Focus Equity SMA Commentary

2nd Quarter 2026

Quarterly Review

Performance	QTR	YTD	1YR	3YR	5YR	10YR	Since Inception[1]
Sterling (Gross)	8.21%	-8.61%	-4.72%	6.57%	1.97%	13.72%	12.95%
Sterling (Net)	7.43%	-9.98%	-7.51%	3.47%	-1.01%	10.43%	9.68%
Index	18.17%	9.10 %	21.04%	21.82%	12.78%	17.39%	16.71%

Performance and Market Update

The second quarter of 2026 delivered a strong advance in U.S. equities. In 2Q26, the Focus Equity strategy returned 8.21% on a gross basis and 7.43% on a net of fee basis. After 1Q26 was unsettled by the outbreak of hostilities in the Middle East and a resulting spike in energy prices, the S&P 500® Index rallied approximately 15%, its best quarterly performance since the pandemic recovery of 2020. The Nasdaq Index was equally strong, posting its most robust quarter in six years. For long-term investors who looked past the early-year turbulence, 2Q26 offered a timely reminder of a principle we hold with conviction: time in the market, not timing the market.

The macroeconomic backdrop remains complex, and the path of monetary policy appeared to grow more contentious over the quarter. Headline inflation accelerated to 4.2% year-over-year (YoY) in May, its highest level in three years, driven largely by a 23.5% annual surge in energy prices tied to the earlier geopolitical disruption. Core inflation, which excludes food and energy, was more contained at 2.9%, but the elevated headline figure reshaped expectations for the Federal Reserve (Fed). At his first meeting as Fed Chair in June, Kevin Warsh held the policy rate steady at 3.50-3.75% while striking a notably hawkish tone, refocusing the central bank squarely on its 2% inflation mandate. In a meaningful shift, the market appears to predict an interest rate increase before year-end, a reversal from the easing that investors anticipated entering 2026. Encouragingly, energy prices retreated to pre-crisis levels by quarter end as tensions eased, offering some reassurance that the inflation impulse may prove temporary rather than structural.

Beneath the index-level gains, the quarter's defining story was once again the artificial intelligence (AI) build-out, and within it, a surge in semiconductors. The Philadelphia Semiconductor Index rose 88% during the quarter, its best performance since the index was created in 1994, as memory chips emerged as a key bottleneck in AI infrastructure. More broadly, corporate earnings underpinned the advance, with S&P 500 earnings tracking toward growth of roughly 23% for the quarter, up from a 19% estimate at the start of the period. Yet, we feel the character of the rally is worth examining. Much of the quarter's broadening seems to be driven by momentum and a palpable rise in speculative enthusiasm.

[1]Inception date is 12.31.2015. Data is as of 06.30.2026. The benchmark is the Bloomberg U.S. 1000 Growth. The net of fee performance reflects the deduction of the maximum SMA bundled fee of 3.00% annually for all periods presented. Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are presented net of the SMA bundled fee, which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. "Pure" gross of fees performance returns do not reflect the deduction of any fees including trading costs: a client's return will be reduced by the management fees and other expenses it may incur. Investment management fees are described in SCM's Form ADV 2A. Performance reflects the reinvestment of interest income and dividends and realized capital gains. The performance presented represents past performance and is no guarantee of future results. Performance is compared to an index: however, the volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. Please refer to the attached GIPS Composite Report for additional disclosures. Sources: Bloomberg L.P.; eVestment Alliance; Sterling Capital Management Analytics.

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Rotations of this kind may tend to reward risk taking over business quality, and they can often leave genuinely high-quality growth companies overlooked. For patient investors, that may not be a cause for concern but a potential source of opportunity.

During the quarter, we made a number of changes to potentially reduce the risk and improve the quality of the portfolio. We will continue to do so in the current market dynamic.

1Q26 Attribution

Leading Contributors	Portfolio Weight	Total Return	Gross Contribution to Return
ASML Holding NV Sponsored ADR	7.05%	50.90%	3.07%
Alphabet Inc. Class C	9.33%	23.25%	1.88%
Palo Alto Networks, Inc.	1.93%	112.71%	1.52%
Broadcom Inc.	5.28%	22.25%	1.04%
Amazon.com, Inc.	6.47%	14.44%	0.92%

Sources: FactSet; Sterling Capital Management Analytics.

