

KP Small Cap Equity Fund

December 31, 2019

Investment Description

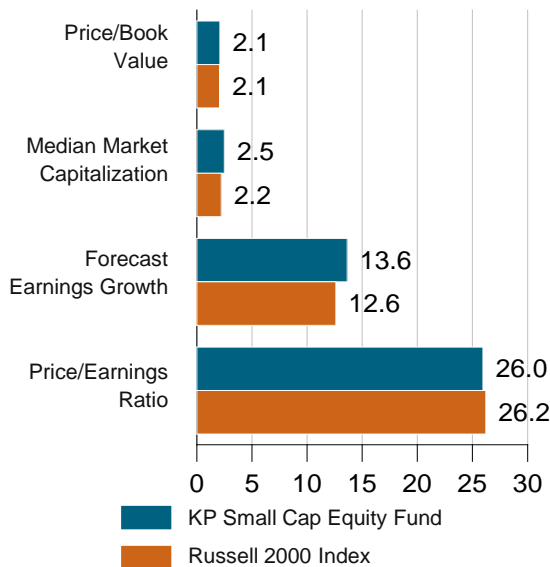
Domestic Stock Fund: The fund seeks long-term capital appreciation primarily through investments in a diversified portfolio of small capitalization equity securities.

Investment Strategy

The fund seeks to out-perform the Russell 2000 Index over time by employing a "multi-manager" approach, whereby the fund's advisor, Callan LLC ("Callan"), allocates the fund's assets among a number of experienced sub-advisors with differing investment philosophies and strategies.

The sub-advisors use a combination of fundamental, macroeconomic and quantitative analysis to identify companies held in the portfolio. No assurances can be made that the fund will achieve its investment goals.

Portfolio Characteristics¹ versus Index (Period Ended December 31, 2019)



Fund Information

Fund Advisor: Callan LLC
Fund Administrator: SEI Investments Global Funds Services
Asset Class: Small Cap Equity
Fund Inception: January 10, 2014
Since Inception Return: 7.93%
SEC Yield¹: 0.89%
Ticker: KPSCX
Gross Expense Ratio: 0.52%
Net Expense Ratio: 0.52%

Investment Characteristics

Risk Level

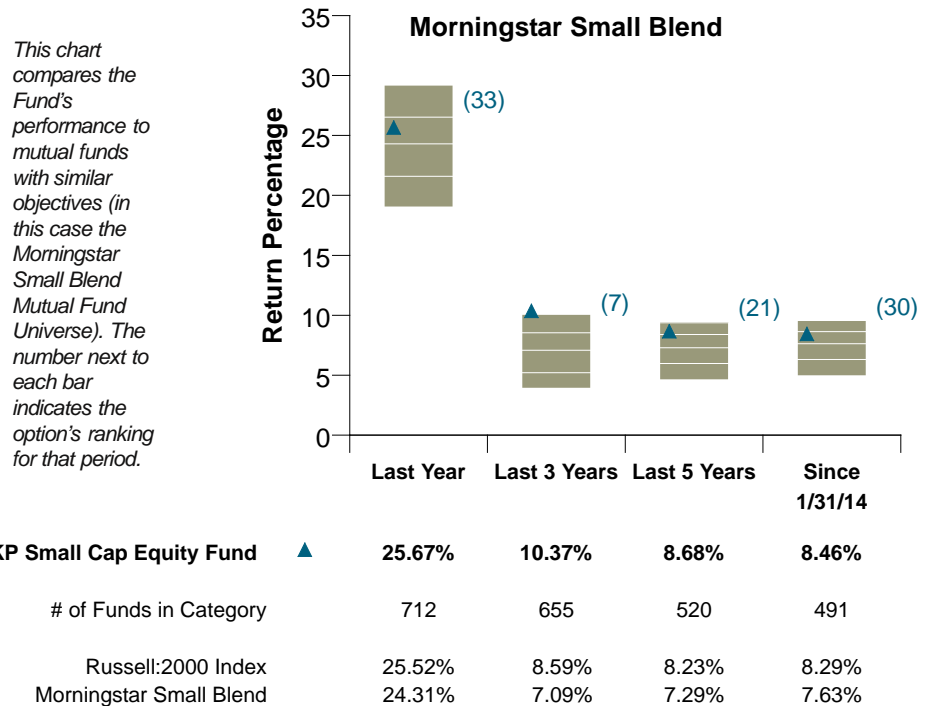


Time Horizon



Investment Performance Ranking (Periods Ended December 31, 2019)

The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth less than their original cost and current performance may be lower than the performance quoted. Returns greater than one year are average annual total returns. For performance data current to the most recent month end, please call 855-4-KPFNDS.

