Newsletter Q4 - 2025

EVOVEST

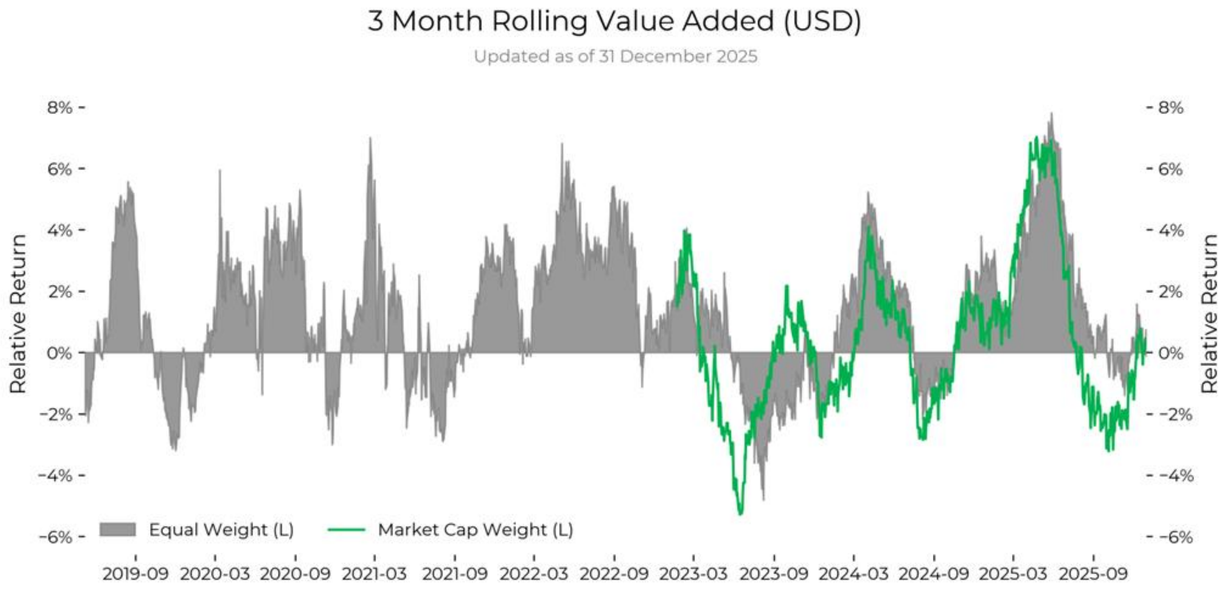
Illustrating the Portability of Our Investment Signals

The end of the last quarter marked the first three full calendar years of our Global Market-Cap-Weighted Equity strategy. This mandate utilizes the MSCI World Index—a more common and institutionally accepted benchmark for global equity mandates.

The primary difference between our flagship Global Equal-Weighted Equity strategy and this market-cap version is the U.S. exposure. The USA weighting stands at approximately 70% for the MSCI World, compared to roughly 40% for the equal-weighted benchmark. Additionally, we employ an active deviation process, allowing for a tilt of plus or minus 1% relative to the benchmark's reference weights.

As a reference point, we can compare the alpha generation of our investment signals across different portfolio construction processes. The image below illustrates how the alpha-generating capabilities of the equal-weighted strategy (represented in grey) continue to translate effectively to our Market-Cap-Weighted mandate. We remain firm believers that our signal is highly portable across various benchmark types.

Figure 1: Comparing Value-Add: Global Equal-Weighted vs. Global Market-Cap-Weighted Equity



ABOUT EVOVEST

Evovest is an innovative equity portfolio manager. Our systematic investment process follows a scientific approach by combining fundamental analysis expertise and a deep knowledge of machine learning. Its mission is to bring diversification in equity strategies through an innovative investment process. The firm is employee-owned with a streamlined structure that ensures the alignment of interests. Evovest is B-Corp certified and strives to create a strong sense of community by promoting diversity and inclusivity throughout the firm.

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How Do We Compare Against Our Peers?

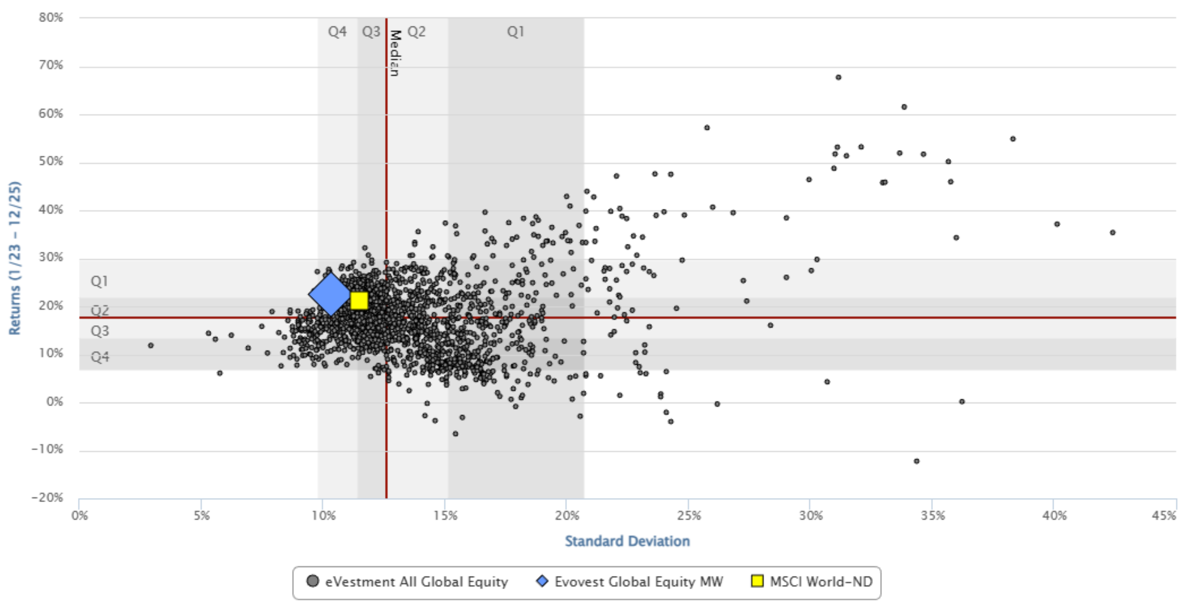
We recognize that the MSCI World has been a difficult benchmark to beat. According to SPIVA® (an S&P Dow Jones Indices dataset), 80.3% of active funds in the U.S. underperformed their global benchmarks over the last period; in Canada, that figure reached a staggering 96% over the past three years.

By utilizing eVestment, a self-reported institutional database, we can compare our performance against managers confident enough to publish their results. While we acknowledge the inherent "survivorship" or "self-reporting" bias—where underperformers may be discouraged from publishing—we believe this provides a high-quality peer group for comparison.

Evovest compares favorably to the Global Equity category within Nasdaq eVestment, an analytics platform used by leading asset managers. Among nearly 2,000 managers reporting globally in this category, our Global Market-Cap-Weighted Equity strategy stands out with the following rankings (note: lower percentiles indicate superior performance, except for standard deviation):

- **Sharpe Ratio: 6th percentile (Q1)**
- **Returns: 21st percentile (Q1)**
- **Maximum Drawdown: 24th percentile (Q1)**
- **Standard Deviation: 92nd percentile (Q4)**

Figure 2: Evovest Positioning: Risk and Return vs. Global Equity Peer Group



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