Small/Mid Cap Growth Equity

Strategy Profile

As of December 31, 2023

Baird Equity Asset Management

INVESTMENT PROCESS

Emphasis on high quality growth companies with durable profitability, sustainable revenue growth, favorable industry dynamics, and management strength along with understanding the market's expectations of that company.

STRATEGY DESCRIPTION

- True Small/Mid Cap: $500 million - $12 billion market cap
- High conviction: 60-70 stocks
- Experienced team: 120+ years combined experience
- Risk-controlled approach

VEHICLES

SMA | Mutual Fund | CIT

INVESTMENT TEAM

Jonathan Good
Senior Portfolio Manager
Industry Years: 24 | Team Since: 2006

Ken Hemauer, CFA
Senior Research Analyst
Industry Years: 30 | Team Since: 2001

Corbin Weyer, CFA, CPA
Director of Research &
Senior Research Analyst
Industry Years: 13 | Team Since: 2014

Karan Saberwal
Senior Research Analyst
Industry Years: 7 | Team Since: 2019

Chris Brennan
Senior Research Analyst
Industry Years: 5 | Team Since: 2023

Josh Heinen
Research Analyst
Industry Years: 3 | Team Since: 2021

Margaret Guanci
Research Analyst
Industry Years: 2 | Team Since: 2022

Chuck Severson, CFA
Mid Cap Growth Senior PM
Industry Years: 37 | Team Since: 1993

PERFORMANCE

	Total Return (%)	Average Annual Total Returns (%)			
	QTD	1 Year	3 Year	5 Year	Since Inception*
Composite - Gross	7.98	11.76	-0.65	14.59	13.57
Composite - Net	7.79	10.85	-1.47	13.63	12.63
Index[1]	12.59	18.93	-2.68	11.43	10.35

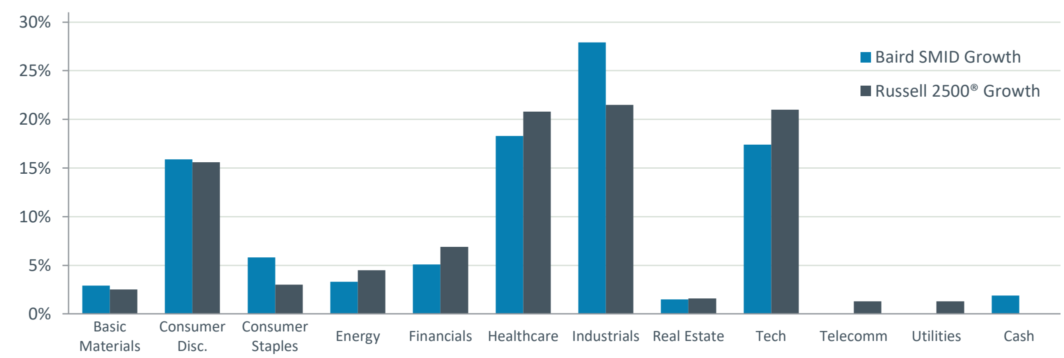
Returns for periods of less than one year are not annualized.
12/31/2023 performance is preliminary.

*Inception Date 09/30/2015

CHARACTERISTICS[2]

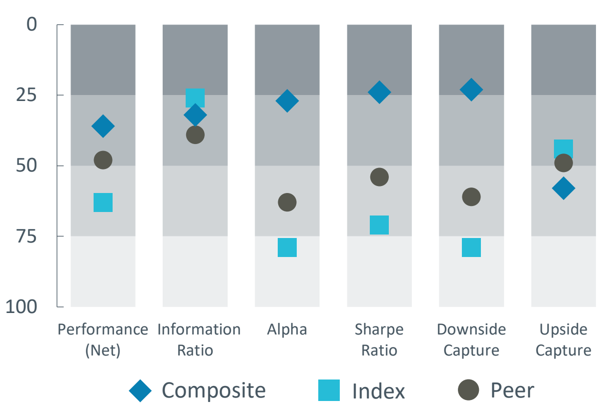
	Weighted Avg Mkt Cap ($B)	Profit Margin	Revenue Growth (1 year)	LT Debt as % of Capital	P/E Ratio (Fwd. 12-mo)	Turnover (Tr 12-mo)
Baird	$10.1	9.9%	13.0%	33.2%	28.6x	43.8%
Index[1]	$6.5	3.6%	16.0%	41.0%	21.3x	--

