

Mid Cap Growth Equity

Second Quarter 2026 · Investment Commentary

+20.05%

Portfolio Return (Gross)
Q2 2026

+19.92%

Portfolio Return (Net)
Q2 2026

+14.55%

Benchmark Return
Russell Midcap® Growth Index

+537 bps

Outperformance vs. benchmark (Net)

MARKET BACKDROP

The second quarter of 2026 marked a decisive turnaround for U.S. equities, with major indices posting their strongest quarter in six years and reaching new highs across market caps and styles alike. Strong fundamentals kept the market resilient despite ongoing inflation concerns, powered by relentless AI infrastructure spending and an earnings season that kept beating expectations. That resilience was reinforced by a broader global backdrop, as PMIs across developed and emerging markets broke out together to multi-year highs, signaling a recovery in economic momentum more genuine and widespread than the headline numbers suggest. Leadership broadened away from the Mag 7 at the index level, but underneath the surface the rally told a more complicated story of narrow leadership around AI winners, momentum outperformance and low quality. We saw an unprecedented second straight quarter of 30%+ single-sector dominance as Energy collapsed from Q1's top sector to Q2's worst as oil retreated, while Technology roared back to become the quarter's sole outperformer, driven by renewed AI optimism. Small caps resumed leadership, but that leadership was driven by unprofitable, heavily shorted, and speculative names — small cap breadth ran well below historical norms, and not owning the R2000's top performers was costly for active managers.

PERFORMANCE OVERVIEW

Westfield's Mid Cap Growth Equity Composite (the "portfolio") returned 19.92% net, outperforming the Russell Midcap® Growth Index return of 14.55%. The following discussion reflects relative performance from the representative account. The portfolio's barbelled positioning across secular and cyclical growth, combined with strong stock selection within Information Technology and Industrials, drove substantial outperformance for the period. Financials and elevated residual cash held amid heavy rebalance-driven turnover in several core holdings were a drag on relative results.

Information Technology (+251 bps): Strong stock specific return within AI-driven semiconductor and networking holdings, several of which advanced sharply on continued hyperscaler capital spending, was the primary driver of the sector's outsized contribution. The team took profits broadly into the strength as valuations became more extended.

Industrials (+226 bps): Broad-based outperformance across holdings tied to secular growth themes, including AI infrastructure and data center power, was reinforced by a cyclical recovery in short-cycle industrial names, driven by company-specific execution in conjunction with cyclical recovery tailwinds following the de-escalation of geopolitical tensions in the Middle East.

Health Care (+52 bps): Health Care sentiment shifted meaningfully over the course of the second quarter. Biopharma's momentum, which had cooled in the first quarter as investor attention rotated toward artificial intelligence, reasserted itself sharply in the back half of the quarter, particularly through the month of June, as a wave of M&A activity and positive clinical data presentations drew technology-oriented capital back into the sector. Strong stock selection within commercial-stage biopharmaceutical holdings benefiting from clinical catalysts was the primary driver of relative outperformance.

Financials (-55 bps): Financials sentiment was pressured for much of the quarter by investor concern around AI-related disintermediation, which weighed on select exchange and advisory-platform holdings even as underlying fundamentals remained intact. That pressure was partially offset by continued strength in names benefiting from robust growth in retail trading activity. We maintain conviction in our selective exposure within the sector, viewing the recent weakness as disconnected from fundamentals.

TOP CONTRIBUTORS

(MRVL-US) **Marvell Technology, Inc.**, a designer of data center and custom networking semiconductors, was a notable contributor. Shares advanced sharply after the company reported results and raised guidance supported by exceptional AI-related bookings. We sold the position as the company's market capitalization grew beyond the strategy's mid-cap band; but still believe the custom ASIC opportunity remains underappreciated by the market, and an expanding partnership with a large cloud customer on new ASIC designs should help diversify its customer base going forward.

(FLEX-US) **Flex Ltd.**, a diversified contract manufacturer with growing exposure to AI-related data center power infrastructure, was a notable contributor. Shares advanced sharply following an earnings beat, raised guidance, and the announced spin-off of its cloud and power business, which anchored the investment thesis and drove a re-rating in the stock. We trimmed the position following the spin-off announcement given the magnitude of the appreciation, though we continue to view the underlying secular exposure to AI-driven data center power favorably.

(VRT-US) **Vertiv Holdings Co.**, a provider of data center power and thermal management equipment - a high-conviction AI "picks-and-shovels" play - was a notable contributor. The company reported a strong earnings beat with full-year guidance raised and meaningfully expanded margins, driven by continued strength in data center construction and other AI-related infrastructure demand. We trimmed the position for risk management purposes following a concentrated run, while maintaining conviction given continued share gains within an expanding market.

(SNOW-US) **Snowflake, Inc.**, a cloud-based data platform provider, was a top contributing name and the single best software contributor of the quarter. Shares advanced sharply after the company reported strong revenue growth and expanding margins, and raised full-year guidance, supported by continued enterprise adoption of its platform for artificial intelligence readiness. We added to the position during the quarter, viewing the company's cross-cloud architecture and usage-based pricing as well positioned at a critical, data-readiness layer of enterprise AI infrastructure.

