



## OBJECTIVE

The Disciplined Equity SMidCap strategy seeks to outperform the Russell 2500 Index over time through superior stock selection while maintaining risk characteristics that are similar to the benchmark.

**Benchmark:** Russell 2500 Index

**Inception Date:** November 1, 2002

## PHILOSOPHY

Our goal is to deliver a more consistent alpha for our clients. The challenge is, the stock market is a complex adaptive system and no static approach works all the time, therefore our analysis must emphasize the most important characteristics at any given point in time.

### The Solution for Our Clients

- Employ a diverse set of factors
- Evaluate relative to multiple peer groups
- Adapt to evolving market conditions
- Construct a portfolio with an optimal balance of risk and return

### Benefits

- Consistent excess returns from disciplined stock selection
- Style and sector diversification in one small-to-mid capitalization portfolio

## PORTFOLIO GUIDELINES

**Holdings:** Approximately 100-125 positions

**Sector Over/Underweights:** Russell 2500 +/-5.00%<sup>1</sup>

**Position weights:** 0.25% to Russell 2500 weight +1.50%<sup>1</sup>

**Cash position:** Typically 0.5% to 1.5%

**Average Annual turnover:** Typically 60% to 120%

**Investment Universe:** Russell 2500 Index Members

## PROCESS

We use a “bottom up” systematic process to evaluate the universe of stocks using three independent analyses, each of which is designed to provide a unique valuation perspective.

### Broad Universe Analysis (1 model)

- Evaluates each stock relative to all other stocks in the investment universe.

### Style-Specific Analysis (4 models)

- Evaluates each stock relative to its peers with the same combined market capitalization and style profile.

### Sector-Specific Analysis (11 models)

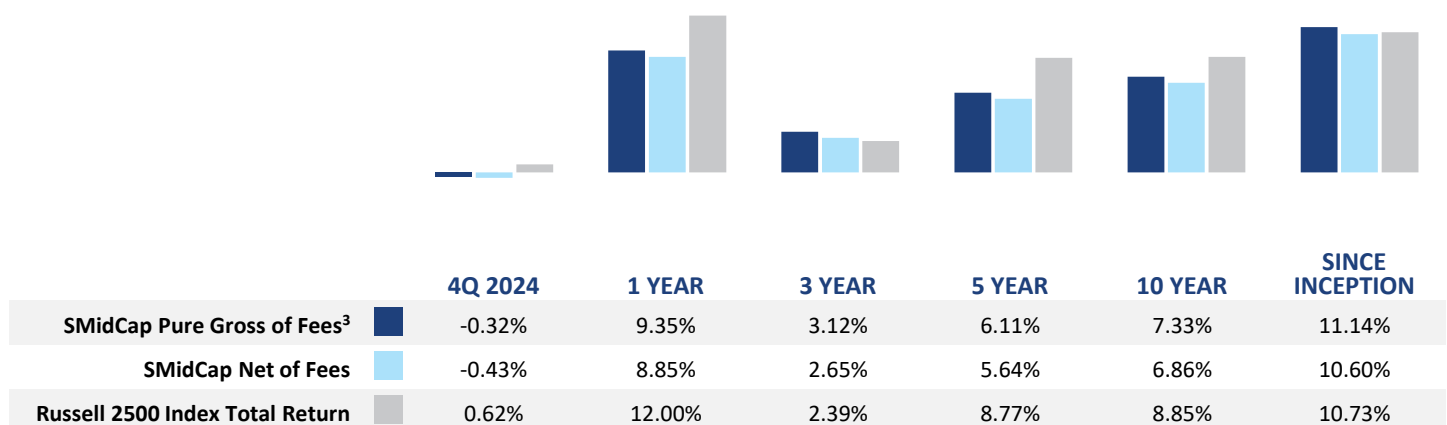
- Evaluates each stock relative to all other stocks in the same economic sector.

These three analyses are combined to generate an excess return expectation for each stock. Stocks must rank in the top 20% to be considered for purchase.

## SELL DISCIPLINE

Successful positions are sold as return expectations are realized and/or valuation perspectives deteriorate into overvalued conditions.

