

MARKET COMMENTARY

Market Overview and Strategy Performance

- Segall Bryant & Hamill's Select Equity strategy* returned -8.03%** in the first quarter of 2022. The return of the Russell® 3000 Index was -5.28%.
- During the quarter, security selection detracted 92 basis points (bps) from relative performance and sector allocation detracted 175 bps. The strategy's allocation to cash contributed 6 bps in the quarter.
- As reminder, this strategy is concentrated in 20 names and unconstrained in individual security weighting. The objective of the strategy is to participate in all markets by investing in companies that generate High Returns on Invested Capital (ROIC), produce quality financial metrics (e.g., free cash flow growth, consistent earnings growth, and margin expansion) and possess strong management teams.

Contributors to Return

At the sector level, the strategy's best-performing areas were Industrials (+170 bps), Communication Services (+76 bps), and Health Care (+27 bps). The relative performance gain in the Industrials sector was the result of selection in names with strong earnings performances and accelerating end markets. The alpha generated in the Communication Services sector was also primarily related to selection, namely avoiding mega-cap decliners such as Meta Platforms (FB).

At the individual holding level, several names stood out in terms of their positive contributions to performance for the quarter:

- Quanta Services (PWR) – A solid fourth quarter report capped a strong 2021 and guidance for 2022 suggests another year of strong double-digit growth regardless of the macroeconomic environment. Quanta continues to offer under-the-radar exposure to the electrification required to drive a lower carbon future.
- Raytheon Technologies (RTX) – Raytheon's exposure to recovering aerospace markets and potentially renewed growth in global defense markets amidst geopolitical turmoil continue to attract new investors.
- Ares Management (ARES) – Investment performance, fundraising, and capital deployment have been strong, supporting 20%+ fee-related earnings growth.

Detractors from Return

Information Technology (-278 bps), Energy (-73 bps), and Materials (-65 bps) were the largest detractors on a sector level for the quarter. The Information Technology sector was hurt by selection on fears around semiconductor end market growth and supply chain pressures on hardware names. The underperformance in Energy was primarily related to allocation as the sector materially beat the market's return and the strategy was underweight the group.

In terms of individual securities, several names detracted from relative performance for the quarter:

- Zebra Technologies (ZBRA) – Investors are concerned with higher freight costs impacting the company's margins for longer than expected.
- TJX Companies (TJX) – Off-price retailer faced pressure on rising labor and cost inflation along with mounting market fears on the state of the consumer.
- Marvell Technology (MRVL) – Investor concerns relate primarily to the sustainability of the semiconductor cycle along with the risk that supply shortages don't abate which limits revenue upside.

*Beginning 12/31/19, the composite's name was changed to Select Equity. Prior to 12/31/19, the composite's name was All Cap Concentrated.

**Preliminary return. For more specific data on attribution comments, please see the full attribution report.

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MARKET COMMENTARY (continued)

Outlook and Positioning

As can be expected for a concentrated portfolio, turnover can be volatile from one quarter to the next. Turnover in the quarter was 209% on an annualized basis which compares to the three-year annualized turnover level of 129%. Six new securities were added to the portfolio and six names were removed in the period. A sample of additions and deletions are shown below.

Added:

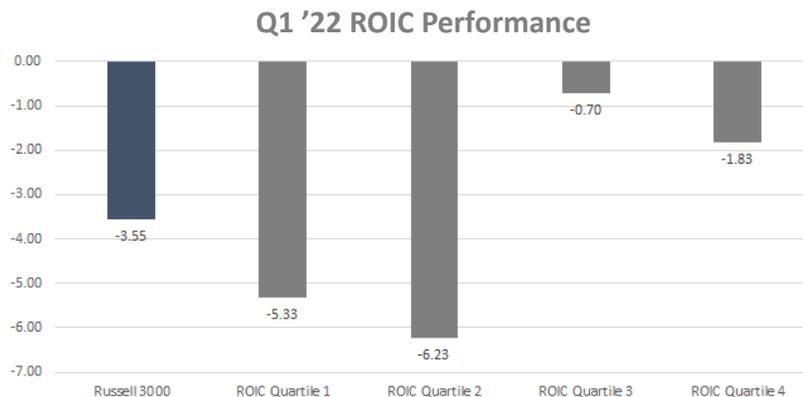
- Avery Dennison (AVY) – Taking advantage of market weakness to add a high-quality business with attractive long-term growth in Radio Frequency Identification (RFID), ecommerce, and emerging markets.
- Global Life (GL) – Company is a beneficiary of fewer U.S. COVID deaths and rising interest rates.
- McKesson (MCK) – Scaled player in the resilient and consolidated pharma distribution industry with unique capabilities in oncology and biopharma services, positioned to deliver underappreciated earnings growth and multiple expansion enabled by portfolio streamlining.

