

# Growth Managed Account

## BENCHMARK:

Russell 3000® Growth Index

## TOP TEN HOLDINGS (%)

|                                       |       |
|---------------------------------------|-------|
| NVIDIA Corporation .....              | 10.05 |
| Microsoft Corporation .....           | 9.85  |
| Amazon.com, Inc. ....                 | 8.47  |
| Apple Inc. ....                       | 6.91  |
| Meta Platforms Inc Class A .....      | 5.51  |
| Alphabet Inc. Class A .....           | 3.98  |
| Mastercard Incorporated Class A ..... | 2.28  |
| Booking Holdings Inc. ....            | 2.08  |
| Fair Isaac Corporation .....          | 1.69  |
| Tradeweb Markets, Inc. Class A .....  | 1.68  |

Largest company weights are based on market value of the representative account and not necessarily held in all client portfolios. The information shown is not intended to be, nor should it be construed to be, a recommendation to buy or sell an individual security. A list of all holdings from the prior one-year period is available upon request.

## PORTFOLIO MANAGEMENT

| Name | Industry | Start Date |
|------|----------|------------|
|------|----------|------------|

|   |  |      |
|---|--|------|
| Michael Smith, CFA<br><i>Portfolio Manager</i>      |  | 1999 |
| Robert Gruendyke, CFA<br><i>Portfolio Manager</i>   |  | 2000 |
| Thomas Ognar, CFA<br><i>Portfolio Manager</i>       |  | 1994 |
| Christopher Warner, CFA<br><i>Portfolio Manager</i> |  | 2002 |
| David Nazaret, CFA<br><i>Portfolio Manager</i>      |  | 2000 |

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**Market Risk:** Stock values fluctuate in response to the activities of individual companies and general market and economic conditions.

**Growth/Value Investing Risk:** Securities that exhibit growth or value characteristics tend to perform differently and shift into and out of favor with investors depending on changes in market and economic sentiment and conditions.

**Smaller Company Securities Risk:** Companies with smaller market capitalizations tend to be more volatile and less liquid than those of larger companies.

## Investment process

Fundamental, bottom-up research is focused on finding robust and sustainable growth that is not fully recognized by the market. Analysis of economic conditions and secular trends provides exploitable investment opportunities across the entire market-cap spectrum.

## Distinguishing characteristics

- More than three decades of history with the investment process
- By investing in companies where growth is robust, sustainable and not fully recognized by the market, we provide access to “pure growth” in a volatility controlled manner
- Focused all-cap research provides unique insight and an informational advantage
- Continuous risk management and sell discipline ingrained in the investment process

## Investment philosophy

The management team believes that:

- Investment opportunities arise when the market underestimates a company’s future growth rate or the sustainability of the future growth rate.
- The best subset of these investment opportunities include companies that have robust and sustainable growth.
- The market can be slow to adjust to new information—both positive and negative—which creates opportunities to capture alpha.
- Investment team structure is critical to exploiting situations where the market is slow to adjust.
- Quick and accurate analysis of new information drives quick and decisive action.

## Supplemental information

### Annualized returns (%)

|   | 3 months <sup>1</sup> | YTD <sup>1</sup> | 1 year | 3 years | 5 years | 10 years | Since inception |
|---|-----------------------|------------------|--------|---------|---------|----------|-----------------|
| Composite — Pure Gross <sup>2</sup> (incept 8-1-11) | 6.07                  | 20.78            | 29.53  | 1.42    | 12.18   | 12.69    | 13.35           |
| Composite — Net <sup>3</sup>                        | 5.27                  | 18.96            | 25.64  | -1.62   | 8.86    | 9.37     | 10.01           |
| Russell 3000® Growth Index                          | 7.80                  | 19.90            | 32.22  | 10.33   | 18.55   | 15.75    | 16.06           |

The Russell 3000® Growth Index measures the performance of those Russell 3000 Index companies with higher price/book ratios and higher forecasted growth values. You cannot invest directly in an index.

