

## SGA International ADR Equity

Global markets fell in the first quarter due to ongoing pandemic-related challenges including supply chain disruptions and rising inflation, which was further exacerbated by the Russia-Ukraine conflict. The surge in energy and commodity costs dampened global growth expectations which was later followed by interest rate hikes by several central banks. International stocks, as measured by the MSCI EAFE Net Index, returned -5.91% in the first quarter, and in this environment, the International ADR Equity strategy underperformed the benchmark.

The SGA Alpha Model had negative performance for the quarter among non-U.S. large cap developed equities. Within the Model, the Growth and Sentiment categories were the largest detractors, while the Quality category also slightly underperformed. This was partially offset by strong performance from the Valuation category, particularly in January and February, where SGA's Residual Income Model was the top performing factor.

Stock selection was strong in Information Technology and Materials, offset by weak selection in Consumer Staples, Health Care, and Financials. In Consumer Staples, U.K. bottler Coca-Cola HBC and Danish brewer Carlsberg fell due to Russian revenue exposure. In Health Care, detractors included Hoya and Icon which cited slowing growth trends. In Financials, Barclays reported a trading error, while Credit Agricole's higher Russian exposure weighed on the shares. Credit Agricole was subsequently sold. In Information Technology, contributors included Edenred and cyber security firm Check Point. In Materials, Rio Tinto, Norsk Hydro, and BHP benefited from a strong commodities environment.

Stock selection was strong in France, Singapore, and South Korea, offset by weak selection in the U.K., Denmark, and Germany. Companies sensitive to the Russian-Ukraine conflict or to rising commodity prices underperformed including German chemicals company Covestro, logistics firm Deutsche Post, and utility company E.ON. Retail companies also retreated after reporting moderating sales trends and included jeweler Pandora in Denmark and Next in the U.K. In France, Ipsen beat earnings expectations. Asian banks outperformed including KB Financial Group and Woori Financial in South Korea, and United Overseas Bank and DBS Group in Singapore.

### Ten Calendar Years – Annual Composite Performance

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 YTD
<b>International ADR Equity (Gross) %</b>	24.50	24.38	0.67	4.67	0.72	23.69	-14.33	22.46	6.86	14.85	-7.30
<b>International ADR Equity (Net)* %</b>	23.34	23.22	-0.28	3.68	-0.23	22.60	-14.98	21.56	6.05	13.99	-7.47
<b>MSCI EAFE Index (Net) %</b>	17.32	22.78	-4.90	-0.81	1.00	25.03	-13.79	22.01	7.82	11.26	-5.91
<b>SGA Relative (Gross) %</b>	7.18	1.60	5.57	5.48	-0.28	-1.35	-0.54	0.44	-0.95	3.59	-1.39

\*Net of fees performance was calculated using the highest applicable annual management fee of 0.75% applied monthly effective October 1, 2017. Prior to October 1, 2017, net of fees performance was calculated using the highest applicable annual management fee of 0.95% applied monthly effective September 1, 2007. Prior to September 1, 2007, net of fees performance was calculated using the highest applicable annual management fee of 0.50% applied monthly; actual investment advisory fees incurred by clients may vary.

A limited performance period of ten calendar years is shown, the inception of the strategy was June 30, 2006.

PERFORMANCE STATISTICS	SGA INTL ADR EQUITY	MSCI EAFE NET	PORTFOLIO CHARACTERISTICS	SGA INTL ADR EQUITY	MSCI EAFE NET
Standard Deviation	16.96%	17.14%	Number of Stocks	104	825
Upside Market Capture	99.85%	100%	Price/Earnings (1-Year Forecast)	11.0x	13.6x
Downside Market Capture	94.53%	100%	Price/Book	1.9x	1.8x
Information Ratio	0.50	--	Weighted Average Market Cap	\$75.2B	\$85.1B
			Median Market Cap	\$33.1B	\$48.3B
			Estimated Annual Turnover	40-60%	--

Performance statistics are calculated since inception of the strategy, June 30, 2006, through March 31, 2022 based on gross of fees returns. Please see additional information contained in the GIPS® Report, which is located at the end of this presentation. Portfolio characteristics are based on a representative account and calculated as of March 31, 2022.

SECTOR WEIGHTS*	SGA INTL ADR EQUITY (%)	MSCI EAFE NET (%)
Communication Services	4.53	4.85
Consumer Discretionary	10.14	11.54
Consumer Staples	10.63	10.19
Energy	3.76	4.14
Financials	17.47	17.71
Health Care	13.73	13.05
Industrials	15.81	15.40
Information Technology	9.95	8.60
Materials	7.82	8.23
Real Estate	2.06	2.89
Utilities	3.48	3.39
Cash	0.64	0.00

