

CS McKee SMID Cap Core

Performance

As of September 30, 2026

Calendar Year Returns

	QTD	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
SMID Cap Core (Gross)	-4.57	12.45	13.71	8.88	---	---	---	---	---	---	---	---	---
SMID Cap Core (Net)	-4.71	11.97	13.05	8.56	---	---	---	---	---	---	---	---	---
Russell 2500 Index	-6.37	14.90	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)	19.67	0.00	0.00
SMID Cap Core (Net)	18.99	0.00	0.00
Russell 2500 Index	17.45	7.46	10.81

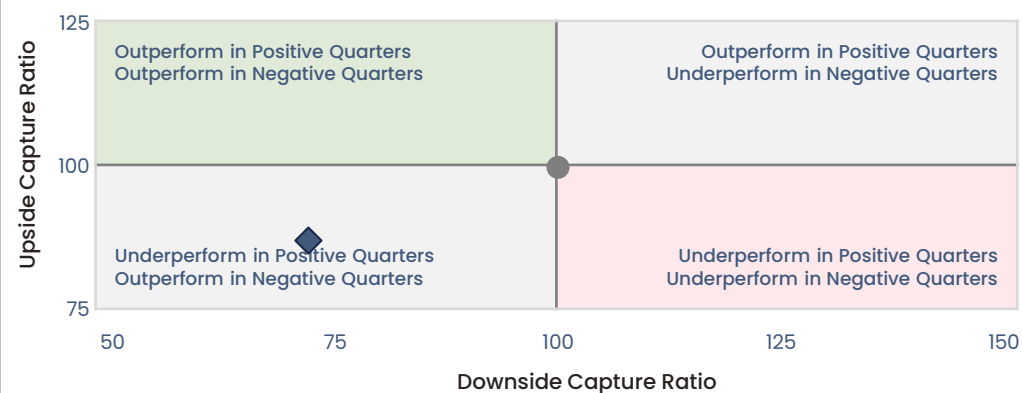
Annualized Sharpe Ratios**

	1 Years	5 Years	10 Years
SMID Cap Core (Gross)	1.19	0.00	0.00
Russell 2500 Index	0.60	0.22	0.39
Risk-Adjusted Value	0.58	-0.22	-0.39

*Period: Q3 2024 - Q3 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	-18.00	72.01
● Benchmark	0.00	100.00	-24.99	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 September 30, 2026

Characteristics Summary

	SMID Cap Core*	Russell 2500 Index
Number of Holdings	51	2,486
Weighted Average Mkt Capitalization (\$Mil)	9,263	8,586
Dividend Yield (%)	2.03	1.37
LT Debt/Capital (%)	39.53	35.47
Price/Book	1.86	2.12
Price/Sales	1.09	1.31
Price/Cash Flow	5.74	9.69
P/E Ratio (FY1 Est)	10.43	18.77
P/E Ratio (FY2 Est)	9.71	15.96
EPS Growth – Next 3–5 Years (% Est)	12.62	15.06
Predicted Beta	0.79	1.00
Active Share (%)	96.47	
Turnover (TTM %)	54.07	

