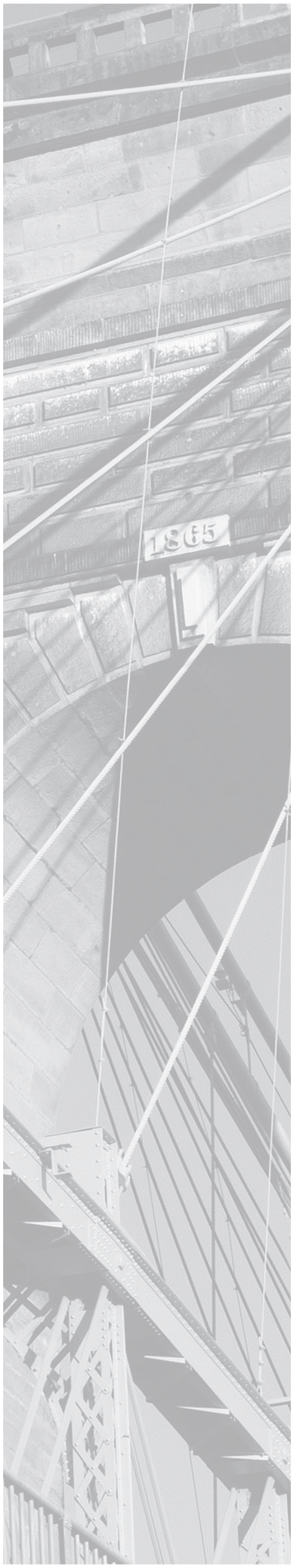
Renaissance Investment Management
Month Ending 5/31/2024

Large Cap Growth
Intra-Quarter Commentary—May 2024



Stocks rebounded sharply in May after a challenging April, with the major stock indices hitting new all-time highs. Excitement around artificial intelligence (AI) continues to be a motivating force, with investor enthusiasm boosting shares of mega-cap technology stocks. Corporate earnings have been another area of optimism, with earnings growth of 5.9%, exceeding initial expectations of 3.4% *(Source: FactSet)*. Moreover, the U.S. economy has been able to overcome macroeconomic and geopolitical uncertainties, showing solid economic growth that continues to exceed expectations. Looking ahead, lower oil prices, which have receded on de-escalating geopolitical tension, could help reduce inflationary pressures in the near term, while the potential for rate cuts later this year could act as a driver for continued equity performance. With the stock market climbing a wall of worry, we believe that investors will continue to gravitate toward equities as long as the U.S. economy continues to exceed growth expectations and optimism from a solid labor market and a moderation in inflation endures.

Despite what appears to be solid economic footing for equity markets, many risks remain. Notably, the upcoming U.S. presidential election could have a profound impact on both growth and inflation. There are also broad-based signs that the U.S. consumer is weakening. For example, recent retailer earnings reflected a heightened level of trepidation and spending scrutiny amongst consumers. Having driven two-thirds of the U.S. economy historically, incremental weakness in consumer spending could lead to adverse consequences for overall economic growth. In addition, we believe the lagging effects from the Fed's tightening cycle and a deeply inverted yield curve that has been signaling a recession bears watching. Lastly, investor enthusiasm for

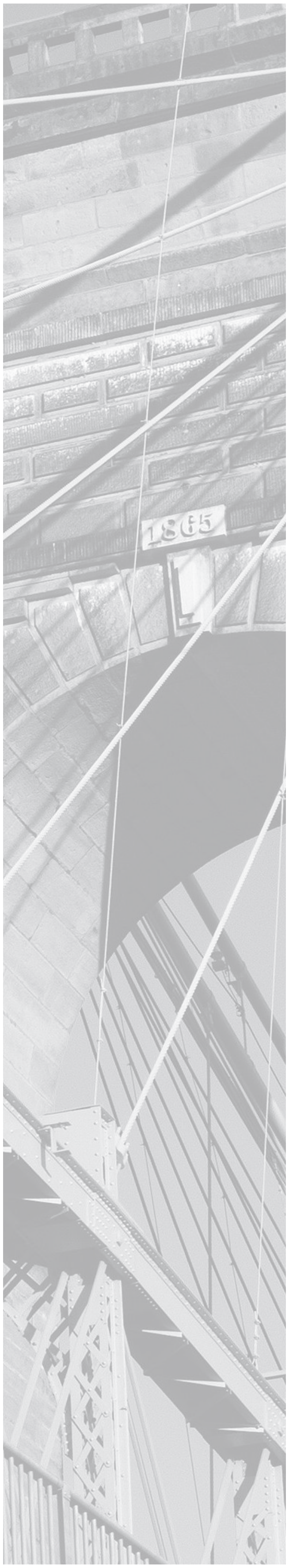
SECTOR WEIGHTS & PORTFOLIO CHANGES[1]