### Return and risk characteristics

|                | Portfolio (3 Year) |
|----------------|--------------------|
| Alpha          | -8.36%             |
| Beta           | 1.01               |
| R <sup>2</sup> | 94%                |
| Tracking Error | 5.21%              |
| Sharpe Ratio   | -0.08              |
| Standard Dev.  | 21.53%             |

### Portfolio characteristics

| Statistic                    | Portfolio | Benchmark |
|------------------------------|-----------|-----------|
| Dividend Yield               | 0.30%     | 0.69%     |
| Price/Book                   | 11.19x    | 12.00x    |
| P/E ratio excl. negative EPS | 42.79x    | 34.15x    |
| EPS 3-5 Year est             | 22.61%    | 19.33%    |
| Historical 5 Yr EPS Growth   | 20.04%    | 19.01%    |
| Wtd. Avg. market cap (\$B)   | 1320.02   | 1446.25   |

### Sector weightings<sup>4</sup> (% equities)

| Sector                 | Portfolio | Benchmark |
|------------------------|-----------|-----------|
| Communication services | 11.88     | 12.20     |
| Consumer discretionary | 16.92     | 13.91     |
| Consumer staples       | 1.20      | 3.81      |
| Energy                 | 0.00      | 0.64      |
| Financials             | 8.19      | 5.67      |
| Health care            | 6.11      | 10.56     |
| Industrials            | 7.23      | 5.74      |
| Information technology | 44.17     | 45.83     |
| Materials              | 1.38      | 0.76      |
| Real estate            | 0.00      | 0.77      |
| Utilities              | 0.00      | 0.11      |
| Cash & equivalents     | 2.92      | -         |

**Performance is historical and does not guarantee future results.** For more information, please refer to the attached GIPS composite report. Sector weightings, portfolio characteristics, holdings, and return and risk characteristics are based on a representative account within the Allspring Global Investments composite. Allspring Global Investments provides the sub-advisory services for the Allspring Funds Management retail managed account product.

1. Returns of less than one year are not annualized. 2. The gross performance data is a pure gross-of-fees return and does not reflect the deduction of any management fees or transaction costs. 3. The net return is calculated based on the gross returns reduced by a typical 3% maximum annual wrap fee that could be charged to an account. 4. Sector weightings may not add up to 100% due to rounding.



## GIPS® Composite Report

| Period | "Pure" Gross Annual Return (%)* | Net Annual Return (%) | Primary Index Return (%) | Composite 3-Yr Std. Dev. (%) | Primary Index 3-Yr Std. Dev. (%) | Internal Dispersion (%) | Number of Accounts | Composite Assets (\$-mm) | Total Firm Assets (\$-mm) |
|--------|---------------------------------|-----------------------|--------------------------|------------------------------|----------------------------------|-------------------------|--------------------|--------------------------|---------------------------|
| 2023   | 35.20                           | 31.23                 | 41.21                    | 21.42                        | 20.34                            | 0.35                    | 64                 | 55.58                    | 432,838                   |
| 2022   | -36.09                          | -38.06                | -28.97                   | 25.97                        | 23.43                            | 0.17                    | 58                 | 43.14                    | 374,321                   |
| 2021   | 7.06                            | 3.90                  | 25.85                    | 21.50                        | 18.27                            | 0.53                    | 60                 | 126.01                   | 483,747                   |
| 2020   | 48.44                           | 44.17                 | 38.26                    | 22.29                        | 19.87                            | 0.87                    | 94                 | 141.54                   | 508,914                   |
| 2019   | 38.10                           | 34.12                 | 35.85                    | 14.55                        | 13.20                            | 0.32                    | 75                 | 71.78                    | 419,579                   |
| 2018   | 0.78                            | -2.21                 | -2.12                    | 14.54                        | 12.29                            | 0.25                    | 86                 | 61.22                    | 371,582                   |
| 2017   | 34.73                           | 30.84                 | 29.59                    | 12.56                        | 10.62                            | 0.17                    | 102                | 96.67                    | N/A                       |
| 2016   | -0.23                           | -3.19                 | 7.39                     | 13.59                        | 11.34                            | 0.21                    | 108                | 77.15                    | N/A                       |
| 2015   | 1.81                            | -1.20                 | 5.09                     | 12.29                        | 10.80                            | 0.25                    | 208                | 156.69                   | N/A                       |
| 2014   | 4.07                            | 0.99                  | 12.44                    | 12.88                        | 9.74                             | N/A                     | 302                | 205.97                   | N/A                       |

**Primary Index:** Russell 3000® Growth

\* "Pure" gross annual returns do not reflect the deduction of any expenses, including trading costs. "Pure" gross returns are supplemental to the net returns.

