



Separately Managed Account

# ClearBridge International Growth ADR ESG Portfolios

1Q 2025

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# Gateway to investment specialists



**\$1.5 Trillion**

Assets under management<sup>1</sup>

**75+**

Years of active  
management experience

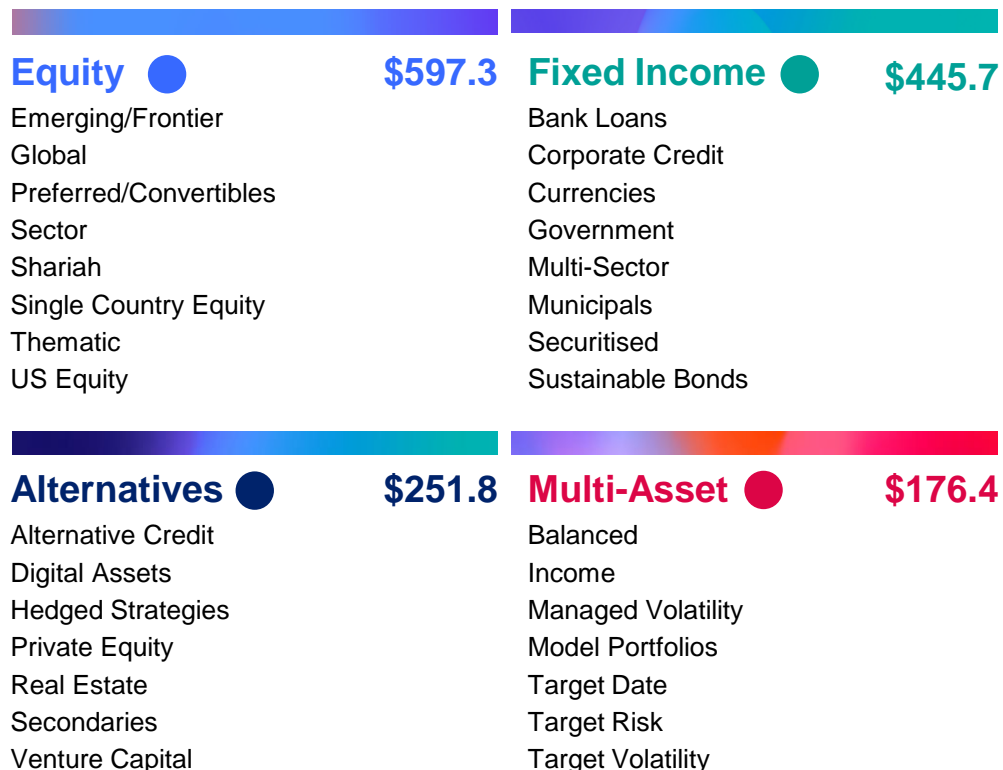
**150+**

Countries  
with investors

**1,600+**

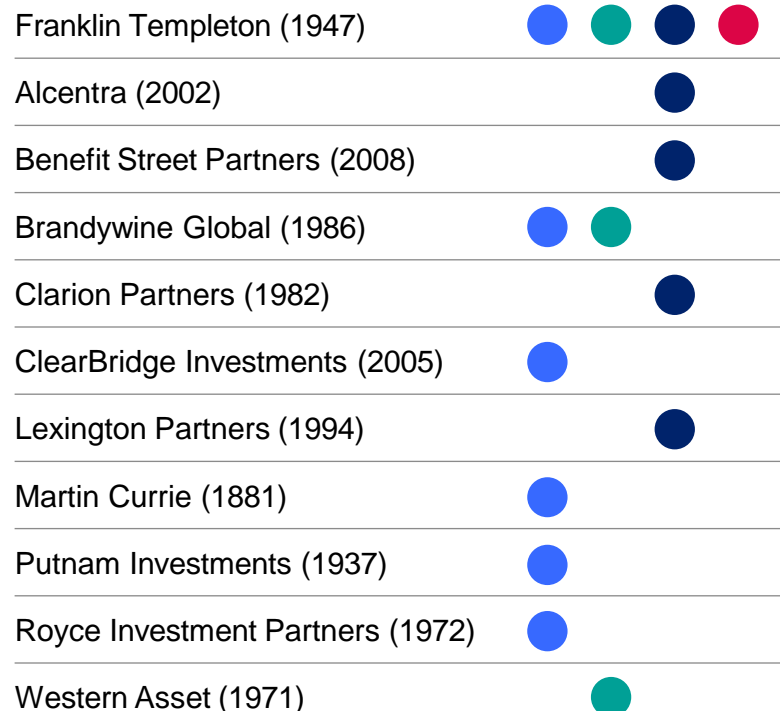
Investment  
professionals

## Our Investment Capabilities (USD Billion)



**Complemented by innovations in** Sustainable and Impact investing, ETFs, Custom Indexing, Frontier Risk Alternatives, and others

## Our Investment Managers Asset Classes



1. AUM is in USD as of 31 March 2025. Total AUM of \$1.5 Trillion includes \$68.9 Billion in cash management that is not represented here.

