

EAGLE SMID CAP STRATEGY

Fourth Quarter | 2024

EAGLE | Asset
Management

Not FDIC Insured

May Lose Value

No Bank Guarantee

EAGLE SMID CAP STRATEGY

The Eagle SMID Cap Strategy team seeks to invest in high-quality small-mid cap companies at a discount to what it perceives as fair market value. The team utilizes a consistent and repeatable investment process. The natural result of this disciplined strategy creates an attractive risk profile designed to reduce some of the volatility inherent in the small/mid cap asset classes.

INVESTMENT PHILOSOPHY

The team believes in three key principles:

- Durable franchises differentiate themselves through long-term investment in their products and services, employees, community and culture;
- Such intangible investments are often misvalued as investors fail to recognize their resiliency; and
- Consistent alpha may be achieved using a repeatable process to identify such franchises, exploit periodic mispricing, and mitigate unpredictable macro-level risk in portfolio construction

INVESTMENT STRATEGY¹

We are long-term investors, constructing portfolios of high-quality “blue chip” small-mid cap companies.

Our approach focuses on identifying **Durable Franchises**, which are companies that have:

- Defensible business models with differentiated products and services;
- A conservative financial profile; and
- Management teams that think and act for the long-term interests of all constituents

We create a **Focus List** which contains approved portfolio holdings and “bench” ideas.

We establish and build positions when short-term investors fail to recognize the value of durable franchises.

ESG CONSIDERATIONS

ESG analysis is integrated into our approach from initial company analysis and subsequently monitored throughout the investment’s life cycle.

We focus on materiality to determine what issues are most/least important for each company.

We seek to encourage companies to enhance their commitment to all stakeholders.

In addition to seeking out those companies that take into account the interest of all constituents, our sell discipline is also willing to consider divesting our portfolio of companies that have violated this responsibility.

RESULT

Over a full market cycle, the team would expect the portfolio to outperform the benchmark Russell 2500™ Index with less risk and volatility.

TOP 10 HOLDINGS³

Globus Medical	3.15%
Reinsurance Group of America	3.07%
Bright Horizons Family Solutions	2.67%
EXL Service Holdings	2.59%
Bio-Techne	2.28%
Lincoln Electric Holdings	2.15%
IDEX	2.08%
Prestige Consumer Healthcare	2.07%
FirstService	1.93%
Houlihan Lokey	1.93%

STATISTICAL INFORMATION

	Portfolio	Index*
Forward Price/ Earnings ²	21.98x	17.46x
Est. 3-5 yr. EPS Growth ¹	12.61%	13.54%
Long-term Debt/Capital ¹	26.47%	43.44%
Return on Equity ³	10.70%	6.15%
Return on Invested Capital ³	8.90%	3.87%
Free Cash Flow Yield ¹	6.18%	2.58%
Wtd. average market cap	\$7.87 B	\$8.03 B
Typical number of positions	50-70	
Annual portfolio	Less turnover than 50%	

PORTFOLIO MANAGEMENT TEAM:

Jason Wulff, CFA
Matthew McGeary, CFA
Matthew Spitznagle, CFA
E.G. Woods, CFA

*Russell 2500™ Index

¹Weighted average

²Weighted harmonic average

³Median

PERFORMANCE² as of Dec. 31, 2024

		Fourth Quarter	Year to Date	One Year	Three Years	Five Years	10 Years	Since Inception (July 1, 1997)
Eagle SMID Cap Strategy	Gross	0.30%	5.64%	5.64%	0.31%	10.38%	10.69%	10.71%
Eagle SMID Cap Strategy	Net	-0.45%	2.53%	2.53%	-2.63%	7.15%	7.46%	7.47%
Russell 2500™ Index		0.62%	11.99%	11.99%	2.39%	8.77%	8.85%	9.18%

The calculation of the performance data includes reinvestment of all income and gains and is depicted on a time-weighted and size-weighted average for the entire period. Performance is shown after deduction of transaction costs and both "gross" (before the deduction of management fees) and "net" (after the deduction of management fees). The net returns reflect the application of the highest wrap fee of 3% annum.

CALENDAR YEAR RETURNS²

		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Eagle SMID Cap Strategy	Gross	5.64%	15.76%	-17.45%	28.56%	26.25%	33.58%	-7.63%	20.57%	20.10%	-5.68%
Eagle SMID Cap Strategy	Net	2.53%	12.46%	-19.94%	24.83%	22.58%	29.72%	-10.38%	17.05%	16.59%	-8.43%
Russell 2500™ Index		11.99%	17.44%	-18.37%	18.17%	19.98%	27.74%	-10.01%	16.83%	17.60%	-3.16%

The performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that an investor's portfolio, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. To obtain current month-end performance information, please call your financial professional or visit eagleasset.com.