ASML Holding NV (ASML) reported strong results during the quarter, driven by higher deliveries of extreme ultraviolet (EUV) systems, which are critical for chip production used in AI training and inference clusters. ASML is gradually increasing EUV output from roughly 40 to 50 machines per year to eventually 80 to 90 by 2030. We believe demand is set to remain robust for several years at minimum and that the valuation does not fully reflect these prospects.

Alphabet Inc. (GOOGL) reported another quarter of acceleration led by Google Cloud, which grew 63% YoY. Company management guided to capital expenditures (capex) of $180-190B to meet AI compute demand. Google Cloud's backlog grew 400%, supporting the case that demand continues to outpace supply. We remain confident in Alphabet's ability to remain an AI leader given its integrated AI stack of cloud infrastructure, tensor processing units, large language models (LLM), and its ecosystem of users.

Palo Alto Networks, Inc. (PANW) snapped back after initially being pulled down by AI-driven software fears, as investors seemed to gain confidence that AI may accelerate both cybersecurity threats and the spending required to protect against them. We believe the company remains at the forefront of the cybersecurity industry with the most comprehensive portfolio in the space. PANW was named an initial partner to help protect against the expanding cybersecurity threats posed by rapid LLM advancements.

Broadcom Inc. (AVGO) was a strong contributor during the quarter as its second quarter results demonstrated record revenue, operating profit, and free cash flow (FCF), driven by an insatiable demand for custom AI accelerators and high-performance networking. In our view, this gives us meaningful exposure to a premier AI asset trading at a seemingly undeserved discount to its long-term earnings power.

Amazon.com, Inc. (AMZN) holds leading positions in e-commerce and cloud computing, each with approximately 40% market share. After a weak first quarter, Amazon rebounded strongly. We believe Amazon may be positioned to deliver sustained earnings and FCF growth over time, supported by operating efficiency, disciplined capital allocation, and a strong balance sheet.

Focus Equity SMA Commentary

2nd Quarter 2026

Leading Detractors	Portfolio Weight	Total Return	Gross Contribution to Return
CoStar Group, Inc.	2.75%	-25.33%	-0.92%
Veeva Systems Inc.	2.61%	-12.73%	-0.45%
IDEXX Laboratories, Inc.	6.37%	-6.31%	-0.37%
S&P Global, Inc.	6.93%	-4.03%	-0.28%
Shopify, Inc.	4.21%	-3.74%	-0.16%

Sources: FactSet; Sterling Capital Management Analytics.

CoStar Group, Inc. (CSGP) faced significant profitability headwinds from its $550MM Homes.com investment, which acted as a major earnings before interest, taxes, depreciation, and amortization (EBITDA) margin drag, while heavy investments in the residential platform continued to create structural challenges in scaling profitably. The commercial real estate segment experienced negative demand fundamentals, with 3.7MM square feet of net absorption losses projected for the second quarter, compounded by elevated interest rates weighing on core LoopNet and CoStar Suite bookings. Activist pressure and leadership instability appeared to create significant corporate distraction at CoStar, culminating in Third Point's stake liquidation in April 2026 and a surprise CFO transition in July 2026 just before critical earnings. We sold the holding during the quarter, as we lost confidence that these problems could be quickly overcome.

Veeva Systems Inc. (VEEV) lagged despite strong 16% revenue growth to $882.9MM, as multiple compression seemed to be driven by investor concerns over the Salesforce customer relationship management (CRM) competitive transition and uncertainty around AI monetization timelines. Rising operating expenses from investments in direct sales capacity, engineering headcount, and computing infrastructure compressed the services gross margin, with these margin pressures expected to persist through calendar year 2028 (CY2028) due to front-loaded CRM client transition costs. Macroeconomic uncertainty appeared to pressure Veeva's customer spending, with several top 20 pharmaceutical companies committing to lower spending levels in the first half of 2026 due to regulatory hurdles and budgets coming together later than usual. With both structural and cyclical challenges ahead, we sold the holding.

