

## FIRM OVERVIEW

FIRM ASSETS UNDER MANAGEMENT: **\$4.2B**

Palisade Capital Management is a privately-held investment management firm that offers a solutions-based approach towards client portfolios. Through our fundamental, research-intensive culture, our traditional and alternative investment strategies seek to deliver attractive returns aligned with our investors' priorities. Founded in 1995, Palisade's diversified client base includes corporations, public plans, financial institutions, family offices, and individuals.

## SMALL CAP CORE EQUITY OVERVIEW

Strategy assets: **\$2.3B**  
Benchmark: **Russell 2000® Index**  
Inception date: **March 1, 1995**

Led by Senior Portfolio Manager Marc Shapiro, Palisade's experienced four-member Small Cap Core Equity team utilizes a research-intensive, disciplined investment process that integrates bottom-up, fundamental stock research with a conviction-weighted approach to portfolio construction. The goal is to implement a diversified portfolio to generate strong risk-adjusted returns over a full market cycle.

## INVESTMENT TEAM

Assets Managed: **\$2.4B**

**Marc Shapiro**  
Senior Portfolio Manager  
Managing Director  
Joined Firm: 2004  
30 years investment experience

**Kyle Kavanaugh**  
Associate Portfolio Manager,  
Senior Vice President, Research  
Joined Firm: 2001  
30 years investment experience

**Dawn Brock**  
Senior Vice President, Research  
Joined Firm: 2013  
27 years investment experience

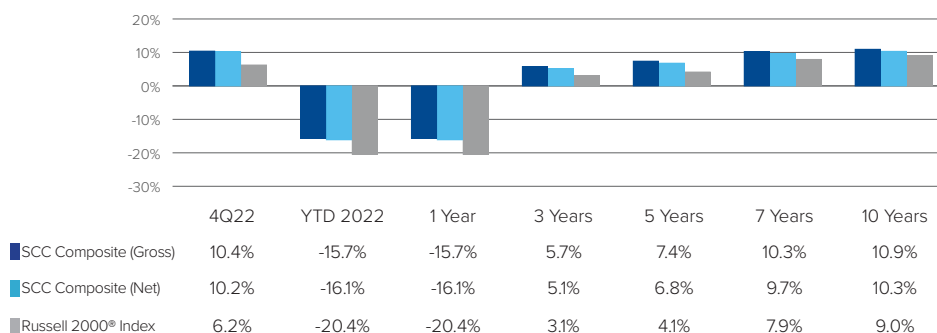
**Garo Norian, CFA**  
Senior Vice President, Research  
Joined Firm: 2012  
25 years investment experience

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## PERFORMANCE



Performance periods greater than one year are annualized.

## SECTOR ANALYSIS

	SCC Composite	Russell 2000® Index	Underweight/Overweight
Communication Services	1.6%	2.6%	-1.0%
Consumer Discretionary	12.1%	10.3%	1.8%
Consumer Staples	3.0%	3.6%	-0.6%
Energy	3.7%	6.9%	-3.2%
Financials	17.3%	17.2%	0.1%
Health Care	13.4%	16.9%	-3.5%
Industrials	16.7%	15.6%	1.1%
Information Technology	13.8%	12.7%	1.1%
Materials	6.6%	4.3%	2.3%
Real Estate	5.4%	6.4%	-1.0%
Utilities	2.4%	3.5%	-1.1%
Cash	4.0%	0.0%	

Source: FactSet Research Systems, Inc.

## CHARACTERISTICS

	SCC Composite	Russell 2000® Index
P/E Ratio* (one year forward)	13.5	12.0
5 Year Annual EPS Growth	14.7	14.6
Return on Equity	13.1	6.4
Wtd. Average Market Cap	\$4.8 B	\$2.7 B
Turnover (LTM)	13.7	-
No. of Securities	88	1,950

\* P/E Ratio uses a percentage of annual estimates from two fiscal years to create an estimate based on the 12-month period. P/E Ratio is calculated using Weighted Harmonic Average which reduces the impact of extreme observations.  
Source: FactSet Research Systems, Inc.

