

Baird Small/Mid Cap Growth Equity Composite

Strategy Profile

BAIRD

Baird Equity
Asset Management

As of September 30, 2021

AVERAGE ANNUAL RETURNS (%)*

	QTR ¹	YTD ¹	1 Year	3 Year	5 Year	Since Inception (09/30/15)
Composite – Gross	1.36	13.48	34.93	22.58	24.42	22.05
Composite – Net	1.14	12.78	33.81	21.51	23.41	21.05
Russell 2500 Growth Index	-3.53	4.84	31.98	16.01	18.21	16.98

* 9/30/2021 performance is preliminary.

¹ Returns for periods of less than one year are not annualized.

CALENDAR YEAR RETURNS (%)

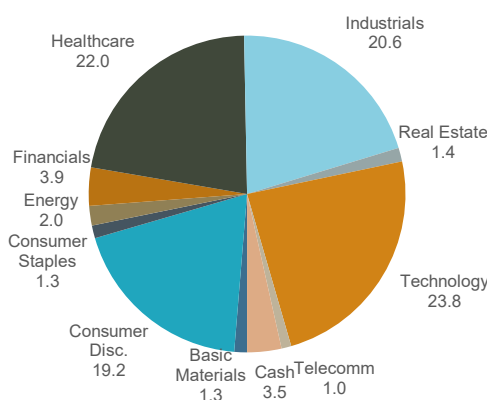
	2020	2019	2018	2017	2016
Composite – Gross	45.83	38.16	1.07	29.62	6.47
Composite - Net	44.61	37.04	0.21	28.70	5.59
Russell 2500 Growth Index	40.47	32.65	-7.47	24.46	9.73

CHARACTERISTICS

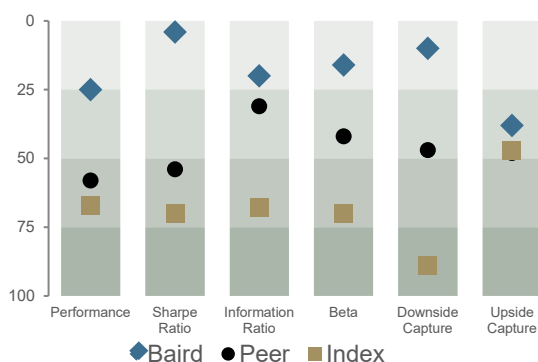
	Baird Small/Mid Growth	Russell 2500 Growth
Weighted Avg Mkt Cap (\$B)	10.3	7.7
Profit Margin (%)	5.5	-1.6
Revenue Growth (1 year) (%)	34.3	25.0
LT Debt as % of Capital	31.7	44.8
P/E Ratio (Forward 12 mo)	32.6x	24.2x
Turnover % (Trailing 12 mo)	60.3	N/A

Source: FactSet

SECTOR WEIGHTS (%)



PERCENTILE RANKING AND STATISTICS (5 YEAR VS. BENCHMARK AND PEER GROUP)¹



	Baird	Index	Peer Group
Performance	24.42	18.21	20.29
Sharpe Ratio	1.31	0.87	1.03
Information Ratio	1.08	0.00	0.79
Beta	0.87	1.00	0.94
Downside Capture	79.9	100.0	91.1
Upside Capture	102.6	100.0	98.9

¹ Source: eVestment Analytics. The peer group is the eVestment US Small-Mid Cap Growth Universe. eVestment Alliance, LLC and its affiliated entities (collectively, "eVestment") collect information directly from investment management firms and other sources believed to be reliable, however, eVestment does not guarantee or warrant the accuracy, timeliness, or completeness of the information provided and is not responsible for any errors or omissions. Performance results may be provided with additional disclosures available on eVestment's systems and other important considerations such as fees that may be applicable. Index is the Russell 2500 Growth Index. Portfolio sector weights and characteristics identified above reflect a representative account as of 9/30/21 and are subject to change without notice.

PRODUCT DESCRIPTION

High-quality growth with a strong emphasis on fundamental, bottom-up security selection.

INVESTMENT PROCESS

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

INVESTMENT STRATEGY

- True Small/Mid Cap: Focus on \$500 million - \$12 billion market cap
- High conviction portfolio: 60-70 stocks
- Experienced team: Over 135 years combined experience
- Emphasis on high-quality growth stocks
- Risk-controlled approach

INVESTMENT TEAM & EXPERIENCE

	Industry Years	Team Since
Jonathan Good Portfolio Manager	21	2006
Ken Hemauer, CFA Senior Research Analyst	27	2001
Corbin Weyer, CFA, CPA Director of Research & Senior Research Analyst	11	2014
Douglas Guffy Senior Research Analyst	38	2004
Karan Saberwal Senior Research Analyst	5	2019
Josh Heinen Research Analyst	<1	2021
Chuck Severson, CFA Mid Cap Growth Senior PM	34	1993

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FULL COMPOSITE GIPS REPORT AS OF 12/31/2020

Period Ended	Total Firm Assets Baird EAM (\$ millions)	Composite Assets			Annual Composite Performance Results (%)				Std Deviation (3-yr %)	
		USD (\$millions)	% of Bundled Fee	Number of Portfolios	Baird Pure Gross	Baird Net	Russell 2500 Growth	Composite Dispersion	Baird	Russell 2500 Growth
2020*	7,722	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 ²	N/A ²
2016	3,488	1	0	5 or fewer	6.47	5.59	9.73	N/A ¹	N/A ²	N/A ²
2015**	2,848	<1	0	5 or fewer	3.67	3.43	3.81	N/A ¹	N/A ²	N/A ²

* 2020 assets and performance are preliminary.

N.A.¹ – Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire period.

N.A.² – The 3-year annualized ex-post standard deviation is only calculated at year end.

** 2015 performance represents performance from 9/30/15 through 12/31/15.

Baird 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, 2018 by ACA Performance Services, LLC 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 Baird Small/Mid Cap Growth Equity Composite has had a performance examination for the periods September 30, 2015 through December 31, 2018 by ACA Performance Services, LLC. 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 portfolios, 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 Baird SMID Cap Growth Equity Composite was created September 30, 2015 and has an inception date of October 1, 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** 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 Baird 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. **Performance data quoted represents past performance. Past performance does not guarantee future results.**