IDEXX Laboratories, Inc. (IDXX) underperformed as veterinary clinical visits declined 1.9%, reflecting persistent macroeconomic headwinds that constrained wellness and discretionary veterinary spending. The company's accelerated research & development (R&D) investments of over $250MM annually (5.8% of revenue) combined with strategic commercial investments and product launch campaigns pressured operating margins, limiting projected expansion to just 30 to 80 basis points (bps)

S&P Global Inc. (SPGI) shares lagged in the quarter despite positive results as the market continued to derate software-exposed companies seen as vulnerable to AI. The company has seen large increases in the volume of data consumed via frontier model application programming interface (API) calls and remains confident in its ability to effectively monetize AI. In the Ratings segment, trends were better than expected, with billed issuance up 14% YoY on investment-grade strength resulting from hyperscaler activity and strong mergers & acquisitions (M&A) volumes.

Shopify Inc. (SHOP) underperformed as investors appeared to react to projected second quarter revenue growth deceleration to the high-twenties percentage range. This was primarily driven by a significantly reduced foreign exchange tailwind of only 50 bps, compared with over 200 bps in the first quarter. Multiple contraction was exacerbated by broader market concerns regarding AI-native disintermediation, with some investors fearing that generative AI and agentic commerce could shift transaction flows away from Shopify's merchant storefronts.

Purchases

Taiwan Semiconductor Manufacturing Company Limited (TSMC) — TSMC is the largest and most advanced semiconductor manufacturer in the world, holding a dominant position in producing the industry's most sophisticated chips. The company does not design its own chips, but instead serves as a third-party manufacturer ("fab") for the largest semiconductor and technology companies globally. What we believe sets TSMC apart is its deep moat of manufacturing intellectual property (IP) and scale built through decades of experience and capital investment, which we feel are durable advantages competitors have seemed unable to replicate. While TSMC has performed strongly over the past few years, we anticipate it to grow steadily as global chip demand accelerates, driven by the rise of AI, continued adoption of smartphones, and the increasing need for semiconductors across a wide range of products, from basic household appliances to the most advanced humanoid robots.

Meta Platforms, Inc. (META) — Meta is a quality, long-term compounder with one of the strongest economic moats in digital advertising and AI, reaching 3.4B daily active users. The company is entering a transformative period driven by AI adoption, ad optimization within core products, and emerging monetization opportunities across Threads, WhatsApp, Messenger, and Reality Labs. We believe the company's unique combination of scale, growth, and profitability, coupled with its extensive reach and engagement, continues to drive network effects. We also feel its ad precision capabilities provide value to advertisers that is only now being enhanced via AI. As a result, we believe the sustained low- to mid-teens earnings per share (EPS) compound annual growth rate (CAGR) is not properly reflected in its valuation.

Amphenol Corporation (APH) — Amphenol is a leading supplier of electronic components for a wide range of applications serving telecommunications, information technology (IT) data centers, military, and industrial customers. The company has a diversified business model with factories around the world serving customers across highly diversified end markets. We took advantage of share-price weakness stemming from the market's misperception that Amphenol's strength in copper interconnects implies a mispositioning for the gradual shift to optical interconnects and co-packaged optics. Company management argued that customers are not choosing between copper and optics as a single replacement cycle, but are instead designing larger and denser AI architectures that require more interconnect across the board. Even if co-packaged optics eventually reduce copper content inside the rack, we believe APH may benefit from growing connectivity needs across power, rack-to-rack, and data center-wide applications. With CommScope, Amphenol has expanded its opportunity beyond its historical strength inside the rack, making the company more architecture-agnostic, with broader exposure to copper, fiber, optics, and power.

Focus Equity SMA Commentary

2nd Quarter 2026

Sells

- **CoStar Group, Inc. (CSGP)** — CoStar Group faced significant profitability headwinds from its $550MM Homes.com investment, which acted as an EBITDA margin drag, while heavy investments in the residential platform continued to create structural challenges in scaling profitably. The commercial real estate segment experienced negative demand fundamentals with 3.7MM square feet of net absorption losses projected for the second quarter, compounded by elevated interest rates weighing on core LoopNet and CoStar Suite bookings. Activist pressure and leadership instability created significant corporate distraction, culminating in Third Point's stake liquidation in April 2026 and a surprise CFO transition in July 2026 just before critical earnings. We sold the holding during the quarter as we lost confidence that these problems could be surmounted.
- **Veeva Systems Inc. (VEEV) —** Veeva Systems lagged despite strong 16% revenue growth to $882.9MM, as multiple compression seemed to be driven by investor concerns over the Salesforce CRM competitive transition and uncertainty around AI monetization timelines. Rising operating expenses from investments in direct sales capacity, engineering headcount, and computing infrastructure appeared to compress the services gross margin, with these margin pressures expected to persist through CY2028 due to front-loaded CRM client transition costs. Macroeconomic uncertainty pressured Veeva's customer spending, with several top 20 pharmaceutical companies committing to lower spending levels in the first half of 2026 due to regulatory hurdles and budgets coming together later than usual. With both structural and cyclical challenges ahead, we sold the holding.

