

# SMALL/MID CAP GROWTH

## Q2 2020 FACTSHEET

### INVESTMENT APPROACH & STRATEGY

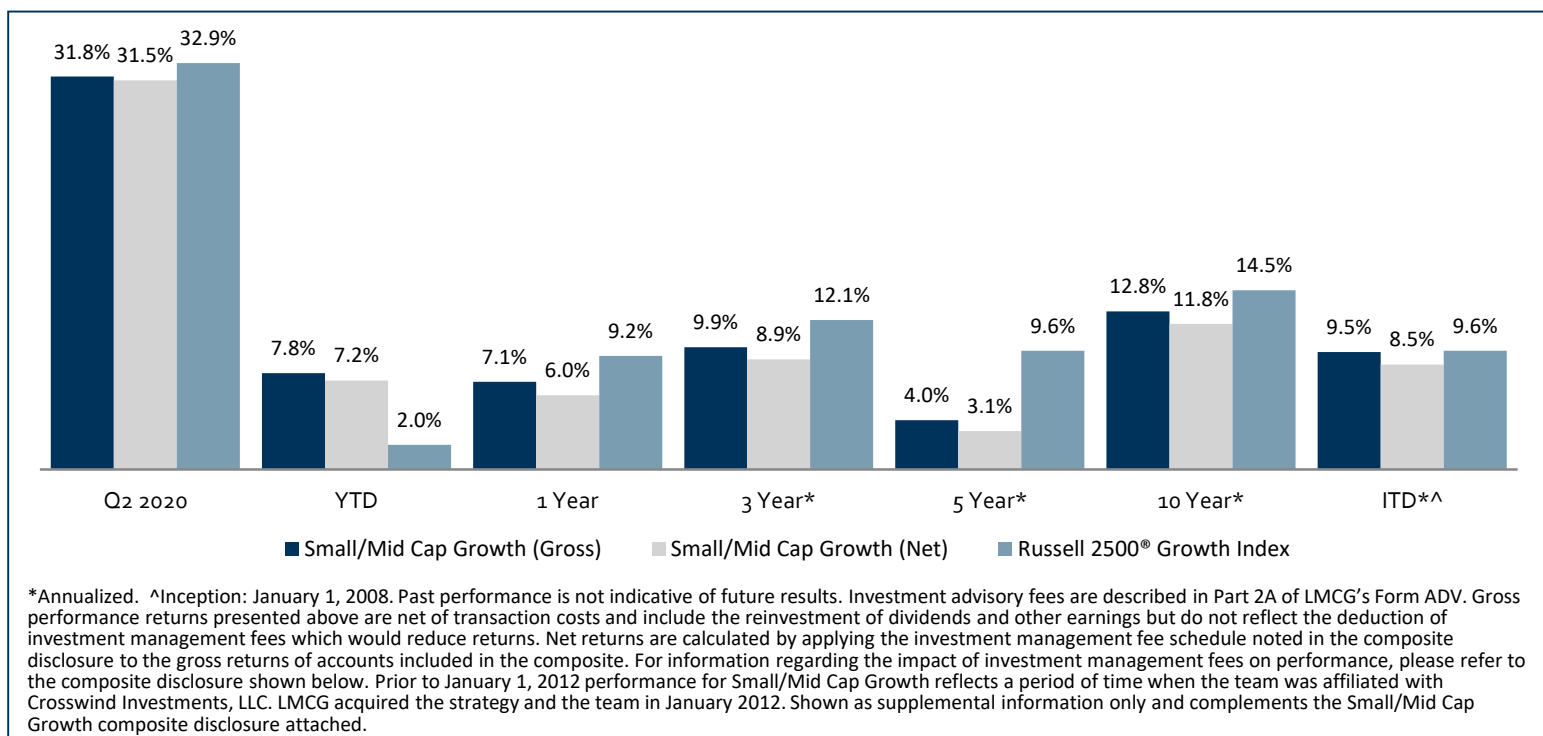
- The Small/Mid Cap Growth strategy seeks to identify unrecognized growth potential, wherever it exists, across all sectors and economic environments.
- Growth Characteristics: Revenue growth, margin expansion, and the ability to surprise and revise upwards on estimates.
- Strategy for Multiple Environments: Fundamental, bottom-up process has outperformed over time in both volatile and steady markets.

