

Mondrian International Equity SMA

International Equity SMA Model at a Glance

- Total Product Assets: USD 2.0 billion
- Product Inception: December 1, 2009
- Active, fundamental long-term value investment philosophy
- Consistent application of income oriented valuation approach
- Detailed, long-term fundamental company analysis
- History of outperformance versus the benchmark with lower volatility

Our Organization

- Founded in 1990, with over 30 years of stable, consistent leadership
- Over USD 55 billion under management and advisement
- Mondrian is employee owned; approximately half of employees are partners today
- Consistent, income-oriented value discipline has been applied to all products since the firm's inception
- Highly experienced team of 60 investment professionals in London

Philosophy

We invest in stocks where rigorous dividend discount analysis isolates value in terms of the long-term flow of dividends. Dividend yield and future real growth play a central role in our decision making process and over time the dividend component is expected to be a meaningful portion of expected total return.

Benefits of Our Approach

Mondrian's approach focuses on providing a rate of return meaningfully greater than the client's domestic rate of inflation. Our portfolios seek to preserve capital during protracted global market declines. Additionally, our portfolio performance has historically been less volatile than the international equity benchmarks and most other international equity managers.

Investment Process

- A value oriented dividend discount analysis at both the individual security and market level isolates value across geographic and industrial borders in a unified manner
- A long term purchasing power parity approach, supplemented by shorter-term probability assessment
- Fundamental research is strongly emphasized. An extensive program of company and market visits enhances initial qualitative and quantitative desk research, both prior to the purchase of a stock and after its inclusion in the portfolio

Performance Summary (USD)

Composite	Composite Gross (%)	Composite Net (%)	MSCI EAFE Index (%)	MSCI EAFE Value Index (%)
Cumulative				
Q122	-2.5%	-2.6%	-5.9%	0.3%
Annualized				
1 Year	3.1%	2.5%	1.2%	3.6%
3 Years	5.8%	5.2%	7.8%	5.2%
5 Years	5.7%	5.1%	6.7%	4.2%
7 Years	5.1%	4.5%	5.1%	3.1%
10 Years	6.8%	6.2%	6.3%	4.9%
SI (Dec 1, 2009)	6.0%	5.4%	5.6%	4.0%

Characteristics

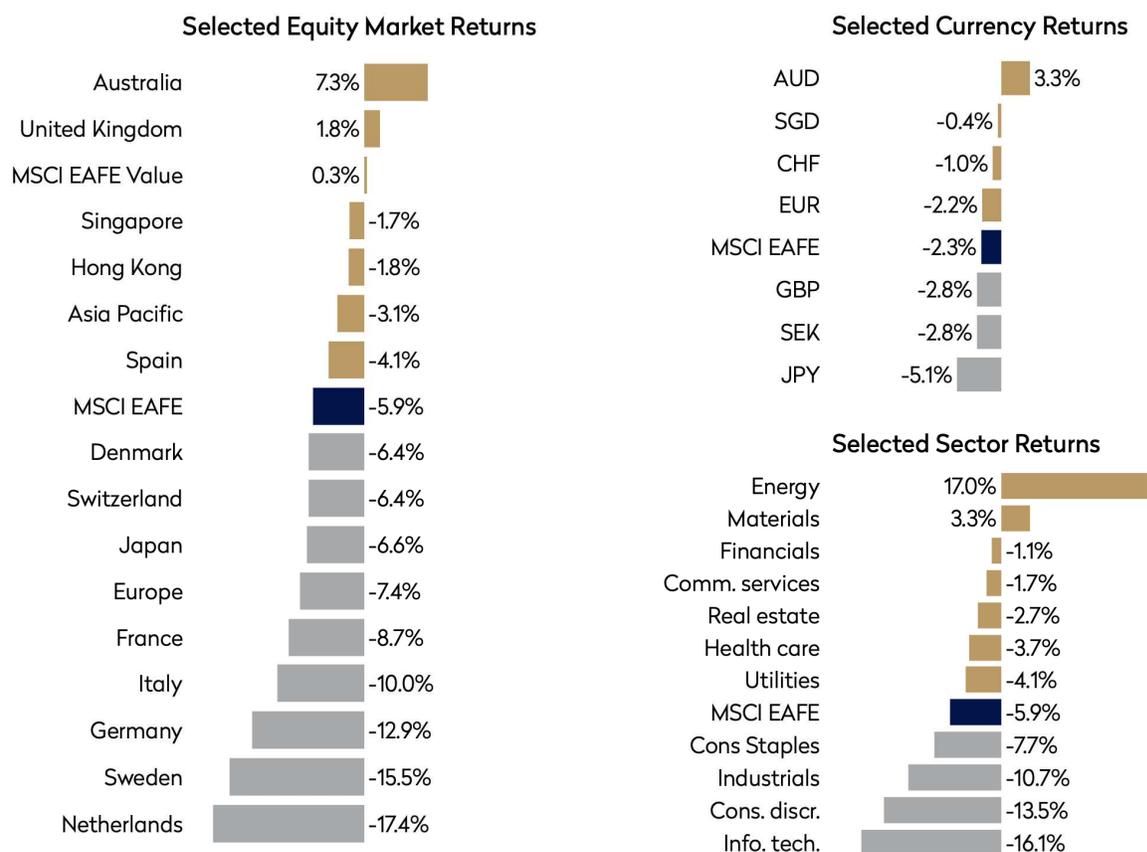
Characteristics	Mondrian	MSCI EAFE
Number of Holdings	38	825
Weighted Average Market Cap	\$73.4 billion	\$81.7 billion
Median Market Cap	\$36.1 billion	\$12.9 billion
Price to Earnings	11.8x	15.5x
Price-to-Book	1.3x	1.8x
Dividend Yield	3.7%	2.9%