SECTOR ALLOCATION vs. BENCHMARK (%)[2]



	Basic Materials	Consumer Disc.	Consumer Staples	Energy	Financials	Healthcare	Industrials	Real Estate	Tech	Telecomm	Utilities	Cash
Baird SMID Growth	2.9	15.9	5.8	3.3	5.1	18.3	27.9	1.5	17.4	0.0	0.0	1.9
Russell 2500® Growth	2.5	15.6	3.0	4.5	6.9	20.8	21.5	1.6	21.0	1.3	1.3	0.0

PERCENTILE RANKING AND STATISTICS (5-YEAR STATISTICS VS. INDEX AND PEER GROUP)[3]



	Baird	Index[1]	Peer Group
Performance (Net)	13.63	11.43	12.59
Information Ratio	0.50	0.00	0.41
Alpha	3.87	0.00	1.43
Sharpe Ratio	0.58	0.41	0.48
Downside Capture	88.9	100.0	95.8
Upside Capture	96.2	100.0	98.3

[1]Russell 2500® Growth Index

[2]Source: Factset. Characteristics and portfolio sector weights identified above reflect a representative account as of 12/31/23 and are subject to change without notice. No conclusion about future results can be made from these figures. It should not be assumed that an investment in the sectors listed were, or will be, profitable.

[3]Source: eVestment Analytics. The peer group is the eVestment US Small/Mid Cap Growth Universe. Index is the Russell 2500 Growth Index.

Performance data quoted represents past performance; it does not guarantee future results. Please see important disclosures on the GIPS disclosure page.

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Small/Mid Cap Growth Equity

Strategy Profile

As of December 31, 2023

Small/Mid Cap Growth Equity Composite

FULL COMPOSITE GIPS REPORT AS OF 12/31/2022

	Total Firm Assets	Composite Assets			Annual Composite Performance Results (%)				Std Deviation (3-yr %)	
Period Ended	Baird EAM ($millions)	USD ($millions)	% of Bundled Fee	Number of Portfolios	Baird Pure Gross	Baird Net	Russell 2500 Growth	Composite Dispersion	Baird	Russell 2500 Growth
2022	7,928	149	0	5 or fewer	-26.53	-27.15	-26.21	N/A[1]	23.8	25.2
2021	9,291	167	0	5 or fewer	19.42	18.44	5.04	N/A[1]	19.6	22.0
2020	7,717	53	0	5 or fewer	45.83	44.61	40.47	N/A[1]	21.4	23.9
2019	6,100	19	0	5 or fewer	38.16	37.04	32.65	N/A[1]	14.7	15.9
2018	4,336	8	0	5 or fewer	1.07	0.21	-7.47	N/A[1]	14.0	15.3
2017	4,200	1	50	5 or fewer	29.62	28.70	24.46	N/A[1]	N/A	N/A
2016	3,488	1	0	5 or fewer	6.47	5.59	9.73	N/A[1]	N/A	N/A
2015*	2,848	<1	0	5 or fewer	3.67	3.43	3.81	N/A[1]	N/A	N/A

N/A[1] – Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire period.
*2015 performance represents performance from 9/30/15 through 12/31/15.