Eliminated:

- Keysight Technologies (KEYS) – Even with accelerating backlog growth, significant supply constraints continue to limit the company’s sales potential.
- Charles River Laboratories (CRL) – The market grew incrementally concerned around the state of biotech funding amidst tighter capital markets activity and the consequences this may have on demand for CRL’s research services.
- Adobe (ADBE) – Concerns relate to potentially increasing competition in the Digital Media segment.

The first quarter of 2022 continued to reinforce the increasing concerns within the marketplace around growth, inflation, and valuations.

Although the economy appears to be shrugging off the worst of the COVID-induced economic crisis, increasing geopolitical risks, inflationary concerns, and continued supply chain disruptions have caused the level of volatility to increase. All these factors mentioned—several which produced compounding effects—left the market with perhaps as many questions as answers with respect to the state of the business cycle and its reflection in valuations. As a result, the Russell 3000 Index declined -5.28% in the quarter. The Select Equity strategy showed a steeper decline, -8.03%*, for reasons that follow. We have continued to see a shift in the regime of market leaders, to sections of the marketplace in which we do not participate. As readers of these commentaries are aware, our focus in this strategy is on companies that have (or will inflect to) a high sustainable ROIC. In the first quarter, our analysis showed that the market was willing to go down in quality and financial fundamentals. This part of the market is not an arena in which we generally participate unless we can find a catalyst of change that would drive ROIC higher relative to valuation.



Source: FactSet & Russell. ROIC Quartile 1 includes companies in the Russell 3000 Index with the highest ROICs while ROIC Quartile 4 includes those with the lowest ROIC.

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MARKET COMMENTARY (continued)
Outlook and Positioning (continued)

Beyond the fundamental changes of stock selection in the market, geopolitical developments took center stage as the conflict in Russia and Ukraine raised the tensions on international diplomacy and trade relationships. While the outcome of this conflict is yet to be determined, a clear byproduct has been further inflation of key raw materials amidst an already tight supply chain environment. This proved to be a key driver of the stock market for the quarter. Commodities—from foodstuffs to energy to rare earths—soared in price. The price gains for the most part were in the cash or spot parts of almost all commodities rather than across the time curve. To us, this suggests that there is not a permanent inflection of the profits being earned by these companies and hence no permanent improvement in ROIC.

Finally, the inflationary backdrop has become a focus with central banks including the U.S. Federal Reserve (Fed) which has pivoted towards an increasingly hawkish posture in hopes of containing the trajectory of price levels. In turn, the realization of higher interest rates has led to a rethinking of multiples, particularly for longer duration assets. The rise in inflation has not been lost on consumers either with examples seen in grocery aisles, at the gas pumps, on the car lot, and in rents, among a host of other areas. While the consumer appears to be in solid health—thanks in part to rising wages, low unemployment, years of equity market appreciation, and lingering fiscal stimulus tailwinds—cracks in confidence bear close monitoring.

While the concerns around growth, inflation, etc. continue to grow, we continue to focus on adding high quality stocks at potentially better prices. While that remains difficult as the market resets, we remain committed to our process and methodology. Historically as market cycles play out, quality eventually rises to the top as investors adjust their view on the risk reward of buying down on quality.

