



Q1 2023

Sasco Small Cap Contrarian Value

- ▶ Research
- ▶ Relationships
- ▶ Results

Strategy Overview

- Contrarian insight results in high active share, concentrated positions
- Research-driven focus on company turnarounds and restructurings
- A private equity approach to public markets
- Catalysts unlock unrecognized value
- Low portfolio turnover
- Complements passive, growth and other value strategies

Firm Overview

Sasco Capital is 100% employee-owned. Our founding partners have worked together since 1981. Every aspect of our business model reflects our commitment to three key drivers of success: Research, Relationships and Results.

Investment Team

BRUCE D. BOTTOMLEY, CFA
 Founder | Managing Director | Portfolio Manager
 51 years investment experience

JEFFREY L. SPEIGHT, JR.
 Portfolio Manager
 26 years investment experience
 Joined Sasco 2006

ADAM W. SNYDER, CFA
 Portfolio Manager
 24 years investment experience
 Joined Sasco 2013

ETHAN LIU
 Research Analyst
 2 years investment experience
 Joined Sasco 2021

RYAN DARROHN
 Research Analyst
 4 years investment experience
 Joined Sasco 2019 – '21; Rejoined 2023

A Transformative Approach to Unlocking Value

STRATEGY

A concentrated, small cap contrarian value strategy focused on underperforming companies taking transformative actions to unlock the hidden value within.

PHILOSOPHY

We believe the best opportunities to add alpha are event-driven: turnarounds, restructurings and transformations. We search for out of favor companies with “hidden jewels” that are selling at large discounts to their future restructured earnings power. Our discipline leads us to research and value individual business segments with an opportunity for smart, motivated management teams to fix, restructure and grow the company to unleash higher earnings that ultimately lead to higher stock prices.

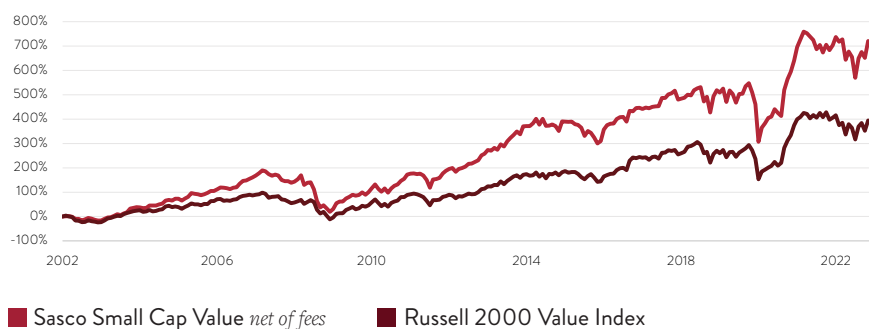
ROLE IN PORTFOLIO

- Enhances passive strategies through delivering high active share and differentiated holdings
- Complements more traditional growth/value equity strategies
- Long-term investment horizon and low portfolio turnover

DIFFERENTIATED APPROACH

Unlike many value managers, who generate investment ideas by screening traditional valuation metrics, we start by finding underperforming companies implementing strategic changes to unlock value and future growth potential. This differentiated discovery process has historically led to high active share for our strategy.

Investment Growth as of 3/31/23



Performance (%) as of 3/31/23

	Q123	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	SI*
Sasco Small Cap Value net of fees	1.7	-8.7	23.4	5.5	7.4	7.9	11.7	10.2
Sasco Small Cap Value gross of fees	1.8	-8.0	24.3	6.3	8.0	8.6	12.3	10.8
Russell 2000 Value Index	-0.7	-13.0	21.0	4.6	7.2	7.2	9.2	7.4

Net of Fees includes advisory fees. There are no other related fees.

*Portfolio Since Inception: 4/1/2002

Sasco Capital's performance complies with GIPS®.

