both the broad and value Russell 2000 and 2500 Indexes, Technology returned between 18.7% and 25.8%. The Industrials sector also generated positive returns for Russell 2000 Index as well as the broad and value Russell 2500 Index (returning between 11.5% and 15.6%). In the Russell 2000 Value Index, Materials and Communication Services generated the next highest returns (11.9% and 11.2%, respectively), followed by the Industrial sector, which returned 8.9%. Laggards during the period were the Real Estate sector for the broad Russell 2000 and 2500 Index and the Russell 2500 Value Index, declining between -1.9% to -2.2%, while Consumer Staples declined 5.3% for Russell 2000 Value Index.

Performance Impact

Our second quarter performance was strong on an absolute and relative basis in both strategies. In Small Cap, we were up 7.7% gross of fees (7.4% net of fees) versus 5.0% for the Russell 2000 Value Index, and in SMID we generated 9.4% gross of fees (9.2% net of fees) versus 7.3% for the Russell 2500 Value Index. On a relative basis, we outperformed the benchmark in Small Cap by 2.7% and in SMID Cap by 2.1%.

In the second quarter, our Small Cap strategy outperformed in 6 of the 11 sectors and in reviewing our Small Cap Value portfolio's attribution, the relative outperformance was nearly all stock selection with the balance resulting from sector weights (a byproduct of security selection process). More specifically, stock selection in Consumer Staples, Consumer Discretionary, Financials, and Industrials with e.l.f. Beauty, Inc., National Vision Holdings, Inc., Popular, Inc., and ATI, Inc. adding the most value to their respective sectors. Conversely, security selection in Health Care detracted value with Integra LifeSciences Holdings Corp. performing the worst. Stock selection in Technology also subtracted value, however, this was mostly offset by an overweight in the strong-performing sector.

In our SMID Cap portfolio, we outperformed in 5 of 11 sectors in the second quarter and stock selection accounted for a majority of the outperformance with sector weights again accounting for the balance. Within the strategy, Consumer Staples and Industrials were among the best-performing sectors. e.l.f. Beauty, Inc. was the primary contributor in Consumer Staples, while ATI enhanced performance within Industrials. Meanwhile, on the negative side, stock selection in the Health Care sector detracted value with Integra LifeSciences performing the worst.

This was an unusually volatile quarter with all the tariff-related uncertainty and the geopolitical events. It was likely a difficult period for those that invest based on macro themes or factors as those trends were ever shifting. We generated strong relative returns versus our benchmark and our peers primarily due to our focus on intrinsic value and fundamentals-based stock selection. Our top contributors came from different sectors, but with a common theme—

all had improving fundamentals. It was nice to see the market recognizing the improvements and giving credit to these companies. We invested in e.l.f. Beauty last quarter after it disappointed on guidance. Both e.l.f. Beauty and Lumentum Holdings Inc. are fast-growing businesses, while National Vision and Dave & Buster's Entertainment, Inc. are turn arounds. ATI has gone through a transformation—from an average business with some mix of commodity metals to a higher-margin Aerospace & Defense business—and the market is finally according it a higher multiple. Flex Ltd. has executed well on its strategic plan by focusing on higher value-add services and improved margins. It is also benefiting due to its exposure to datacenters and AI spending.

(All companies not specifically discussed above are discussed below in the Small and SMID Cap Value top and bottom five contributors sections.)

Portfolio Strategy and Key Exposures

We will reiterate what we have said for the past year, within small/SMID caps, there are several high-quality stocks that we believe continue to remain cheap. This is an unusual set up because historically deep value stocks are deservedly cheap: more cyclical, highly leveraged, and generally low-quality businesses. If the economy weakens from here due to tariffs—with consumers pulling back and businesses reticent to invest, and inflation does not moderate—then the rates might not have much to decline. In that scenario high-quality stocks within the small/SMID cap universe should do relatively well. Being in the mid-to-late cycle, we have been deliberate about upgrading the quality in our portfolios over the last year and being mindful of leverage on the balance sheets. The credit spreads have remained in check and are still below historical levels.