## COMPOSITE PERFORMANCE<sup>2</sup>



## PORTFOLIO COMPOSITION

Top 10 Holdings <sup>4</sup>	SMidCap
Guidewire Software Inc	2.0%
Evercore Inc Class A	2.0%
Toast Inc Cl A	1.9%
Sprouts Farmers Mkt Inc	1.8%
Globe Life Inc	1.8%
Nordstrom Inc	1.8%
US Foods Holding Corp	1.8%
Encompass Health Corp	1.7%
Affiliated Managers Group	1.7%
Bill Com Holdings Inc	1.6%

Sector Weightings <sup>5</sup>	SMidCap	Russell 2500
Consumer Discretionary	8.4%	11.6%
Consumer Staples	5.8%	3.0%
Energy	4.4%	4.4%
Financials	22.9%	22.7%
Health Care	13.7%	11.5%
Industrials	8.0%	11.3%
Materials	2.9%	6.0%
Retail	3.2%	4.6%
Services	8.1%	7.7%
Technology	18.3%	14.9%
Utilities	2.9%	2.3%

## STRATEGY CHARACTERISTICS<sup>6</sup>

	SMidCap	Russell 2500
Weighted Average Market Cap	\$7.6B	\$8.0B
EPS 5 Year Average Growth	24.4%	18.5%
Return on Equity (ROE)	10.9%	11.6%
Price to Earnings Ratio (P/E)	18.5x	17.8x
Price to Book Ratio (P/B)	2.9x	2.4x
Dividend Yield	1.7%	2.3%
Beta	0.98	1.00
Active Share	88.9%	-
Number of Holdings	124	2,465

## MARKET CAPITALIZATION BREAKDOWN

Portfolio Holdings as of 12/31/24  
(Russell 2500 Holdings)

	Value	Growth
Mid	43.7	10.2
	46.0	12.2
Small	18.1	26.4
	20.3	21.5

These characteristics, allocations, and holdings are determined from the representative portfolio. Holdings are subject to change over time. Individual client portfolios may vary.

The specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients, and it should not be assumed that investments in the securities identified and discussed were or will be profitable.

## ABOUT GREAT LAKES ADVISORS

Founded in 1981, Great Lakes Advisors is headquartered in Chicago, IL. The firm has \$18.4 billion in assets under management and advisement and offers a wide range of fixed income, equity, and multi-asset strategies across market capitalizations. Our portfolio management teams strive to form collaborative partnerships and investment strategy solutions to our Institutional, Intermediary, Sub-advisory, and Private Wealth client base.

1. At time of purchase

2. Returns greater than one year are annualized.

3. Pure Gross of Fee Returns do not reflect the deduction of investment management fees or bundled fees for certain accounts where transaction costs cannot be separately identified from other service fees charged by the client's broker/dealer or custodian. Information presented on a pure gross of fee basis has not been independently verified. Net performance reflects the deduction of investment management fees and bundled fees as applicable.

4. Holdings are representative of a Disciplined Equity SMidCap account, are subject to change at any time and are not recommendations to buy or sell any securities.

5. Source: MSCI Barra. Data is representative of a Disciplined Equity SMidCap account and are subject to change at any time.

6. Source: Bloomberg. Characteristic data is representative of a Disciplined Equity SMidCap account and are subject to change at any time. Beta source is MSCI Barra.

Definition of the Firm: Great Lakes Advisors, LLC ("Great Lakes" or "GLA") is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Established in 1981, Great Lakes is a subsidiary of Wintrust Financial Corporation and a part of the Wintrust Wealth Management family of companies. Great Lakes is a distinct business unit with distinct investment processes and procedures relating to the management and/or trading of investment portfolios for its clients. On October 1, 2013, majority owned subsidiary Advanced Investment Partners, LLC ("AIP") became fully-owned and integrated into Great Lakes. On April 3, 2023, Rothschild & Co Asset Management US Inc. and Rothschild & Co Risk Based Investments LLC became fully-owned and integrated into Great Lakes.

The Disciplined Equity SMidCap Composite includes all unrestricted, discretionary fee-paying accounts managed under the SMidCap strategy and is benchmarked to the Russell 2500 Index. Accounts within this composite do not employ leverage. The composite inception date was October 31, 2002 and the composite creation date was October 1, 2013. All cash reserves and equivalents are included in returns. Returns are time weighted and include reinvestment of dividends, income and gains. The value of assets and returns is expressed in U.S. dollars. All holdings available upon request. Performance prior to October 1, 2013 occurred at Advanced Investment Partners prior to being acquired by Great Lakes Advisors. Additionally, market commentary is available upon request.

The benchmark selected for comparison of returns for the SMidCap Composite is the Russell 2500 (which measures the performance of the 2,500 smallest companies in the Russell 3000 Index and represent less than 20% of the capitalization of the Russell 3000 Index.); Frank Russell Company ("FRC") is the source and owner of the Russell Index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination, or redistribution is strictly prohibited. This is a GLA presentation of the Russell Index data. FRC is not responsible for the formatting or configuration of this material or for any inaccuracy in GLA's presentation thereof. Index returns are provided to represent the investment environment existing during the time periods shown. All indexes are fully invested, which includes the reinvestment of income. The returns for the index do not include any transaction costs, management fees or other costs. The index is not available for direct investment. Industry sectors are presented to illustrate the diversity of areas in which we may invest, and may not be representative of current or future investments.

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