(RVMD-US) **Revolution Medicines, Inc.**, a clinical-stage oncology company developing targeted therapies for RAS-driven cancers, was a notable contributor. Shares advanced following positive clinical data and favorable competitive safety comparisons. We maintain conviction in the company's platform and continue to hold the position ahead of a pivotal pancreatic cancer data readout expected later this year.

BOTTOM CONTRIBUTORS

(INSM-US) **Insmmed Incorporated**, a commercial-stage biopharmaceutical company focused on rare disease therapies, declined on investor concern around treatment discontinuation rates for its lead rare disease therapy, which we believe is overblown given the company's intact commercial trajectory.

(AZO-US) **AutoZone, Inc.**, an auto parts retailer, traded lower after reporting fiscal third-quarter domestic same-store sales short of consensus expectations, despite reporting gross margins, operating margins, and earnings per share ahead of expectations. We added to the position on the pullback given the company's defensive characteristics, insider buying, and slowing expense growth.

(ROST-US) **Ross Stores, Inc.**, an off-price apparel and home retailer, was a detractor as consumer names oriented toward the lower-end consumer broadly underperformed during the quarter. We continue to view the company as an off-price retailer insulated from e-commerce competition, with a nimble model well positioned to benefit from a value-seeking consumer.

(FANG-US) **Diamondback Energy, Inc.**, a Permian Basin-focused oil and gas producer, was a detractor as energy broadly underperformed following the de-escalation of the Iran conflict. The company reported a solid quarter with a beat on production and raised full-year guidance. We trimmed the position as we reduced energy exposure broadly.

(NDAQ-US) **Nasdaq, Inc.**, an operator of financial markets and provider of market technology, underperformed amid investor concern around perpetual-futures contracts, which we view as overblown. Despite the recent weakness, we continue to like the high-quality exchange franchise and its financial-crime and anti-money-laundering technology business.

POSITIONING HIGHLIGHTS

Technology. We remain the largest underweight in the sector following the June rebalance, which structurally lifted the benchmark's technology weight. We added to AI infrastructure and industrial-recovery-linked semiconductor names during the quarter, while trimming or exiting several of the quarter's largest AI-driven semiconductor winners as valuations extended and market capitalization pushed them beyond the strategy's opportunity set, rotating into other names which we believe have more upside potential.

Industrials. Industrials remains our largest overweight, with positioning concentrated in data center power infrastructure, aerospace and defense, and short-cycle cyclicals. We took profits on winners tied to AI and aerospace, rotating capital into names we view as better positioned for a rebound.

Consumer Discretionary. Positioning remains selective and underweight. During the quarter, we added to select differentiated retail names while trimming selective exposure tied to experiences-over-things.

Health Care. We remain overweight the sector, predominantly in commercial-stage biopharma. We added Health Care exposure during the quarter, deploying capital into commercial stage biopharma names, where we believe fundamentals are undervalued. We pulled back from names where our thesis has played out or conviction has waned.

OUTLOOK

Looking ahead, we believe the environment favors selectivity and balance over concentration. We continue to favor the other 493 over the Mag 7 and see potential for a multi-year small cap performance run, as decreasing correlations and a broadening earnings recovery across sectors should prove a tailwind for active managers able to look beyond the largest names. Crowding within AI winners warrants cautious positioning and disciplined risk management, but we don't see a broken thesis — unlike 1999, the earnings underpinning this cycle are real. At the same time, the momentum trade that carried much of the market higher looks extended and is beginning to crack, and we expect capital to keep rotating into laggards like Health Care and Financials as the market broadens. This is an environment where disciplined capital rotation, prudent risk management and deep fundamental research should be rewarded.

Performance Attribution Analysis

Representative Account vs. Russell Midcap® Growth Index · April 1, 2026 – June 30, 2026

SECTOR ATTRIBUTION

Source: FactSet. All effects in basis points. Positive = contribution to relative performance (gross). Attribution is based on gross returns: The Mid Cap Growth Composite returned +19.92% net of investment advisory fees in Q2 2026.

SECTOR	PORT. WT.	BENCH. WT.	PORT. RET. (GROSS)	BENCH. RET.	ALLOCATION EFFECT	SELECTION EFFECT	TOTAL EFFECT
Information Technology	14.8%	17.9%	+65.2%	+36.9%	-56 bps	+307 bps	+251 bps
Industrials	31.3%	25.9%	+27.3%	+21.0%	+52 bps	+175 bps	+226 bps
Health Care	13.9%	13.4%	+6.2%	+2.6%	-15 bps	+67 bps	+52 bps
Consumer Discretionary	15.6%	19.8%	+5.9%	+4.5%	+26 bps	+21 bps	+47 bps
Communication Services	2.6%	4.8%	+19.5%	+8.9%	+17 bps	+26 bps	+43 bps
Utilities	1.7%	2.8%	+5.6%	+3.4%	+14 bps	+4 bps	+17 bps
Materials	0.5%	0.4%	+7.2%	+8.3%	+3 bps	--	+3 bps
Energy	3.7%	3.6%	-5.3%	-2.0%	-2 bps	-13 bps	-15 bps
Cash	3.7%	--	+0.9%	--	-53 bps	--	-53 bps
Financials	12.2%	8.3%	+6.8%	+9.5%	-23 bps	-32 bps	-55 bps
Total	100.0%	100.0%	+19.93%	+14.55%	-16 bps	+554 bps	+538 bps

Attribution based on the representative account. Allocation and selection effects may not sum exactly to Total Effect due to rounding and interaction terms.