Outlook and Conclusion

Periods of elevated uncertainty are among the most revealing tests of investment discipline in our experience. The instinct to chase what is working and to abandon what is temporarily out of favor is entirely human and at odds with how lasting wealth is built. History has repeatedly demonstrated that the investors who fare best are not those who caught every rotation, but those who owned shares in exceptional businesses capable of compounding through them. We remain constructive on the long-term opportunities for high-quality growth companies, even as we acknowledge that parts of the market have grown speculative and that today's valuations demand strong earnings growth. Our portfolios are anchored in businesses with wide economic moats, resilient FCF, and management teams that have earned our confidence across a range of market environments.

Thank you for your continued trust and support of Sterling Capital.

Casey Nelsen, CFA®	Charles Radtke, CFA®
Co-Portfolio Manager	Co-Portfolio Manager

For a full discussion of portfolio changes, please refer to our stock writeups issued in the month after the activity.

Focus Equity SMA Commentary

2nd Quarter 2026

June 30, 2026 Positions[1]

GOOG	9.3%
SPGI	6.7%
AMZN	6.2%
IDXX	5.9%
ASML	5.6%
MSFT	5.6%
AVGO	5.0%
ADYEY	4.9%
NVDA	4.6%
SHOP	4.3%
ETN	4.2%
SNPS	4.0%
META	4.0%
ODFL	3.4%
MELI	3.2%
TSM	3.2%
PANW	2.9%
COAT	2.7%
TJX	2.5%
VST	2.2%
CTAS	2.2%
APH	2.2%
NOW	2.0%
WDAY	1.7%

Top 5 Total	33.7%
Top 10 Total	58.1%
Top 15 Total	76.9%
Top 20 Total	90.4%

[1]Representative Account. Holdings note: The weightings for your account may differ somewhat from the figures above due to variations in account holdings, trade timing, and other client-specific circumstances. For illustrative purposes only. Specific securities identified and described do not represent all of the securities purchased, sold or recommended to clients. There are no assurances that securities identified will be profitable investments. The securities described are neither a recommendation nor a solicitation. Security information is being obtained from resources the firm believes to be accurate, but no warrant is made as to the accuracy or completeness of the information.

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Performance Disclosure: The net of fee performance reflects the deduction of the maximum SMA bundled fee of 3.00% annually for all periods presented. Performance is preliminary and is annualized for periods longer than one year. Net of fees performance returns are presented net of the SMA bundled fee, which includes all charges for trading costs, advisory services, portfolio management, custody and other administrative fees. “Pure” gross of fees performance returns do not reflect the deduction of any fees including trading costs: a client’s return will be reduced by the management fees and other expenses it may incur. Investment management fees are described in SCM's Form ADV 2A. Performance reflects the reinvestment of interest income and dividends and realized capital gains. The performance presented represents past performance and is no guarantee of future results. Performance is compared to an index: however, the volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. Please refer to the attached GIPS Composite Report for additional disclosures.

Performance is compared to an index, however, the volatility of an index varies greatly. Indices are unmanaged and investments cannot be made directly in an index.

The Bloomberg U.S. 1000 Growth Index provides exposure to companies with superior growth factor scores based on their earnings yield, valuation, dividend yield, and growth.

The **S&P 500® Index** is a readily available, carefully constructed, market-value-weighted benchmark of common stock performance. Currently, the S&P 500 Composite includes 500 of the largest stocks (in terms of stock market value) in the United States and covers approximately 80% of available market capitalization.

The **NASDAQ Composite Index** is the market capitalization-weighted index of over 2,500 common equities listed on the NASDAQ stock exchange. The types of securities in the index include American depositary receipts, common stocks, real estate investment trusts (REITs) and tracking stocks, as well as limited partnership interests. The index includes all Nasdaq-listed stocks that are not derivatives, preferred shares, funds, exchange-traded funds (ETFs) or debenture securities.