### DISTINGUISHING CHARACTERISTICS

- Unbiased coverage and willingness to emphasize all sectors and market environments.
- Proprietary, customized industry lenses which lead to differentiated investment decisions.
- Streamlined research on 4-6 fundamental drivers distinguishes unrecognized growth from “noise.”
- Identification of growth first, then determination of price target through multiple valuation methods; strict sell discipline.

### COMPOSITE PERFORMANCE

As of 6/30/2020, US Dollar



### PRODUCT FEATURES

**Benchmark:** Russell 2500® Growth Index  
**Typical Market Cap:** Generally within the range of the Russell 2500® Growth Index  
**Approach:** Fundamental  
**Holdings Range:** 55-75

### GROWTH EQUITIES TEAM

**Andrew Morey, CFA** - Managing Director, 28 years experience  
**Srinivas Anantha, CFA** - Analyst, 19 years experience  
**Bryan Lassiter, CFA** - Analyst, 16 years experience  
**Jarrod Burton, CFA** - Analyst, 9 years experience

# SMALL/MID CAP GROWTH

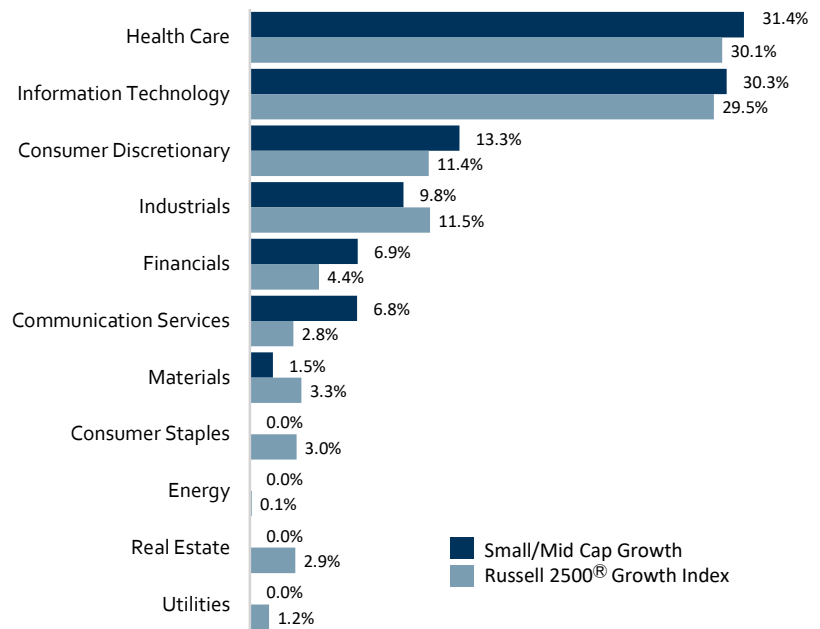
## TEN LARGEST HOLDINGS<sup>1</sup>

E.W. Scripps Company Class A	3.3%
LHC Group, Inc.	3.1%
Sinclair Broadcast Group, Inc. Class A	3.1%
Addus HomeCare Corporation	3.1%
Mercury Systems, Inc.	2.8%
R1 RCM Inc.	2.7%
Encompass Health Corporation	2.6%
Palomar Holdings, Inc.	2.4%
LivePerson, Inc.	2.2%
Q2 Holdings, Inc.	2.1%
<b>Total</b>	<b>27.5%</b>

## PORTFOLIO CHARACTERISTICS<sup>3</sup>

	Small/Mid Cap Growth	Russell 2500 <sup>®</sup> Growth Index
Weighted Avg Market Cap (\$M)	\$5,390.0	\$5,067.4
Number of Holdings	81	1,265
Active Share	83.9%	-
Batting Average	58%	-

## SECTOR WEIGHTS<sup>2</sup>



<sup>1</sup> Ten Largest Holdings, <sup>2</sup> Sector Weights and <sup>3</sup> Portfolio Characteristics of a Small/Mid Cap Growth representative account managed against the Russell 2500<sup>®</sup> Growth Index. Ten largest holdings are calculated internally by LMCG. References to portfolio holdings are not intended as investment advice. LMCG may have already bought or sold or may in the future buy or sell these securities on behalf of its clients. A complete list of holdings is available upon request. Source for Sectors and Portfolio Characteristics: FactSet. Batting Average is a measure of a manager's ability to consistently beat the market. It is calculated by dividing the number of years in which the manager beat or matched an index by the total number of years in the period. Active Share: measure of the percentage of stock holdings in a manager's portfolio that differ from the index. Source of definitions: eVestment Alliance. As of 6/30/2020.

