U.S. Large Cap Growth Commentary

Q1 2022

SGA Sustainable Growth Advisers

Performance

The U.S. Large Cap Growth portfolio returned -11.7% (gross) in Q1 and -11.8% (net) versus -9.0% for the Russell 1000 Growth Index. Market leadership in the quarter had a more cyclical tilt with value-oriented stocks with low returns on equity, high levels of debt and no earnings performing best. It is unusual for stocks with such attributes to outperform in a weak market but the unusual nature of the market backdrop favoring companies leveraged to rising energy and commodity prices despite a more uncertain economic environment led to the dichotomy.

Highlights

- Portfolio underperformed the Russell 1000 Growth Index as more value-oriented stocks and companies with lower quality characteristics outperformed
- Portfolio outperformed during periods of weakness in Q1 but underperformed in the second half of March as higher beta and large benchmark weight companies not owned rebounded
- Positions in American Express, Regeneron and FleetCor contributed most to performance in Q1; we trimmed American Express and Regeneron on strength while adding to FleetCor
- Positions in Meta Platforms, PayPal and Netflix detracted most in the quarter; we sold Meta given a more attractive opportunity created in Ecolab
- Took advantage of market volatility to upgrade portfolio growth liquidating a position in Linde on strength in favor of a new position in Sherwin-Williams
- Portfolio forecast to grow earnings 18% over the next 3 years, higher than expectations for the Russell 1000 Growth Index with better valuation, higher business quality and greater predictability

Rising Inflation and Interest Rate Concerns

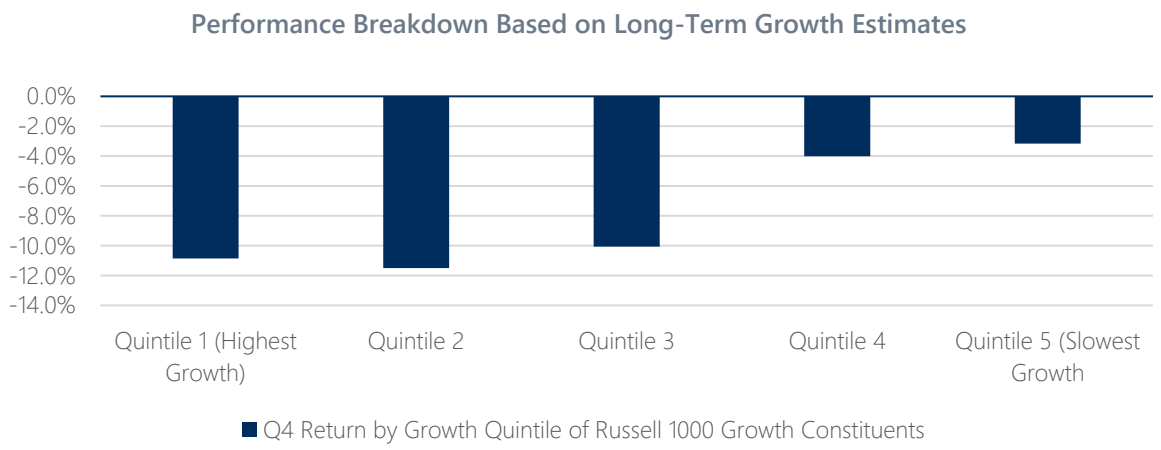
U.S. investors and consumers witnessed the highest inflation reading in the past 40 years as food, rent and gasoline price increases pushed the February Consumer Price Index up 7.9% from a year earlier, following a 7.5% annual increase in January. Removing the more volatile food and energy components, core prices increased 6.4% from a year earlier. A tight labor market, with U.S. unemployment at 3.8%, exacerbated the inflationary pressures. With the Russian invasion of Ukraine and the associated U.S. sanctions on oil imports, higher energy and commodity costs are expected to push the inflation rate higher as the year progresses. Large increases in the Producer Price Index also indicate continued increases in the Consumer Price Index.

The more persistent increase in inflation forced the U.S. Federal Reserve to take steps to tighten monetary policy, raising interest rates once during the quarter and signaling several more through the balance of 2022. The 10-year U.S. Treasury rose from 1.7% a year ago to 2.3% on March 31st. High inflation negatively impacted consumer budgets and sentiment, and expectations for higher oil prices and rising interest rates fueled investors' appetites for energy and commodity stocks while putting pressure on longer duration higher growth companies.