The **Philadelphia Semiconductor Index (SOX)** is a market-cap-weighted index focusing on 30 leading semiconductor firms, offering insights into the tech market.

Technical Terms: **Earnings per share (EPS)** is calculated as a company's profit divided by the outstanding shares of its common stock. The resulting number serves as an indicator of a company's profitability. It is common for a company to report EPS that is adjusted for extraordinary items and potential share dilution. . **EBITDA, or earnings before interest, taxes, depreciation, and amortization**, measures operating profitability before interest, taxes, depreciation, and amortization. It is calculated by adding interest, taxes, depreciation, and amortization back to net income or operating income. A **basis point (bps)** is a common unit of measure in finance equal to one-hundredth of one percentage point (0.01% or 0.0001). It is used to precisely denote changes in interest rates, bond yields, and fee structures, where 100 basis points equal 1%. **Capital expenditures (CapEx)** are funds companies use to acquire, upgrade, or maintain physical assets like buildings, technology, or equipment, with the goal of increasing operational scope or future economic benefits. **Forward earnings** are estimates of a company's future earnings that are used by investors to assess potential stock performance. The **compound annual growth rate (CAGR**) is the rate of return that an investment would need to have every year in order to grow from its beginning balance to its ending balance, over a given time interval. The CAGR assumes that any profits were reinvested at the end of each period of the investment’s life span. **Free cash flow (FCF**) is the amount of money a company has that exceeds the amount needed to sustain and grow the business. (Technical definitions are sourced from Corporate Finance Institute.)

The **Chartered Financial Analyst® (CFA)** charter is a graduate-level investment credential awarded by the CFA Institute — the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

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Sterling Capital Focus Equity SMA

	Total "Pure" Gross Return	Total Net Return	Benchmark Return	3Y Composite Std. Dev. (Gross)	3Y Benchmark Std. Dev.	Composite Dispersion	Number of Portfolios	Composite AUM (MM)	Total Firm AUM (MM)
2025	10.78%	7.57%	17.93%	21.41%	13.74%	0.12%	29	$9	$69,234
2024	7.64%	4.51%	28.88%	26.43%	19.48%	0.08%	50	$16	$66,160
2023	44.12%	40.03%	36.12%	25.90%	19.62%	0.32%	80	$27	$66,746
2022	-33.73%	-35.74%	-27.47%	25.94%	22.48%	0.31%	104	$25	$62,842
2021	16.35%	12.99%	26.08%	20.02%	17.29%	0.36%	238	$111	$75,309
2020	36.48%	32.58%	35.83%	20.88%	18.74%	1.01%	251	$104	$70,108
2019	43.06%	39.00%	34.76%	13.72%	12.31%	0.67%	151	$35	$58,191
2018	4.19%	1.15%	-1.12%	13.77%	11.64%	Not Calculable	36	$5	$56,889
2017	29.91%	26.20%	27.42%	< 3 Years	< 3 Years	Not Calculable	5	$1	$55,908
2016	12.24%	8.99%	6.43%	< 3 Years	< 3 Years	Not Calculable	4	$0	$51,603

Benchmark: Bloomberg U.S. 1000 Growth Index   Composite Creation Date: 10.31.2018   Inception Date: 12.31.2015

