

## 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.

## SMID CAP CORE EQUITY OVERVIEW

Strategy assets: **\$84M**

Benchmark: **Russell 2500™ Index**

Inception date: **September 1, 2018**

Led by Senior Portfolio Manager Marc Shapiro, Palisade's experienced four-member Core Equity team manages Palisade's Small Cap Core Equity strategy and, since 2018, the firm's internally-seeded Smid Cap Core Equity strategy applying the same investment philosophy and approach. These Core Equity strategies utilize 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: **\$2.3B**

### Marc Shapiro

Senior Portfolio Manager  
Managing Director  
Joined Firm: 2004  
29 years investment experience

### Kyle Kavanaugh

Associate Portfolio Manager -  
Small Cap Core Equity,  
Senior Vice President, Research  
Joined Firm: 2001  
29 years investment experience

### Dawn Brock

Senior Vice President, Research  
Joined Firm: 2013  
26 years investment experience

### Garo Norian, CFA

Senior Vice President, Research  
Joined Firm: 2012  
24 years investment experience

## FOR MORE INFORMATION, CONTACT:

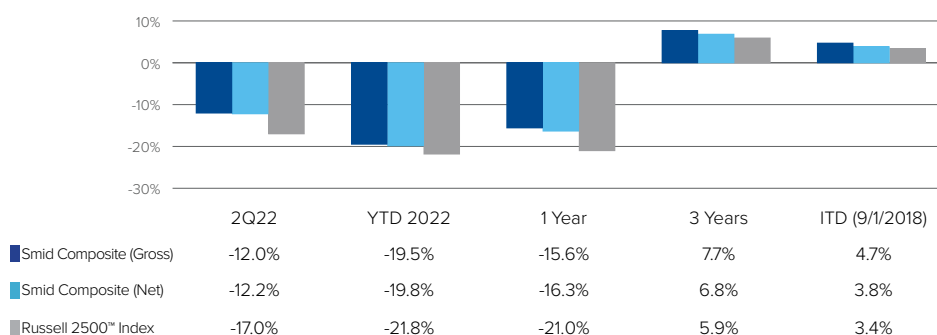
### Jim Marrone

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### Don Triveline

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## PERFORMANCE



Performance periods greater than one year are annualized.

## SECTOR ANALYSIS

	Smid Composite	Russell 2500™ Index	Underweight/Overweight
Communication Services	1.7%	2.8%	-1.1%
Consumer Discretionary	11.1%	11.0%	0.1%
Consumer Staples	2.1%	3.4%	-1.3%
Energy	3.9%	4.6%	-0.7%
Financials	14.0%	16.3%	-2.3%
Health Care	15.8%	13.0%	2.8%
Industrials	14.5%	17.1%	-2.6%
Information Technology	17.8%	14.4%	3.4%
Materials	6.0%	5.6%	0.4%
Real Estate	6.3%	8.7%	-2.4%
Utilities	2.1%	3.1%	-1.0%
Cash	4.7%	0.0%	

Source: FactSet Research Systems, Inc.

## CHARACTERISTICS

	Smid Composite	Russell 2500™ Index
P/E Ratio* (one year forward)	13.2	11.4
5 Year Annual EPS Growth	13.6	13.8
Return on Equity	13.1	11.4
Wtd. Average Market Cap	\$7.0B	\$5.6B
Turnover (LTM)	13.1	-
No. of Securities	87	2,495

\* 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 (3 YEAR)

	Smid Composite	Russell 2500™ Index
Alpha	1.9	-
Standard Deviation	22.9	23.1
Beta	1.0	1.0
Sharpe Ratio	0.3	0.2
Upside Capture	101.8	100.0
Downside Capture	96.7	100.0
Tracking Error	4.6	-
Active Share	91.7	-

Source: FactSet Research Systems, Inc.

### TOP 10 HOLDINGS BY WEIGHT

	GICS® Sector	Weight
Applied Industrial Technologies, Inc.	Industrials	2.6%
Quanta Services, Inc.	Industrials	2.2%
Syneos Health, Inc. Class A	Health Care	2.2%
IDACORP, Inc.	Utilities	2.1%
Diamondback Energy, Inc.	Energy	2.1%
Raymond James Financial, Inc.	Financials	2.1%
LKQ Corporation	Consumer Discretionary	2.1%
Acadia Healthcare Company, Inc.	Health Care	2.0%
Repligen Corporation	Health Care	1.9%
Helmerich & Payne, Inc.	Energy	1.9%
<b>SMID Composite Total</b>		<b>21.2%</b>

Source: FactSet Research Systems, Inc.

### CALENDAR YEAR PERFORMANCE

	Smid Composite Gross Return	Smid Composite Net Return	Russell 2500™ Index
2021	19.9%	18.9%	18.2%
2020	19.5%	18.5%	20.0%
2019	27.1%	26.2%	27.8%
2018*	-18.7%	-19.0%	-19.7%

\* Period represents Composite inception date 9/1/2018 through 12/31/2018

### 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 SMID Capitalization Composite includes all portfolios invested in equities with increasing earnings and free cash flow, core characteristics, and small-to-mid capitalizations. Any account in the composite that has a cash flow withdrawal or deposit of 50% or greater of the assets of the account will be removed from the composite for that month and will be added back in the following month. The minimum account size for this composite is \$100 thousand. Prior to December 1, 2021, the minimum account size for this composite was \$250 thousand. The benchmark is the Russell 2500™ Index. The investment management fee schedule for the composite is 0.80% on the first \$25 million, 0.75% on the next \$25 million, 0.70% on the next \$50 million, 0.65% on the next \$100 million, and 0.60% on the remainder. Actual investment advisory fees incurred by clients may vary. The SMID Capitalization Composite was created October 1, 2018 and the inception date is August 30, 2018.

Holdings, sector weights, and characteristics reflect those of the SMID 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 2500™ Index measures the performance of the small- to mid-cap segment of the U.S. equity universe. It consists of approximately 2,500 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 2022. The SMID 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 2500™ 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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