

“Behavioral biases within participants of the market lead to deviations of stock prices from their fair value, and these discrepancies create opportunities.”

– Mark Roach

- During the fourth quarter of 2025, the CS McKee SMID Core Model returned 6.43%, outperforming the Russell 2500 Index’s 2.23% return by approximately 421 basis points. For the full year 2025, the strategy generated a 13.71% return, exceeding the benchmark’s 11.9% gain by 180 basis points. Relative results were driven primarily by sector-level contribution differences rather than overall equity exposure. The largest positive contributors on a relative basis were Financials, Information Technology, Communication Services, and Real Estate, where portfolio contributions exceeded those of the benchmark. Financials was the most meaningful contributor, combining strong absolute returns with effective positioning. Information Technology and Communication Services also added value as portfolio holdings produced higher contribution than the benchmark, while Real Estate contributed positively as the portfolio captured strong sector performance during the quarter. These gains were partially offset by detractors from Energy, Consumer Discretionary, and Consumer Staples, where weaker returns weighed modestly on relative performance.
- The quarter unfolded against a backdrop of resilient economic growth, moderating inflation, and improving financial conditions, supporting a constructive tone across SMID-cap equities. Investor preferences favored sectors tied to economic momentum, liquidity, and earnings durability, which benefited Financials, Technology, and Communication Services in particular. Dispersion across sectors remained elevated, with performance increasingly influenced by macro narratives and earnings visibility rather than broad market participation. This environment rewarded balanced exposure to cyclical and growth while penalizing areas more exposed to commodity volatility and consumer sensitivity.
- The SMID Core portfolio remains intentionally structured around durable earnings, balance-sheet strength, and valuation discipline, resulting in diversified exposure across cyclical and defensive sectors. While this approach led to relative pressure in select areas, it also enabled meaningful participation in sectors where fundamentals and earnings momentum were strongest. Looking ahead, we believe elevated dispersion and widening differences in sector-level fundamentals continue to create attractive opportunities within the SMID universe. As expectations normalize and market leadership becomes more selective, we believe the portfolio is well positioned for a more fundamentals-driven phase of the cycle.

Top Five Contributors	Relative Effect on Return (%)	Top Five Detractors	Relative Effect on Return (%)
Tower Semiconductor Ltd	1.46	Upbound Group, Inc.	-0.49
Enova International Inc	0.83	Owens Corning	-0.44
OUTFRONT Media Inc.	0.82	DNOW Inc.	-0.40
Jazz Pharmaceuticals Public Lt	0.73	Vontier Corp	-0.37
Viatrix, Inc.	0.58	Check Point Software Tech Ltd.	-0.26

	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
SMID Cap Core Composite Gross	6.43	13.71	13.71	-	-	-
SMID Cap Core Composite Net	6.27	13.11	13.11	-	-	-
Russell 2500	2.22	11.91	11.91	13.75	7.26	10.41

Disclosures

CS McKee is an independent registered investment adviser specializing in institutional and retail investment management. Registration does not imply a certain level of skill or training. On April 25, 2025, CS McKee acquired the assets of Foundry Partners LLC. Historical Foundry performance has been retained for all Foundry strategies that were adopted by CS McKee. A list of composite descriptions and broad distribution pooled funds are available upon request.

Effective with the acquisition of Foundry Partners LLC, CS McKee created the CS McKee SMID Core Composite, which includes the prior performance history of Foundry's SMID Core strategy and CS McKee's performance from the acquisition date forward. The legacy Foundry composites continue to be managed in a similar manner by the same portfolio managers, with no accounts excluded from the composites shown. Accordingly, the performance presented includes historical/predecessor performance.

The securities or positions shown or discussed do not represent a complete listing of portfolio holdings. Actual holdings will vary based on account size, client-imposed restrictions, cash flows, and other factors. There is no assurance that any securities discussed remain in the portfolio or that securities sold have not been repurchased. It should not be assumed that past decisions were or will be profitable. A complete list of holdings is available upon request.

Performance attribution characteristics along with the Sectors and Holdings listed are taken from a representative or model account and may not mirror performance of your account.

Top Five Contributors and Detractors are calculated using the total effect (within attribution) of the portfolios individual stock attribution sorted from greatest positive to least (or negative) and using the top and bottom five.

Performance is presented in U.S. dollars and reflects total returns. "Gross" returns are shown before deduction of investment management fees, while "Net" returns reflect the deduction of actual investment management fees charged to client accounts included in the composite, which may vary. For illustrative purposes only, a \$100 million account paying a 0.50% annual management fee and earning a 10% gross return compounded over 10 years would result in an approximate 9.5% net return. This example is hypothetical and not representative of actual client performance or fee arrangements. Fees are detailed in Part 2A of CS McKee's Form ADV. Past performance does not guarantee future results. Investing involves risk, including the potential loss of principal.

Information shown is as of the date indicated. All data, including top holdings and characteristics, is subject to change without notice. Holdings shown are for illustrative purposes only and are not a recommendation to buy or sell any security. Holdings and characteristics may differ between client accounts managed under the same strategy. CS McKee does not guarantee the accuracy of third-party data.

Benchmark returns are shown for comparison and reflect reinvested dividends. Benchmarks are unmanaged, not investable, and do not incur fees or expenses. Strategy differences—such as risk, holdings, or asset mix—may materially affect results. Benchmark data is from sources believed reliable, but accuracy is not guaranteed.

CS McKee claims compliance with the Global Investment Performance Standards (GIPS®). Composite characteristics, including the number of accounts, assets under management, and dispersion measures, are provided in the GIPS® Composite Report. Please refer to the report for additional important information or to view a list of composite descriptions by visiting: <https://csmckee.com/gips/>

Portfolio Management Team:

Mark Roach, CFA
 Director
 Small & Micro Cap Equities
 Industry Start: 1995

Mario Tufano, CFA
 Senior Portfolio Manager
 Small Cap Equities
 Industry Start: 2002

Eric J. Holmes, CFA
 Director
 Micro & Small Cap Equities
 Industry Start: 1994

Craig P. Nedbalski, CFA
 Senior Portfolio Manager
 Micro Cap Equities
 Industry Start: 1995

Michael K. Barr, CFA
 Senior Portfolio Manager
 Micro Cap Equities
 Industry Start: 1987