

CS McKee SMID Cap Core

Performance

As of June 30, 2026

Calendar Year Returns

	QTD	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
SMID Cap Core (Gross)	11.18	17.83	13.71	8.88	---	---	---	---	---	---	---	---	---
SMID Cap Core (Net)	11.02	17.50	13.05	8.56	---	---	---	---	---	---	---	---	---
Russell 2500 Index	20.26	22.71	11.91	12.00	17.42	-18.37	18.18	19.99	27.77	-10.00	16.81	17.59	-2.90

Annualized Trailing Returns

	1 Years	5 Years	10 Years
SMID Cap Core (Gross)	36.22	0.00	0.00
SMID Cap Core (Net)	35.45	0.00	0.00
Russell 2500 Index	36.72	8.30	12.25

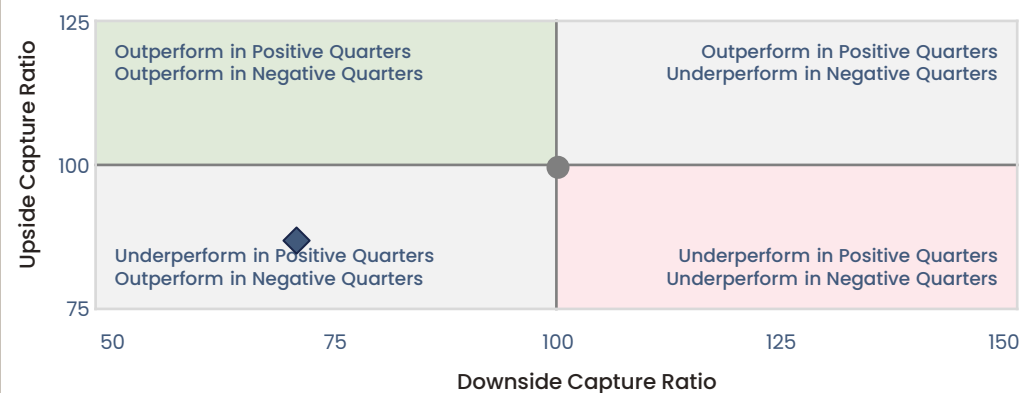
Annualized Sharpe Ratios**

	1 Years	5 Years	10 Years
SMID Cap Core (Gross)	6.75	0.00	0.00
Russell 2500 Index	1.91	0.29	0.47
Risk-Adjusted Value	4.84	-0.29	-0.47

*Period: Q3 2024 - Q2 2026

** Using Quarterly Returns, Risk-Free Rate: Citigroup 3-month T-Bill

Upside/Downside Market Capture Ratio*



	Up Cap Return	Up Cap Ratio	Down Cap Return	Down Cap Ratio
CS McKee (Gross)	0.00	87.19	-18.93	70.66
Benchmark	0.00	100.00	-26.79	100.00

Note: the SMID Cap Core strategy was launched mid-2024, the Index performance for 2024 shown above is for the whole year. The partial period Index return to match the strategy was 9.42%.

The above information is shown as supplemental information and complements the composite disclosure presentation. Please see the important disclosure information at the end of this presentation.

Characteristics

As of June 30, 2026

Characteristics Summary

	SMID Cap Core*	Russell 2500 Index
Number of Holdings	49	2,488
Weighted Average Mkt Capitalization (\$Mil)	9,333	9,156
Dividend Yield (%)	1.81	1.28
LT Debt/Capital (%)	41.12	35.56
Price/Book	2.06	2.30
Price/Sales	1.21	1.40
Price/Cash Flow	6.06	10.24
P/E Ratio (FY1 Est)	11.79	21.20
P/E Ratio (FY2 Est)	10.55	17.83
EPS Growth – Next 3–5 Years (% Est)	10.30	14.66
Predicted Beta	0.85	1.00
Active Share (%)	96.61	
Turnover (TTM %)	61.16	