Financials have done well and with less onerous regulations, benign credit conditions, and excess capital positioning, the sector seems well-positioned. Industrial companies have attractive fundamentals with reshoring opportunities but are not cheap from a valuation perspective. Tariffs and supply chain disruptions could pressure multiples for industrials. In Technology, there are more attractive opportunities within small and SMID caps versus large caps where we believe the valuations are stretched. Software companies are much more insulated from the tariff impact versus hardware and semis.

Consumer Discretionary stocks have recently recovered a little bit with evidence that consumers are not pulling back spending in a major way. However, many consumer companies are still trading at nearly depressed valuations due to fears of a macro slowdown. Tariffs could further hurt the demand and margins at retailers and consumer goods companies. While paying attractive dividends, Energy stocks are downright cheap on an absolute basis due to concerns about lower crude prices in the near to medium term. Health Care and Consumer Staples—both defensive sectors—have been out of favor for the last two years. Both sectors have been negatively impacted by macro factors like higher yields being bond proxies along with the GLP-1 headlines. We believe there are a few select attractive opportunities within these two sectors.

Small Cap Value Equity Performance—*Through June 30, 2025*

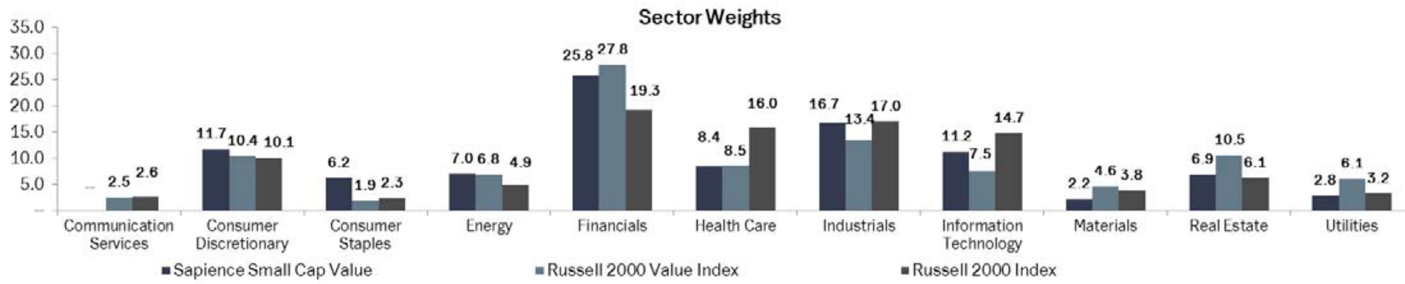
	Quarter	YTD	1 Year	3 Years	5 Years	Inception to Date
Sapience SCV Equity Composite (Gross)	7.7	-0.2	8.2	9.0	15.5	7.1
Sapience SCV Equity Composite (Net)	7.4	-0.7	7.2	7.9	14.2	6.0
Russell 2000 Value Index	5.0	-3.2	5.5	7.5	12.5	7.0
Russell 2000 Index	8.5	-1.8	7.7	10.0	10.0	8.0

Sources: Advent Geneva, Russell Investments.
Inception Date: October 1, 2016
NOTE: The complete GIPS Report and additional disclosures can be found at the end of the document.

Small Cap Value Equity Characteristics and Sector Weights—*As of June 30, 2025*

	Sapience Small Cap Value
Largest 10 Positions – Total Weight	20.6%
Active Share [2] (relative to the Russell 2000 Value Index)	95.4%
Tracking Error [3]	6.3
Number of Buys[4]	3
Numbers of Sells[4]	4

[2 and 3] Please see disclosures for calculation [4] Number of buys and sells during the quarter



Sources: Russell Investments, FactSet

Small Cap Value Equity

Detailed below is our discussion of overall top and bottom contributors during the second quarter.