# ClearBridge Investments

## A Long-Term Focus Drives a Distinguished History

Global investment manager with a 60-year legacy as a leader in active management



### Committed to authentic active management

- Performance distinct from market benchmarks and factor-based strategies
- Long-term investment horizon
- Robust risk management
- Active ownership



### Culture of longevity, consistency and risk awareness

- Highly experienced and tenured investment professionals
- Deliberate succession planning
- Risk considerations examined in all decisions



### Client focus

- Alignment of interests with clients
- Innovative compensation plan



### Robust fundamental research platform

- Bottom-up, quality focus
- Proprietary research and ESG ratings
- 35+ year history of ESG investing with a fully-integrated approach

### About ClearBridge Investments

US\$180.4 billion in assets under management

Headquartered in New York with offices in Baltimore, Calgary, Fort Lauderdale, London, San Mateo and Sydney

Operating with investment autonomy, wholly-owned subsidiary of Franklin Resources

PRI Signatory since 2008

# Firm Values

## Embedded in Organization from the Bottom Up

### Cultivate consistency in all we do

We approach every opportunity with patience and diligence to better assess, and act with knowledge of, the full picture. Together, we use our diverse talents and expertise to seek to create success and stability for our clients.

### Go above and beyond

We seek to exceed expectations in every aspect of our business, from engaging with the companies we own, to supporting our employees and delivering superior customer service.

### Ensure responsiveness and accountability

We succeed when clients succeed. Our culture of collaboration creates a strong sense of loyalty and accountability, encourages diverse contributions and enables responsiveness.

### Promote a long-term perspective

We are committed to long-term strategies and authentic active management to move our clients forward. We approach portfolio companies as business owners and hold stocks for an average of five years.

### Advocate for sustainability

Integrating ESG considerations into our fundamental research process, promoting sustainability in company engagements and following such practices across the firm can offer clients a return on their investments while making a positive impact.

### Act with conviction

Differentiated thinking is the basis of our approach, giving us the confidence to invest where our research identifies opportunity that the consensus may overlook and to develop new solutions that benefit our clients.

# ClearBridge Investments

## ESG Principals

ClearBridge Investments is a Signatory to the Principles for Responsible Investment (PRI)

### About the Principles

- The PRI is an investor initiative in partnership with the UNEP Finance Initiative and the UN Global Compact. The Principles provide a voluntary framework for investment professionals who commit to integrate environmental, social, and governance (ESG) factors into their investment analysis and decision-making practices.

### The Principles

- We will incorporate ESG issues into investment analysis and decision-making processes
- We will be active owners and incorporate ESG issues into our ownership policies and practices
- We will seek appropriate disclosure on ESG issues by the entities in which we invest
- We will promote acceptance and implementation of the Principles within the investment industry
- We will work together to enhance our effectiveness in implementing the Principles
- We will each report on our activities and progress towards implementing the Principles

# ClearBridge International Growth ADR ESG Portfolios

## Overview

ClearBridge International Growth ADR ESG Portfolios were designed to allow investors to diversify their portfolios by participating in the potential growth of international markets. The portfolios invest approximately 80-90% in larger companies and primarily in ADRs.

**The ESG Investment Program actively incorporates environmental, social and governance (ESG) factors into the fundamental research platform and into the stock-selection process. In addition, ongoing company engagement and shareholder advocacy are key components of the Program.**

A few examples of the ESG considerations include:

- Innovative workplace policies, employee benefits and programs.
- Environmental management system strength, eco-efficiency and life-cycle analysis.
- Community involvement, strategic philanthropy and reputation management.
- Strong corporate governance and independence on the board.

**ClearBridge is a Signatory to the UN Principles for Responsible Investment and is affiliated with the Investor Network on Climate Risk, the Carbon Disclosure Project, the Interfaith Center on Corporate Responsibility, the Global Impact Investing Network, and the US Forum for Sustainable and Responsible Investment.**

## What are the risks?

**All investments involve risks, including possible loss of principal. International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. **Small- and mid-cap stocks** involve greater risks and volatility than large-cap stocks. The managers' **environmental, social and governance (ESG) strategies** may limit the types and number of investments available and, as a result, may forgo favorable market opportunities or underperform strategies that are not subject to such criteria. There is no guarantee that the strategy's ESG directives will be successful or will result in better performance.

