

## **ITEM 2: MATERIAL CHANGES**

This Brochure has been revised to reflect the following updates and material changes since the last annual update of our Brochure on March 20, 2025.

### *Item 5: Fees and Compensation*

Aperio added fee rate information for certain long-short strategies with factor tilts. For these strategies, Aperio will charge a tiered fee rate based on the client account's gross exposure level. Fee rates and gross exposure level thresholds are negotiable at the sole discretion of Aperio, and additional fees may apply for increased gross exposure levels.

### *Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss*

Aperio's long/short active tax management is available to certain clients who select factor-tilted strategies. For some factor-tilted strategies, Aperio applies selected factor constraints directly in its optimization process and optimizes to market cap-weighted indexes (for example, S&P 500 or Russell 3000, etc.). For other factor-tilt strategies, Aperio optimizes to factor-tilted model portfolios or factor-tilted indexes constructed by third-parties, including third-parties that may be affiliated with Aperio. For all of these factor-tilted strategies, the relative weighting of each factor exposure within a portfolio may fluctuate over time due to Aperio's application of factor constraints in the optimization process or due to the construction methodology of third-party factor-tilted model portfolios or factor-tilted indexes.

For accounts selecting strategies involving tax management and tax loss harvesting, clients are responsible for ensuring that their custodian implements a default tax lot relief methodology of High Cost In, First-Out ("HICO"), or in certain instances selected specific tax lot relief. Strategies involving tax management are dependent on the custodian implementing HICO as the default tax lot relief methodology. Aperio has no responsibility to ensure that the custodian correctly implements the appropriate tax lot relief method for a client's account. Application of a different tax lot relief method for a client's account may result in unanticipated tax consequences realized from transactions in such account.

In addition to the above, risk summaries related to "Debts Instruments Risk" and "Investment Company and ETF Risk" were added to the Risk of Loss subsection.

### *Item 14: Client Referrals and Other Compensation*

Disclosure related to certain payment arrangements with certain separate account sponsor firm clients of Aperio has been added to this section.

### *Item 17: Voting Client Securities*

Proxy voting guidelines offered by Aperio generally will be implemented by Institutional Shareholder Services ("ISS"). Upon client request, Aperio may in its discretion offer proxy voting guidelines through other proxy voting service providers.

Aperio encourages each client to read the Brochure carefully and to contact us at the telephone number or email address on the cover page of this Brochure with any questions you may have.

Additional information about Aperio and its investment adviser representatives is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).