10 Year U.S. Treasury Yield

Source: FactSet

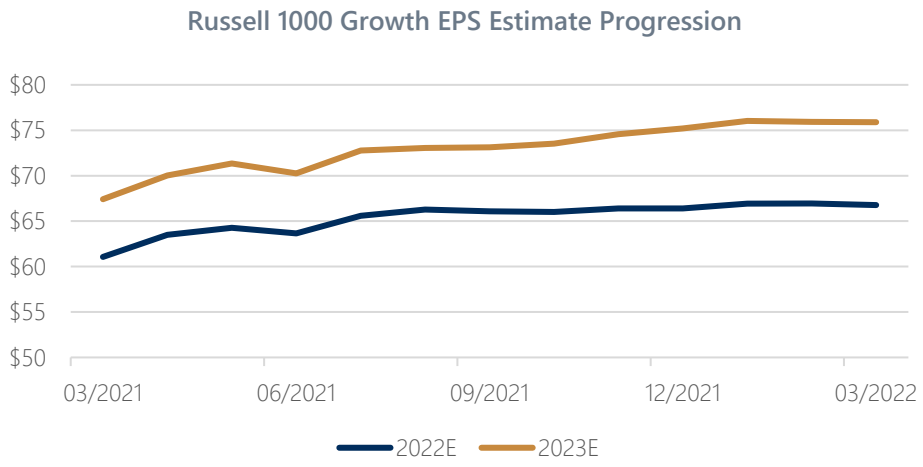
Given rising interest rates, and the expectation for further increases, the market penalized the stocks of higher growth companies during the quarter. The chart below illustrates the performance of companies based on their long-term growth estimates:



Source: FactSet, Russell

The Russian Invasion and Commodities

Uncertainty due to COVID-19 gave way to new uncertainty driven by the Russian invasion of Ukraine and the associated sanctions imposed. With forecast U.S. and global economic growth already slowing prior to the invasion, the impact of rising inflation, higher oil prices, weaker consumer sentiment and higher geopolitical risks drove higher volatility in equity markets. Despite this greater uncertainty, 2022 earnings-per-share estimates for Russell 1000 Growth companies remained relatively flat while 2023 estimates actually increased.



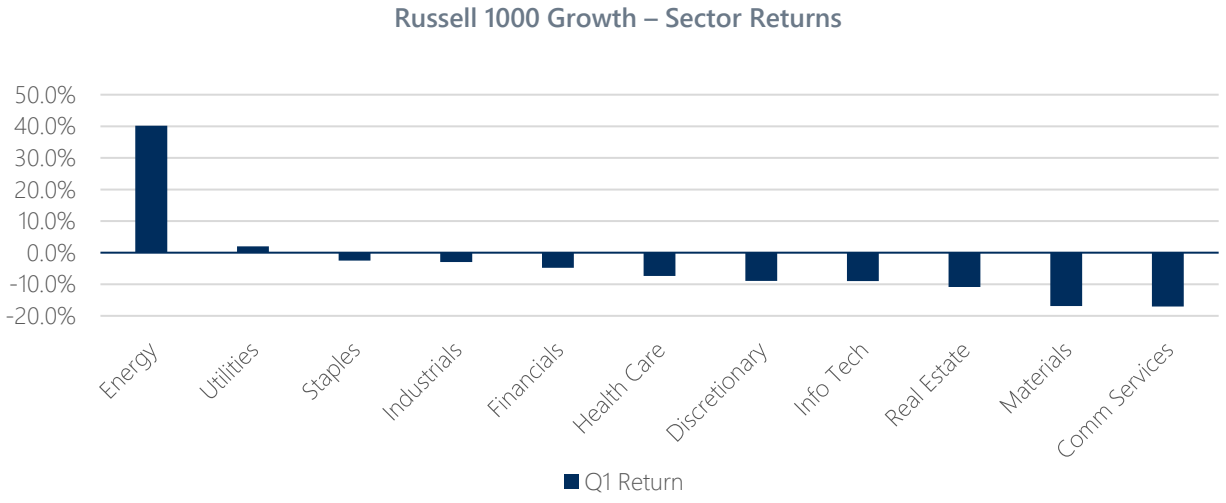
Source: FactSet

This rosy outlook despite the prevailing uncertainties creates increased risk for investors as global economic growth slows. In such a scenario, the stronger business quality and more predictable and sustainable growth of our portfolio companies should stand out.

None of SGA's portfolios had any direct exposure to Russian, Ukrainian or Belarussian stocks in Q1, and the indirect exposure of U.S. portfolio companies to these countries was minimal. The portfolio's revenue exposure to all of Emerging Europe totaled only 2.2%. While this benefited performance following the invasion, the portfolio's lack of energy or commodity exposure did not.