## Key differentiators

- High, Quality Developed Markets Focus
- Focus on companies able to grow through a variety of economic market conditions as a result of product or service leadership.
- 80% + of portfolio in large cap (more than \$10b franchises).
- Usually no more than 15% in emerging markets domiciled exposure.
- Will usually have 40-60 names in portfolio.
- Explicit limits at sector, country and position level.

## Strategy Inception: 1996

## Portfolio positioning

- Core international developed market portfolio.
- Low turnover — seeks tax efficiency.

## Philosophy

### We believe that:

- International equities may vary significantly from fair value due to macroeconomic/exogenous factors and company-specific endogenous issues.
- Through fundamental analysis, we seek to identify companies with superior capital appreciation prospects and competitive risk-adjusted returns achieved by capitalizing on the convergence between a company's investment potential and its ESG management aspects.

## Objectives

### Seeks:

- Long-term capital appreciation, complemented by issuer and portfolio risk management. Our strategy aims to outperform the MSCI EAFE Index over a full market cycle.
- To actively evaluate a company's ESG drivers of business performance to gauge its level of social awareness.

# ClearBridge International Growth ADR ESG Portfolios investment process

ClearBridge

## STEP 1

### Define the investment universe

Consider companies that have strong balance sheets, good management, offer unique products or services, or have strong niche positions locally or globally;

## STEP 2

### Apply fundamental analysis

Use a bottom-up approach to evaluate current and future prospects and ensure that accounting compliance, data accuracy and global comparability goals are met;

## STEP 3

### Select securities and construct portfolio

Build a diversified portfolio with roughly 40 to 60 stocks across 10 to 20 countries. Complement larger core holdings (approximately 80-90%) with tactical investments (approximately 10-20%) in smaller companies that have met our ESG criteria; and

## STEP 4

### Monitor continuously

Re-examine a current holding when unit growth/earnings deteriorate, valuation exceeds expectations, and when there is an adverse acquisition or a loss of franchise or market share.

Actual percentages may vary due to economic conditions and other factors. Managers may deviate from these allocations in order to seek to meet these objectives.

Diversification does not assure a profit or protect against market loss.

The investment process may change over time. The characteristics set forth are intended as a general illustration of some of the criteria the strategy team considers in selecting securities for client portfolios. There is no guarantee investment objectives will be achieved.

# Equity portfolio characteristics

As of 3/31/2025

**ClearBridge**

Sector weightings (%)	International Growth ADR ESG	MSCI EAFE Index (Net)
Financials	20.55	23.58
Industrials	14.93	17.84
Health Care	13.86	12.18
Information Technology	13.76	8.03
Consumer Discretionary	13.09	10.38
Communication Services	7.39	5.02
Consumer Staples	6.53	8.27
Materials	5.38	5.75
Utilities	0.52	3.37
Energy	0.00	3.72
Real Estate	0.00	1.86
Cash & Cash Equivalents	3.99	0.00

## Market Capitalization

	International Growth ADR ESG	MSCI EAFE Index (Net)
<10 Billion	1.46	6.95
10-25 Billion	9.62	16.91
25-50 Billion	14.67	20.64
50-150 Billion	42.61	35.12
>150 Billion	31.64	20.38

## Equity portfolio characteristics

	International Growth ADR ESG	MSCI EAFE Index (Net)
Number of Issuers	61	694
Estimated 3-5 Year EPS Growth	11.20%	9.19%
Price to Earnings (12-Month Forward)	18.16x	14.39x
Price to Book	4.86x	3.12x
Dividend Yield	1.52%	2.99%
Median Market Cap (Millions USD)	\$78,405	\$58,952
Weighted Average Market Capitalization (Millions USD)	\$120,936	\$89,951

Source: FactSet. Portfolio characteristics are based on a model portfolio, not an actual client account. The model portfolio is a hypothetical portfolio whereby the portfolio characteristics are based on simulated trading and account activity of a client account invested in this strategy. The model portfolio assumes no withdrawals, contributions or client-imposed restrictions. Portfolio characteristics of individual client accounts may differ from those of the model portfolio as a result of account size, client-imposed restrictions, the timing of client investments, market conditions, contributions, withdrawals and other factors. Please see Endnotes for additional information. **Please see appendix for term definitions.**

P/E ratio Year 1 and Long-term EPS growth are provided by I/B/E/S, are inherently limited and should not be used as an indication of future performance.