Top 10 Holdings

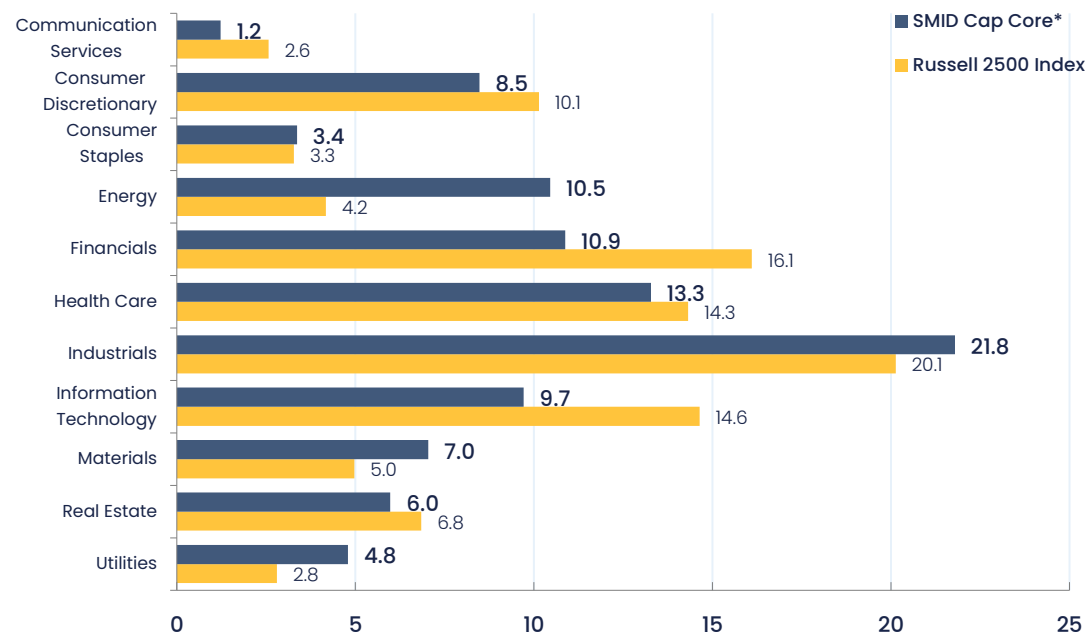
Company	SMID Cap Core*	Russell 2500 Index
Affiliated Managers Group, Inc.	3.83	0.11
OUTFRONT Media Inc.	3.79	0.07
Fluor Corporation	3.32	0.10
Jazz Pharmaceuticals Public Limited Company	3.29	0.19
Terex Corporation	3.14	0.11
Owens Corning	3.10	0.17
Global Ship Lease, Inc. Class A	3.05	0.00
Portland General Electric Company	2.94	0.08
ePlus inc.	2.86	0.03
ICON Plc	2.74	0.00

Best & Worst Contributors to Performance[†]

Contributors	Rel Effect (%)	Weight (%)	Detractors	Rel Effect (%)	Weight (%)
Enova International Inc	1.02	2.13	Vontier Corp	-1.03	2.37
Ralliant Corporation	0.70	1.52	Range Resources Corporation	-0.95	2.31
ICON Plc	0.61	1.75	Universal Health Services, Inc.	-0.95	2.34
Owens Corning	0.56	2.24	Hawaiian Electric Industries	-0.83	2.10
Virtu Financial, Inc. Class A	0.41	2.95	Portland General Electric	-0.63	2.84

[†] Best & Worst contributors are calculated using an attribution methodology, based upon the relative weights of securities versus the benchmark index, including securities not held within the portfolio. Weight shown represents average portfolio weight during the quarter.

Sector Allocation (GICS)



“The dominant factor in the quarter was the market's extraordinary rally in Technology shares.”

How did the portfolio perform?

The Foundry SMID Core strategy returned 11.14% during the second quarter of 2026, trailing the Russell 2500 Index return of 20.27% by 913 basis points.

Underperformance was driven by both sector positioning and stock selection, with allocation detracting 597 basis points and selection detracting 507 basis points, partially offset by interaction effects, which added 191 basis points. The shortfall was highly concentrated: Information Technology alone accounted for the majority of the relative loss, as the benchmark's technology sector returned more than 65% in the quarter, led by a narrow cohort of AI-levered semiconductor and hardware names the portfolio does not own.

Year to date through June 30, the strategy trailed the Russell 2500 by 446 basis points, with the entirety of the gap attributable to Information Technology; outside of the sector, active positioning has added meaningful value this year. Since quarter-end, that gap has narrowed considerably as technology leadership has stalled, and as of mid-July the strategy trailed the benchmark by 165 basis points year to date (18.11% versus 19.75%).

What factors had the greatest impact on the portfolio?

The dominant factor in the quarter was the market's extraordinary rally in Technology shares. Within the benchmark, semiconductors returned approximately 100%, semiconductor equipment 90%, computers and peripherals nearly 190%, and electronic manufacturing services more than 60%. The portfolio's underweight to the sector, roughly 9% versus 19% for the index, and its absence from the most speculative corners of the AI trade accounted for the substantial majority of relative underperformance.

Energy also detracted, as the sector declined against a sharply rising market. Notably, the drag was allocation rather than selection: our Energy holdings declined 7.5% versus a 9.7% decline for the benchmark's energy constituents. Utilities and the portfolio's cash position were additional headwinds in a market up more than 20%.

Offsetting a portion of the loss, stock selection in Financials was the standout positive, contributing 229 basis points to relative performance, led by capital markets and consumer finance holdings.

What sectors provided the greatest contribution to portfolio return?

The strongest contributing sectors from an attribution perspective were Financials, Consumer Discretionary, and Communication Services.

Financials contributed 229 basis points, driven almost entirely by stock selection (+277 basis points), with strength in consumer finance and capital markets-oriented businesses.

Consumer Discretionary added 24 basis points, supported by homebuilding and specialty retail holdings.

Communication Services and Real Estate each added modestly, at 10 and 5 basis points respectively, reflecting positioning and selective strength in diversified REITs.

Were there any sectors that hindered the portfolio's performance?

The most significant headwinds came from Information Technology, Energy, and Utilities.

