



# SaratogaRIM Large Cap Quality Ultra Focus Composite Statistics

**Q1 2024**

Saratoga Research & Investment Management | SaratogaRIM.com | (408) 741-2330 | 14471 Big Basin Way, Suite E, Saratoga, CA 95070

**Firm Overview:** Saratoga Research & Investment Management, founded in 1995, is an SEC Registered Investment Advisor specializing in the construction and management of equity portfolios composed of high caliber businesses utilizing common sense investment principles for individual and institutional investors.

**Composite Overview:** The SaratogaRIM Large Cap Quality Ultra Focus Composite includes all discretionary portfolios that invest in what the Firm believes to be high-quality companies with low balance sheet, business model (including capital intensity) and valuation risk. This composite is concentrated in the seven highest conviction ideas and will likely have a greater turnover ratio than other composites as it typically restricts cash to no more than 5% of the total portfolio value. See the GIPS Composite Report (Page 4) for the complete composite description.

## SaratogaRIM Large Cap Quality Ultra Focus - Snapshot

Composite Name	SaratogaRIM Large Cap Quality Ultra Focus
Inception Date	12/31/2019
Firm Total Assets	\$ 2,833,197,000
Composite Assets	\$ 134,145,000
GIPS Compliance	Yes

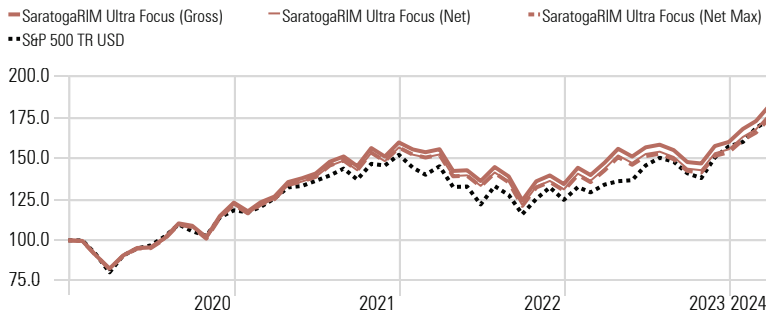
## Investment Results

As of Date:	3/31/2024	Source Data:	Total, Monthly Return				
		Quarter to Date	Year to Date	1 Year	3 Years	Since Inception	
		SaratogaRIM Ultra Focus (Gross)	14.12	14.12	23.99	12.98	15.27
		SaratogaRIM Ultra Focus (Net)	13.99	13.99	23.45	12.33	14.46
		SaratogaRIM Ultra Focus (Net Max)	13.82	13.82	22.75	11.86	14.12
		S&P 500 TR USD	10.56	10.56	29.88	11.49	13.95

## Investment Growth Relative to Benchmark

Time Period: 1/1/2020 to 3/31/2024

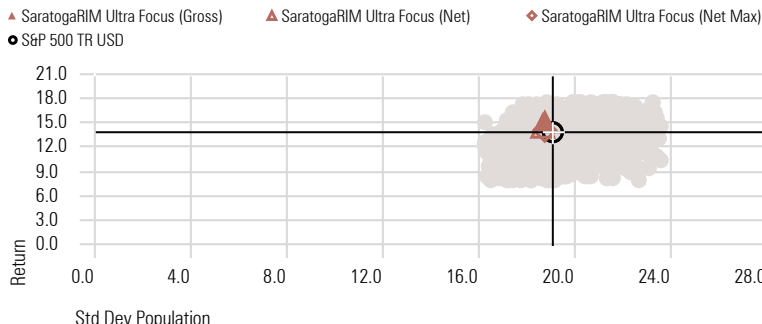
Source Data: Total Return



## Standard Deviation vs. Annualized Rate of Return Relative to Benchmark & Peer Group

Time Period: 1/1/2020 to 3/31/2024

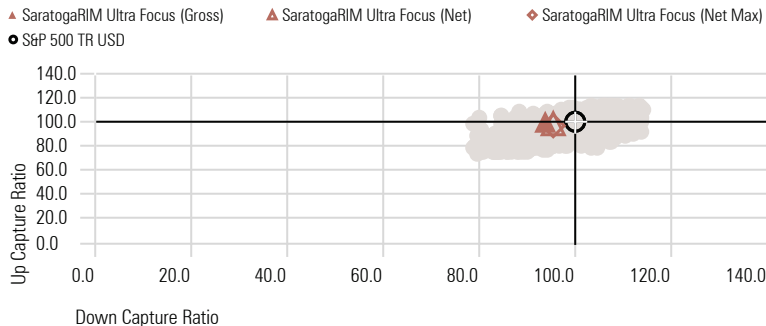
Peer Group (5-95%): Large Cap SA Source Data: Total, Monthly Return



