

# HIGH QUALITY SMID CAP

## STRATEGY HIGHLIGHTS

We seek to invest in high-quality companies with a demonstrated history of consistent growth and earnings stability. The portfolio is managed with a fundamental, bottom-up investment process, looking for businesses with innovative models, quality management, strong free cash flow, and high returns on invested capital. Historically, this process has produced a diversified portfolio that exhibits solid up-market capture, minimized participation in declining markets, reduced volatility, low turnover and high active share.

### Key Stats

Asset Class:	Small-to-Mid Cap Equity
Primary Index:	Russell 2500™ Index
Inception Date:	April 1, 2004
Strategy Assets:	\$14.8 bn
Current Holdings:	52
Max Position Sizes:	5%
Sector Constraint:	30%
Max Use of Cash:	5%
3-Yr. Avg. Turnover:	11%

### DOWNSIDE PARTICIPATION

69%

Downside Capture  
Since Inception

### ACTIVE MANAGEMENT

94%

Active Share

### LONG-TERM PERSPECTIVE

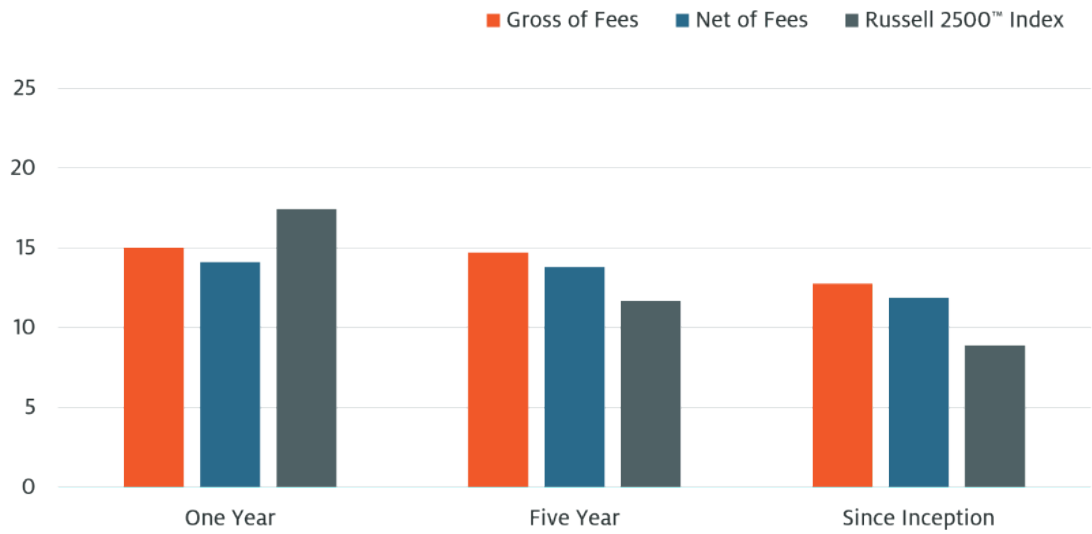
11%

3-Yr. Avg. Turnover

## PERFORMANCE ANALYSIS

### Investment Performance (%)

as of December 31, 2023



High Quality SMID Cap (Gross)	11.21	15.01	9.25	14.70	12.17	12.76
High Quality SMID Cap (Net)	10.99	14.10	8.38	13.80	11.29	11.87
Russell 2500™ Index	13.35	17.42	4.24	11.67	8.36	8.88

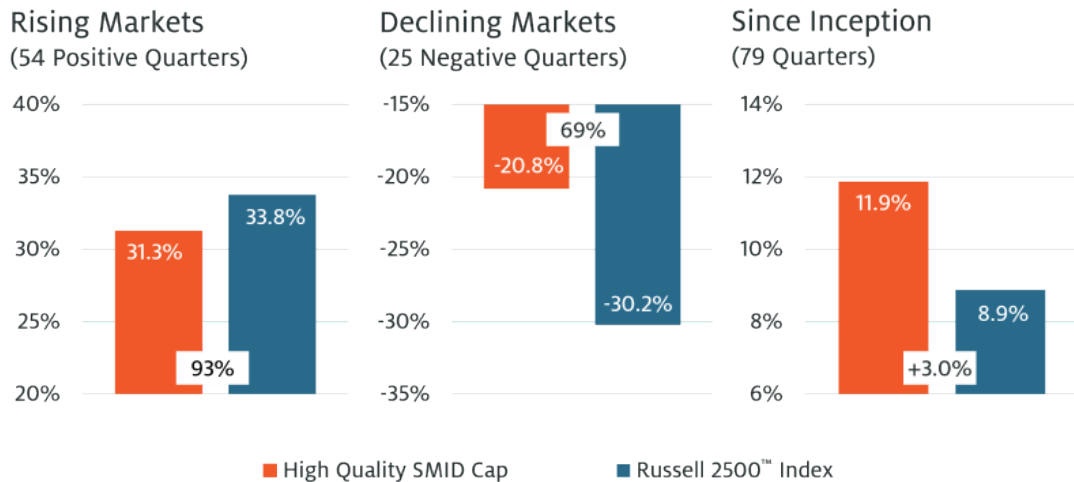
Periods greater than one year are annualized. Composite inception date is 4/1/04. Composite data is based upon all discretionary institutional accounts eligible for inclusion in the Composite for the periods shown. Performance is calculated in US dollars and reflects the reinvestment of all income and capital gains. Net of fee returns reflect the deduction of the highest applicable annual management fee of 0.80%, applied monthly.