Top and Bottom Contributors
Second Quarter 2025

Top Five Contributors	Bottom Five Contributors
Company Name	**Company Name**
e.l.f. Beauty, Inc.	Integra LifeSciences Holdings Corp.
National Vision Holdings, Inc.	Acadia Healthcare Company, Inc.
ATI, Inc.	Samsonite International S.A.
Dave & Buster's Entertainment, Inc.	BellRing Brands, Inc.
Lumentum Holdings Inc.	Liberty Energy Inc.

e.l.f. Beauty, Inc.
e.l.f. Beauty, Inc. is a multi-brand innovative and disruptive beauty company offering products at accessible price points. We initiated our position last quarter after the selloff in the company's stock, which was in reaction to a guidance reduction for the fiscal fourth quarter. e.l.f. Beauty outperformed meaningfully in the second quarter for three reasons: quarterly results were slightly better than expected, management quantified the impact of tariffs that was better than feared, and the company announced the acquisition of Hailey Bieber's popular and fast-growing rhode skincare brand.

National Vision Holdings, Inc.
National Vision Holdings, Inc.'s stock outperformed in the second quarter as the company reported a revenue beat for its first quarter driven by a better-than-expected comp of 4.1% versus the consensus estimate of 2.0%. Growth was driven by a higher-average ticket, a slight pickup in customer traffic, and continued strength in the company's managed care customer segment. More recently, the company announced that Alex Wilkes, President, will take on the CEO role effective August 1. Mr. Wilkes has been the architect of the strategy to increase penetration in managed care and to expand reach to customers at higher price points.

ATI, Inc.
After declining earlier in the second quarter due to uncertainty related to the tariffs, ATI, Inc.'s stock price outperformed meaningfully as the company delivered EPS that was well ahead of estimates due to stronger sales and margins in both its HPMC and AA&S segments. The company's GICS classification changed from Metals & Mining to Aerospace & Defense this quarter, further rerating the shares higher.

Dave & Buster's Entertainment, Inc.
After underperforming meaningfully in the first quarter, Dave & Buster's Entertainment, Inc.'s stock price recovered and outperformed in the second quarter as the company delivered improved results that were better than expected. After weak comps (-8.3%) in February that were partially weather related, comps improved sequentially in the second quarter to -2.2%. The back-to-basics strategy—greater focus on new games, improvement in food and beverages, and increased spending on traditional media advertising—seems to be showing some early traction.

Lumentum Holdings Inc.
Lumentum Holdings Inc. is a leading manufacturer of optical and photonic products that are used in cloud, artificial intelligence, telecom, and industrial end markets. The company outperformed in the second quarter as Lumentum delivered better-than-expected results and increased guidance due to strength in its cloud and networking business. In early June, management raised its fiscal fourth quarter guidance for metrics across the board and now expects to reach the quarterly revenue target of $500 million by September, one quarter ahead of expectations.

Integra LifeSciences Holdings Corp.
During its first quarter call, Integra LifeSciences Holdings Corp. maintained full year revenue guidance and lowered the EPS guidance range, solely to reflect the expected impact from tariffs. Second quarter guidance, however, was below expectations and implies a steeper second half recovery than previously envisioned. Integra made good progress on its regulatory compliance initiative, but we believe management did not properly communicate the progress, which led to investor confusion and a decline in its share price. The company is on track to largely complete its compliance initiative by the end of year and the financial impact is tracking with the initial estimate. We expect management to improve its communications during the next quarterly conference call, following investor feedback.

Acadia Healthcare Company, Inc.
Acadia Healthcare Company, Inc. reported what we viewed as an inline to better-than-expected first quarter. There were no new adverse surprises as had been the case in recent prior quarters. The company continues to deal with underperformance at a handful of facilities, although those facilities are performing as expected. With shares trading at a highly discounted valuation, we believe investors are likely waiting for further evidence that operational results have stabilized.