## Market Capture Relative to Benchmark & Peer Group

Time Period: 1/1/2020 to 3/31/2024

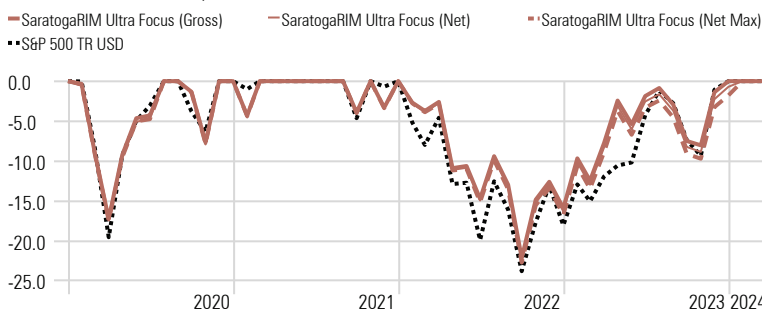
Peer Group (5-95%): Large Cap SA Source Data: Total, Monthly Return



## Drawdown Relative to Benchmark

Time Period: 1/1/2020 to 3/31/2024

Source Data: Total, Monthly Return



## Sector Weightings - GICS

Portfolio Date: 3/31/2024

	Ultra Focus	S&P 500
Consumer Discretionary %	0.00	10.34
Consumer Staples %	12.65	5.97
Energy %	0.00	3.95
Financials %	14.75	13.16
Healthcare %	12.74	12.42
Industrials %	13.99	8.80
Information Technology %	14.91	29.57
Materials %	0.00	2.37
Communication Services %	30.96	8.95
Utilities %	0.00	2.20

## Holding Fundamentals

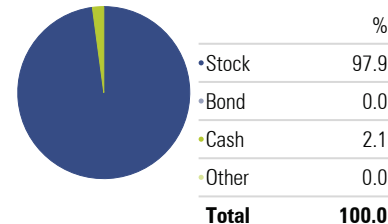
Dividend Yield	1.48
P/E Ratio (TTM)	23.52
P/CF Ratio (TTM)	18.04
P/B Ratio (TTM)	2.94
ROE % (TTM)	19.15
ROA % (TTM)	9.29
Net Margin %	16.32
Est. LT EPS Growth	10.64
Historical EPS Growth	1.97

## Market Capitalization

Average Market Cap (mil)	438,434.55
Market Cap Giant %	56.66
Market Cap Large %	43.34
Market Cap Mid %	0.00

## Asset Allocation

Portfolio Date: 3/31/2024

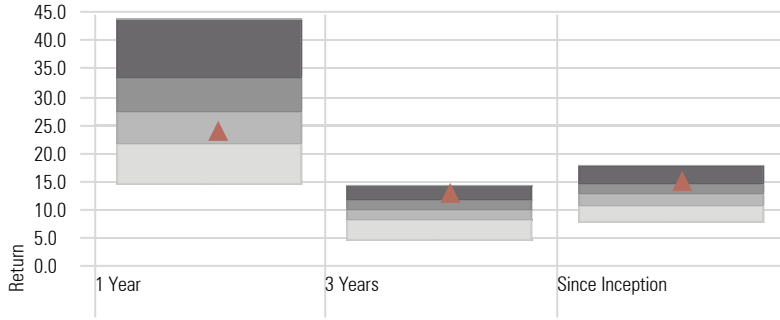


### Investment Results Relative to Peer Group (Gross)

As of Date: 3/31/2024 Peer Group (5-95%): Large Cap SA Source Data: Gross, Monthly Return

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile

▲ SaratogaRIM Ultra Focus (Gross)