We have prided ourselves as stock pickers—we are a bottom-up, fundamentally-driven investment strategy. In review of the quarter, detractors were the lack of exposure to Apple, Tesla, and Exxon. Tesla has always been a difficult stock from a valuation perspective for us and our methodology. The same could be said about Exxon. In addition to these larger companies, we had several stocks in the strategy that reported solid results but went unappreciated by the market as these reports were used as opportunities to sell the names further.

The convergence of commodity volatility, shifting monetary policy, teetering national affairs, unstable supply networks, foreign exchange unpredictability, public health headlines, and an evolving consumer psyche will inevitably have an impact on corporate profits. This will consequently create attractive investment opportunities for those doing bottom-up fundamental security analysis. Those organizations with pricing power, durable competitive industry advantages, and proven management teams are best positioned to navigate these unique operating conditions. As such, our team remains committed to identifying companies with leading ROIC profiles trading at attractive valuations. While investors did not reward ROIC-oriented names in the first quarter, our work continues to suggest these organizations outperform over market cycles.

Thank you for your consideration and continued support.

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Director of ESG Research

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Equity Analyst

Market Commentaries contain certain forward-looking statements about factors that may affect future performance. These statements are based on portfolio management's predictions and expectations concerning certain future events and their expected impact on the strategy, such as performance of the economy as a whole and of specific industry sectors, changes in the levels of interest rates, the impact of developing world events, and other factors that may influence the future performance of the strategy. Portfolio management believes these forward-looking statements to be reasonable, although these events are inherently uncertain and difficult to predict. Actual events may cause adjustments in portfolio management strategies from those currently expected to be employed. This investment may not be suitable for all investors.

PERFORMANCE ATTRIBUTION

Select Equity vs. Russell 3000® Index

GROSS RETURNS*¹ (as of 3/31/22)



12/31/21 to 3/31/22

U.S. DOLLAR

Custom Sector	Select Equity ²			Russell 3000® Index			Attribution Analysis		
	Average Weight	Total Return	Contrib. To Return	Average Weight	Total Return	Contrib. To Return	Alloc. Effect	Selection Effect	Total Effect
Industrials	10.16	14.31	1.62	9.01	-4.11	-0.38	0.00	1.69	1.70
Quanta Services, Inc.	5.80	14.85	1.05	0.04	14.85	0.01	1.06	1.00	1.06
Raytheon Technologies Corporation	4.36	15.74	0.58	0.32	15.74	0.04	0.68	0.63	0.68
Communication Services	8.30	-3.48	-0.24	8.83	-12.04	-1.17	0.02	0.73	0.76
Alphabet Inc. Class C	8.30	-3.48	-0.24	1.71	-3.48	-0.05	0.12	0.59	0.12
Health Care	7.84	0.07	0.16	13.31	-4.42	-0.50	-0.09	0.35	0.27
UnitedHealth Group Incorporated	5.03	1.86	0.17	1.02	1.86	0.03	0.28	0.24	0.28
McKesson Corporation	1.59	11.34	0.47	0.09	23.37	0.02	0.27	0.21	0.27
Charles River Laboratories Int'l, Inc.	1.23	-12.48	-0.49	0.03	-24.63	-0.01	-0.26	-0.17	-0.26
[Cash]	1.47	0.07	0.00	--	--	--	0.06	--	0.06
U.S. Dollar	1.41	0.07	0.00	--	--	--	0.05	--	0.05
Dividends - USD	0.06	--	--	--	--	--	0.00	--	0.00
Real Estate	--	--	--	3.53	-5.98	-0.21	0.02	--	0.02
Utilities	--	--	--	2.53	4.31	0.13	-0.23	--	-0.23
Financials	19.52	-3.59	-0.94	12.07	-2.06	-0.29	-0.04	-0.24	-0.28
Ares Management Corporation	5.15	0.76	0.04	0.02	0.76	0.00	0.31	0.14	0.31
Globe Life Inc.	4.16	3.45	0.08	0.02	7.56	0.00	0.24	0.27	0.24
Reinsurance Group of America, Inc.	3.78	-1.41	-0.10	0.02	0.62	-0.00	0.08	0.10	0.08
JPMorgan Chase & Co.	3.93	-13.39	-0.59	0.98	-13.39	-0.14	-0.23	-0.34	-0.23
Western Alliance Bancorp	2.49	-9.72	-0.37	0.02	-22.78	-0.01	-0.25	-0.31	-0.25

* Preliminary. Periods greater than one year are annualized. Past performance cannot guarantee future results.