Top 10 Holdings

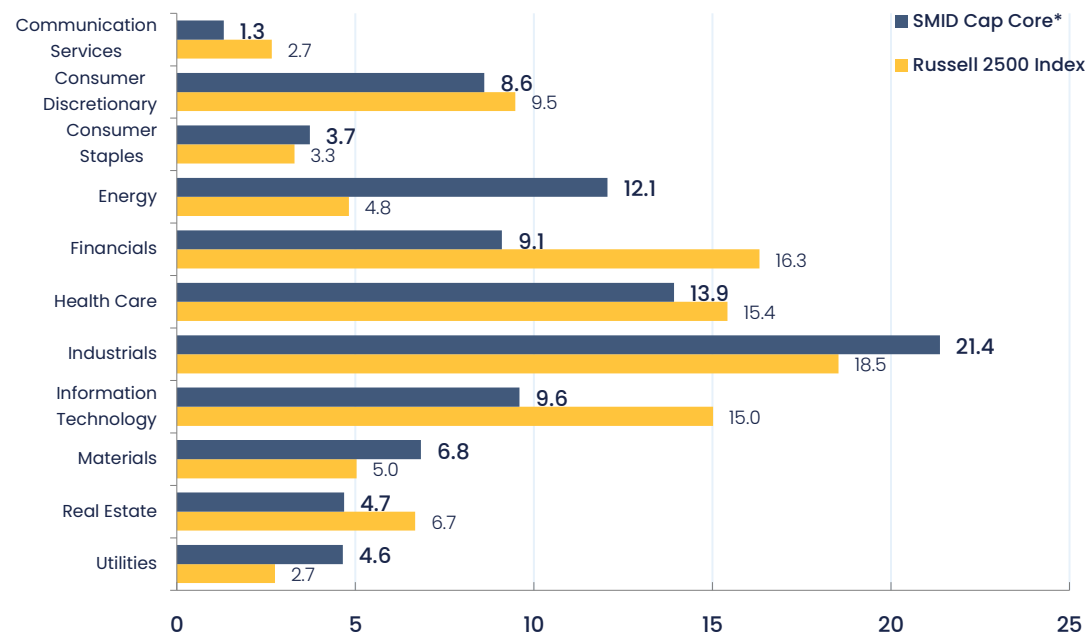
Company	SMID Cap Core*	Russell 2500 Index
Global Ship Lease, Inc. Class A	3.63	0.00
Fluor Corporation	3.30	0.09
ePlus inc.	3.29	0.03
Universal Health Services, Inc. Class B	3.10	0.13
Viatis, Inc.	2.96	0.29
ICON Plc	2.91	0.00
Affiliated Managers Group, Inc.	2.83	0.13
OUTFRONT Media Inc.	2.79	0.06
Portland General Electric Company	2.75	0.07
ABM Industries Incorporated	2.69	0.04

Best & Worst Contributors to Performance[†]

Contributors	Rel Effect (%)	Weight (%)	Detractors	Rel Effect (%)	Weight (%)
International Seaways, Inc.	0.79	1.79	Terex Corporation	-0.62	2.73
Global Ship Lease, Inc. Class A	0.76	3.41	Owens Corning	-0.57	2.69
DHT Holdings, Inc.	0.68	1.61	Enova International Inc	-0.50	2.06
Universal Health Services, Inc. Class B	0.55	2.69	Regal Rexnord Corporation	-0.47	1.43
Affiliated Managers Group, Inc.	0.51	2.76	Upbound Group, Inc.	-0.37	1.72

[†] 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 quarter was dominated by the portfolio's longstanding overweight to Energy, which alone contributed roughly 200 basis points to relative return.”

How did the portfolio perform?

The Foundry SMID Core strategy returned -4.34% during the third quarter of 2026, outperforming the Russell 2500 Index return of -6.37% by 203 basis points.

What factors had the greatest impact on the portfolio?

Outperformance was broad-based across all three components of return: sector allocation contributed 80 basis points, stock selection added 46 basis points, and interaction effects contributed a further 77 basis points.

The quarter was dominated by the portfolio's longstanding overweight to Energy, which alone contributed roughly 200 basis points to relative return. This is a reversal from the second quarter, when the same Energy overweight, together with the portfolio's underweight to Information Technology, drove the bulk of a 913-basis-point shortfall; this quarter, both of those positions worked in the portfolio's favor.

What sectors provided the greatest contribution to portfolio return?

The strongest contributing sectors from an attribution perspective were Energy, Industrials, and Information Technology.

Energy contributed approximately 200 basis points, overwhelmingly the largest effect in the portfolio this quarter.

Industrials added 54 basis points, driven almost entirely by selection (+67 basis points)

Information Technology added 29 basis points despite a negative sector return, as favorable selection (+43 basis points) offset the cost of the portfolio's underweight.

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

The most significant headwinds came from Financials, Real Estate, and Materials.

Financials detracted 60 basis points, driven almost entirely by selection (-91 basis points). Consumer finance and mortgage finance holdings were the primary drags, falling more than 30% and 50% respectively.

Real Estate detracted 34 basis points on weak selection (-57 basis points), concentrated in a real estate services holding that fell 19% and an out-of-home media REIT that fell 14%, partially offset by a favorable underweight.

Materials detracted 24 basis points, driven by a construction materials holding that fell 27% amid weaker pricing, consistent with the same end-market softness that weighed on comparable holdings across our other strategies this quarter.