**Yields and dividends represent past performance and there is no guarantee they will continue to be paid.**

# Equity portfolio characteristics

## As of 3/31/2025

### Top country weightings (%)

	International Growth ADR ESG	MSCI EAFE Index (Net)
United Kingdom	19.53	14.74
Japan	13.21	21.73
France	10.05	10.67
Germany	9.38	10.00
United States	7.79	0.00
Italy	6.15	2.91
Netherlands	4.33	5.33
Switzerland	4.23	10.37
Spain	3.91	3.01
Denmark	2.85	2.39
<b>Total</b>	<b>81.43</b>	<b>81.15</b>

### Top equity holdings (%)

	International Growth ADR ESG
SAP SE	3.96
Sony Group Corp	3.65
London Stock Exchange Group PLC	2.96
Novo Nordisk A/S	2.85
Sea Ltd	2.54
Deutsche Telekom AG	2.52
RELX PLC	2.47
Danone SA	2.45
Unilever PLC	2.37
Intesa Sanpaolo SpA	2.30
<b>Total</b>	<b>28.06</b>

Source: FactSet. Country weightings and holdings are based on a representative portfolio within the composite and are subject to change at any time. Country weightings and holdings of individual client portfolios in the program may differ, sometimes significantly, from those shown above. This information does not constitute, and should not be construed as, investment advice or recommendations with respect to the sectors or securities listed and should not be used as a sole basis to make any investment decisions.

# Performance

## Annualized rates of return – pure gross and net of fees (%) as of March 31, 2025

	1 Mth	3 Mths	YTD	1 Year	3 Year	5 Year	7 Yrs	10 Year	15 Yrs
International Growth ADR ESG –Pure Gross of Fees—(USD)	-3.21	3.72	3.72	3.35	5.73	10.39	7.16	8.29	8.11
International Growth ADR ESG –Net of Fees—(USD)	-3.45	2.96	2.96	0.34	2.65	7.19	4.05	5.14	4.97
MSCI EAFE Index (Net)—(USD)	-0.40	6.86	6.86	4.88	6.05	11.77	5.33	5.40	5.65

## Calendar-year total returns – pure gross and net of fees (%) ending December 31

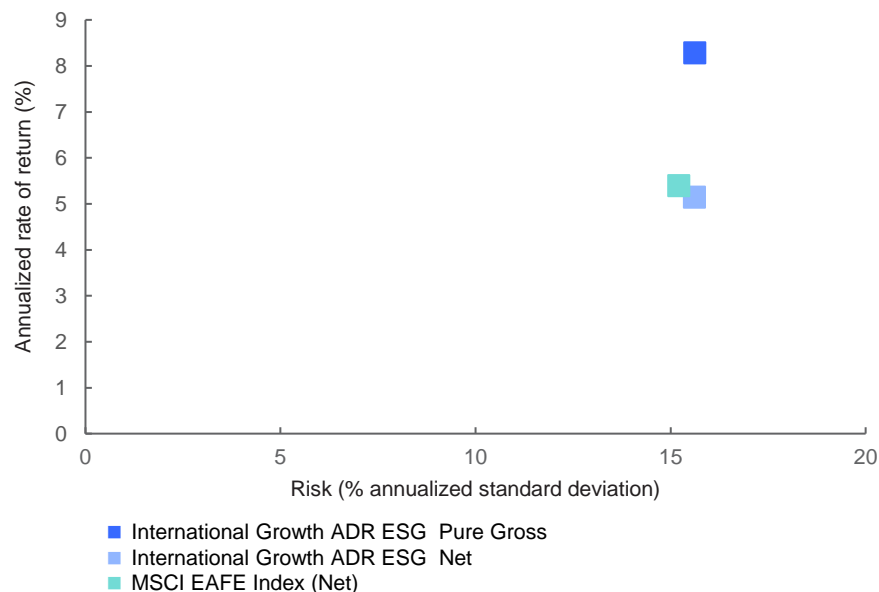
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
International Growth ADR ESG –Pure Gross of Fees—(USD)	7.33	16.13	-20.85	5.11	26.31	33.15	-8.14	36.83	-1.86	6.31
International Growth ADR ESG –Net of Fees—(USD)	4.21	12.78	-23.21	2.05	22.68	29.35	-10.85	32.94	-4.73	3.22
MSCI EAFE Index (Net)—(USD)	3.82	18.24	-14.45	11.26	7.82	22.01	-13.79	25.03	1.00	-0.81

Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns are reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios) which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

For fee schedules, contact your financial professional, or if you enter into an agreement directly with Franklin Templeton Private Portfolio Group, LLC ("FTPPG"), refer to FTPPG's Form ADV Part 2A disclosure document. Management and performance of individual accounts may vary for reasons that include the existence of different implementation practices and model requirements in different investment programs. Past performance is not a guarantee of future results. Please see appendix for GIPS® Report and term definitions.