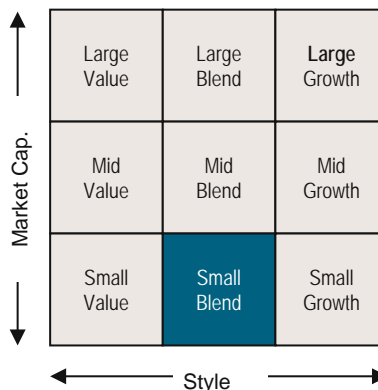


Portfolio Information (as of December 31, 2019)

10 Largest Holdings (ex. Cash)²

Stock	Percent
World Fuel Services Corp	0.73%
Compass Minerals International Inc	0.70%
CVB Financial Corp.	0.68%
Merit Medical Systems Inc	0.61%
PacWest Bancorp	0.60%
ITT Inc	0.59%
Sanderson Farms Inc	0.59%
Darling Ingredients Inc	0.58%
Wyndham Destinations Inc	0.58%
Andersons Inc	0.56%
Total	6.23%

Equity Style Map



Sector Weights (ex. Cash)

Sector	Fund	Index
Consumer Discretionary	13.2%	10.8%
Consumer Staples	5.0%	3.0%
Energy	3.1%	3.2%
Financials	17.0%	17.7%
Fund	0.3%	0.0%
Health Care	13.9%	18.2%
Industrials	18.6%	15.8%
Information Technology	14.3%	13.5%
Materials	6.2%	3.9%
Real Estate	5.1%	7.8%
Telecommunications	1.5%	2.3%
Utilities	1.8%	3.7%
Total	100.0%	100.0%

¹ Portfolio characteristic definitions on the reverse side.

² Holdings are subject to change.

Fund Legal Structure

The KP Small Cap Equity Fund is a mutual fund. It is part of The KP Funds Series Trust, an open-end management investment company that offers shares of diversified portfolios. The fund is advised by Callan LLC, a registered investment advisor. It is administered by SEI Investments Global Funds Services and distributed by SEI Investments Distribution Co., which are not affiliated with Callan LLC.

Only participants in the Kaiser Permanente defined contribution plans can invest in the fund.

Fund Risks

To determine if this fund is an appropriate investment for you, carefully consider the fund's investment objectives, risk factors, charges, and expenses before investing. This and other information may be found in the fund's summary and full prospectuses, which may be obtained by calling (855) 4-KPFNDS or by visiting the website at www.kp-funds.com. Please read the prospectus carefully before investing.

There can be no assurance that the fund will achieve its stated objectives. Diversification is not guaranteed to protect against market loss. Risks include:

- Investing involves risk, including loss of principal;
- The prices of common stocks may fall over short or extended periods of time. In particular, growth stocks may be susceptible to rapid price swings, especially during periods of economic uncertainty;
- Small and medium capitalization stocks may be more volatile than those of larger companies;
- The use of leverage by underlying fund managers may accelerate the velocity of potential losses;
- The use of derivatives by underlying fund managers are often more volatile than other investments and magnify the fund's gains or losses.

Portfolio Characteristic Definitions

- SEC Yield** – 30-Day SEC Yield is a standard yield calculation developed by the Securities and Exchange Commission that allows for fairer comparisons among funds. It is based on the most recent month end. This figure reflects the interest earned during the period after deducting the Fund's expenses for the period.
- Dividend Yield** – The total amount of dividends paid out for a stock over the preceding twelve months divided by the closing price of a share of the common stock. This value is expressed in percent.
- Forecast Growth In Earnings** – This growth rate is a measure of a company's expected long-term success in generating future year-over-year earnings growth. This growth rate is a market value weighted average of the consensus (mean) analysts' long-term earnings growth rate forecast for each company in the portfolio. The definition of long-term varies by analyst but is limited to a 3-8 year range. This value is expressed as the expected average annual growth of earnings in percent.
- Price/Book Value** – The Price to Book Value (P/B) is a measure of value for a company. It is equal to the market value of all the shares of common stock divided by the book value of the company. The book value is the sum of capital surplus, common stock, and retained earnings.
- Price/Earnings Ratio** – The Price to Earnings Ratio (P/E) is a measure of value for a company. It is equal to the price of a share of common stock divided by the earnings per share for a twelve-month period.
- Median Market Capitalization** – The weighted median market capitalization is the point at which half of the market value of the portfolio is invested in stocks with a greater market capitalization, and consequently the other half is invested in stocks with a lower market capitalization. This value is expressed in dollars and is scaled in billions.

Investor Profile

The fund is designed to offer investors a professionally managed investment option that invests primarily in a diversified portfolio of stocks issued by small-sized companies, primarily domiciled in the United States.

The fund may be suitable for:

- Investors seeking long-term growth of capital who are willing to withstand losses over the short and intermediate term.
- Investors with a long-term perspective.
- Investors seeking a small capitalization-oriented equity fund to complement a diversified portfolio.

Fund Investment Structure

The KP Small Cap Equity Fund is advised by Callan, who allocates the fund's assets to a combination of underlying sub-advisors. Because the fund utilizes multiple sub-advisors, it is considered a "multi-manager" fund.

The table below reflects the current sub-advisors for the KP Small Cap Equity Fund:

KP Small Cap Equity Fund

Sub-Advisor	Strategy
Aristotle Capital Boston	Small Cap Core
CastleArk Management, LLC	Small Cap Growth
Columbus Circle Investors	Small/SMID Cap Growth
DePrince Race & Zollo, Inc.	Small Cap Value
PENN Capital Management	Micro Cap Core
SSGA Funds Management	S&P 600 Index
Walthausen & Co., LLC	Small/SMID Cap Value

About the Fund's Advisor

Founded in 1973, Callan is one of the largest independently-owned investment management and consulting firms in the United States. Headquartered in San Francisco, with offices across the country, Callan provides research, education, decision support, and advice to institutional investors representing approximately \$2 trillion in total assets.