### Investment Results Relative to Peer Group (Gross)

As of Date: 3/31/2024 Source Data: Gross, Monthly Return Peer Group: Large Cap SA

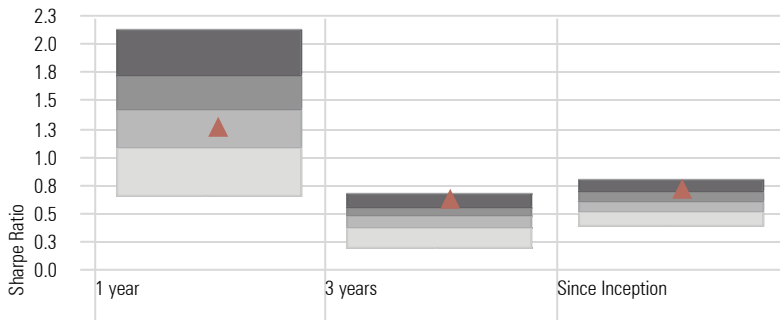
	1 Year	3 Years	Since Inception
SaratogaRIM Ultra Focus (Gross)	23.99	12.98	15.27
S&P 500 TR USD	29.88	11.49	13.95
Median	27.41	9.87	12.79
Average	27.97	9.69	12.74
Count	1,626	1,538	1,467
5th Percentile	43.69	14.07	17.64
25th Percentile	33.35	11.62	14.61
50th Percentile	27.41	9.87	12.79
75th Percentile	21.63	8.11	10.60
95th Percentile	14.34	4.66	7.72

### Sharpe Ratio Relative to Peer Group (Gross)

As of Date: 3/31/2024 Peer Group (5-95%): Large Cap SA Source Data: Gross, Monthly Return

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile

▲ SaratogaRIM Ultra Focus (Gross)



### Sharpe Ratio Relative to Peer Group (Gross)

As of Date: 3/31/2024 Source Data: Gross, Monthly Return Peer Group: Large Cap SA

	1 Year	3 Years	Since Inception
SaratogaRIM Ultra Focus (Gross)	1.28	0.64	0.73
S&P 500 TR USD	1.60	0.54	0.67
Median	1.42	0.47	0.60
Average	1.39	0.45	0.60
Count	1,626	1,538	1,467
5th Percentile	2.13	0.67	0.79
25th Percentile	1.72	0.55	0.68
50th Percentile	1.42	0.47	0.60
75th Percentile	1.08	0.37	0.51
95th Percentile	0.66	0.19	0.39

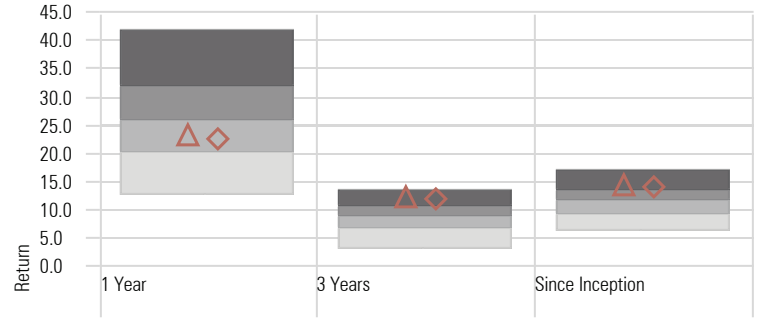
### Investment Results Relative to Peer Group (Net)

As of Date: 3/31/2024 Peer Group (5-95%): Large Cap SA Source Data: Net, Monthly Return

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile

▲ SaratogaRIM Ultra Focus (Net)

◆ SaratogaRIM Ultra Focus (Net Max)



### Investment Results Relative to Peer Group (Net)

As of Date: 3/31/2024 Source Data: Net, Monthly Return Peer Group: Large Cap SA

	1 Year	3 Years	Since Inception
SaratogaRIM Ultra Focus (Net)	23.45	12.33	14.46
SaratogaRIM Ultra Focus (Net Max)	22.75	11.86	14.12
S&P 500 TR USD	29.88	11.49	13.95
Median	25.99	8.73	11.49
Average	26.61	8.54	11.53
Count	1,611	1,522	1,452
5th Percentile	41.90	13.32	16.99
25th Percentile	31.82	10.56	13.62
50th Percentile	25.99	8.73	11.49
75th Percentile	20.12	6.64	9.28
95th Percentile	12.90	3.22	6.35