Sector	Ending Weight[2]	Change from 4/30/2024	Large Cap Growth Additions & (Large Cap Growth Deletions)[3]
Information Technology	32.5%	-1.3%	Qualcomm (ANSYS, CDW)
Health Care	16.0%	-1.2%	(UnitedHealth Group)
Consumer Discretionary	12.2%	+0.9%	Airbnb
Industrials	11.5%	+1.5%	Quanta Services
Financials	11.4%	-0.3%	
Communication Services	6.5%	+0.1%	
Materials	3.6%	0.0%	
Consumer Staples	3.5%	+0.2%	
Energy	1.7%	-0.1%	
Cash	1.1%	+0.2%	
Real Estate	0.0%	0.0%	
Utilities	0.0%	0.0%	

(1) Based on a representative account of the strategy discussed. Portfolio characteristics (e.g., sector weights, valuation, growth rate) are based on a representative account that we believe is illustrative of the strategy. All accounts in the strategy are invested identically in the same securities unless a client has imposed restrictions. Characteristics and/or holdings on a given date may vary due to pending trades.
(2) Weights as of the end of the presentation period. Cumulative total weighting may not add up to 100% due to rounding of percentages to the nearest decimal place.
(3) Any securities referenced should not be considered a recommendation to purchase or sell a particular security. These securities represent a portion of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold, or recommended for this strategy. To request a complete list of holdings recommendations for this strategy over the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at compliance@reninv.com.

Source: Renaissance Research, FactSet

Large Cap Growth
Intra-Quarter Commentary—May 2024



CONTRIBUTORS TO RETURN(1)(2)

Ticker	Company Name	Average Weight(3)	Contribution to Return
TOP FIVE CONTRIBUTORS—LARGE CAP GROWTH			
AAPL	Apple	2.93%	0.36%
NFLX	Netflix	1.80%	0.27%
BJ	BJ's Wholesale Club	1.59%	0.27%
VRTX	Vertex Pharmaceuticals	1.71%	0.25%
KLAC	KLA	2.15%	0.21%
BOTTOM FIVE CONTRIBUTORS—LARGE CAP GROWTH			
CRM	Salesforce	1.57%	-0.20%
WEX	WEX	1.59%	-0.19%
LULU	lululemon athletica	1.25%	-0.18%
CDW	CDW	1.49%	-0.16%
LECO	Lincoln Electric Holdings	1.56%	-0.16%

