

# HIGH QUALITY SMALL 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

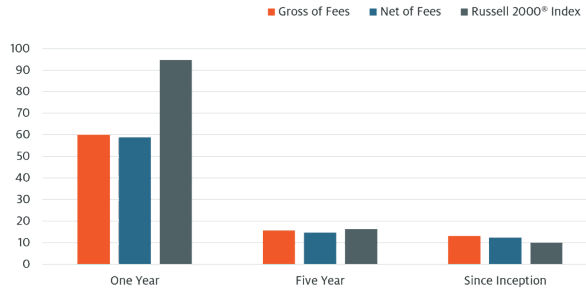
Asset Class:	Small Cap Equity
Primary Index:	Russell 2000® Index
Inception Date:	April 1, 1992
Strategy Assets:	\$2.8 bn
Current Holdings:	62
Max Position Sizes:	5%
Sector Constraint:	30%
Max Use of Cash:	5%
3-Yr. Avg. Turnover:	17%

<b>DOWNSIDE PROTECTION</b>	<b>59%</b> Downside Capture Since Inception
<b>ACTIVE MANAGEMENT</b>	<b>95%</b> Active Share
<b>LONG-TERM PERSPECTIVE</b>	<b>17%</b> 3-Yr Avg. Turnover

## PERFORMANCE ANALYSIS

### Investment Performance (%)

as of March 31, 2021



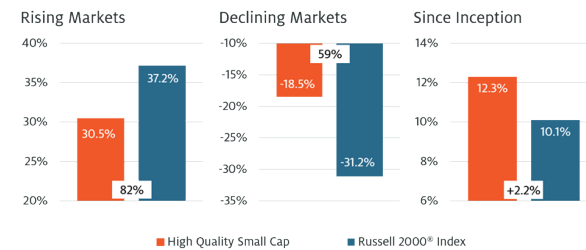
	8.90	60.11	15.57	15.61	14.20	13.18
High Quality Small Cap (Gross)	8.90	60.11	15.57	15.61	14.20	13.18
High Quality Small Cap (Net)	8.69	58.89	14.67	14.70	13.30	12.28
Russell 2000® Index	12.70	94.84	14.76	16.35	11.68	10.09

Periods greater than one year are annualized. Composite inception date is 4/1/92. 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, 1992 – March 31, 2021



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 March 31, 2021

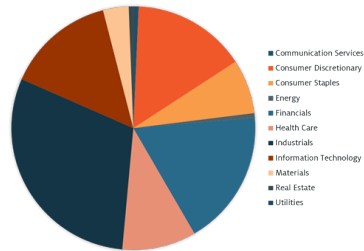
Communication Services	0.7	2.4	-1.7
Consumer Discretionary	15.1	14.6	0.5
Consumer Staples	7.2	3.3	3.9

Energy	0.6	2.6	-2.0
Financials	18.0	15.8	2.2
Health Care	9.8	19.5	-9.7
Industrials	30.1	16.0	14.1
Information Technology	14.4	12.7	1.7
Materials	3.4	4.5	-1.1
Real Estate	0.6	5.9	-5.3
Utilities	0.0	2.7	-2.7

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 March 31, 2021



## Top Ten Holdings

(%) of representative portfolio

Choice Hotels International	3.3
Inter Parfums	3.1
Beacon Roofing Supply	2.8
Integra LifeSciences Holdings Corp.	2.8
ICU Medical	2.7
Dorman Products	2.6
Moog CL A	2.5
Wolverine World Wide	2.4
Forward Air Corporation	2.4
Landstar System	2.3
<b>TOTAL</b>	<b>27.1%</b>

## PORTFOLIO MANAGEMENT



Chip Reed, CFA

Portfolio Manager

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Bill Bell, CFA

Portfolio Manager

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Matt Hereford, CFA

Portfolio Manager

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## STRATEGY DOCUMENTS

### Fact Sheet

High Quality Small Cap  
March 31, 2021

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### Investment Commentary

High Quality Small Cap  
March 31, 2021

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The Russell 2000® Index includes the smallest 2000 companies in the Russell 3000® and is a widely accepted measure of the small cap U.S. equity universe. Indexes are unmanaged and do not incur management fees, transaction costs or other expenses associated with separately managed accounts. It is not possible to directly invest in an index.

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