1. Consists of all discretionary separately managed wrap Focus portfolios. SCM's Focus portfolio investments are flexible and may span growth and value, large- and small-capitalization companies, and various capital forms including equity, debt, and derivatives. The strategy seeks positions featuring sustainable, multi-year return profiles underpinned by businesses perceived to possess attractive financial returns, visible reinvestment opportunities, and talented management.
2. The material risks of this strategy include, but are not limited to, the following: Market Risk, Management Risk, Market Disruption and Geopolitical Risk, Company Specific Risk, Equity Securities Risk. For a full list of strategy risks, please reference Sterling Capital Management's Form ADV, Part 2A.
3. Sterling Capital Management LLC (SCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. SCM has been independently verified for the periods 01/01/2001-12/31/2024. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. Benchmark returns are not covered by the report of the independent verifiers. GIPS® is a registered trademark of the CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.
4. SCM is a registered investment advisor with the U.S. Securities & Exchange Commission (SEC). Registration does not imply a certain level of skill or training. SCM manages a variety of equity, fixed income and multi-asset portfolios. Prior to January 2001, SCM was a wholly-owned subsidiary of United Asset Management (UAM). In January 2001, SCM purchased all the assets and business of Sterling Capital Management Company from UAM to become an employee-owned firm. In April 2005, BB&T Corporation (BB&T) purchased a majority equity ownership stake in SCM. In October 2010, the management group of SCM entered into an agreement with BB&T that reduced and restructured management's interest in SCM. Additionally, BB&T Asset Management merged into SCM. In January 2013, CHOICE Asset Management merged into SCM. In August 2015, eight new employees joined SCM via Stratton Management Company following the close of BB&T's purchase of Susquehanna Bancshares. In December 2019, BB&T and SunTrust Banks, Inc. Holding Company merged as equals to form Truist Financial Corporation (Truist). SCM was then a wholly-owned subsidiary of Truist. In August 2020, eight new employees joined SCM via the Investment Advisory Group of SunTrust Advisory Services. In July 2024, Guardian Capital U.S. Asset Management (formerly Guardian Capital LLC), a wholly-owned subsidiary of Guardian Capital Group Limited (Guardian), completed the acquisition of SCM from Truist. In March 2026, Desjardins Group completed its acquisition of Guardian Capital Group Limited. SCM is now an indirect, wholly-owned subsidiary of Desjardins Global Asset Management Inc., which is part of the Desjardins Group.
5. The performance presented represents past performance and is no guarantee of future results. Market and economic conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. Please refer to the slide titled "Performance" for the one-, five-, and ten-year returns of the composite.
6. A complete list of all of SCM's composites and SCM's broad distribution pooled funds and their descriptions is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Composite Reports are available upon request.
7. Performance reflects reinvested interest income and dividends and realized and unrealized capital gains and losses. All portfolios utilize trade-date and accrued income accounting. Valuations and performance are reported in U.S. dollars. Periodic time-weighted returns are geometrically linked. Returns are not calculated net of non-reclaimable withholding taxes due to immaterial dollar amounts. Effective 9/1/18, composite returns are asset weighted using the beginning market value and time weighted return of the portfolios. Prior to 9/1/18, composite returns were asset weighted using the aggregate method that reflects both beginning market value and cash flows.
8. "Pure" gross of fees returns are presented as supplemental information and do not reflect the deduction of any fees including trading costs. Net returns are calculated by deducting the highest applicable wrap fee of 3.00% annually from the pure gross composite return. Prior to 8/31/18, gross of fees returns reflect the deduction of trading costs. Effective 9/1/18, "pure" gross of fees returns do not reflect the deduction of any fees including trading costs. The SMA fee includes all charges for trading costs, portfolio management, custody, administrative fees, and foreign withholding taxes. The maximum SMA or bundled external platform fee is 2.52% annually and includes SCM's actual management fee of 0.32%. SCM's actual management fees are 0.32% annually. From 12/31/15-8/31/18, the composite was comprised 100% of separate accounts. As of 9/1/18 the composite has been comprised 100% of wrap fee portfolios.
9. Effective 1/1/22, portfolios are removed from the composite for flows 10% or greater of prior month portfolio market value. Portfolio remains out of the composite for the month of the flow and for one additional period. Prior to 1/1/22, portfolios were not removed from the composite for flows.
10. The appropriate benchmark is the Bloomberg U.S. 1000 Growth Index since inception, effective 6/30/2026. The Bloomberg U.S. 1000 Growth Index is a float-adjusted market-cap-weighted benchmark designed to track the top 1000 U.S. companies demonstrating superior growth characteristics, including earnings yield, valuation, dividend yield, and growth. Prior to 6/30/2026, the benchmark was the Russell 1000® Growth Index. Effective 3/31/20, the appropriate benchmark was changed retroactively to inception from the Russell 3000® Index to the Russell 1000® Growth Index.
11. The annual composite dispersion presented is measured by an asset-weighted standard deviation calculation method of all portfolios in the composite for the entire year, and is calculated using gross of fee returns. It is not meaningful when there have been less than six portfolios in composite for entire calendar year. The 3-year annualized standard deviation measures the variability of the composite and benchmark returns over the preceding 36-month period. The composite 3-year standard deviation is calculated using gross of fee returns. It is not required to be presented when a full three years of composite performance is not yet available.