“Overall, as in recent quarters, weakness was concentrated in specific names and in capital-goods and credit-sensitive sectors...”

What were among the strongest performing securities in the portfolio?

The strongest contributors were concentrated in Energy, Industrials, and Financials.

Within Energy, two marine/tanker holdings returned more than 45% and 50% respectively on a tightening product and crude tanker market and were the portfolio's two largest contributors for the quarter; exploration & production holdings also performed well, with returns in the 12%–18% range.

In Industrials, a marine shipping holding returned 19%, a commercial services holding returned 9%, and a technology-distribution holding in Information Technology returned nearly 8%.

Within Financials, an asset management holding returned 8% on strong flows, and within Health Care, a hospital operator returned 17% and a specialty pharmaceutical holding returned 12%, each on improved execution.

What were the weakest performing securities in the portfolio?

The weakest contributors were concentrated in Industrials, Financials, and Real Estate.

Within Industrials, a capital-goods holding declined 35%, an electrical equipment holding fell 21%, and a building products holding fell 26%, reflecting a broad pullback in capital-goods and construction-sensitive sentiment as rates rose.

Within Financials, a consumer finance holding fell 31% amid renewed credit concerns in non-prime lending.

In Real Estate, a real estate services holding fell 19% and an out-of-home media REIT fell 14%. In Consumer Discretionary, an apparel holding fell 24%, and in Materials, a construction materials holding fell 27%.

Overall, as in recent quarters, weakness was concentrated in specific names and in capital-goods and credit-sensitive sectors most exposed to the quarter's sharp rise in long-term rates, rather than broad-based across the portfolio.

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

Outlook

The third quarter completed the unwinding of the AI-infrastructure narrative that carried Technology and the broader market through the first half of 2026 into a wall of profit-taking, valuation scrutiny, and a genuinely less accommodative policy backdrop. The arrival of a hawkish Federal Reserve under Chair Warsh — delivering the first rate increase since 2023 and guiding toward a materially higher policy path — represents a real regime shift rather than noise. At the same time, the September employment report's sharp miss and substantial downward revisions are an early signal that the economy may not be able to absorb a materially higher-for-longer rate path without labor-market consequences.

The combination of sticky inflation, a rising term premium, and a softening labor market, is a more difficult backdrop than the one we described three months ago, and we expect the tension between these forces to dominate the fourth quarter, including at the Fed's next meeting on October 28th.

The portfolio's underweight to technology, a drag three months ago, cost nothing this quarter as the same speculative names gave back a portion of their gains, and the portfolio's long-standing Energy overweight which was the single largest driver of a quarter of broad-based outperformance.

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 remain as important as security selection to relative results, as this quarter's Energy call demonstrated. Additionally, company-specific fundamentals, particularly quality of earnings, cash flow durability, and capital allocation, are being rewarded outside of the momentum cohort, though not yet uniformly across every sector.

The portfolio remains positioned consistent with our process of emphasizing quality businesses with durable cash flow and balance sheet strength, maintaining exposure to areas supported by favorable supply-demand dynamics, including energy, real assets, and grid/electrical infrastructure, as well as 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 marine transportation, commercial services, and construction & engineering demand, though capital-goods and electrical-equipment holdings weighed on results as rates rose.

**MATERIALS**
Overweight

Supported by favorable supply dynamics, though construction materials exposure weighed on results amid weaker pricing.

**ENERGY**
Overweight

The portfolio's largest overweight and largest source of relative return this quarter, led by a sharp rally in marine transportation and exploration & production holdings.

**UTILITIES**
Overweight

Stable earnings profiles and structural power demand support positioning; results were roughly neutral this quarter as favorable selection offset sector-wide weakness.

**CONSUMER DISCRETIONARY**
Overweight

Positioning shifted to a modest overweight this quarter; demand remains soft across lower-income cohorts, with weakness concentrated in apparel, partially offset by strength in specialty retail.

**HEALTH CARE**
Neutral

Positioning is selective, favoring health care facilities and specialty pharmaceuticals over life sciences tools, which lagged a narrow benchmark outlier this quarter.

**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; the underweight was not a drag this quarter, as speculative, AI-linked areas of the benchmark gave back a portion of their second-quarter gains.



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