Sasco Small Cap Contrarian Value

Portfolio Statistics

Active Share	97.9%
Turnover (5-year Average)	34.9%
Yield	2.2%

Sector Allocation*

Consumer	23.4%
Industrials	20.0%
Energy	6.7%
Real Estate	1.9%
Utilities	6.1%
Materials	10.5%
Healthcare	21.0%
Cash	10.4%

* Voids in Financial & Technology sectors: high risk when in need of restructuring

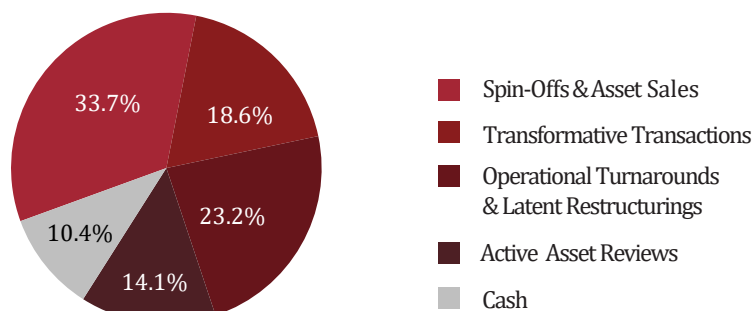
Top 10 Holdings

Primo Water Corp.	4.3%
Perrigo Company	4.2%
Newell Brands, Inc.	4.1%
SpartanNash Co.	3.8%
Pediatrix Medical Group Inc.	3.8%
Energizer Holdings	3.7%
Enhabit Inc.	3.6%
Encompass Health Corp.	3.6%
Patterson Companies, Inc.	3.6%
Summit Materials, Inc.	3.2%

Portfolio Allocation

Our proprietary research process identifies companies considered underachievers: underperforming, diversified companies where low-return divisions are masking the profitability of good businesses elsewhere in the company (“hidden jewels”).

Extensive fundamental analysis of segment values and restructuring opportunities, combined with meetings with senior management, enable us to value the businesses, evaluate management’s ability to execute the required changes, and to project the future earnings power of a company. The chart below shows the types of transformations and restructurings we invest in, and how those are distributed within our portfolio.



GIPS Disclosure	Firm Assets (USD millions)	Composite Assets (USD millions)	Total # of Accounts	Benchmark Return Russell Midcap Value (%)	Composite Gross Fee Return (%)	Composite Net Fee Return (%)	Composite Dispersion (%)	Composite Gross 3-Yr Ex-Post St Dev (%)	Benchmark 3-Yr Ex-Post St Dev (%)
2012	5,130	9.6	1	18.05	28.41	27.63	N/A	19.05	19.89
2013	6,254	12.7	1	34.52	36.86	36.06	N/A	15.47	15.82
2014	6,212	12.8	1	4.22	5.61	4.98	N/A	11.26	12.79
2015	4,203	0.9	1	-7.47	-9.57	-9.97	N/A	13.24	13.46
2016	4,238	1.2	1	31.74	25.16	25.16	N/A	14.81	15.50
2017	2,888	1.3	1	7.84	14.43	14.10	N/A	13.30	13.97
2018	1,317	1.2	1	-12.86	-12.81	-13.13	N/A	14.22	15.76
2019	797	1.0	1	22.39	23.83	22.88	N/A	15.88	15.68
2020	764	1.0	1	4.63	3.28	2.48	N/A	27.88	26.12
2021	929	1.2	1	28.27	22.30	21.34	N/A	27.11	25.00
2022	866	1.1	1	-14.48	-5.94	-6.67	N/A	27.64	27.27

Inception of composite 4/1/2002. Creation of composite 4/1/2002.

Sasco Capital, Inc. has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). Sasco Capital's performance has been independently verified by the Spaulding Group for the periods 01/01/2006 to 12/31/2021. 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.

The firm maintains a complete list and description of the composite, which is available upon request. Past performance is not indicative of future results and it should not be assumed that results in the future will be profitable or equal to past performance. All investments carry a certain degree of risk including a possible loss of principal. It is important to note that there are risks inherent in any investment and there can be no assurance that any asset class will provide positive performance over any period of time. 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.