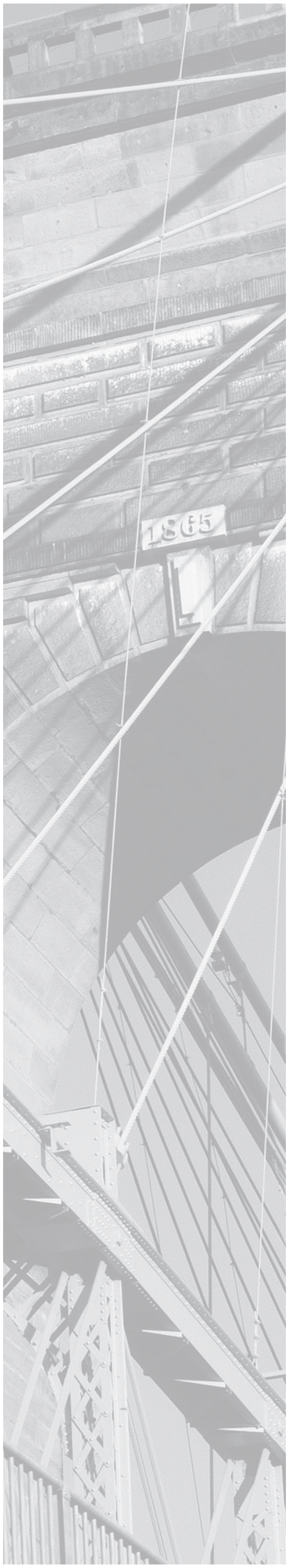
(1) Based on a representative account of the strategy discussed. Portfolio characteristics (e.g., sector weights, valuation, growth rate) are based on a representative account that we believe is illustrative of the strategy. All accounts in the strategy are invested identically in the same securities unless a client has imposed restrictions. Characteristics and/or holdings on a given date may vary due to pending trades.
(2) The securities listed should not be considered a recommendation to purchase or sell a particular security. These securities represent the top five and bottom five contributors by weight to the performance of a representative account in this strategy as of the date stated and are intended for informational purposes only. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold, or recommended for this strategy. To request a complete list of holdings recommendations for this strategy over the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at compliance@reninv.com.
(3) Average weights over the presentation period.

Sources: Renaissance Research, FactSet

AI-related technology stocks leaves the market vulnerable from a valuation perspective, with many of these stocks trading at extreme valuation levels. These headwinds lead us to remain vigilant in our selection of higher-quality growth stocks that trade at more reasonable valuation levels.

The S&P 500 returned 5.0% and the Russell 1000 Growth returned 6.0% in May. Larger-cap stocks continued to outperform smaller-cap stocks and Growth outperformed Value during the month. Within the Russell 1000 Growth Index, the substantial outperformance of mega-cap technology stocks continued, largely driven by Nvidia, which benefits from the buildout of data centers to handle the growth of generative AI workloads. The stock returned almost 27% in May alone, making Nvidia the third-largest company by market cap behind Microsoft and Apple. Not surprisingly, the Information Technology sector was the index's largest contributor to performance, accounting for over 70% of its entire performance. Meanwhile, the Consumer Discretionary and Industrials sectors were the largest underperformers in the month, as investors rotated away from traditionally more cyclical sectors. For the month, we underperformed both our Russell 1000 Growth benchmark and the S&P 500 Index, mainly as a result of our smaller position sizes in mega-cap technology stocks.

We made several changes to the portfolio in May. A new position was added in the Information Technology sector with **Qualcomm** (QCOM), a pioneer of wireless and mobile technologies that is also one of the largest manufacturers of semiconductor processors for the mobile market. With market leadership in several product categories, we believe Qualcomm is poised to benefit as artificial intelligence applications move onto mobile devices and personal computers. The company's latest chip set, the Snapdragon 8 Gen 3, was specifically designed to accommodate



the proliferation of AI applications and should drive sustainable growth for the company. We also like the company's resilient business model, which generates consistent free cash flow, a solid balance sheet, and pricing power, which reduces operational risk. Conversely, we sold our position in **UnitedHealth Group** (UNH) in the wake of deteriorating fundamental factors. From a qualitative perspective, we believe the company will face multiple headwinds that may put future earnings estimates at risk. Specifically, the company will face a demographic headwind as peak baby boomers head into their highest medical utilization years, keeping healthcare reimbursement expenses elevated. In addition, the population of people aging into Medicare will slow sharply beginning in 2026, creating a headwind to overall membership growth. With medical costs set to rise above historical trends and new membership growth set to decelerate in the near future, we believe that the company is likely to face slowing growth and margin compression.