Performance Review

Equity markets declined in the first quarter. January was the weakest month since March 2020, driven by increased expectations of monetary policy tightening amid rising inflation. Russia's invasion of Ukraine, which prompted sanctions, disruptions to supply chains and further inflationary pressure from commodity prices exacerbated the weakness. The energy sector was the standout performer, rising 17% as the isolation of Russia from the West raised concerns over the supply of oil, which rallied to its highest level since 2008. Asia Pacific markets led Europe, helped by lower exposure to Russia. Depreciation of most international currencies held back US dollar returns.

In a weak quarter for equity markets, portfolio returns exceeded the index, driven by strong stock selection.

Market Background: MSCI EAFE Index (USD)



Performance Attribution

	Relative Effects	Negative Contributors	Positive Contributors
Country Allocation	Added	Underweight Australia	Overweight UK Underweight Netherlands
Stock Selection	Added	UK	Singapore Hong Kong Sweden
Significant Stock Contributors		Continental Kingfisher Sony	United Overseas Bank Shell CK Hutchison
Currency Allocation	Held back	Underweight Australian dollar Overweight Japanese yen	Overweight Hong Kong dollar

The overweight position in the UK added to relative returns

The positive impact of the portfolio's overweight position in the strong UK equity market and the underweight position in the weak Dutch equity market more than offset the underweight position in the strong Australian equity market.

The Netherlands was the weakest performer due to its high IT exposure which weighed on returns. In contrast, the UK was supported by high exposure to the energy and materials sectors.

Stock selection in Singapore, Hong Kong and Sweden added to relative returns

Strong stock selection in Hong Kong was driven by the position in CK Hutchison, conglomerate, which benefitted from COVID re-opening. In Singapore, United Overseas Bank was also strong as the central bank tightened monetary policy amid higher inflation.

Relative returns were supported by the overweight position in the strong energy sector

The positive impact of the portfolio's overweight positions in the relatively strong energy and communication services sectors more than offset the underweight position in the strong materials sector. Stock selection within the industrials, health care and financials sectors added to relative returns.

Currency allocation held back relative returns

The underweight position in the strong Australian dollar and the overweight position in the weak Japanese yen held back relative returns.

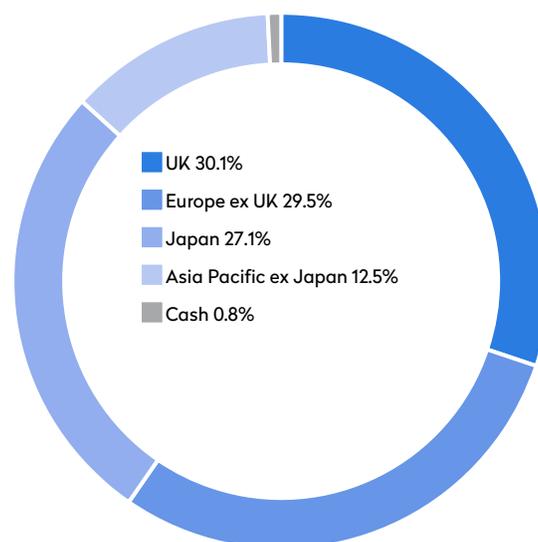
Investment Strategy

Mondrian's bottom-up fundamental research process utilizes a long-term dividend discount model to isolate value at the individual security level, in an approach that makes valuations comparable across differing markets and sectors. The following positioning is a consequence of this investment philosophy:

	Overweight Positions	Underweight Positions
Country Positioning	Asia Pacific United Kingdom	Australia Switzerland
Sector Positioning	Communication services Utilities Energy	Materials Industrials Consumer staples

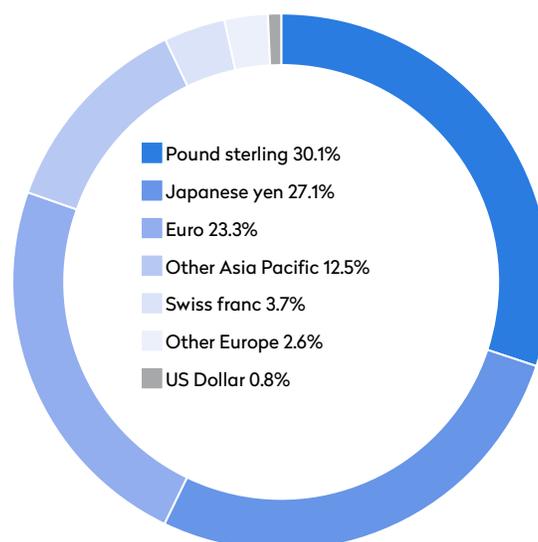
Sector Allocation	Mondrian (%)	MSCI EAFE (%)
Financials	16.1	17.7
Health Care	14.9	13.0
Industrials	11.7	15.4
Consumer Discretionary	11.0	11.5
Utilities	10.6	3.4
Communication Services	9.9	4.8
Energy	8.6	4.1
Consumer Staples	7.2	10.2
Information Technology	7.0	8.6
Materials	2.2	8.2
Real Estate	—	2.9
Cash	0.8	—
Total	100.0	100.0

Geographical Equity Exposure



Country Allocation	Mondrian (%)	MSCI EAFE (%)
Pacific-Asia	39.6	35.0
Australia	—	8.1
Hong Kong / China	5.4	2.9
Japan	27.1	22.3
Singapore	5.1	1.5
Other Pacific	2.0	0.2
Europe & Middle East	59.6	65.0
France	7.1	11.4
Germany	4.4	8.2
Italy	8.7	2.4
Spain	3.0	2.3
Sweden	2.6	3.6
Switzerland	3.7	10.4
United Kingdom	30.1	15.3
Other Europe	—	11.3
Cash	0.8	—
Total	100.0	100.0

Currency Exposure



Portfolio Managers

Elizabeth A. Desmond

Director and Chief Investment Officer - International Equities
Founding Partner

Nigel A. Bliss

Senior Portfolio Manager
Partner

Zsolt Mester

Portfolio Manager
Partner

Important Notes and Disclosures

1. Mondrian claims compliance with the Global Investment Performance Standards (GIPS®). Mondrian is a value-oriented defensive manager seeking to achieve high real returns for its clients. All products utilize an income-oriented value discipline. Mondrian's methodology is applied consistently to markets and individual securities, both bonds and equities. The International Equity ADR Composite includes U.S. dollar based discretionary portfolios, managed either as a separate account or as a delivered strategy, and measured against the Morgan Stanley Capital International EAFE or equivalent index net of withholding taxes. The portfolios invest in non-U.S. based equities, of which ADRs represent a significant percentage. There is discretion to invest in countries outside the index including Emerging Market countries. To receive a complete list and description of composites and/or a presentation that adheres to the GIPS standards, contact Mondrian Investment Partners (U.S.), Inc at 215-825-4500.
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5. Calculations for P/E, P/B, dividend yield, sector country allocations and market caps are based on generally accepted industry standards. All characteristics are based on a representative account and derived by first calculating the characteristics for each security, and then calculating the weighted-average of these values. The details of exact calculations can be provided upon request.
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7. There can be no assurance that the investment objectives of the strategy will be achieved.
8. All characteristic data provided is produced using Mondrian's accounting system data.
9. Performance results marked "Gross" do not reflect deduction of investment advisory fees but are net of transaction costs and withholding tax. Investment returns will be reduced accordingly. Performance returns marked "Net" reflect deduction of investment advisory fees and are calculated by deducting a quarterly indicative fee from the quarterly composite return. The indicative fee is defined as being the effective fee rate (or average weighted fee) at the composite's minimum account size. Actual net composite performance would be higher than the indicative net performance shown because some accounts have sliding fee scales and therefore lower effective fee rate.
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