Samsonite International S.A.
Samsonite International S.A's stock underperformed during the quarter as the company posted results that were weaker than expected and guided to similar trends in their second quarter. Revenue declined 4.5% in constant currency versus an expectation of negative low- to mid-single digit declines and EBITDA margins were 2.7 points lower due to operating deleverage. U.S. and Asia sales were -8% and-7%, while Europe was +4.4% and Latin America was flat. Samsonite's management team did not provide guidance beyond the second quarter as the tariff situation remains fluid, which further pressured the shares.

BellRing Brands, Inc.
BellRing Brands, Inc. is a leading nutrition company that sells Premier protein, Dymatize, and Power Bar brands through club, food, and ecommerce channels. The company's stock price underperformed in the second quarter even though BellRing reported strong results with sales growing +19%, which were ahead of expectations. However, management did not raise annual guidance and issued disappointing fiscal third quarter guidance of low-single digit sales growth versus expectations of low-double digit growth due to unexpected de-loading of inventory by a couple of customers.

Liberty Energy Inc.
Liberty Energy, Inc. is a U.S. based oilfield services company that offers hydraulic fracturing, engineering, and wireline pump-down services. Liberty's stock price underperformed in the second quarter even though the company posted results that were generally better than expected due to negative sentiment towards the oilfield services sector because of macro uncertainty, tariffs, and weakness in crude prices due to the OPEC+ decision to increase production.

SMID Cap Value Equity Performance—*Through June 30, 2025*

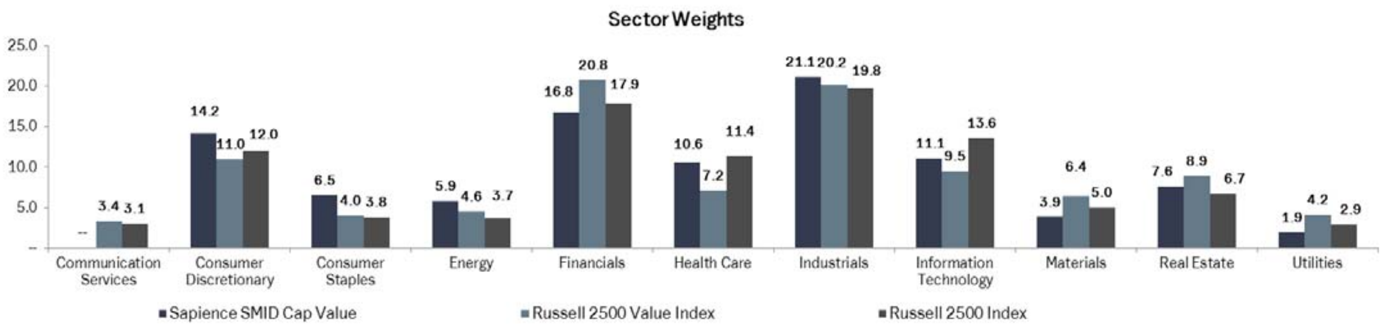
	Quarter	YTD	1 Year	3 Years	5 Years	Inception to Date
Sapience SMID Cap Value Equity Composite (Gross)	9.4%	2.7%	8.3%	7.9%	13.1%	5.9%
Sapience SMID Cap Value Equity Composite (Net)	9.2%	2.2%	7.2%	6.8%	11.9%	4.8%
Russell 2500 Value Index	7.3%	1.0%	10.5%	10.7%	14.0%	8.1%
Russell 2500 Index	8.6%	0.4%	9.9%	11.3%	11.4%	9.3%

Sources: Advent Geneva, Russell Investments.
Inception Date: October 1, 2016
NOTE: The complete GIPS Report and additional disclosures can be found at the end of the document.