# Risk/return profile

## Pure gross and net of fees (based on 10-year period ending March 31, 2025)



## Modern portfolio statistics as of March 31, 2025

	International Growth ADR ESG Pure Gross	International Growth ADR ESG Net	MSCI EAFE Index (Net)
Annualized Return (%)	8.29	5.14	5.40
Annualized Standard Deviation (%)	15.62	15.62	15.21
Sharpe Ratio	0.47	0.28	0.30
Beta	0.96	0.96	N/A
Alpha (%)	3.00	0.00	N/A
R-Squared	0.88	0.88	N/A

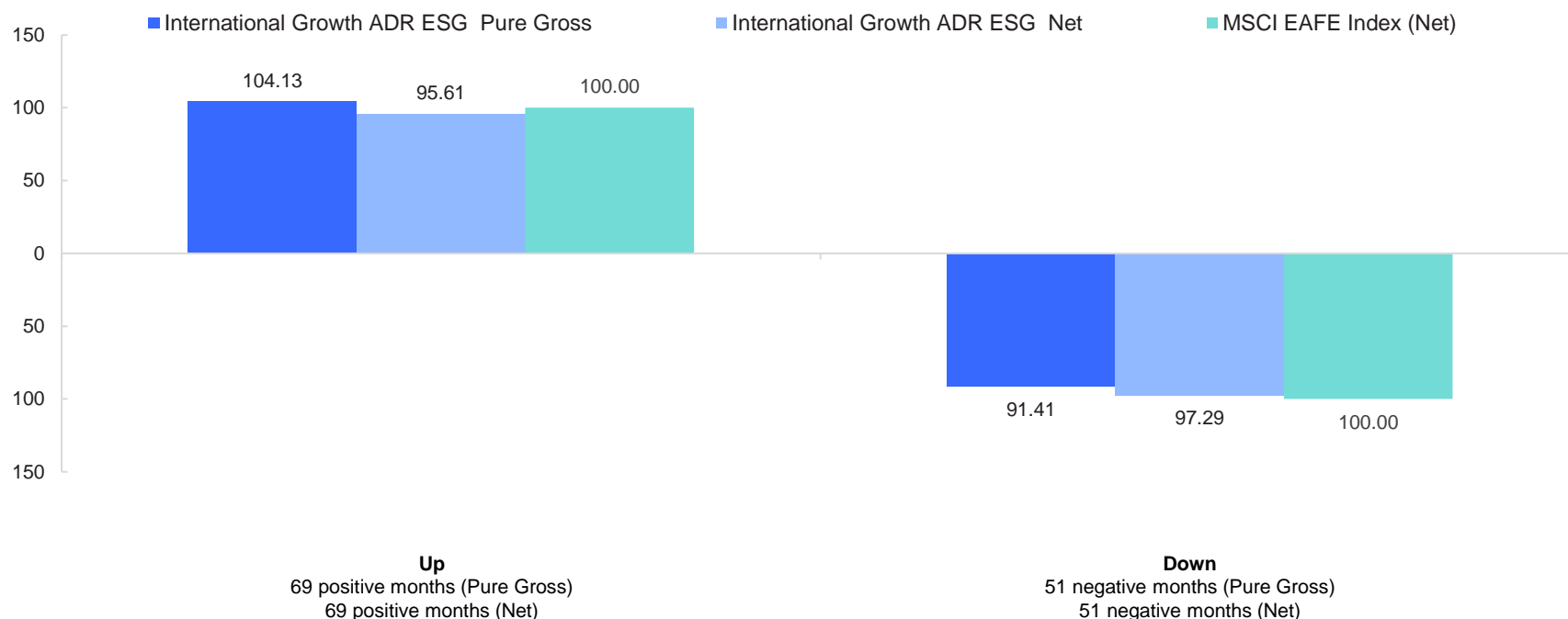
Alpha, Beta, Sharpe Ratio, and R-Squared are shown versus the Index. Investors cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

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# Up down market capture ratios (%)