TOP 5 CONTRIBUTORS

Representative account, Q2 2026

SECURITY	AVG. WT.	TOTAL EFFECT
(MRVL) Marvell Technology, Inc.	0.95%	+130 bps
(FLEX) Flex Ltd	1.22%	+122 bps
(VRT) Vertiv Holdings Co. Class A	7.36%	+69 bps
(SNOW) Snowflake, Inc.	1.26%	+56 bps
(RVMD) Revolution Medicines, Inc.	0.71%	+48 bps

BOTTOM 5 DETRACTORS

Representative account, Q2 2026

SECURITY	AVG. WT.	TOTAL EFFECT
(INSM) Insmed Incorporated	1.53%	-54 bps
(AZO) AutoZone, Inc.	1.50%	-31 bps
(ROST) Ross Stores, Inc.	2.13%	-30 bps
(FANG) Diamondback Energy, Inc.	0.96%	-29 bps
(NDAQ) Nasdaq, Inc.	0.94%	-26 bps

COMPOSITE TRAILING PERFORMANCE

Mid Cap Growth Equity Composite · As of June 30, 2026 · Annualized for periods greater than one year

	QTD	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPT.
Composite (Gross)	20.05%	17.32%	18.43%	18.12%	8.96%	15.12%	13.68%
Composite (Net)	19.92%	17.06%	17.92%	17.60%	8.47%	14.60%	12.96%
Russell Midcap® Growth Index	14.55%	7.27%	6.17%	15.61%	6.03%	13.04%	10.74%

Composite inception date: July 1, 1994. Returns are preliminary and unaudited. Past performance is not indicative of future results. Source: FactSet.

Disclosures & Important Information

Specific securities identified do not represent all of the securities purchased, sold or recommended. The top 5 and bottom 5 securities mentioned have been selected by calculating the average weight invested in each holding in the representative account multiplied by the rate of return for that holding during the period noted and then comparing each to the respective benchmark return during the same period to obtain a relative return contribution. A list showing the relative contribution of each holding in the representative account during the period is available by contacting Westfield's Marketing and Client Service department via email at clientservice@wcmgmt.com or 617-428-7100.

Past performance is not indicative of future results. Returns are preliminary and unaudited; the attribution table and the relative contribution tables are presented gross of management fees and include the reinvestment of all income and the deduction of transaction costs. Actual net returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The collection of fees produces a compounding effect on the total rate of return net of management fees. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 1.00% annual investment advisory fee would be \$10,416 in the first year, and cumulative effects of \$59,816 over five years and \$143,430 over ten years. The net return for the time period referenced can be found within the first paragraph of this commentary. Our current disclosure statement and fee schedules are set forth in Part 2A of Form ADV, which is available upon request. A GIPS Compliant Presentation also is available upon request.

The product is evaluated against the Russell Midcap® Growth Index, which is designed to measure the mid-cap segment of the U.S. growth equity universe. We have chosen this benchmark as it most closely represents the investment strategy discussed in this commentary. The product's holdings, characteristics, and performance may differ substantially from the benchmark and will therefore have different risk and reward profiles. Stock performance is based on price movement during the quarter or for the time held during the quarter in our representative account. Due to differences in investment restrictions, account holdings, account funding periods, timing and frequency of contributions and withdrawals, as well as other factors, client account performance may differ substantially from the composite performance and/or the representative account performance that is discussed in this commentary. Existing clients can request their account performance and holdings by contacting your Marketing & Client Service representative.

Individual account characteristics and performance may differ depending on factors such as specific client guidelines and restrictions. The representative account has been deemed appropriate by Westfield Capital Management Company, L.P. based on portfolio characteristics. The representative account is an account that has been in the Strategy for no less than one year, had minimal withdrawals or distributions and has similar restrictions to our product guidelines. All accounts in the Strategy are traded in a similar fashion, so that the returns shown are representative of the majority of all participants in the specific Strategy. Another representative account will be substituted if the current account fails to meet the criteria.

Westfield Capital Management Company, L.P. is a registered investment advisor under the Investment Advisers Act of 1940. Westfield Capital Management Company, L.P. 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.

The Russell Midcap® Growth Index is a trademark/service mark of the Frank Russell Company. Russell® is a trademark of the Frank Russell Company. This material is for informational purposes only and should not be construed as investment advice or a recommendation to buy or sell any security. © 2026 Westfield Capital Management Company, L.P. All rights reserved.