SMID Cap Value Equity Characteristics and Sector Weights—*As of June 30, 2025*

	Sapience SMID Cap Value
Largest 10 Positions – Total Weight	24.1%
Active Share [2] (relative to the Russell 2500 Value Index)	93.6%
Tracking Error [3]	5.5
Number of Buys[4]	3
Number of Sells[4]	3

[2 and 3] Please see disclosures for calculation [4] Number of buys and sells during the quarter



Sources: Russell Investments, FactSet.

SMID Cap Value Equity

Detailed below is our discussion of overall top and bottom contributors during the second quarter. e.l.f. Beauty, Inc., National Vision Holdings, Inc., ATI, Inc., Dave & Buster's Entertainment, Inc., Integra LifeSciences Holdings Corp., Acadia Healthcare Company, Inc., Samsonite International S.A., and BellRing Brands, Inc. are also owned in our Small Cap Value strategy, and these companies were discussed in the Small Cap Value Equity commentary section above.

Top and Bottom Contributors
Second Quarter 2025

Top Five Contributors	Bottom Five Contributors
Company Name	**Company Name**
e.l.f. Beauty, Inc.	Integra LifeSciences Holdings Corp.
ATI, Inc.	Acadia Healthcare Company, Inc
Dave & Buster's Entertainment, Inc.	Samsonite International S.A.
Flex Ltd.	Weatherford International plc
National Vision Holdings, Inc.	BellRing Brands, Inc.

Flex Ltd.
Flex Ltd. is a leading electronics manufacturing services (EMS) company. The company designs and develops products for cloud, automotive, industrial, and communication industries. Flex's stock price outperformed in the quarter as the company delivered better-than-expected results and increased guidance—especially much stronger margins and earnings due to the strength in its data center business.

Weatherford International plc
Weatherford International plc is a global oilfield services company that offers a wide range of equipment and services, such as well installation and completion, hydraulic lift, and electric submersible pumps to the oil and gas industry. The company's stock price underperformed in the second quarter due to the negative sentiment towards the oilfield services sector and all the factors mentioned above for Liberty Energy. In addition, Weatherford was impacted by ongoing weakness in Mexico.

Outlook

"Bull markets climb a wall of worry; bear markets slide down a slope of hope." ~Unknown

Equity markets have been resurgent after April and the economy has held up better than feared in early April with softening of the tariffs stance. In the last couple of weeks, a noticeable rotation is taking place in the U.S. equity markets. The laggards from the first half are outperforming and the winners are taking a breather. Quarter to date through July 10, 2025, small caps are outperforming large caps. With the economy holding up, we believe investors are gaining confidence to pivot towards economically sensitive sectors. Earnings revisions breadth continues to improve. As we have written in the last three to four quarters, there exists a major disconnect between the valuations of small and mid caps versus large caps and relative to the credit spreads in the U.S. markets. We have finally started to see outperformance by international large- and small-cap equities versus U.S. large caps. If the tariff rhetoric doesn't heat up again and as we approach the Fed cuts in the next couple of months, we could see a meaningful catch-up move in U.S. small and mid caps in the near term.

The U.S. economy concluded the second quarter with diminished immediate recession fears, yet underlying structural vulnerabilities intensified. This market recovery masked fundamental deceleration: The Federal Reserve Board downgraded its real GDP growth forecasts to +1.4% for 2025 (from 2.4% in Q1 projections), while unemployment expectations rose to 4.5% by early 2026 (up +20 bps from December's median). Economic momentum is deteriorating. Consumer spending decelerated, with Q1 durable goods spending contracting -3.4% and soft retail sales reports through May amid falling consumer sentiment. Business investment displayed a divergence: AI-driven capital expenditure remained robust, while S&P 500 earnings grew by +12.9% year over year (according to Lipper Alpha Insight); however, broader fixed investment faltered due to trade policy uncertainty. The manufacturing sector slipped into contraction, while construction activity declined, reflecting tighter financial conditions and dampened sentiment. Critically, economist Michael Wolf at Deloitte Global Economics anticipates a baseline scenario in which real imports plummet by 7.1% in 2026, should average tariffs stabilize at 15%, potentially shaving 0.7-1.0 percentage points from real GDP growth (now forecast at just +1.4% for calendar year 2025 and +1.5% in 2026).

