

Summary & Outlook

All Cap Growth SMA Strategy

Market Overview

Amid a highly volatile backdrop, U.S. equity indices rebounded from first quarter losses to deliver broad based gains in the second quarter. Investor consternation, fueled by tariff policy and its potential economic and geopolitical ramifications, led markets sharply lower through early April. However, new trade agreements, which included temporary exemptions and tariff delays with key countries, coupled with resilient corporate earnings and a renewed fervor around artificial intelligence, spurred a sharp rebound in stocks. Other events that helped buoy market returns in the second quarter included favorable consumer spending trends, cooler inflation metrics, a weaker dollar, and a notable sell-off in crude oil. The Federal Open Market Committee (FOMC) kept its federal funds target range unchanged at 4.25% to 4.50% in the second quarter maintaining a “wait and see” approach amid mixed economic signals and uncertainty around tariffs. However, the Fed’s latest dot plot, which continues to be fluid, indicates two 25 bps rate cuts by the end of 2025.

Performance

The William Blair All Cap Growth SMA Strategy outperformed its benchmark, the Russell 3000 Growth Index, during the second quarter.

The All Cap Growth SMA strategy outperformed the Russell 3000 Growth Index during the second quarter, primarily driven by stock-specific dynamics. The top contributors for the period included Cameco (Energy), e.l.f. Beauty (Consumer Staples), Broadcom (Information Technology), Hammond Power Solutions (Industrials), as well as our underweight to Apple (Information Technology). Shares of Cameco, a company focused on the mining, trading, and processing of uranium, a key input into nuclear power generation, outperformed as the company delivered strong results for the period, supported by higher sales and realized pricing, while maintaining all key 2025 guidance metrics. e.l.f. Beauty, a seller of premium quality cosmetic and skincare products, rose as the company reported sales growth that was ahead of expectations, indicating a recovery in the core U.S. business as the mass cosmetics category stabilizes. Not owning Eli Lilly (Health Care) was also a

tailwind to performance. The top detractors for the period included UnitedHealth Group (Health Care), Copart (Industrials), Champion Homes (Consumer Discretionary), Clearwater Analytics (Information Technology) and Agilent Technologies (Health Care). Shares of UnitedHealth Group, a diversified healthcare company, declined as its quarterly results fell short of expectations primarily due to underperformance in Optum Health and Medicare Advantage. Copart, a leading online auction platform for salvage vehicles, underperformed after the company reported a slowdown in auction volumes, largely attributed to an increase in uninsured and underinsured drivers, whose claim activity directly impacts total loss volumes. Not owning Netflix (Communication Services), as well as our typical bias towards small and mid-cap companies, were also headwinds for the period.

Outlook

Our investment philosophy centers on identifying companies with superior management, sustainable business models and solid financials whose stock prices do not reflect their long-term fundamentals. Moreover, our focus on durable businesses with compelling risk-reward profiles positions us to navigate an array of prospective economic regimes.

While the underlying economy remains stable supported by steady economic growth and favorable employment trends, tariff uncertainty and geopolitical strife may cause investor sentiment to abruptly shift. We will continue to monitor these ever-changing dynamics and look for opportunities to best position the portfolio for long-term success.

Composite Performance (%)	Qtr	YTD	Annualized				Since Inception
			1 Yr	3 Yr	5 Yr	10 Yr	(Oct 1 99)
All Cap Growth SMA (Gross of fees)	19.58	4.84	12.81	22.36	15.29	14.93	9.37
All Cap Growth SMA (Net of fees)	18.74	3.28	9.50	18.79	11.91	11.56	6.17
Russell 3000 Growth Index	17.55	5.80	16.89	25.07	17.55	16.38	8.66

https://williamblair.com/~media/Downloads/IM/Composite_Disclosures.pdf

IMPORTANT DISCLOSURES

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Performance & Fees

Past performance is not indicative of future returns. Performance is shown in U.S. dollar unless otherwise noted. Returns for periods greater than one year are annualized. Performance results assume the reinvestment of dividends and capital gains and are net of transaction costs. Net investment performance represents the deduction of a model fee equal to the highest separate account management fee. Investment management fees are described in William Blair's Form ADV Part 2A. Net of fees performance are net of all fees charged directly or indirectly to the accounts. Net of fee results are calculated using the wrap program's maximum fee of 3.00%. This bundled (wrap) fee includes investment advisory fees, financial consultant fees, custodial fees, and trading expenses.

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The attribution analysis contained herein is calculated by William Blair and is intended to provide an estimate as to which elements of a strategy contributed (positively or negatively) to a portfolio's performance. Attribution is based on the strategy's representative portfolio. Attribution analysis is not a precise measure and should not be relied upon for investment decisions.

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Investing involves risks, including the possible loss of principal. Equity securities may decline in value due to both real and perceived general market, economic, and industry conditions. Investing in foreign denominated and/or domiciled securities may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. Individual securities may not perform as expected or a strategy used by the Adviser may fail to produce its intended result. Diversification does not ensure against loss.

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Index

The Russell 3000® Growth Index is an unmanaged index registered to Russell/Mellon. It measures those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values. It is a capitalization-weighted index as calculated by Russell on a total return basis with dividends reinvested. It is not possible to directly invest in an unmanaged index.

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