

Atlanta Capital

Domestic Equity: Russell 2500 Benchmark

For the month of:

March

2025

Manager Performance Calculations

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Atlanta Capital	-1.82%	-4.24%	N/A	N/A	N/A
Russell 2500	-6.27%	-7.50%	N/A	N/A	N/A

Portfolio Attributes

Characteristics	Atlanta	RU 2500	Sector Analysis (Top 2)		
Mkt Value (\$m)	700.18	N/A	Over-weight	Atlanta	RU 2500
Wtd Cap (\$b)	13.93	7.67	Industrials	24.78%	17.01%
P/E	21.30	18.20	Financials	23.02%	16.73%
Beta	0.70	1.00			
Yield (%)	0.83	1.53	Under-weight	Atlanta	RU 2500
Earnings Growth	14.10	8.70	Real Estate	1.72%	7.83%
			Energy	0.00%	5.50%

Performance Attribution & Strategy Comments

Ongoing uncertainty around the timing, size, and scope of tariffs has turned a post-election stock market rally into a post-inauguration stock market decline. The Russell 2500 U.S. Small/Mid Cap benchmark declined -6.27% in March, contributing to a -7.5% return for the first quarter of 2025. The Atlanta SMID Cap portfolio outperformed the benchmark in both the month of March and for the full quarter. For the month, overall stock selection was positive while allocation was modestly negative. Stock selection was positive in Financials, Industrials, Technology, Consumer Discretionary, Staples, Health Care, and Materials. Selection was modestly negative in Real Estate. The portfolio's underweight to Health Care and Materials and overweight to Financials benefited returns while an underweight to Energy, Utilities, and Real Estate were the largest detractors. As we started 2025, we cautioned that much of the stock market's recent returns were driven by valuation expansion and hopes for continued earnings growth. With so much recent uncertainty, we continue to focus the portfolio on high quality companies that should protect in volatile periods and perform well in rising markets.

Manager Style Summary

Atlanta Capital has been hired to manage a small-to-mid cap quality equity portfolio. Atlanta will invest in a focused portfolio of generally 50-60 companies with 5% max position size. Further, sector limits are limited to 30% absolute. Atlanta evaluates U.S. companies having market capitalizations within the range of companies comprising the Russell 2500 Index. The team excludes companies with volatile earnings streams, short operating histories, high levels of debt, weak cash flow generation, and low returns on capital to create a "focus list" of high-quality companies.

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Portfolio Guideline Compliance

Portfolio Guideline:	Index	Atlanta	Calc	Min	Max	Compliance
A2. Cash exposure <= 5%						Yes
B2. Securities, at time of purchase, within the index market cap						Yes
B3. Security position <= 5% of the account						Yes
B4. Number of issues		51		50	60	ok
B5. Sector limits less than 30%						Yes
B6. Annual turnover		10%		10%	20%	ok
B7. Normal Global Portfolio Characteristics						
Capitalization (rel)	7674	13927	181%	100%	200%	ok
Maximum Sector Exposure		25%		0%	30%	ok
Price/Book Value (rel)	2.1	3.5	165%	100%	170%	ok
Price/Earnings (rel)	18.2	21.3	117%	100%	200%	ok
Dividend Yield (rel)	1.5	0.8	54%	40%	70%	ok
Beta (rel)		0.70		0.70	1.00	ok
D. No foreign currency denominated securities, derivatives, short sales, commodities, margin or affiliated pooled funds.						Yes
E1. Brokerage commissions not to exceed \$0.05/share for U.S. equities						Yes
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management (\$m) as of:

Qtr 4 \$ 34,256

Organizational/Personnel Changes

N/A

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	1	Total Market Value (\$m):	\$	0.3

Reason(s): One Small Cap account closed as the plan decided to reallocate assets.