Source: Allspring Global Investments

Allspring Global Investments (Allspring) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Allspring has been independently verified for the periods January 1, 1997 - December 31, 2023. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

For the purpose of complying with GIPS, the GIPS firm is defined as Allspring. Since the GIPS firm's creation in 1996, the firm has acquired a number of investment teams and/or assets through mergers or acquisitions which include assets and/or investment teams from Wells Capital Management, EverKey Global Partners, Wells Fargo Asset Management (International) Limited, Analytic Investors, LLC, Golden Capital Management, LLC, Wells Fargo Asset Management Luxembourg S.A. and Wells Fargo Funds Management, LLC (WFFM).

The Growth Managed Account Composite (Composite) contains all discretionary client portfolios investing primarily in the equities of companies with robust, sustainable, and underappreciated growth potential. Portfolio holdings generally have above-average growth prospects, accelerating earnings and sales, expanding market share, and innovative new products and technologies. The team uses company-specific analysis and an assessment of secular and timeliness trends to form a buy/sell decision about a particular stock. In addition, the team integrates risk management into each stage of the investment process. Cash may be held in modest amounts to manage risk during adverse market conditions and to maintain liquidity. Portfolios are generally not constrained by market capitalization. Investment results are measured versus the Russell 3000® Growth Index. The portfolios in this discipline have been sub-advised by Allspring Global Investments, LLC since inception. The Composite was included in the Wells Fargo Managed Account Services (WF MAS) GIPS Firm from inception through June 30, 2018. From a GIPS firm perspective, WF MAS joined Allspring on July 1, 2018 and as such the "Total Firm Assets" are only applicable since that date. The Composite creation and inception dates are August 1, 2011. Since inception, wrap accounts represent 100% of the Composite assets. Since December 1, 2022, a non-fee-paying account represents less than 1% of Composite assets. On May 31, 2024, Senior Portfolio Managers Mike Smith and Chris Warner were added to the investment team. On July 26, 2024, Senior Portfolio Managers Tom Ognar and David Nazaret were removed from the investment team.

Composite returns are expressed in US dollars and reflect the reinvestment of dividends and other earnings. A wrap-fee account is an account under which a client is charged a specified fee or fees not based directly on transactions in the client's account for investment advisory services and execution of client transactions. A typical wrap-fee account client pays an all-inclusive "wrap fee" for the advisory, brokerage, custody and other services associated with the account. Net returns are net of the maximum wrap account fee, which includes commissions and transaction costs and are calculated by deducting 1/12th of the annual wrap fee from the Composite's monthly pure gross return. Actual fees may vary depending on the applicable fee schedule. The maximum fee used for the portfolios in the strategy is 3.00%. Some accounts in the Composite may pay commissions in addition to the wrap fee. Additional information regarding Allspring's policies for valuing investments, calculating performance, and preparing GIPS Composite Reports is available upon request. A list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds are available upon request.

Between January 1, 2014 and December 31, 2014, a significant cash flow was defined as any external cash flow that exceeded 50% of an account's assets.

Internal dispersion is the equal weighted standard deviation of the annual pure gross returns of all accounts included in the Composite for the entire year. For years where there are 5 or fewer accounts in the Composite for the entire year, dispersion is not presented as it is not a meaningful statistical calculation. The 3-year annualized standard deviation measures the variability of the pure gross Composite returns and the index returns over the preceding 36-month time period.

Actual performance results may differ from Composite returns, depending on the size of the account, investment guidelines and/or restrictions, inception date and other factors. Performance for some accounts in this Composite may be calculated by third parties that use different security pricing and performance methodologies. **Past performance is not indicative of future results.** As with any investment vehicle, there is always the potential for gains as well as the possibility of losses. 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.

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