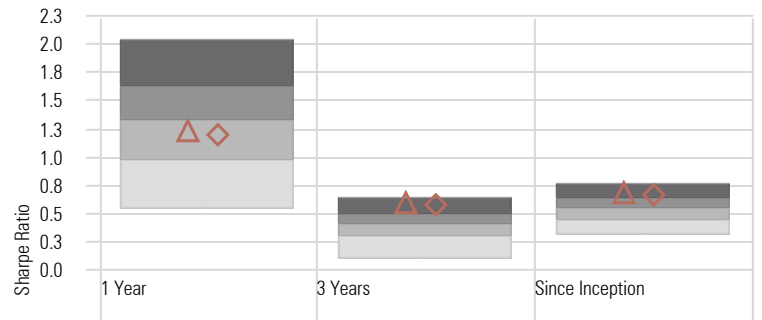
### Sharpe Ratio Relative to Peer Group (Net)

As of Date: 3/31/2024 Peer Group (5-95%): Large Cap SA Source Data: Net, Monthly Return

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile

▲ SaratogaRIM Ultra Focus (Net)

◆ SaratogaRIM Ultra Focus (Net Max)



### Sharpe Ratio Relative to Peer Group (Net)

As of Date: 3/31/2024 Source Data: Net, Monthly Return Peer Group: Large Cap SA

	1 Year	3 Years	Since Inception
SaratogaRIM Ultra Focus (Net)	1.25	0.60	0.70
SaratogaRIM Ultra Focus (Net Max)	1.20	0.58	0.68
S&P 500 TR USD	1.60	0.54	0.67
Median	1.33	0.41	0.55
Average	1.31	0.39	0.54
Count	1,611	1,522	1,452
5th Percentile	2.05	0.64	0.75
25th Percentile	1.63	0.50	0.64
50th Percentile	1.33	0.41	0.55
75th Percentile	0.98	0.29	0.44
95th Percentile	0.55	0.11	0.31

---

# Disclosures & Definitions

*See additional important disclosures and composite-specific information within the GIPS Composite Report (Page 4).*

Saratoga Research & Investment Management ("SaratogaRIM" or "the Firm") is an SEC Registered Investment Advisor. SEC Registration does not constitute an endorsement of the Firm by the Commission, nor does it indicate the advisor has attained a particular level of skill or ability. Advisory services are not made available in any jurisdiction in which SaratogaRIM is not registered or otherwise exempt from registration.

This report was generated by SaratogaRIM through Morningstar Direct's Presentation Studio using data from Morningstar Direct and Advent Axys. SaratogaRIM composite performance statistics are based off gross-of-fee or net-of-fee monthly performance data uploaded to Morningstar. Results of Morningstar's calculations may vary slightly from SaratogaRIM's own reported statistics within the GIPS Composite Report due to rounding. The Peer Group statistics within this report contain U.S. Large Cap separate account managers that appear in the Morningstar database for the relevant periods shown as of the report generated date. The information and statistical data contained herein have been obtained from sources that SaratogaRIM believes to be reliable but in no way are warranted by the Firm as to accuracy or completeness.

Results of the SaratogaRIM Large Cap Quality Ultra Focus Composite do not reflect the results of any one portfolio in the composite. Performance figures are based on historical information and do not guarantee future results. Actual current performance may be higher or lower than the performance presented. All investing entails the risk of loss. This summary is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities and may not be relied upon in connection with any offer or sale of securities. It is not intended to serve as a substitute for personalized investment advice. Prospective clients should recognize the limitations inherent in the composite strategy and should consider all information presented regarding the Firm's investment management capabilities. The contents of this report are only a portion of the original material and research and should not be relied upon in making investment decisions.

