

# Strategy Overview – First Quarter 2021

## Core Equity

### Investment Philosophy

The Core Equity Strategy (“the strategy”) seeks quality growth companies trading at attractive valuation levels. The strategy invests in companies of all sizes with a special focus on companies that we believe to have sustainable, long-term competitive advantages.

**Inception Date:** April 1, 2005

**Portfolio Manager:** Todd M. Griesbach, CFA

### Investment Approach

Utilizing a bottom-up, fundamental approach, we search for quality growth companies trading at attractive valuation levels. We believe the Strategy’s process is distinguished by three key attributes:

#### High Quality

- Strong and sustainable business models
- Competitive advantages, barriers to entry and unique differentiation
- Strong returns on invested capital and high levels of free cash generation

#### Growth

- Emphasis on secular growth opportunities vs. cyclical
- Focus on organic growth
- Management teams with history of prudent capital allocation and an ability to adapt

#### Concentrated Portfolio

- Reflects our deep conviction in holdings
- Controls risk through diversification and appropriate position sizing
- Enables us to conduct rigorous, fundamental research on every holding

### Performance

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (4/1/2005)
<b>Core Equity Strategy</b>	+3.52%	+3.52%	+56.89%	+15.80%	+17.33%	+12.98%	+9.12%
<b>Russell 3000 Index</b>	+6.35%	+6.35%	+62.53%	+17.12%	+16.64%	+13.79%	+10.36%
<b>S&amp;P 500 Index</b>	+6.17%	+6.17%	+56.35%	+16.78%	+16.29%	+13.91%	+10.17%

### Holdings

Strategy Profile	Top 10 Holdings	Weighting	GICS Sectors	Weighting
Assets <b>\$619.0 million</b>	<b>Alphabet Inc.</b> (both share classes)	6.66%	<b>Information Technology</b>	25.86%
Total Number of Holdings <b>25</b>	<b>Visa Inc.</b>	5.80%	<b>Health Care</b>	19.42%
Assets in Top 10 Holdings <b>49.87%</b>	<b>Danaher Corp.</b>	5.43%	<b>Consumer Discretionary</b>	16.74%
Weighted Avg. Market Cap <b>106,472</b>	<b>Dollar General Corp.</b>	5.08%	<b>Financials</b>	14.91%
Turnover Ratio <b>19.19%</b>	<b>STERIS PLC</b>	4.87%	<b>Industrials</b>	12.80%
Active Share <b>93.65%</b>	<b>IHS Markit Ltd.</b>	4.66%	<b>Communication Services</b>	7.24%
	<b>Edwards Lifesciences Corp.</b>	4.47%	<b>Real Estate</b>	0.61%
	<b>Cooper Companies Inc.</b>	4.45%	<b>Energy</b>	0.00%
	<b>Nordson Corp.</b>	4.26%	<b>Materials</b>	0.00%
	<b>TJX Companies Inc.</b>	4.20%	<b>Utilities</b>	0.00%
			<b>Consumer Staples</b>	0.00%

Source: RMB Capital Management, FactSet. Performance is net of the RMB Asset Management’s management fee charged to client accounts and transaction costs. Performance presented is not net of RMB’s Wealth Management advisory fee (if applicable). Performance for periods longer than one year is annualized. Information above is based on a representative account as of March 31, 2021, and is subject to change. Actual client holdings may vary.

Active Share is measured against the Russell 3000 Index.



# Core Equity Strategy

## RMB Asset Management

Core Equity Composite // Annual Disclosure Presentation

**Organization** | RMB Capital Management, LLC ("RMB Capital") is an independent investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940 and established in 2005. The GIPS firm is defined as RMB Asset Management ("RMB AM"), a division of RMB Capital Management, LLC. Previously, the firm was defined as RMB Capital and was redefined on January 1, 2016 to only include the asset management business due to the difference in how its investment strategies and services are offered. RMB AM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. RMB AM has been independently verified for the period April 1, 2005 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. Verification does not ensure the accuracy of any specific composite presentation. The Core Equity composite has been examined for the period of April 1, 2005 through December 31, 2015. The verification and performance examination reports are available upon request. RMB maintains a complete list and description of composites, which are also available upon request.

**Description** | The Core Equity Strategy (formerly named All Cap GARP-growth at a reasonable price) reflects the performance of fully discretionary equity accounts, which have an investment objective of long-term growth using a portfolio of primarily small-, mid-, and large-cap stocks and for comparison purposes is measured against the Russell 3000 and S&P 500 indices. The Core Equity Composite was created on April 1, 2005. An account is included in the Composite on the first day of the first full month the account is under management. An account is removed from the Composite as of the last day of its last full month. Account performance is based on total assets in the account, including cash and cash equivalents. Results are based on fully discretionary accounts under management, including those accounts no longer managed by RMB. Valuations and returns are computed and stated in U.S. Dollars.