See specific performance disclosures at the end of the presentation.

¹ SBH Composite

² Based on Model Portfolio

Attribution analysis is based on average portfolio weightings and not actual weights.

Attribution results will vary due to end of day pricing versus actual pricing and does not take cash weighting into account.

U.S. DOLLAR

Custom Sector	Select Equity ²			Russell 3000 [®] Index			Attribution Analysis		
	Average Weight	Total Return	Contrib. To Return	Average Weight	Total Return	Contrib. To Return	Alloc. Effect	Selection Effect	Total Effect
Consumer Discretionary	14.74	-12.20	-1.94	11.85	-10.22	-1.31	-0.17	-0.18	-0.36
Amazon.com, Inc.	6.28	-2.23	-0.12	3.01	-2.23	-0.04	0.10	0.26	0.10
Capri Holdings Limited	3.77	-20.83	-0.80	0.02	-20.83	-0.00	-0.45	-0.24	-0.45
TJX Companies Inc	4.69	-19.92	-1.01	0.18	-19.92	-0.04	-0.65	-0.42	-0.65
Consumer Staples	2.42	-5.83	-0.26	5.69	-1.18	-0.09	-0.22	-0.23	-0.44
Hain Celestial Group, Inc.	2.42	-5.83	-0.26	0.01	-19.27	-0.00	-0.22	-0.22	-0.22
Materials	2.29	-14.97	-0.54	2.50	-0.00	-0.00	0.06	-0.71	-0.65
Avery Dennison Corporation	2.29	-14.97	-0.54	0.03	-19.34	-0.01	-0.52	-0.71	-0.52
Energy	1.09	10.81	0.38	3.52	38.98	1.07	-0.82	0.10	-0.73
Chevron Corporation	1.09	10.81	0.38	0.62	40.22	0.21	0.22	0.08	0.22
Information Technology	32.18	-15.14	-6.17	27.15	-9.11	-2.53	-0.35	-2.43	-2.78
Visa Inc. Class A	5.04	2.51	0.15	0.82	2.51	0.02	0.29	0.43	0.29
ServiceNow, Inc.	1.03	-9.76	-0.26	0.25	-14.21	-0.03	-0.11	-0.06	-0.11
Microsoft Corporation	9.23	-8.14	-0.71	5.10	-8.14	-0.38	-0.11	0.04	-0.11
Adobe Inc.	0.16	-9.28	-0.29	0.52	-19.65	-0.11	-0.15	-0.11	-0.15
ASML Holding NV ADR	1.15	-14.94	-0.59	--	--	--	-0.33	-0.26	-0.33
Monolithic Power Systems, Inc.	2.62	-13.39	-0.48	0.04	-1.40	0.00	-0.39	-0.30	-0.39
Keysight Technologies Inc	2.61	-23.80	-1.15	0.07	-23.50	-0.02	-0.71	-0.55	-0.71
Marvell Technology, Inc.	6.14	-17.98	-1.27	0.13	-17.98	-0.03	-0.85	-0.57	-0.85
Zebra Technologies Corp. Class A	4.20	-30.49	-1.58	0.06	-30.49	-0.02	-1.23	-1.05	-1.23
TOTAL	100.00	-7.94	-7.94	100.00	-5.28	-5.28	-1.75	-0.92	-2.66

¹ SBH Composite² Based on Model Portfolio

Total returns are gross returns.

Source: FactSet

Attribution analysis is based on average portfolio weightings and not actual weights.

Attribution results will vary due to end of day pricing versus actual pricing and does not take cash weighting into account.