## STATISTICS (5 YEAR)

	SCC Composite	Russell 2000® Index
Alpha	3.3	-
Standard Deviation	22.6	23.3
Beta	0.9	1.0
Sharpe Ratio	0.3	0.1
Upside Capture	105.8	100.0
Downside Capture	96.5	100.0
Tracking Error	5.4	-
Active Share	92.5	-

Source: FactSet Research Systems, Inc.

Past performance is not a guarantee of future results. Please refer to Important Information at the end of this presentation.

# SMALL CAP CORE EQUITY

## TOP 10 HOLDINGS BY WEIGHT

	GICS® Sector	Weight
Applied Industrial Technologies, Inc.	Industrials	3.0%
IDACORP, Inc.	Utilities	2.4%
LKQ Corporation	Consumer Discretionary	2.3%
Acadia Healthcare Company, Inc.	Health Care	2.3%
Raymond James Financial, Inc.	Financials	2.2%
Repligen Corporation	Health Care	1.9%
Bruker Corporation	Health Care	1.9%
Altra Industrial Motion Corp.	Industrials	1.7%
Renasant Corporation	Financials	1.7%
Avient Corporation	Materials	1.7%
<b>SCC Composite Total</b>		<b>21.1%</b>

Source: FactSet Research Systems, Inc.

## CALENDAR YEAR PERFORMANCE

	SCC Composite Gross Return	SCC Composite Net Return	Russell 2000® Index
2022	-15.7%	-16.1%	-20.4%
2021	20.9%	20.2%	14.8%
2020	15.9%	15.2%	20.0%
2019	25.8%	25.1%	25.5%
2018	-4.0%	-4.5%	-11.0%
2017	12.4%	11.8%	14.7%
2016	23.5%	22.8%	21.3%
2015	-1.4%	-1.9%	-4.4%
2014	7.5%	6.9%	4.9%
2013	34.4%	33.6%	38.8%

## IMPORTANT INFORMATION

**Past performance is not a guarantee of future results.** No assurance can be given that the Strategy will be successful. The performance of the Strategy can be volatile and involve a high degree of risk. Investors may lose some or all of their investment.

Gross return results shown do not show the deduction of fees and expenses. Returns are presented net of management fees and include the reinvestment of all income.

Palisade Capital Management, L.L.C. ("Palisade" or the "Firm") is an SEC registered independent investment management firm established in 1995. Beginning December 31, 2007, Palisade was redefined to include private equity investments. Based in Fort Lee, NJ, Palisade manages a variety of assets for a diversified client base including institutions, foundations, endowments, pension and profit-sharing plans, retirement plans, mutual funds, private limited partnerships, family offices, and high net worth individuals. Registration with the Securities and Exchange Commission does not imply a certain level of skill or expertise.

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The Small Capitalization Composite (also referred to as the Small Cap Core Composite) includes all fee-paying, discretionary, taxable mutual funds, and taxable and tax-exempt institutional portfolios invested in equities with increasing earnings and free cash flow, core characteristics, and small capitalizations. Prior to January 1, 2012, taxable mutual funds and taxable accounts were excluded from the composite. The minimum account size for this composite is \$1 million. Prior to April 1, 2008, the minimum account size for this composite was \$10 million and, prior to January 1, 2009, the minimum account size was \$3 million. Palisade maintains a complete list and description of composites, which is available upon request. Valuations are computed and performance results are reported in U.S. dollars. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual investment management fees. Actual investment management fees incurred by clients may vary. The full performance record is available upon request. The Small Capitalization Composite was created March 1, 1995.

Holdings, sector weights, and characteristics reflect those of the Small Capitalization Composite. Holdings and weightings are subject to change at any time at Palisade's discretion. Individual portfolios may vary. It should not be assumed that any of the securities transactions or holdings shown 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 shown herein. 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 security discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. Information is supplemental to the composite disclosure presentation, which is available upon request. Discussions regarding potential future events and their impact on any portfolio are based solely on historic information and Palisade's estimates and/or opinions, are provided for illustrative purposes only, and are subject to further limitations as specified elsewhere in this material. No guarantee can be made of the occurrence of such events or the actual impact such events would have on any portfolio's future performance.