**Pure Gross and net of fees** (based on 10-year period ending March 31, 2025)

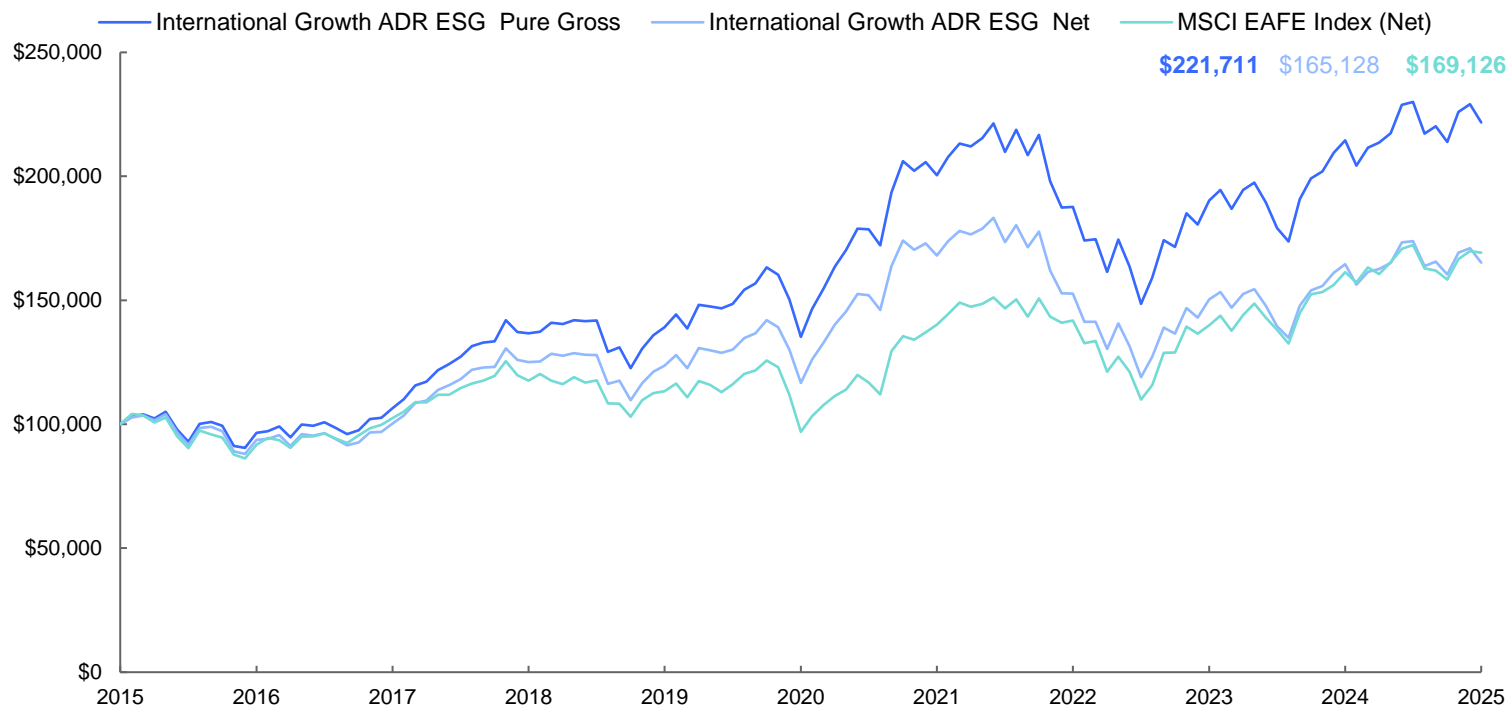


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# Growth of \$100,000

**Pure gross and net of fees** (based on 10-year period ended March 31, 2025)



For illustrative purposes only. Assumes no withdrawals or contributions. These statistics are based on gross and net-of-fees monthly composite returns, were calculated assuming reinvestment of dividends and income, and take into account both realized and unrealized capital gains and losses.

Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns are reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios) which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

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# Investment management team

## Elisa Mazen

### *Managing Director, Portfolio Manager*

- Industry since 1986
- Firm since 2008
- Head of Global Growth
- Douglass College, Rutgers University — B.A. in economics and finance
- Member of the Douglass College Investment Committee
- Oppenheimer Capital, division of Allianz Global Investors — Managing Director and head of international and global equity
- Clemente Capital, Inc. — Portfolio Manager
- Mitchell Hutchins Asset Management

## Michael Testorf, CFA

### *Managing Director, Portfolio Manager*

- Industry since 1987
- Firm since 2015
- Wirtschaftsakademie Hamburg — BA in Business and Economics (Academy of Business and Administration, Hamburg, Germany)
- Member of the CFA Institute
- Senior Portfolio Manager, Senior Partner — R Squared Capital Management
- Senior Portfolio Manager — Artio Global Management, LLC/Julius Baer Investment Management
- Vice President, Senior Equity Sales — Julius Baer Securities
- Assistant Vice President, European Equity Sales — BZW Securities
- Senior Portfolio Manager, Head of European Equity Team — United Nations Joint Staff Pension Fund
- Senior Portfolio Manager, Vice President — COMMERZBANK AG

## Pawel Wroblewski, CFA

### *Managing Director, Portfolio Manager*

- Industry since 1996
- Firm since 2008
- Columbia University — MBA
- Warsaw School of Economics — MA in Finance
- Member of the CFA Institute
- Allianz Global Investors — Equity Research Analyst, Oppenheimer Capital division
- CA-IB Securities — Senior Research Analyst
- Credit Suisse First Boston — Research Associate
- Deloitte & Touche — Auditor