U.S. DOLLAR

Custom Sector	Select Equity ²			Russell 3000® Index			Attribution Analysis		
	Average Weight	Total Return	Contrib. To Return	Average Weight	Total Return	Contrib. To Return	Alloc. Effect	Selection Effect	Total Effect
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Communication Services	8.30	-3.48	-0.24	8.83	-12.04	-1.17	0.02	0.73	0.76
Health Care	7.84	0.07	0.16	13.31	-4.42	-0.50	-0.09	0.35	0.27
[Cash]	1.47	0.07	0.00	--	--	--	0.06	--	0.06
Real Estate	--	--	--	3.53	-5.98	-0.21	0.02	--	0.02
Utilities	--	--	--	2.53	4.31	0.13	-0.23	--	-0.23
Financials	19.52	-3.59	-0.94	12.07	-2.06	-0.29	-0.04	-0.24	-0.28
Consumer Discretionary	14.74	-12.20	-1.94	11.85	-10.22	-1.31	-0.17	-0.18	-0.36
Consumer Staples	2.42	-5.83	-0.26	5.69	-1.18	-0.09	-0.22	-0.23	-0.44
Materials	2.29	-14.97	-0.54	2.50	-0.00	-0.00	0.06	-0.71	-0.65
Energy	1.09	10.81	0.38	3.52	38.98	1.07	-0.82	0.10	-0.73
Information Technology	32.18	-15.14	-6.17	27.15	-9.11	-2.53	-0.35	-2.43	-2.78
TOTAL	100.00	-7.94	-7.94	100.00	-5.28	-5.28	-1.75	-0.92	-2.66

¹ SBH Composite² Based on Model Portfolio

Total returns are gross returns.

Source: FactSet

Attribution analysis is based on average portfolio weightings and not actual weights.

Attribution results will vary due to end of day pricing versus actual pricing and does not take cash weighting into account.

SBH SELECT EQUITY COMPOSITE PERFORMANCE*

Select Equity

Quarterly & Annual Returns

Period Ending: 3/31/2022

Annualized Cumulative Returns

	SBH Gross (%)	SBH Net (%)	Russell 3000 (%)
Annualized			
1 Year	15.23	14.58	11.92
3 Years	23.64	23.05	18.24
5 Years	21.28	20.73	15.40
Since Inception (7/1/14)	16.87	16.32	13.01

3 Year Ex-Post Standard Deviation

	SBH (%)	Russell 3000 (%)
2017	11.27	10.09
2018	12.52	11.18
2019	13.12	12.21
2020	18.82	19.41
2021	17.44	17.94
2022	18.26	18.22

3 year ex post standard deviation is not presented for periods where there were less than 36 months of consecutive performance.

Period		1Q (%)	2Q (%)	3Q (%)	4Q (%)	YTD (%)	# of Accounts	Std Dev. (%)	Composite Market Value (\$ mil)	Total Firm Market Value
2014	Gross of Fee			-1.99	5.94	3.83	1	nm	\$0.5	\$9,729.0
	Net of Fee			-2.13	5.81	3.56				
	Russell 3000			0.01	5.24	5.25				
2015	Gross of Fee	8.79	1.64	-6.59	3.40	6.80	1	nm	\$0.6	\$9,592.2
	Net of Fee	8.65	1.51	-6.71	3.27	6.25				
	Russell 3000	1.80	0.14	-7.25	6.27	0.48				
2016	Gross of Fee	-1.41	4.04	5.41	-1.09	6.94	1	nm	\$0.6	\$11,171.6
	Net of Fee	-1.53	3.91	5.28	-1.21	6.42				
	Russell 3000	0.97	2.63	4.40	4.21	12.74				
2017	Gross of Fee	7.56	5.89	1.69	9.45	26.77	1	nm	\$0.7	\$12,466.3
	Net of Fee	7.43	5.76	1.57	9.33	26.17				
	Russell 3000	5.74	3.02	4.57	6.34	21.13				
2018	Gross of Fee	3.51	2.23	12.20	-13.70	2.46	1	nm	\$0.8	\$18,587.0
	Net of Fee	3.41	2.12	12.09	-13.80	2.03				
	Russell 3000	-0.64	3.89	7.12	-14.30	-5.24				
2019	Gross of Fee	14.99	5.65	2.16	9.50	35.91	1	nm	\$1.0	\$19,522.9
	Net of Fee	14.88	5.56	2.05	9.38	35.36				
	Russell 3000	14.04	4.10	1.16	9.10	31.02				
2020	Gross of Fee	-16.86	25.67	11.02	13.73	31.92	4	nm	\$1.7	\$22,890.8
	Net of Fee	-16.94	25.55	10.90	13.58	31.37				
	Russell 3000	-20.90	22.03	9.21	14.68	20.89				
2021	Gross of Fee	5.20	10.05	4.58	8.86	31.80	6	nm	\$5.0	\$25,642.3
	Net of Fee	5.06	9.89	4.44	8.72	31.09				
	Russell 3000	6.35	8.24	-0.10	9.28	25.66				
2022	Gross of Fee	-8.03				-8.03	7	nm	\$4.8	\$23,928.2
	Net of Fee	-8.18				-8.18				
	Russell 3000	-5.28				-5.28				