## ANNUAL PERFORMANCE RELATIVE TO STATED BENCHMARK

Year End	Composite Assets		Annual Performance Results									
	Total Firm Assets as of 12/31 (\$M)	USD (\$M)	# of Accounts Managed	Composite Gross-of-Fees (%)	Composite Net-of-Fees (%)	Russell 3000 (%)	S&P 500 (%)	Composite 3-YR ST DEV*	Russell 3000 3-YR ST DEV (%)	S&P 500 3-YR ST DEV (%)	% Non-Fee Paying Assets	Composite Dispersion (%)
2019	4,947.9	487.6	737	32.14	31.48	31.02	31.49	13.43	12.21	11.93	0.02	0.92
2018	4,196.9	382.9	697	-1.81	-2.28	-5.24	-4.38	13.01	11.18	10.80	0.04	0.46
2017	3,610.6	356.8	625	23.48	22.88	21.13	21.83	12.41	10.09	9.92	0.04	0.37
2016	3,047.5	307.5	621	13.88	13.31	12.74	11.96	13.56	10.88	10.59	0.04	1.02
2015	3,706.0	298.2	666	-4.60	-5.07	0.48	1.38	12.77	10.56	10.47	0.03	0.54
2014	3,312.9	368.3	748	6.44	5.92	12.56	13.69	10.96	9.29	8.97	0.03	0.44
2013	3,248.5	372.1	734	31.78	31.14	33.55	32.39	13.10	12.53	11.94	0.03	0.73
2012	2,585.9	318.2	784	17.62	17.03	16.42	16.00	15.61	15.73	15.09	0.02	0.49
2011	2,218.0	286.4	774	2.03	1.52	1.03	2.11	18.07	19.35	18.70	0	1.06
2010	1,881.9	313.8	783	13.44	12.09	16.93	15.06	N/A	N/A	N/A	0	0.70
2009	1,613.9	298.7	776	24.90	23.35	28.34	26.46	N/A	N/A	N/A	0	1.50
2008	1,113.6	225.3	787	-33.46	-34.29	-37.31	-37.00	N/A	N/A	N/A	0	0.90
2007	1,420.6	279.3	746	7.20	5.86	5.14	5.49	N/A	N/A	N/A	0	0.90
2006	1,070.2	275.4	806	7.99	6.66	15.71	15.79	N/A	N/A	N/A	0	0.60
2005**	811.9	236.3	677	12.41	11.37	8.51	7.22	N/A	N/A	N/A	0	N/A

\*The 3 year ex-post standard deviation is not presented prior to 2011 because it is not required. \*\*Results shown for the year 2005 represent partial period performance from April 1, 2005 through December 31, 2005.

**Fees** | Effective January 1, 2011, RMB Capital's management fee schedule for this Composite is as follows: 0.50% on the first \$3.0 million, 0.475% on the next \$2.0 million, 0.450% on the next \$5.0 million, 0.425% on the next \$15.0 million, and 0.400% over \$25.0 million. Actual management fees charged by RMB may vary. Composite performance is presented on a gross-of-fees and net-of-fees basis and includes the reinvestment of all income. Gross-of-fees returns means it is net of transaction costs but gross of asset management fees, custodian fees and withholding taxes. The payment of actual fees and expenses would reduce gross returns. The compound effect of such fees and expenses should be considered when reviewing gross returns. The net returns are reduced by all actual fees and transactions costs incurred. The composite includes accounts that pay asset-based pricing for trading expenses. The maximum fee is 15 basis points per year; however, many accounts pay lower amounts due to household break-point relief. Returns for those accounts prior to 3/1/19 do not reflect the deduction of asset-based pricing, and are therefore gross of trading expenses. These accounts represent approximately 84% of composite assets. In addition to a management fee, some accounts pay a wealth management fee based on the percentage of assets under management to RMB Capital. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the Composite the entire year. Risk measures presented are calculated using gross-of-fees performance. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

**Minimum Value Threshold** | There is no account minimum in the Core Equity Strategy.

**Comparison with Market Indices** | RMB compares its Composite returns to a variety of market indices such as the Russell 3000 and the S&P 500. The index represents unmanaged portfolios whose characteristics differ from the Composite portfolios; however, it tends to represent the investment environment existing during the time period shown. An investment cannot be made directly in an index. The returns of the index do not include any transaction costs, management fees, or other costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by your account in the Composite. Benchmark returns presented are not covered by the report of independent verifiers.

**Other** | Past performance is not indicative of further results, and there is a risk of loss of all or part of your investment. Historical rates of return may not be indicative of future rates of return. Individual client performance returns may be different than the composite returns listed. Total Firm Assets as of 12/31 for the years 2010, 2011, and 2012 have been revised to exclude assets from personal trading accounts that were included in previously reported figures.

Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. The opinions and analyses expressed in this letter are based on RMB Capital Management, LLC's ("RMB Capital") research and professional experience and are expressed as of the date of our mailing of this strategy overview. Certain information expressed represents an assessment at a specific point in time and is not intended to be a forecast or guarantee of future performance, nor is it intended to speak to any future time periods. RMB Capital makes no warranty or representation, expressed or implied, nor does RMB Capital accept any liability, with respect to the information and data set forth herein, and RMB Capital specifically disclaims any duty to update any of the information and data contained in this strategy overview. The information and data in this strategy overview does not constitute legal, tax, accounting, investment, or other professional advice. The information provided in this strategy overview should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in the Portfolio at the time you receive this strategy overview or that securities sold have not been repurchased. The securities discussed do not represent the entire Portfolio and, in the aggregate, may represent only a small percentage of their holdings. It should not be assumed that any securities transaction or holding discussed was or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. A complete list of security recommendations made during the past 12 months is available upon request. An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not account for fees, taxes or transaction costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by your account. The Russell 3000 measures the performance of the largest 3000 U.S. companies, representing approximately 98% of the investable U.S. equity market. The Russell 3000 Index is constructed to provide a comprehensive, unbiased, and stable barometer of the broad market and is completely reconstituted annually. The S&P 500 includes 500 leading companies in leading industries of the U.S. economy. The S&P 500 focuses on the large-cap segment of the market and covers approximately 75% of U.S. equities.