## ClearBridge International Growth ADR ESG SMA

Strategy Inception Date: September 2009

Reporting Currency: USD

Composite Creation Date: June 2009

Period	Total Return (Net)	Total Return (*Pure Gross)	Benchmark Return	Number of Portfolios	% of Wrap Fee Portfolios in the Composite	Composite Dispersion	Composite 3 Yr. St. Dev.	Benchmark 3 Yr. St. Dev.	Total Composite Assets at End of Period (USD million)	Percentage of Firm Assets	Total Firm Assets at End of Period (USD million)
2023	12.78%	16.13%	18.24%	79	100	0.19%	18.30%	16.85%	421.3	0.31%	136,016.9
2022	-23.21%	-20.85%	-14.45%	85	100	0.20%	20.24%	20.25%	459.1	0.38%	121,842.7
2021	2.05%	5.11%	11.26%	91	100	0.19%	15.77%	17.16%	710.7	0.42%	170,282.9
2020	22.68%	26.31%	7.82%	83	100	0.83%	16.81%	18.14%	211.3	0.14%	147,416.9
2019	29.35%	33.15%	22.01%	47	100	0.19%	11.62%	10.96%	106.2	0.08%	128,740.4
2018	-10.85%	-8.14%	-13.79%	34	100	0.41%	12.61%	11.40%	41.4	0.04%	106,083.4
2017	32.94%	36.83%	25.03%	25	100	0.92%	12.44%	12.00%	31.7	0.03%	119,187.1
2016	-4.73%	-1.86%	1.00%	14	100	0.76%	12.34%	12.64%	21.4	0.02%	100,936.9
2015	3.22%	6.31%	-0.81%	24	100	0.45%	11.68%	12.64%	25.3	0.03%	92,536.4
2014	-4.47%	-1.59%	-4.90%	11	100	0.12%	12.93%	13.21%	9.1	0.01%	100,721.5

\*Pure gross of fee returns do not reflect the deduction of any expenses, including transaction costs, and are presented as supplemental to the net of fee returns.

### Compliance Statement:

ClearBridge Investments, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. ClearBridge Investments, LLC has been independently verified for the periods January 1, 1997 - December 31, 2023. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedure 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.

### Firm Information:

ClearBridge Investments, LLC ("ClearBridge") is a wholly owned indirect subsidiary of Franklin Resources, Inc. ("Franklin"). In July 2020 Legg Mason, Inc., its parent company, was purchased by Franklin. The investment advisory business now known as ClearBridge was registered in September 2005 to facilitate Legg Mason's acquisition of substantially all the equity asset management businesses known as Citigroup Asset Management. These former businesses serve as the foundation of ClearBridge and its claim of GIPS compliance for institutional accounts through predecessor firms, effective as of January 1997. In June 2008, ClearBridge combined this business with its retail business to form a single GIPS firm. As of April 1, 2013, January 1, 2016, May 1, 2020 and January 1, 2024 ClearBridge affiliates, Global Currents Investment Management, LLC, ClearBridge, LLC, ClearBridge Investments Limited (f/k/a RARE Infrastructure Limited) and Franklin Bissett Asset Management have become part of the ClearBridge GIPS firm.

### Composite Information:

The ClearBridge International Growth ADR ESG SMA composite consists of discretionary wrap accounts with an account minimum of US \$25,000. The managers actively integrate criteria inclusive of environmental, social and governance (ESG) issues into the portfolio construction of the strategy. Accounts within the composite seek long-term growth of capital by investing in well managed businesses whose intrinsic value does not appear to be recognized by the markets. Investments are primarily in ADRs, but may also make limited investments in U.S.-traded stocks of non-U.S. and U.S. companies engaged in significant non-U.S. business. The strategy is implemented by Franklin Templeton Private Portfolio Group, LLC ("FTPPG"), formerly known as Legg Mason Private Portfolio Group, LLC ("LMPPG"). FTPPG claims compliance with the Global Investment Performance Standards (GIPS®). FTPPG has been independently verified for the periods January 1, 2013 - December 31, 2023. FTPPG is a wholly owned indirect subsidiary of Franklin Resources, Inc and together with its sub-advisers, including ClearBridge, provides investment services primarily in investment programs sponsored by Sponsor Firms. To obtain a GIPS Report and/or the firm's list of composite descriptions, please contact info@clearbridge.com. The main risks of this strategy are General Investment Risk, Non-U.S. Investment Risk, Small Cap Risk, ESG Investing Risk, and Mid Cap Risk.

### Input and Calculation Data:

The fee schedule currently in effect is 3.00% on all assets. Net of fee composite returns are calculated by reducing each monthly composite pure gross rate of return by the highest "bundled" fee charged (3.00%) annually, prorated to a monthly ratio. The "bundled" fee includes transaction costs, investment management, custodial, and other administrative fees. The internal dispersion of annual returns is measured by the asset-weighted standard deviation of portfolio returns included in the composite for the entire year. The composite employs a 10% significant cash flow policy which started in January 2021. A list of composite and limited distribution pooled fund descriptions and a list of broad distribution pooled funds is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance is not necessarily indicative of future results. Gross returns are used to calculate presented risk measures. 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.