TRAILING STANDARD DEVIATION as of Dec. 31, 2024

		One Year	Three Years	Five Years	10 Years	Since Inception (July 1, 1997)
Eagle SMID Cap Strategy	Gross	12.70%	16.62%	22.90%	18.54%	18.21%
Russell 2500™ Index		11.94%	16.61%	25.72%	20.42%	20.94%

Source: Callan; standard deviation is not statistically relevant for periods less than three years

The information provided above should not be construed as a recommendation to buy, sell or hold any particular security. The data is shown for informational purposes only and is not indicative of future portfolio characteristics or returns. Portfolio holdings are not stagnant and may change over time without prior notice. Past performance does not guarantee future results. Please note that the holdings identified do not represent all of the securities purchased, sold or recommended for the composite. They are provided for informational purposes only.

¹Not every investment opportunity will meet all of the stringent investment criteria mentioned to the same degree. Trade-offs must be made, which is where experience and judgment play a key role. Accounts are invested at the discretion of the portfolio manager and may take up to 60 days to become fully invested.

Risks Associated with SMID Cap Strategy Investing

Investing in small and mid-sized companies is based on the premise that relatively small companies will increase their earnings and grow into larger, more valuable companies. However, as with all equity investing, there is the risk that a company will not achieve its expected earnings results, or that an unexpected change in the market or within the company will occur, both of which may adversely affect investment results. Historically, small- and mid-cap stocks have experienced greater volatility than other equity asset classes, and they may be less liquid than larger-cap stocks. Thus, relative to larger, more liquid stocks, investing in small- and mid-cap stocks involves potentially greater volatility and risk. The biggest risk of equity investing is that returns can fluctuate and investors can lose money.

Sustainable investing may incorporate criteria beyond traditional financial information into the investment selection process. This could result in investment performance deviating from other investment strategies or broad market benchmarks. Please review any offering or other informational material available for any investment or investment strategy that incorporates sustainable investing criteria and consult your financial professional prior to investing.

²Performance Disclosures

The calculation of the performance data includes reinvestment of all income and gains and is depicted on a time-weighted and size-weighted average for the entire period. Performance is shown after deduction of transaction costs and both “gross” (before the deduction of management fees) and “net” (after the deduction of management fees). The net returns reflect the application of the highest wrap fee of 3% annum. Performance figures include all internal, retail managed SMID Cap Strategy accounts of Eagle Asset Management, a St. Petersburg, Florida-based firm. Eagle Asset Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Eagle Asset Management, Inc. has received a firm-wide verification for the periods January 1, 1982 through December 31, 2023. Performance data for 2024 and the current year may be revised, and Eagle will publish any revised performance data. To obtain a GIPS-compliant performance information, please call 1.800.237.3101.

No inference should be drawn by present or prospective clients that managed accounts will achieve similar investment performance in the future. Past performance does not guarantee future results. Because accounts are individually managed, returns for separate accounts may be higher or lower than the average performance stated in the charts. Investing in equities may result in a loss of capital.

³In addition to these securities, as of Dec. 31, 2024, the portfolio also held a position in the U.S. dollar that would put it in the No. 9 position on this list.

Descriptions and Definitions

The Russell 2500™ Index measures the performance of the small to midcap segment of the US equity universe, commonly referred to as “smid” cap. The Russell 2500™ Index is a subset of the Russell 3000® Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2500™ Index is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set. The Index figures do not reflect any deduction for fees, expenses, trading costs or taxes.

Indices are unmanaged, and one cannot invest directly in an index.

Standard Deviation is a measure of the dispersal or uncertainty in a random variable. For example, if a financial variable is highly volatile, it has a high Standard Deviation. Standard Deviation is frequently used as a measure of the volatility of a random financial variable.

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About Eagle Asset Management

Eagle Asset Management, a boutique in the Raymond James Investment Management family, provides a broad array of fundamental equity and fixed-income strategies designed to meet the long-term goals of institutional and individual investors. Eagle’s multiple independent investment teams have the autonomy to pursue investment decisions guided by their individual philosophies and strategies.

LEARN MORE ABOUT THE EAGLE SMID CAP STRATEGY PORTFOLIO.

FINANCIAL PROFESSIONALS: 1.800.237.3101 | INVESTING PUBLIC: contact your financial professional