TOP 10 HOLDINGS*	SGA INTL ADR EQUITY (%)	MSCI EAFE NET (%)
ADR ROCHE HLDG LTD	3.06	1.82
ADR WOLTERS KLUWER	2.44	0.17
ADR RIO TINTO PLC	2.09	0.56
ADR 3I GROUP	2.05	0.11
ADR ORIX CORP	2.01	0.15
ADR E.ON SE	1.99	0.16
ADR L OREAL SA	1.96	0.63
ADR BHP GROUP LTD	1.87	1.22
ADR ASML HLDG NV	1.86	1.74
ADR ROYAL DUTCH SHELL PLC	1.72	1.32
<b>Top 10 Holdings</b>	<b>21.05</b>	<b>7.88</b>

## SGA PORTFOLIO MANAGEMENT TEAM

### Cynthia Tusan, CFA

CEO, Senior Portfolio Manager  
33 years of investment experience

### Gary Baierl, PhD

Chief Investment Officer  
24 years of investment experience

### Mark Wimer, CFA

Senior Portfolio Manager  
27 years of investment experience

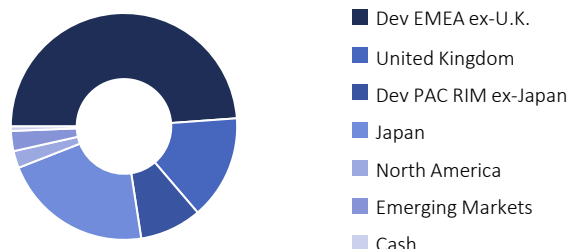
### Cherie Badri, CFA

Director of Fundamental Research, Senior Portfolio Manager  
27 years of investment experience

### Brendan Skarra-Corson, CFA

Senior Portfolio Manager  
15 years of investment experience

## REGIONAL DIVERSIFICATION



REGION WEIGHTS*	SGA INTL ADR EQUITY (%)	MSCI EAFE NET (%)
Dev EMEA ex-U.K.	48.86	49.73
United Kingdom	14.86	15.26
Dev PAC RIM ex-Japan	8.84	12.70
Japan	21.51	22.31
North America	2.43	0.00
Emerging Markets	2.86	0.00
Cash	0.64	0.00

*Fundamentally Inspired.  
Quantitatively Driven.*

Source: FactSet, Northern Trust, MSCI, SGA

\*Holdings, sector, country, and regional diversification represents the holdings, sectors, and country weights in the SGA International ADR Equity representative account as of the date noted. These holdings, sectors, country, and regional weights are subject to change without notice. Individual account data may vary. This information is supplemental to the GIPS® Report.

The MSCI EAFE (Europe, Australasia, Far East) Index (Net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets, excluding the U.S. and Canada. The MSCI EAFE Index (Net) returns include reinvestment of dividends and other earnings, and are not available for direct investment.

Investors should consider all factors, including investment objectives, fee charges, other expenses and risks carefully before investing in this product. A foreign investment offers diversifying characteristics, but also involves greater risks than investing in securities of U.S. issuers, including currency, political and stock specific risks. SGA products may have a negative return in a variety of markets whether rising or falling. The foreign security performance can be volatile and investors could lose a substantial amount of their investments. This material should not be reproduced or distributed to anyone else, but used solely by the recipient and their investment advisors. This material provides information on Strategic Global Advisors and their investment strategies and is not intended to be construed as an offer to sell or buy their products.

There is potential for shortfall in any investment process due to a variety of factors including, but not limited to, data and system imperfections, analyst judgment, and the complex nature of designing and implementing portfolio construction systems and other quantitative models. Such shortfalls in systematic or quantitative processes in particular pose broader risk because they may be more pervasive in nature. Furthermore, SGA's systems may not necessarily perform in a manner in which they have historically performed or were intended to perform. SGA recognizes that such shortfalls are inherent to both fundamental and systematic or quantitative processes, and believes that combining both approaches improves the opportunity to reduce these shortfalls. However, these efforts may not necessarily result in the identification of profitable investments or the management of risk.

**SGA INTERNATIONAL ADR EQUITY GIPS® REPORT**

YEAR END	TOTAL FIRM ASSETS (MILLIONS)	COMPOSITE ASSETS			ANNUAL PERFORMANCE RESULTS				3-YEAR ANNUALIZED EX-POST STANDARD DEVIATION**	
		USD (MILLIONS)	NO. OF ACCOUNTS	% OF WRAP ACCOUNTS	COMPOSITE GROSS*	COMPOSITE NET	MSCI EAFE INDEX (NET)	COMPOSITE DISPERSION	COMPOSITE GROSS	MSCI EAFE INDEX (NET)
2021	4,365	26	5	0%	14.85%	13.99%	11.26%	N/A	16.80%	17.16%
2020	5,045	167	5	0%	6.86%	6.05%	7.82%	N/A	17.68%	18.14%
2019	5,139	126	5	0%	22.46%	21.56%	22.01%	N/A	11.42%	10.96%
2018	3,944	105	5	0%	-14.33%	-14.98%	-13.79%	N/A	11.18%	11.40%
2017	4,085	28	7	16%	23.69%	22.60%	25.03%	0.13%	10.98%	12.00%
2016	3,023	22	6	35%	0.72%	-0.23%	1.00%	N/A	11.92%	12.64%
2015	2,548	18	5	18%	4.67%	3.68%	-0.81%	N/A	11.63%	12.64%
2014	1,141	12	3	24%	0.67%	-0.28%	-4.90%	N/A	12.25%	13.21%
2013	715	<1	1	100%	24.38%	23.22%	22.78%	N/A	15.70%	16.48%
2012	441	<1	1	100%	24.50%	23.34%	17.32%	N/A	18.89%	19.65%
2011	313	<1	1	100%	-8.54%	-9.41%	-12.14%	N/A	22.40%	22.75%
2010	153	<1	1	100%	9.79%	8.76%	7.75%	N/A	26.87%	26.61%
2009	145	<1	1	100%	36.39%	35.13%	31.78%	N/A	24.55%	23.91%
2008	128	5	2	6%	-44.64%	-45.19%	-43.38%	N/A	N/A	N/A
2007	109	8	2	6%	5.96%	5.27%	11.17%	N/A	N/A	N/A