Market and Portfolio Attribution

More economically sensitive industries including the Oil Gas & Consumable Fuels, Aerospace & Defense and Automobiles were among the strongest performers in the benchmark in Q1. Such businesses which tend to be beneficiaries of higher oil and commodity prices as well as increased geopolitical threats tend to offer less predictable revenue and earnings growth over time, and therefore generally do not meet our business quality criteria. The outperformance of these types of companies was consistent with the outperformance of market factors we tend to be less exposed to including lower returns on equity, higher beta, higher debt levels and no earnings. Areas of the market that detracted the most included Software, Interactive Media, Semiconductors, Specialty Retail, and IT Services. A breakdown of sector performance in Q1 is provided below:



Source: Russell

Stock selection and residual sector weights detracted from the portfolio's relative returns during the quarter given the style headwinds noted above. The negative selection effect was driven primarily by our selection in the Information Technology and Communication Services sectors. Weakness in Software, and Interactive Media & Services impacted results most through positions in Intuit, RingCentral, Autodesk, and Match Group. Portfolio overweights to Materials and Communication Services as well as a lack of exposure to Consumer Staples also detracted from results. In contrast, performance benefited from stock selection in the Materials, Financials, Consumer Discretionary, and Health Care sectors. Strong performances by American Express, Regeneron and UnitedHealth Group contributed positively to results there.

Largest Detractors

Meta Platforms was the largest detractor from performance this quarter after reporting Q4 results that were consistent with management guidance posting 20% revenue growth. The stock was negatively impacted, however, by the disappointing Q1 guidance forecasting 3-11% revenue growth which was well below our expectations. This was due to more formidable competition from TikTok and the resulting need for Meta to accelerate its transition to a short video format, which is likely to be cannibalistic to ad revenues for some time. Our confidence in the company's long-term growth thesis has been diminished due to intensifying competitive headwinds; continuing impact from Apple's IDFA change and its forthcoming additional consumer privacy initiatives; reduced bottom-line predictability given the escalating investments in the metaverse; growing concerns over a macroeconomic slowdown which could adversely impact economically sensitive digital advertising; and continued regulatory threats. Accordingly, we liquidated our position in the company and reallocated the capital to a higher confidence growth opportunity in Ecolab.

PayPal was the second largest detractor from portfolio performance in Q1 as the company posted lower than expected earnings and reduced its new user add guidance for FY 2022 to 15-20 million, down from 50 million in FY 2021 and 75 million in FY 2020 which added to market fears that the company's growth is maturing. While free cash flow generation was strong, management's change in strategy toward prioritizing user engagement over new additional customers increased concerns over an intensifying competitive environment as well as management's ability to execute. With the reset in expectations

following the company's surge in new users during the pandemic, strong and trusted relationships with merchants and consumers, an expanding product set, opportunities for further international expansion, and an improved valuation, we continue to see an attractive investment opportunity in the stock. However, with increases in sales and marketing expenses, as well as technology investments on the horizon as the company fights to maintain its position in a more competitive environment, we reduced our target to a below-average weight given greater uncertainties.

Netflix was the third largest detractor from portfolio performance in Q1 after the company reported solid Q4 2021 results but disappointed some investors with its forecast subscriber growth guidance for 2022. In Q4, subscribers grew 8.3 million or +4% quarter-over-quarter which was consistent with the original guidance of 8.5 million. Looking forward, management guided to +2.5 million new subscribers in Q1 versus the consensus estimate of +6 million. They cited the pull forward of subscribers during the pandemic as well as continued economic hardship in certain regions such as Latin America. In addition, their announced pricing increase in the US is expected to lead to slightly elevated churn during Q1. Adjusting for foreign currency impacts, management's margin guidance of 19-20% for 2022 with long-term guidance of 300 bps of annual margin improvement was in line with our expectations.

Netflix continues to see opportunity to further its penetration globally, even in the US. We were pleased with signs that the company's major investments over the past several years in international local content and blockbuster films are paying off. While the company faces continued investments in content and rising competition in the streaming space, we expect that it will fund the content through its existing revenue generation and remain sustainably free cash flow positive going forward, while coexisting with Disney and HBO Max in the growing global streaming market.

We reduced our target to a below-average weight position in the company, cognizant of our overall streaming exposure with Disney as well.

The fourth and fifth largest detractors from portfolio performance in Q1 were **Intuit** and **RingCentral**.