Information Technology detracted 675 basis points, overwhelmingly the largest impact in the quarter. The underweight and the absence of semiconductor, semiconductor equipment, and AI hardware exposure drove the shortfall as those industries roughly doubled within the benchmark.

Energy detracted 204 basis points, entirely a function of the overweight (approximately 12% versus 4.6%) as the sector declined; selection within the sector was modestly positive.

Utilities detracted 99 basis points, driven by company-specific weakness in electric utility holdings.

Cash, averaging roughly 3.5%, detracted 78 basis points in a sharply rising market, and Health Care detracted 57 basis points on company-specific outcomes in facilities and medical equipment.

“The strongest contributors were concentrated in Financials, Industrials, and Health Care...”

What were among the strongest performing securities in the portfolio?

The strongest contributors were concentrated in Financials, Industrials, and Health Care, driven primarily by company-specific execution.

Within Financials, consumer finance and market-making holdings delivered exceptional results, with our largest contributor returning more than 75% in the quarter on strong credit performance and earnings growth, and capital markets exposure benefiting from elevated trading activity.

In Industrials, building products and electrical equipment holdings were standouts, supported by robust construction, grid, and data center-related demand.

Within Health Care, life sciences tools and specialty pharmaceutical holdings contributed meaningfully, with our largest position in the space returning more than 55% as bookings and guidance improved.

In Information Technology, a recently spun-off precision technologies holding returned more than 75%, and security software exposure also added value.

What were the weakest performing securities in the portfolio?

The weakest contributors were concentrated in Energy, Utilities, and select Health Care and Information Technology holdings.

Within Energy, exploration & production holdings declined with natural gas and oil prices, and tanker-related exposure lagged after a strong first quarter.

In Utilities, electric utility holdings declined on company-specific and regulatory factors in an environment that favored risk assets over defensive yield.

Within Health Care, a hospital operator declined on reimbursement concerns, and a medical device holding lagged.

In Information Technology, a mobility and industrial technology holding declined on softer guidance, the portfolio's largest single-security detractor in the quarter.

Overall, as in the first quarter, weakness was concentrated in specific names rather than broad-based across sectors.

“The portfolio remains positioned consistent with our process, emphasizing quality businesses with durable cash flow and balance sheet strength.”

Outlook

The second quarter was defined by an accelerating narrative around artificial intelligence infrastructure, with capital crowding into a narrow set of technology names at a pace that outran fundamental confirmation. Within our process framework, this is the signature of a late-stage narrative: belief and positioning surged well ahead of earnings validation, and price re-rated on flows rather than fundamentals.

We did not chase that cohort and in the short run it was costly, however we believe it was the correct decision. The valuations embedded in the most crowded areas of the AI trade leave little room for disappointment, and the early weeks of the third quarter, during which technology leadership has stalled, and the portfolio has closed a meaningful portion of the year-to-date performance gap, are consistent with that view.

This remains a high-dispersion environment, where narrative shifts continue to lead price, and monitoring where belief is crowded, versus where it is early, remains central to positioning. Sector allocation and thematic alignment are also as important as security selection to relative results. Additionally, company fundamentals, particularly quality of earnings, cash flow durability, and capital allocation, are being rewarded outside of the momentum cohort.

The portfolio remains positioned consistent with our process, emphasizing quality businesses with durable cash flow and balance sheet strength. We are maintaining exposure to areas supported by favorable supply-demand dynamics, including energy, real assets, and grid and electrical infrastructure while avoiding areas where positioning and expectations have run furthest ahead of fundamentals.

Overall, we believe the current backdrop favors an approach that integrates Quality, Momentum, Narrative, and Growth & Value, with a focus on identifying opportunities where market expectations and fundamentals are beginning to diverge, in both directions.

SECTOR POSITIONS

**INDUSTRIALS**
Overweight

Exposure remains focused on construction, electrical equipment, and data center-related demand, though we are monitoring crowding in the most popular infrastructure themes.

**MATERIALS**
Overweight

Supported by favorable supply dynamics and pricing strength in construction materials, packaging, and specialty chemicals.

**ENERGY**
Overweight

Supply constraints and capital discipline continue to support the sector despite near-term commodity weakness.

**UTILITIES**
Overweight

Stable earnings profiles and structural power demand support positioning, though company-specific execution weighed on results this quarter.

**HEALTH CARE**
Neutral

Positioning is selective, favoring specialty pharmaceuticals and life sciences tools over facilities and devices.

**CONSUMER DISCRETIONARY**
Underweight

Demand remains soft across lower-income cohorts; exposure is concentrated in homebuilding and value-oriented retail.

**FINANCIALS**
Underweight

Selection-driven strength continues in capital markets and consumer finance, though the underweight reflects rising credit uncertainty across the broader sector.

**INFORMATION TECHNOLOGY**
Underweight

Selective exposure remains; positioning reflects discipline toward the most speculative and crowded areas of the AI trade.



CS McKee

SMID Cap Core Disclosure

Disclosure

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 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: www.csmckee.com/gips