Gross-of-fee returns are calculated gross of management, custodial and external consultant or advisory fees and net of transaction costs. Net-of-fee returns are calculated net of actual management fees and transaction costs and gross of custodian fees and external consultant or advisory fees. Prior to October 31, 2022, non-fee-paying accounts were included in composite net-of-fee return calculations without a fee rate; per the SEC Marketing Rule effective November 4, 2022, net-of-fee returns labeled "Net" now include a model fee rate of 1.00% for all non-fee-paying accounts. Additionally, a separate net-of-fee return calculation has been added to SaratogaRIM marketing materials using the current maximum fee rate charged by SaratogaRIM for the SaratogaRIM Large Cap Quality Ultra Focus Composite (1.00%, labeled "Net Max"). Calculations are available upon request. Information pertaining to the Firm's advisory fees is set forth in SaratogaRIM's current disclosure statement, which is available upon request.

**Definitions:** Standard Deviation measures the dispersion of a dataset relative to its mean. Sharpe Ratio is a risk-adjusted measure that is calculated by using excess return and standard deviation to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance. Excess Return measures the difference in return, cumulative or annualized, between the strategy and a benchmark. Market Capture Ratios measure the extent to which a strategy participates in market moves over time; Up (Down) Market Capture measures relative performance in months which the benchmark generates positive (negative) returns over time. Drawdown is a measure of peak-to-trough decline over the period of time until a new high is reached.

**Benchmark Disclosures:** Benchmarks are unmanaged and provided to represent the investment environment in existence during the time periods shown. The S&P 500® Total Return Index has been selected as the benchmark for comparison purposes. The S&P Total Return Index assumes that all dividends and distributions are reinvested. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. Portfolios are managed according to their respective strategies which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of benchmarks. An index is not available for direct investment, and does not reflect any of the costs associated with buying and selling individual securities or any other fees, expenses, or charges. | The S&P 500 Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by SaratogaRIM. Standard & Poor's®, S&P®, and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by SaratogaRIM. SaratogaRIM's products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

© 2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.



# GIPS Composite Report

## SaratogaRIM Large Cap Quality Ultra Focus

**Q1 2024**

Saratoga Research & Investment Management | SaratogaRIM.com | (408) 741-2330 | 14471 Big Basin Way, Suite E, Saratoga, CA 95070

### Composite Performance Statistics

Year	Composite Gross TWR	Composite Net TWR	Composite Net Max TWR	S&P 500 Total Return	Standard Deviation	3 Yr Ann Standard Dev		# of Portfolios in Composite	End of Period Composite Assets	End of Period Total Firm Assets
						Composite Net TWR	S&P 500 Total Return			
2020	23.11	21.91	21.89	18.40	n/a	-	-	2	147,707.23	2,631,534,466.80
2021	29.97	28.68	28.67	28.71	n/a	-	-	4	430,534.27	2,957,751,865.10
2022	-15.95	-16.36	-16.79	-18.11	n/a	20.35	20.87	20	74,388,527.10	2,603,780,552.47
2023	19.21	18.71	18.03	26.29	0.12	16.69	17.29	37	96,046,135.51	2,740,178,823.29
03/31/24	14.11	13.99	13.82	10.56	n/a	16.62	17.35	45	134,145,473.27	2,833,197,181.00
Trailing Annualized Returns as of 3/31/24										
1 Year	23.98	23.45	22.75	29.88						
5 Year										
10 Year										
Composite Inception	15.27	14.46	14.12	13.95						

**Firm Description:** Saratoga Research & Investment Management ("SaratogaRIM" or "the Firm") is an SEC Registered Investment Advisor specializing in the construction and management of equity portfolios composed of high caliber businesses utilizing common sense investment principles. SEC Registration does not constitute an endorsement of the Firm by the Commission, nor does it indicate the advisor has attained a particular level of skill or ability. The Firm's investment process is designed to meet the long-term needs of conservative individual and institutional investors. Advisory services are not made available in any jurisdiction in which SaratogaRIM is not registered or otherwise exempt from registration. The Firm was founded in 1995; prior to March 7, 2007, Saratoga Research & Investment Management was known as Tanner & Associates Asset Management.