Palisade is the source of all data unless otherwise noted.

The Russell 2000® Index measures the performance of the small-cap segment of the U.S. equity universe. It consists of approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. Source: London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © LSE Group 2023. The Small Capitalization Composite (the "Composite") has been developed solely by Palisade Capital Management, L.L.C. The Composite is not in any way connected to or sponsored, endorsed, sold, or promoted by the LSE Group. FTSE Russell is a trading name of certain of the LSE Group companies. All rights in the Russell 2000® Index (the "Index") vest in the relevant LSE Group company which owns the Index. Russell® is a trademark(s) of the relevant LSE Group company and is used by any other LSE Group company under license. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on, or any error in the Index or (b) investment in or operation of the Composite. The LSE Group makes no claim, prediction, warranty, or representation either as to the results to be obtained from the Composite or the suitability of the Index for the purpose to which it is being presented by Palisade Capital Management, L.L.C.

Reference to an index does not imply that any strategy will achieve returns, volatility, or other results similar to an index. No index reflects the manner in which the portfolio for any strategy is constructed in relation to expected or achieved returns, portfolio guidelines, restrictions, sectors, correlations, concentrations, or volatility. Indices are unmanaged. It should not be assumed any strategy will invest in any securities that comprise the applicable benchmark, nor should it be understood to mean there is a correlation between any strategy's returns and the returns of the applicable benchmark. Benchmarks are included for informational purposes only.

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Investing in securities involves risk, including the risk the entire amount invested may be lost. Securities investments are not guaranteed. Palisade's valuation predictions may not be correct and/or achieved within the anticipated time frame. A risk in a long-term purchase strategy is that Palisade may not take advantage of short-term gains that could be profitable. Moreover, if Palisade's predictions are incorrect, a security may decline sharply in value before being sold. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete, industry market conditions, interest rates, and general economic environments. REITs are affected by underlying real estate values, which may have an exaggerated effect to the extent that those REITs concentrate investments in particular geographic regions or property types. Palisade's portfolios are susceptible to operational, information security, and related risks from cyber security incidents resulting from deliberate attacks or unintentional events.

The statistics reflect the Composite characteristics (gross of fees) and the indices as of the date shown. The 5-Year Risk statistics provided are not related to or indicative of either the Composite's or the indices' performance.

Alpha is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of the Strategy and compares its risk-adjusted performance to a benchmark index. The excess return of the Strategy relative to the return of the benchmark index is the Strategy's alpha.

Beta measures the relationship between the Strategy's excess return over T-bills (representing a risk-free rate) relative to the excess return of the Strategy's benchmark. A low beta does not imply a strategy has a low level of volatility; rather a low beta means the strategy's market-related risk is low. Beta is often referred to as systematic risk.

Annualized standard deviation is a measure of the dispersion of a set of data from its mean – a measure of the variability of returns. The higher the standard deviation, the greater the range of performance (i.e., volatility). Standard deviation is calculated as the square root of variance.

The Sharpe Ratio is calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance.

Tracking error measures the standard deviation of the excess returns a portfolio generates compared to its benchmark. If a manager tracks a benchmark closely, then tracking error will be low. If a manager tracks a benchmark perfectly, the tracking error will be zero.

The Downside Capture percentage measures a manager's performance in down markets relative to a particular benchmark. A down market is one in which the market's quarterly (or monthly) return is less than zero. For example, a downside capture percentage of 50% means the portfolio's value fell half as much as its benchmark index during the benchmark's negative quarters. A downside capture percentage of less than 100% indicates a manager who outperforms the relative benchmark in the benchmark's negative quarters.

The Upside Capture percentage is a measure of a manager's performance in up markets relative to a particular benchmark. An up market is one in which the market's quarterly (or monthly) return is greater than or equal to zero. For example, an upside capture percentage of 50% means the portfolio's value increased half as much as its benchmark index during the benchmark's positive quarters. An upside capture percentage of more than 100% indicates a manager who outperforms the relative benchmark in the benchmark's positive quarters.

Active share is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.