Second quarter inflation data offered deceptive tranquility: Core PCE rose just 0.18% in May, with a three-month annualized inflation rate of 1.77%, which is below the Fed's 2% target. However, this reflects transient factors: Corporations absorbed the initial tariff costs using pre-announcement inventories, thereby delaying the impact on consumer prices until late 2025. Immigration restrictions reduced Southwest border encounters by -40% year over year, exacerbating labor shortages that pushed down the unemployment rate in June and could elevate services inflation. The 10% U.S. dollar depreciation in first half of 2025 is projected to push inflation +30 bps higher in the next twelve months, according to estimates derived from the Bloomberg SHOK econometric model. Finally, the Fed projects core inflation reaching 3.1% by the fourth quarter, compelling a "higher for longer" stance despite concerns about growth. Futures markets are pricing slightly less than five 25-bp Fed Funds rate cuts through 2026.

The U.S. economy teeters on a policy-induced knife-edge. While immediate recession probabilities receded to 30% (Goldman Sachs) following tariff pauses, structural inflation drivers and potential fiscal missteps create combustible conditions. Monetary policy remains hamstrung: The Fed must choose between accommodating growth-slowing tariff impacts or combating persistent inflation—a lose-lose proposition where policy errors could trigger either entrenched inflation or deflationary collapse. Investors should heed the bond market's warning: risk premia are rebuilding for a new regime of volatile inflation and constrained potential growth. Equity markets may temporarily transcend economic gravity, but risks of a fundamental rebalancing are mounting.

Our strategy is focused on holding quality companies—businesses that are improving operations and companies with secular sources of cash flow and earnings growth that can thrive in a financial environment featuring a higher cost of capital. We have outperformed our benchmark and peers in the last five years by investing in businesses that we believed were of higher quality that were not being recognized and valued accordingly by the market due to transient issues within the businesses and/or macro fears. We have a high conviction that there are several such opportunities in our portfolios today.

Disclosures

This is not a recommendation to buy or sell a particular security. The holdings discussed above do not represent all of the securities purchased, sold or recommended for Sapience's clients. You should not assume that this or any of the securities or sectors discussed herein will remain in the portfolio or that investments in such securities were or will be profitable. Past performance is not indicative of future results. Contributors and detractors for each strategy are selected based on the stock's attribution to a Sapience Small Cap Value representative account's return or a Sapience SMID Cap Value representative account's return. The calculation methodology and a list showing the contribution of each holding in the representative account to the representative account's performance during the measurement period are available upon request.

Composite and benchmark returns reflect the reinvestment of income. The volatility of the Composite may be different than its respective benchmarks. Composite returns are presented gross and net of actual investment advisory fees. You cannot invest directly in an index, which also does not take into account trading commissions and costs, see below for a description of benchmark indexes. Performance is expressed in U.S. dollars. Gross returns will be reduced by fees and other expenses that may be incurred in the management of the account. Additional information regarding policies for valuing portfolios, calculating performance, and preparing compliant presentations is available upon request. Dividends are recorded gross of withholding taxes.

This has been prepared for informational purposes only and should not be considered a recommendation to purchase or sell any specific security. The opinions expressed herein are those of Sapience Investments, LLC ("Sapience"), and are subject to change without notice. Past performance is not a guarantee or indicator of future results. This material is not financial advice or an offer to sell any security or product. You should not assume that any of the investment strategies or securities discussed herein were or will remain in an account's portfolio at the time you receive this report. Recommendations for the past 12 months are available upon request. Sapience reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs. Investment involves risk of loss.