**Composite Description:** The SaratogaRIM Large Cap Quality Ultra Focus Composite includes all discretionary portfolios that invest in what the firm believes to be high-quality companies with low balance sheet, business model (including capital intensity) and valuation risk. This composite is concentrated in the seven highest conviction ideas and will likely have a greater turnover ratio than other composites as it typically restricts cash to no more than 5% of the total portfolio value. Individual position sizes are typically set at 14% of the total portfolio value, but weightings can fluctuate over time and there is no maximum or minimum size for an individual position. While the investment criteria for this composite narrows the investable universe to predominantly large-cap companies based in the U.S., the composite has no restrictions on market cap size or where the company is domiciled. Investment ideas that do not meet the stated composite criteria ("outside the box ideas") are allowed so long as they do not cumulatively represent more than 30% of the total portfolio value. The minimum requirement to establish a new account is \$25,000. The minimum asset level is \$10,000. Inception date: December 31, 2019. Creation date for GIPS: December 31, 2019.

**GIPS Compliance:** SaratogaRIM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. SaratogaRIM has been independently verified by The Spaulding Group for the periods March 1, 2000 through December 31, 2022. | 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. The SaratogaRIM Large Cap Quality Ultra Focus Composite has had a performance examination for the periods December 31, 2019 through December 31, 2022. The verification and performance examination reports are available upon request. | 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. | A list of SaratogaRIM's composite descriptions is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request. To obtain GIPS-compliant performance information for SaratogaRIM's strategies and products, please contact Marc Crosby, President, at (408) 741-2332 or Marc@SaratogaRIM.com.

**Disclosures:** Results of the SaratogaRIM Large Cap Quality Ultra Focus Composite do not reflect the results of any one portfolio in the composite. Valuations are computed and performance is reported in U.S. dollars based on trade dates as of month-end, net-of-fees, while accounting for dividend reinvestment. Aggregate composite returns are calculated using the Average Capital Base equation (also known as the Modified Dietz method), which utilizes the beginning asset value plus weighted cash flows. Gross and Net TWRs are calculated based on the geometric linking of the monthly internal rate of return for portfolios present for the entire month. Individual portfolios are revalued monthly; portfolios are also revalued intra-month when large external cash flows occur in excess of 10% of the portfolio's fair value. Daily reconciliation is performed between the Firm's records and the custodian and broker records through Advent to verify client assets. Gross-of-fee returns are calculated gross of management, custodial and external consultant or advisory fees and net of transaction costs. Net-of-fee returns are calculated net of actual management fees and transaction costs and gross of custodian fees and external consultant or advisory fees. Prior to October 31, 2022, non-fee-paying accounts were included in composite net-of-fee return calculations without a fee rate; per the SEC Marketing Rule effective November 4, 2022, net-of-fee returns labeled "Net" now include a model fee rate of 1.00% for all non-fee-paying accounts. The model fee rate for non-fee-paying portfolios was applied quarterly until October 2022, when the Firm switched to deducting monthly. Additionally, a separate net-of-fee return calculation has been added to SaratogaRIM marketing materials using the current maximum fee rate charged by SaratogaRIM for the SaratogaRIM Large Cap Quality Ultra Focus Composite (1.00%, labeled "Net Max"). The "Net Max" return fee data represents the reduction of the gross of fee composite returns by the monthly portion of the annual model fee rate of 1.00%. The SaratogaRIM fee is normally 1.00% for the SaratogaRIM Large Cap Quality Ultra Focus Composite; may be negotiated, as warranted by special circumstances. Dispersion is calculated as the asset-weighted standard deviation of annual net-of-fee portfolio returns around the median net-of-fee portfolio return in the composite. Dispersion is based only on portfolios that were in the composite for the full annual period and is only shown for the annual periods where the composite had more than 5 portfolios for the full year. The 3-year annual standard deviation (external dispersion) is based on net-of-fee returns.

**Benchmark Disclosures:** Benchmarks are unmanaged and provided to represent the investment environment in existence during the time periods shown. The S&P 500® Total Return Index has been selected as the benchmark for comparison purposes. The S&P Total Return Index assumes that all dividends and distributions are reinvested. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. Portfolios are managed according to their respective strategies which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of benchmarks. An index is not available for direct investment, and does not reflect any of the costs associated with buying and selling individual securities or any other fees, expenses, or charges. | The S&P 500 Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by SaratogaRIM. Standard & Poor's®, S&P®, and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by SaratogaRIM. SaratogaRIM's products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.