## SMALL/MID CAP GROWTH COMPOSITE

Schedule of Annual Returns | 1/1/2010 – 12/31/2019

	Gross Returns (%)	Net Returns (%)	Benchmark Returns <sup>1</sup> (%)	Dispersion <sup>2</sup> (bps)	Composite 3yr Ex Post Standard Deviation (%)	Benchmark 3yr Ex Post Standard Deviation (%)	Number of Accounts	Composite Assets at End of Period (\$ millions)	Total Firm Assets (\$ millions)
2019	21.2	20.0	32.7	25	18.1	15.9	2	8.0	7,177.2
2018	-7.6	-8.4	-7.5	5	18.3	15.3	3	130.1	6,143.8
2017	21.2	20.2	24.5	9	15.9	13.04	10	433.1	7,551.3
2016	-4.2	-5.0	9.7	12	16.9	14.7	10	468.7	7,367.5
2015	0.9	0.0	-0.2	7	13.9	13.3	10	474.0	6,786.9
2014	10.7	9.7	7.1	6	14.0	12.5	8	147.1	6,370.5
2013	43.6	42.2	40.7	14	19.9	16.5	8	45.8	5,831.5
2012	26.5	25.4	16.1	NA	23.7	19.8	6	46.0	4,402.6
2011	-13.5	-14.2	-1.6	NA	24.9	22.9	1	9.65	4,200.7
2010	33.9	32.7	28.9	NA	27.0	27.3	1	1.27	4,412.7

<sup>1</sup> Benchmark returns have been obtained from an independent source and have not been examined by independent accountants.

<sup>2</sup> Not statistically significant due to insufficient number of accounts in the composite for the entire year.

**Small/Mid Cap Growth Composite** includes all institutional portfolios that invest in small and mid capitalization U.S. stocks, ADRs, REITs, and ETFs that the investment team considers to have unrecognized growth potential. Portfolios within this composite generally hold 45-65 stocks across diverse sectors with a weighted average market capitalization generally within 20% of the average market capitalization of the benchmark. Over the long term portfolios are typically fully invested with cash positions less than 5%. Inception and creation date for the composite is December 31, 2007. For comparison purposes, performance is measured versus the Russell 2500 Growth Index. Prior to January 31, 2012 performance for Small/Mid Cap Growth reflects a period of time when the team was affiliated with Crosswind Investments, LLC. LMCG acquired the strategy and the team in January 2012.

Royal Bank of Canada ("RBC") became LMCG's indirect majority owner in November 2015 when RBC acquired City National Corporation ("CNC"). Effective January 1, 2015, Lee Munder Capital Group, LLC is known as LMCG Investments, LLC ("LMCG"), an investment adviser registered with the Securities and Exchange Commission. In July 2009, the firm was reorganized as an affiliate of CNC and took the name of Lee Munder Capital Group, LLC., prior to which it was known as Lee Munder Investments Ltd. ("LMIL"), which itself was an investment adviser registered with the Securities and Exchange Commission. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Account performance is calculated on a total return basis including income and realized and unrealized gains and losses. Composite performance is presented gross and net of management fees. Net returns are calculated by applying the investment management fee schedule noted below to the gross returns of the accounts included in the composite. The annual composite dispersion presented is an asset weighted standard deviation calculated for the accounts in the composite the entire year. The U.S. Dollar is the currency used to express performance. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule is as follows: 0.90% on the first \$25 million, 0.80% on the next \$25 million, and 0.70% thereafter. Actual investment advisory fees incurred by clients may vary.

LMCG claims compliance with the Global Investment Performance Standards (GIPS<sup>®</sup>) and has prepared and presented this report in compliance with the GIPS standards. LMCG has been independently verified for the periods October 1, 2000 through December 31, 2019. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Small/Mid Cap Growth Composite has been examined for the periods January 1, 2012 through December 31, 2019. The verification and performance examination reports are available upon request. Past performance is not indicative of future results.

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