[GIPS DISCLOSURE](#)

## Up, Down, Cumulative Market Capture (%)

April 1, 2004 – December 31, 2023

Net of Fees



Annualized. Up-Down Market Capture measures composite performance (net of fees) relative to index during periods when index has risen/fallen. Source: eVestment.

## PORTFOLIO CHARACTERISTICS

### Sector Diversification (%)

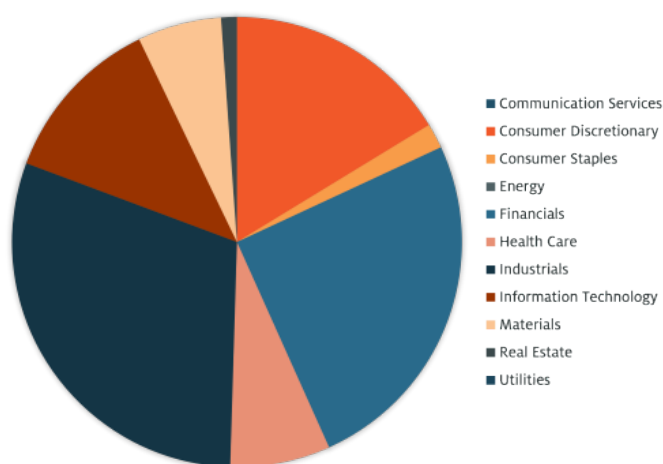
as of December 31, 2023

Communication Services	0.0	2.6	-2.6
Consumer Discretionary	15.5	12.9	2.6
Consumer Staples	1.6	3.2	-1.6
Energy	0.0	4.8	-4.8
Financials	25.0	16.6	8.4
Health Care	7.1	12.2	-5.1
Industrials	30.6	19.8	10.8
Information Technology	12.3	12.7	-0.4
Materials	6.4	5.5	0.9
Real Estate	1.4	7.2	-5.8
Utilities	0.0	2.6	-2.6

Sector Diversification and Top Ten Holdings are based on the equity-only assets of a representative client portfolio managed according to this strategy. Sources: Atlanta Capital, eVestment, FactSet.

## Sector Diversification (%)

as of December 31, 2023



## Top Ten Holdings

(%) of representative portfolio

W. R. Berkley Corporation	5.0
Carlisle Companies	4.3
Markel Group	3.4
CACI International CL A	3.3
Brown & Brown	3.3
Aramark	3.1
Landstar System	2.9
Morningstar	2.8
Tele!ex	2.8
LKQ Incorporated	2.7
<b>TOTAL</b>	<b>33.6%</b>

# PORTFOLIO MANAGEMENT



Chip Reed, CFA

Portfolio Manager

[SEE BIO](#)



Bill Bell, CFA

Portfolio Manager

[SEE BIO](#)



Matt Hereford, CFA

Portfolio Manager

[SEE BIO](#)

## STRATEGY DOCUMENTS

### Fact Sheet

High Quality SMID Cap

December 31, 2023

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### Investment Commentary

High Quality SMID Cap

December 31, 2023

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#### Risk Considerations

**Equity:** The value of investments held by the Strategy may increase or decrease in response to economic, and financial events (whether real, expected or perceived) in the U.S. and global markets. The value of equity securities is sensitive to stock market volatility. Investments in small- and medium- capitalization companies tend to be more volatile and less liquid than those of larger, more established, companies.

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**Prior to making any investment decision, investors should carefully review the strategy's relevant offering document. For the complete content and important disclosures, refer to the GIPS Disclosure link on this page.**

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