### Benchmark Information:

For comparison purposes, composite returns are shown against returns of the MSCI® EAFE (Net) Index.

# Definitions

## Index Definitions

The **Alerian MLP Index** is a composite of the 50 most prominent energy master limited partnerships (MLPs) and is calculated using a float-adjusted, capitalization-weighted methodology. Source: Alerian.

The **MSCI All Country World ex-US Growth Index** measures the performance of growth stocks in developed and emerging markets, excluding the US. Source: MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI.

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The **Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. Source: FTSE.

The **Russell 1000 Index** measures the performance of the large-cap segment of the U.S. equity universe. Source: FTSE.

The **Russell 1000 Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. Source: FTSE.

The **Russell 2000 Growth Index** measures the performance of the small-cap growth segment of the U.S. equity universe. Source: FTSE.

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe. Source: FTSE.

The **Russell 2000 Value Index** measures the performance of the small-cap value segment of the U.S. equity universe. Source: FTSE.

The **Russell 2500 Growth Index** measures the performance of those companies in the small/mid-cap Russell 2500 Index chosen for their growth orientation. Source: FTSE.

The **Russell 2500 Index** measures the performance of the small to midcap segment of the U.S. equity universe, commonly referred to as "SMID" cap.

The **Russell 2500 Value Index** measures the performance of U.S. companies in the small/mid-cap Russell 2500 Index chosen for their value orientation. Source: FTSE.

The **Russell 3000 Growth Index** measures the performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values. Source: FTSE.

The **Russell 3000 Index** measures the performance of the 3,000 largest U.S. companies based on total market capitalization. Source: FTSE.

The **Russell 3000 Value Index** measures the performance of the broad value segment of U.S. equity value universe. Source: FTSE.

The **Russell Microcap Index** measures the performance of the microcap segment of the U.S. equity market. Source: FTSE.

The **Russell Mid Cap Index** measures the performance of the mid-cap segment of the U.S. equity universe. Source: FTSE.

The **Russell Midcap Growth Index** measures the performance of the mid-cap growth segment of the U.S. equity universe. Source: FTSE.

The **S&P 500 Index** features 500 leading U.S. publicly traded companies, with a primary emphasis on market capitalization. Source: © S&P Dow Jones Indices LLC. All rights reserved.

The **S&P Global Infrastructure Index** includes listed infrastructure stocks from around the world across energy, transportation and utilities clusters. Source: © S&P Dow Jones Indices LLC. All rights reserved.

Investors cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

# Definitions

## Term definitions

**Market Capitalization** measures the number of outstanding common shares of a given corporation multiplied by the latest price per share.

**Weighted Median Market Capitalization** represents the value at which half the portfolio's market capitalization weight falls above, and half falls below.

**Weighted Average Market Capitalization** represents the average value of the companies held in the portfolio. When that figure is weighted, the impact of each company's capitalization on the overall average is proportional to the total market value of its shares.

**Dividend Yield** is determined by dividing a stock's annual dividends per share by the current market price per share. Dividend yield is a financial ratio that shows how much a company pays out in dividends.

**P/E (Year 1)** is the previous day's closing price of the stock divided by the consensus earnings per share (EPS) of fiscal year 1 (FY1) provided by I/B/E/S. Forecasts are inherently limited and should not be relied upon as indicators of future performance.

The **Price-to-Book** ratio (P/B) is a stock's price divided by the stock's per share book value.

**Earnings Per Share** (EPS) is the portion of a company's profit allocated to each outstanding share of a common stock.

The **Sharpe Ratio** is a risk-adjusted measure, calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical adjusted performance.

**Alpha** is a measure of the difference between actual returns and expected performance, given the level of risk as measured by Beta, where **Beta** measures sensitivity to benchmark movements.

**R-Squared** measures the strength of the linear relationship between the portfolio and its benchmark. R-squared at 1.0 implies perfect linear relationship and zero implies no relationship exists.

**Standard Deviation** is based on quarterly data. Standard deviation is a measure of the variability of returns; the higher the standard deviation, the greater the range of performance (i.e., volatility).

The **Capture Ratios** measure a manager's composite performance relative to the benchmark, considering only those quarters that are either positive (Up) or negative (Down) for the benchmark.

An **Up Market Capture Ratio** greater than 1.0 indicates a manager who has outperformed the benchmark in the benchmark's positive quarters.

A **Down Market Capture Ratio** of less than 1.0 indicates a manager who has outperformed the relative benchmark in the benchmark's negative quarters.

## Notes



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