N/A - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

\*Pure gross returns are shown as supplemental information and for bundled fee accounts are stated gross of all fees and transaction costs.

\*\*The 3-year annualized ex-post standard deviation is not shown when there are not 36 monthly performance returns available.

SGA International ADR Equity Composite includes all discretionary, equity only accounts whose primary investment objective is growth, and secondarily yield, and are invested in international large cap ADRs. The minimum account size for this composite is \$100 thousand. Key material risks include foreign company, currency, political, and economic events unique to a country or region that may affect those markets and their issuers. Prior to December 31, 2016, accounts in the composite held at least 75 securities. As of January 1, 2017, minimum number of securities is no longer required for accounts to be included in the composite. Beginning January 1, 2017, accounts in this composite may contain client imposed investment restrictions. For comparison purposes, the composite is compared to the MSCI EAFE Net Index, which includes large and mid-cap companies in developed market countries, excluding the U.S. and Canada. The International ADR Equity Composite was created on December 1, 2018 with a performance inception date of June 30, 2006. Prior to December 31, 2016, the International ADR Equity Composite was known as the International Large Cap Core ADR Equity Composite.

Strategic Global Advisors, LLC (SGA) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. SGA has been independently verified for the periods December 1, 2005 through December 31, 2020. The verification report(s) is/are 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.

SGA is an independently registered investment advisor. Registration does not imply any level of skill or training. A list of all composite and pooled fund investment strategies offered by the firm, with a description of each strategy, is available upon request. The type of portfolios in which each strategy is available (segregated account, limited distribution pooled fund, or broad distribution pooled fund) is indicated in the description of each strategy. Composite performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. Composite returns represent investors domiciled primarily in the United States. The MSCI EAFE Net Index uses withholding tax rates applicable to Luxembourg holding companies.

The U.S. dollar is the currency used to express performance. This composite consists of both bundled fee (or wrap fee) and non-bundled fee accounts. Between July 1, 2006 and August 31, 2007, the composite included only non-bundled fee accounts. From December 1, 2009 through December 31, 2013, 100% of the composite consisted of bundled fee (or wrap fee) accounts. For bundled fee accounts, these accounts pay a fee based on a percentage of assets under management, which besides brokerage commissions, this fee includes portfolio monitoring, consulting services, and in some cases, custodial services. Returns are presented gross and net of fees and include the reinvestment of all income. Gross returns are shown as supplemental information and for bundled fee accounts are stated gross of all fees and transaction costs; net returns are reduced by management fees and transaction costs. Beginning January 1, 2017, less than 1% of the composite consisted of non-fee paying accounts. Composite net of fees performance was calculated by reducing the gross of fees return by the maximum annual management fee of 0.75% applied monthly effective October 1, 2017. Prior to October 1, 2017, composite net of fees performance was calculated using the maximum annual management fee of 0.95% applied monthly effective September 1, 2007. Prior to September 1, 2007, net of fees performance was calculated using the highest applicable annual management fee of 0.50% applied monthly. Please note that the maximum annual management fee for the respective period may differ from the actual investment advisory fees incurred by clients.

The annual composite dispersion presented is a gross of fees asset weighted standard deviation calculated for the accounts in the composite the entire year and is only presented for periods with more than five accounts in for the entire year. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.



Factsheet — March 31, 2022

## SGA International ADR Equity

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Past performance is not indicative of future results.

Maximum annual management fee is 0.75%; actual investment advisory fees incurred by clients may vary.

Please note: Previous versions of this product sheet contained related performance for periods November 30, 2005 to June 30, 2006. Performance shown prior to June 30, 2006 represents the International Equity Composite, which was a similar strategy to the International ADR Equity Composite but utilizes ordinary foreign shares instead of ADRs. The revised figures are included here. Additionally, all periods presented prior to December 1, 2018 include bundled fee portfolios. On December 1, 2018, the bundled fee portfolios were removed from this composite to the International ADR Wrap Equity composite.

Please contact SGA if you have questions.

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