Small/Mid Cap Growth Equity Composite *consists of all fully discretionary small/mid cap growth equity accounts. The Small/Mid ("SMID") Cap Growth Portfolio invests in small and medium-sized, high-quality growth companies holding leadership positions within their industries that the portfolio manager believes are capable of producing above average growth in a variety of market environments. The Portfolio will emphasize companies with a market capitalization between $500 million and $12 billion. To help control risk, the Portfolio is generally diversified among companies in a broad range of industries and economic sectors. The Russell 2500 Growth Index measures the performance of those Russell 2500 companies with above average price-to-book ratios and higher forecasted growth values. When sorted by market cap, the Russell 2500® Index consists of all of the companies in the Russell 3000® Index, except for the 500 largest companies by market capitalization in that index. The Russell Indices are a trademark of the Frank Russell Company. Indices are unmanaged and direct investment is not possible. The minimum account size for this composite is $100,000.*

Baird Equity Asset Management, formerly Baird Investment Management, claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Baird Equity Asset Management has been independently verified for the periods January 1, 2016, through December 31, 2022, by ACA Group, Performance Services Division and for the period January 1, 1993, through December 31, 2015, by previous Verifiers. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Small/Mid Cap Growth Equity Composite has had a performance examination for the periods September 30, 2015, through December 31, 2022, by ACA Group, Performance Services Division. The verification and performance examination reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

As of January 1, 2007, the firm is defined as Baird Equity Asset Management (Baird EAM), a department of Robert W. Baird & Co., Incorporated that manages equity and balanced portfolios. Robert W. Baird & Co., Incorporated is registered as an Investment Advisor. The firm maintains a complete list and description of composites and limited distribution pooled funds and list of broad distribution pooled funds, which are available upon request. Total firm assets reflect the January 15, 2016, acquisition of Chautauqua Capital Management, LLC.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Pure gross of fee returns are supplemental to net of fee returns. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual fees.

The U.S. Dollar is the currency used to express performance. Pure gross returns have not been reduced by advisory fees but have been reduced by transaction costs for non-bundled accounts. The composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite for the entire period noted using pure gross of fee returns. Standard deviation is presented as a 3-year annualized standard deviation measure of risk using pure gross of fee monthly returns as of each annual period end. The performance results were calculated without consideration of the effects of any income taxes thereon, including withholding tax on foreign dividends. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. The management fee schedule is as follows: 0.85% on the first $10,000,000, 0.70% on the next $40,000,000 and 0.60% on the balance. Actual investment advisory fees incurred by clients may vary. The Small/Mid Cap Growth Equity Composite was created September 30, 2015, and has an inception date of September 30, 2015.

Debt/Capital Ratio is a measurement of a company's financial leverage. **Profit Margin** is a ratio of profitability calculated as net income divided by revenues, or net profits divided by sales. **Revenue Growth** is the total of operating revenues less various adjustments to gross sales. Revenue Growth does not include outliers defined by companies with Revenue Growth less than -50% and greater than 300%. **Beta** is a measurement indicating the volatility of a manager relative to a chosen market or benchmark. A beta of 1 means a manager has about the same volatility as the market. Higher betas are associated with higher risk levels, while lower betas are associated with lower risk levels. **Information Ratio** is a measure of portfolio management's performance against risk and return relative to a benchmark or alternative measure. **Sharpe Ratio** is a measure of risk-adjusted return. It divides excess return by risk. Excess return is defined as the annualized return of the manager minus the annualized return of the risk free rate. A high value for the Sharpe Ratio is generally considered to be positive. The **Upside Capture Ratio** is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The **Downside Capture Ratio** is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. The characteristics and statistical measures used in this fact sheet are not a forecast of the Small/Mid Cap Growth Equity Composite's future performance.

Opinions, where and when expressed, are subject to change without notice. Information was obtained from sources considered reliable, but no representation is made as to its accuracy. The program manager may, to a limited extent, invest in other securities entailing additional risks beyond those highlighted in these profiles. All investments involve risk, including possible loss of principal. There is no guarantee investment objectives will be met.

The Small/Mid Cap Growth Strategy focuses on small- and mid-cap growth style stocks and therefore the performance of the Strategy will typically be more volatile than the performance of strategies that focus on types of stocks that have a broader investment style.

Performance data quoted represents past performance. Past performance does not guarantee future results.

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