This document contains projections, forecasts, estimates, beliefs and similar information ("forward looking information"). Forward looking information is subject to inherent uncertainties and qualifications and is based on numerous assumptions, in each case whether or not identified. Further, material presented has been derived from sources considered to be reliable, but the accuracy and completeness cannot be guaranteed.

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[1] Portfolio Ending Active Share: Measures the degree of active management by a portfolio manager.
$AS_f = | PW_f - BW_f | / 2$ where AS_f := Portfolio Ending Active Share; PW_f := Portfolio Ending Weight; and BW_f := Benchmark Ending Weight [2] Tracking Error: Measures how closely a portfolio follows the index it is benchmarked against. An index fund which closely tracks its benchmark will have a tracking error close to zero, while an actively managed portfolio will have a higher tracking error. Tracking Error is calculated as the root-mean-square of the difference between the portfolio and benchmark returns: TE = ω = √(E[(rp - rb)2]) where rp - rb = the active return (i.e., the difference between the portfolio return and the benchmark return). This formula simplifies to: TE = ω = √(σp2 + σb2 - 2βσb2) where σp2 = portfolio variance; σb2 = benchmark variance; and ß = Historical beta

The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 Index and includes approximately 2000 of the smallest securities base. The Russell 2500 Index measures the performance of the small to mid-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 Index and includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 Value Index measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000 Index companies with lower price-to-book ratios and lower expected growth values. The Russell 2500 Value Index measures the performance of the small to mid-cap value segment of the U.S. equity universe. It includes those Russell 2500 Index companies with lower price-to-book ratios and lower expected growth values. The Russell 2000 Growth Index measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2500 Growth Index is designed to measure the performance of those Russell 2500 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 Index measures the performance of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell Midcap Index measures the performance of the 800 smallest companies in the Russell 1000 Index.

Sapience Investments, LLC
Small Cap Value Equity Composite

As of December 31									
Year	Gross Returns (%)	Net Returns (%)	Russell 2000® Value Index (%)	Internal Dispersion (%)	Composite Gross 3Y Std Dev (%)	Index 3Y Std Dev (%)	# of Accounts	Composite Assets (000s)	Firm Assets (000s)
*2016	14.91	14.62	14.07	N/A	N/A	N/A	2	$223.99	$349.83
2017	3.06	1.95	7.84	0.19	N/A	N/A	14	$665.60	$771.66
2018	-17.33	-18.21	-12.86	0.17	N/A	N/A	14	$513.31	$647.68
2019	22.17	20.86	22.39	0.23	18.56	15.90	13	$610.15	$773.40
2020	7.11	5.99	4.63	0.20	33.32	26.49	12	$716.39	$760.25
2021	28.37	26.99	28.27	0.18	31.83	25.35	11	$870.84	$914.19
2022	-10.90	-11.87	-14.48	N/A	32.42	27.66	7	$487.53	$523.34
2023	10.50	9.30	14.65	0.25	20.21	22.06	8	$412.78	$443.03
2024	13.11	11.95	8.05	N/A	20.98	23.77	5	$159.39	$184.69

*Period presented is October 1, 2016 through December 31, 2016.