- Sasco Capital, Inc. is an independent, employee-owned, investment adviser incorporated in the state of Connecticut and registered with the SEC in 1985 under the Investment Advisers Act of 1940. The firm offers three products, using one investment discipline - contrarian value, primarily to institutional investors and high net worth individuals. Our three products are Mid Cap Contrarian Value, Small Cap Contrarian Value and Small Cap Contrarian Value. For more information regarding Composite descriptions and policies for valuing portfolios, calculating performance and preparing compliant presentations, or to obtain GIPS-compliant performance information for the firm's strategy and products, please contact us at info@sascocap.com or 203-254-6800.
- Sasco Capital's Small Cap Contrarian Value composite is comprised of all fully discretionary, taxable and non-taxable separate accounts currently under management, including those accounts no longer with the firm. The minimum portfolio size for inclusion in the composite is \$1 Million. Performance results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Composite returns are weighted by daily market values. Sasco Capital's composite does not have a "Significant Cash Flow Policy". External cash flows are adjusted on a daily basis. Portfolios are added to the composite after being invested for one full quarter. Sasco Capital's composite does not contain any non-fee paying portfolios that are not principal accounts.
- Performance results are calculated on a total return basis and include all realized and unrealized capital gains and losses as well as dividends, interest and accrued income. Portfolios in the Composite record transactions based on trade dates. Portfolio performance calculations are computed monthly and are time-weighted to account for periodic contributions and withdrawals. The Composite returns consist of size-weighted portfolio returns using beginning of period values to weight portfolio returns. Monthly linking of interim performance results is used to calculate annual returns.
- Sasco Capital's separately managed, Small Cap Contrarian Value portfolios have their assets invested in common stocks of U.S. traded equity securities of predominantly small cap companies. U.S. traded equity securities may include American Depository Receipts ("ADR's"). Sasco Capital considers small cap companies to be companies with market capitalizations similar to those of companies in the Russell 2000 Value Index. Sasco Capital's investment strategy focuses on under-performing, out-of-favor, restructuring/turnaround companies selling at a discount to their underlying asset value and projected restructured 3-year earning power. Generally, Sasco Capital's Small Cap Contrarian Value equity portfolio will hold 35 securities or less. The investment strategy does not utilize leverage, short positions or derivatives.
- Valuations and returns are computed and stated in U.S. Dollars. Sasco Capital uses closing Exchange prices in valuation of all securities and values all portfolios daily, based on fair market value in accordance with the GIPS 2020 standards.
- The benchmark for Sasco Capital's Small Cap composite is the Russell 2000 Value Index*. Sasco Capital updated its Index performance source from IDC to Refinitiv, effective 2/10/2019.
- Sasco Capital's portfolio is significantly under-weighted in financial and technology stocks, relative to the benchmark. Historically, Sasco Capital's composite has low/no exposure to the Financial and Technology sectors. It does not invest in Financials because they do not fit with the firm's investment philosophy, as it is nearly impossible to analyze the underlying asset value of a bank, insurance company or brokerage firm undergoing a "financial stress-induced" restructuring. Likewise, the firm does not invest in technology stocks as their underlying asset values (if they do exist) can become rapidly obsolete.
- Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fees returns are based on actual management fees. Return calculations for the Composite are provided by Indata using the Modified Dietz Methodology. Prior to 7/2005, returns were provided by Sungard and were calculated using the BAI method. The return calculations for all benchmark indices is provided by Indata/Refinitiv.
- The standard management fee schedule applicable to separate accounts is as follows: 0.80% on the first \$10 million, 0.50% on the next \$40 million, 0.40% on the next \$50 million, 0.35% on the next \$200 million, and negotiable thereafter. Fees are payable quarterly in arrears. For further information on investment management fees, please refer to Sasco Capital's Form ADV Part 2A, or contact us at info@sascocap.com or 203-254-6800.
- The dispersion measure is the asset weighted standard deviation of the annual portfolio gross returns. Only portfolios represented in the composite for the entire year are included in the calculation. The calculation is not performed if the composite contains five or fewer accounts for the full year.
- The three-year annualized ex-post standard deviation measures the variability of the composite gross fees and index monthly returns over the preceding 36-month period.
- Policies for valuing portfolios, calculating performance, and preparing GIPS reports are available upon request.

* The Russell 2000 Value Index is a copyright of FTSE Russell. The Index is unmanaged and cannot be invested in directly. It includes the reinvestment of dividends and income, but does not reflect fees, brokerage commissions or other expenses of investing. The Russell 2000 Value Index measures the performance of the small cap value segment of the U.S. equity universe. It includes those Russell 2000 Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Value Index is constructed to provide a comprehensive and unbiased barometer of the small cap value market. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small cap value market. For the Russell 2000 Value Index, dividend income and capital gains are reinvested without deducting applicable withholding taxes. Material differences exist between Sasco Capital's composite investment strategy and the Russell 2000 Value Index, due to Sasco Capital's contrarian value focus.