Apple (AAPL) was our best performing stock in May. The stock reacted positively to solid operating results in the first quarter, driven by better Services revenue contribution. In addition, both iPhone sales and China revenues came in better than expected. Apple also announced a large share buyback and dividend and delivered incremental details on its long-awaited artificial intelligence strategy. Another strong performer was **BJ's Wholesale Club** (BJ). The company reported solid quarterly results, benefiting from strong membership growth and customer traffic growth. Importantly, same-store-sales comparisons returned to positive growth, as the company is seeing an improvement in purchase volumes as a result of better merchandising. These operational improvements should lead to better profit margins as higher revenue contributions from non-discretionary items offset disinflation headwinds seen in the company's core grocery volumes.

Conversely, **Salesforce** (CRM) was the worst performer in May after reporting disappointing quarterly results. Despite reiterating full-year guidance, management's commentary has been viewed as uninspiring, as the company is facing weaker bookings driven by macroeconomic weakness, causing its sales cycles to elongate. Software companies in general are experiencing the same phenomenon, whereby companies are trying to figure out their AI strategies without a commensurate increase in their spending budgets. Another underperformer in the month was **WEX** (WEX). Despite reporting solid operating results and providing guidance that exceeded expectations, the stock came under pressure over concerns about a deceleration in transactional volume growth, while operating expenses remained elevated, pressuring core margins. In addition, one of the company's largest customers, Booking Holdings, took some of its business in-house, creating near-term growth headwinds for WEX.

DISCLOSURES

The opinions stated in this presentation are those of Renaissance as of May 31, 2024 and are subject to change at any time due to changes in market or economic conditions.

GICS SECTOR INFORMATION

Sector Listing according to MSCI and S&P Dow Jones data: MSCI and S&P Dow Jones do not make any express or implied warranties or representations and shall have no liability whatsoever with respect to any GICS data contained herein.

PERFORMANCE

If Renaissance or benchmark performance is shown, it represents historically achieved results, and is no guarantee of future performance. All performance is shown in U.S. dollars unless otherwise stated. Future investments may be made under materially different economic conditions, in different securities and using different investment strategies and these differences may have a significant effect on the results portrayed. Each of these material market or economic conditions may or may not be repeated. Therefore, there may be sharp differences between the benchmark or Renaissance performance shown and the actual performance results achieved by any particular client. Benchmark results are shown for comparison purposes only. The benchmark presented represents unmanaged portfolios whose characteristics differ from the composite portfolios; however, they tend to represent the investment environment existing during the time periods shown. The benchmark cannot be invested in directly. The returns of the benchmark do not include any transaction

Continued

Large Cap Growth
Intra-Quarter Commentary—May 2024

costs, management fees or other costs. The holdings of the client portfolios in our composites may differ significantly from the securities that comprise the benchmark shown. The benchmark has been selected to represent what Renaissance believes is an appropriate benchmark with which to compare the composite performance.

The value of an investment may fall as well as rise. Please note that different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will either be appropriate or profitable for a client or prospective client's investment portfolio. Investor principal is not guaranteed and investors may not receive the full amount of their investment at the time of sale if asset values have fallen. No assurance can be given that an investor will not lose invested capital. Consultants supplied with these performance results are advised to use this data in accordance with SEC guidelines. The actual performance achieved by a client portfolio may be affected by a variety of factors, including the initial balance of the account, the timing and amount of any additions to or withdrawals from the portfolio, changes made to the account to reflect the specific investment needs or preferences of the client, durations and timing of participation as a RIM client, and a client portfolio's risk tolerance, investment objectives, and investment time horizon. All investments carry a certain degree of risk, including the loss of principal and are not guaranteed by the U.S. government.

REFERENCED INDICES

(Indices are unmanaged and are not available for direct investment.)

Russell 1000 Growth Index—The Russell 1000® Growth Index is a market capitalization weighted index that measures the performance of those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values.

S&P 500 Index—The S&P 500 Stock Index is a market capitalization weighted index and consists of 500 stocks chosen for market size, liquidity and industry group representation.

RUSSELL DATA

S&P DATA

STOCK REFERENCES

Any securities referenced should not be considered a recommendation to purchase or sell a particular security. These securities represent a portion of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. Nonperformance-based criteria have been used to select the securities listed unless otherwise stated. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold, or recommended for this strategy. To request a complete list of holdings recommendations for this strategy over the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at compliance@reninv.com.