1. Sapience Investments, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sapience Investments, LLC has been independently verified for the periods October 1, 2016 through December 31, 2024. 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 and pooled fund 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.
2. Sapience Investments, LLC is an independent investment adviser registered under the Investment Advisers Act of 1940, as amended. The firm was established in September 2016.
3. The Small Cap Value Equity Composite (the "Composite") includes all actual, fee-paying and non-fee-paying, fully discretionary institutional accounts with equity positions that are managed with a view toward capital appreciation, through small capitalization companies with durable business models, trading at a discount to our estimate of intrinsic value, and possess value drivers to narrow the valuation gap over a two-to four-year investment horizon. The composite was created and incepted October 2016. The firm's list of composite descriptions is available upon request.
4. Composite and benchmark returns reflect the reinvestment of income. Composite returns are net of transaction costs and are presented gross and net of model investment advisory fees. Net returns are calculated by reducing the quarterly composite returns by 1/4th of 1%, the highest tier of the standard fee schedule. Performance is expressed in U.S. dollars. Additional information regarding policies for valuing investments, calculating performance, and preparing GIPS reports is available upon request. Dividends are recorded net of withholding taxes.
5. Internal dispersion is the equal-weighted standard deviation of the annual gross returns of all accounts included in the composite for the entire year. For years where there are 5 or fewer accounts in the composite for the entire year, dispersion is not presented as it is not a meaningful statistical calculation.
6. The Russell 2000® Value Index measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000® Index companies with lower price-to-book ratios and lower expected growth values. It is not possible to invest in these indices. The returns for the Index do not include any transaction costs, management fees or other expenses. The volatility (beta) of the Composite may be greater or less than its respective benchmark.
7. The fee schedule for Adviser's investment advisory services for the Small Cap Value Equity Composite is 1.00% on the first $25 million, 0.90% on the next $25 million, 0.85% on the next $50 million, 0.80% on amounts over $100 million. Actual investment advisory fees incurred by clients may vary.
8. Effective March 1, 2020, a significant cash flow policy was adopted for the composite. Portfolios are removed from the composite if they have a contribution or withdrawal at 50% or greater of the beginning market value of the portfolio. The portfolio is removed from the composite for the month in which the significant cash flow occurred and the following month.
9. 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.
10. Past performance is not indicative of future results. Actual performance results may differ from composite returns, depending on the size of the account, investment guidelines and/or restrictions, inception date and other factors. As with any investment vehicle, there is always the potential for gains as well as the possibility of losses. Registration as an Investment Adviser does not imply any level of skill or training. This material is not financial advice or an offer to sell any product. The portfolio characteristics shown relate to the Small Cap Value Equity Composite. Not every client's account will have these exact characteristics. The actual characteristics with respect to any particular client account will vary based on a number of factors including but not limited to: (i) the size of the account; (ii) investment restrictions applicable to the account, if any; and (iii) market exigencies at the time of investment. Adviser reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed may not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities transactions, holdings or sectors discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

SMID Cap Value Equity Composite

Year	Gross Returns (%)	Net Returns (%)	Russell 2500™ Value Index (%)	Internal Dispersion (%)	Composite Gross 3Y Std Dev (%)	Index 3Y Std Dev (%)	# of Accounts	Composite Assets (000s)	Firm Assets (000s)
*2016	9.96	9.69	9.34	N/A	N/A	N/A	1	$22.50	$349.83
2017	1.31	0.30	10.36	N/A	N/A	N/A	8	$106.06	$771.66
2018	-17.44	-18.26	-12.36	0.25	N/A	N/A	10	$134.36	$647.68
2019	28.19	26.91	23.56	0.09	17.46	14.43	8	$163.26	$773.40
2020	1.98	0.97	4.88	N/A	29.67	25.40	2	$43.86	$760.25
2021	25.01	23.77	27.78	N/A	28.04	24.49	2	$43.06	$914.19
2022	-8.86	-9.72	-13.08	N/A	28.54	26.84	2	$33.1	$523.34
2023	7.49	6.42	15.98	N/A	19.02	20.99	2	$29.69	$443.03
2024	9.15	8.06	10.98	N/A	19.73	21.94	2	$24.76	$184.69

*Period presented is October 1, 2016 through December 31, 2016.

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7. The fee schedule for Adviser's investment advisory services for the SMID Cap Value Equity Composite is 1.00% on the first $25 million, 0.90% on the next $25 million, 0.85% on the next $50 million, 0.80% on amounts over $100 million. Actual investment advisory fees incurred by clients may vary.
8. Effective March 1, 2020 through June 1, 2021, portfolios were removed from the composite if they had a contribution or withdrawal at 50% or greater of the beginning market value of the portfolio. The portfolio was removed from the composite for the month in which the significant cash flow occurred and the following month.
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