nm: composite held five or fewer accounts for the entire year. Internal dispersion (standard deviation) is not presented for this period.

*Composite performance begins on 7/1/2014

* Preliminary. Periods greater than one year are annualized. Historical performance cannot guarantee future results.

SBH SELECT EQUITY COMPOSITE PERFORMANCE

Segall Bryant & Hamill (SBH) is a Registered Investment Adviser established in 1994. SBH provides fee-based management of fixed income and equity portfolios for institutional clients and high net worth individuals. On June 30, 2015, SBH acquired Philadelphia International Advisors (PIA). Prior to the acquisition, PIA was a privately held investment management firm whose sole focus was the management of international equities. The group that was formerly PIA manages all SBH's international composites which have been a part of SBH since the acquisition. On May 1, 2018, SBH acquired Denver Investment Advisors LLC (aka Denver Investments). As a result of the Denver Investments acquisition, SBH added several new Portfolio Managers and composites to the overall firm. The Select Equity composite was created in July 2014. The composite's performance inception date is July 1, 2014. The Select Equity composite is an Equity strategy consisting of 20-30 holdings of highest conviction in companies that typically have a market capitalization in excess of \$1 billion. Beginning 12/31/2019, the composite's name was changed to Select Equity. Prior to 12/31/2019, the composite's name was All Cap Concentrated. The composite is benchmarked against the Russell 3000® Index. The Russell 3000® index measures the performance of the largest 3000 US companies. These companies generally have a weighted average market value of \$176.2 billion. The Select Equity composite is comprised of all fee paying, discretionary accounts managed to this investment approach which have assets greater than \$200k and one full month of returns. Accounts falling below the \$100k threshold are not eligible for inclusion in the composite. In addition, accounts that have a significant cash flow, defined as 25% of the market value, will be removed from the composite until the next reconciliation and calculation period. Gross results are shown net of trading costs and include the reinvestment of all dividends and interest. Net results are shown net of management fees as well as trading costs and include the reinvestment of all dividends and interest. Net results reflect actual fees paid. The current fee schedule applicable to the Select Equity accounts is 0.55% on the first \$25 million of assets, 0.45% on the next \$25 million of assets and 0.30% over \$50 million of assets. Actual fees will vary. All information is based on US dollar values. Dispersion of returns is measured by an equal weighted standard deviation of all the accounts in the composite for a full year period. Composite dispersion and three year standard deviation are calculated using gross returns. Neither the composite nor the benchmark returns reflect the withholding of any taxes for ordinary income or capital gains. Segall Bryant & Hamill claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Segall Bryant & Hamill has been independently verified for the periods January 1, 2000 through December 31, 2020. The verification report is 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. It should be noted that principal risk is taken and that historical performance can not guarantee future results. A complete list and description of the firm's composites and pooled funds, as well as additional information regarding policies for valuing investments, calculating performance and preparing GIPS Reports, is available upon request from SBH. GIPS® is a registered trademark of the CFA Institute. The CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.