Largest Contributors

American Express was the largest contributor to performance in Q1 after reporting strong Q4 2021 results and offering robust forward-looking guidance driven by the increasing use of its services by millennials and Gen Z consumers, and a recovery in travel spending. Sales and earnings improved 5% and 19%, respectively, driven by attractive results in its services segment and travel and entertainment businesses as well as a 50% increase in its spending by Millennials and Gen Z users over Q4 2019 levels. We were pleased to see its Travel and Entertainment business recover to 82% of its pre-pandemic level while Goods and Services reached 24% above that of Q4 2019. A moderation in credit loss reserves after earlier cautious reserving also benefited earnings. Management's guide to higher revenue and earnings growth, above that of our estimates, also benefited the company's stock price. With strong growth prospects in attractive demographic segments, an improving travel picture, a healthy balance sheet and stable credit metrics, we continue to see long-term opportunity at American Express but remain cognizant of its higher valuation and the potential for weaker credit should the global economy weaken materially. Accordingly, we trimmed the position on strength to a below-average weight during the quarter.

Regeneron was the second largest contributor to portfolio performance in Q1. The company reported strong Q4 results aided by its COVID-19 antibody sales. Revenues increased by 104% and earnings jumped 149+% in the quarter contributing to very strong revenue and earnings growth for calendar 2021. The company's Eylea and Dupixent products continued to grow well with its other products posting solid albeit less robust growth. With the COVID-19 pandemic appearing to be in its latter stages, we expect 2022 earnings for Regeneron to be down as the tremendous boost it received from its COVID-19 antibody cocktail will decline significantly with fewer people likely to contract COVID-19. While sales for its existing COVID-19 product will fall off, we see continued strong growth in Regeneron's other products. The company also continues work on a new Omicron focused antibody product. The company is taking steps to move forward other programs it has in development including new drugs focused on lung, ovarian, prostate myeloma, and lymphoma cancers, as well as a new higher dose, longer acting Eylea product. Such developments should enhance longer-term growth. In the meantime, we reduced our position in the company on strength to a below-average weight.

FleetCor was the third largest contributor to portfolio performance in Q1 after having been a significant detractor last quarter. The company reported attractive quarterly results with fuel card growth rebounding nicely (up 12% year-over-year) on easier

comparisons, corporate payments growing 18% year-over-year, lodging up 39% year-over-year and tolls rebounding 17% year-over-year. It also announced the signing of many new accounts during 2021, illustrating success for its traditional and digital marketing efforts. The company continues to benefit from a high client retention rate of about 93%. Looking forward, we anticipate the company will generate attractive organic growth with future share buybacks and acquisitions to be additive on top of this. We expect the company's fuel card business to see high single-digit growth with further support from rising oil prices, while its corporate payments and toll businesses should see high-teens growth. Lodging should continue to deliver strong growth year-over year. Additionally, we expect some additional strength from new steps beginning in Q2 to cross sell their corporate payments product to fuel card clients, and the company is seeing growing success in signing up more customers for its electric vehicle solution. We raised our position target in the company to an average weight given the appreciation in the stock.

The fourth and fifth largest contributors to portfolio performance in Q1 were **S&P Global** and **Visa**.

Portfolio Activity

Turnover in the portfolio during the quarter was in line with long-term averages. New positions in Ecolab and Sherwin Williams were initiated in Q1 as positions in Linde and Meta Platforms were sold. Additionally, Yum! Brands, Regeneron, Ball Corporation, Visa, and American Express among others were trimmed during the quarter. We purchased additional shares in Intuit, Workday, MSCI, Danaher, Intuitive Surgical, Illumina, Match, and PayPal on weakness.

Sold Positions

The portfolio's position in industrial gas producer **Linde** was sold due to valuation as we looked for a source of funds to build a new position in Sherwin-Williams. Linde generated attractive relative returns for the portfolio over the period it was held.

As noted above, the portfolio's position in **Meta Platforms** was sold due to forced attrition with the capital being reallocated to the purchase of a higher confidence opportunity in Ecolab.

New Positions

We reinitiated a position in **Ecolab,** a global leader in water, hygiene, and services, in Q1 as its valuation become more attractive given the market's ongoing preference for more economically sensitive companies. Ecolab develops and sells comprehensive programs, products, and services that promote food safety, maintain clean environments, and reduce water and energy consumption. Given its scale, strong reputation and service coverage across millions of clients spanning 170 countries, it is able to deliver these services in a more efficient, economical, and reliable manner.

The company offers attractive pricing power with annual price increases averaging 2% over the past decade and pricing that has remained stable even during periods of economic weakness. This is due to the value they create for clients, enabling them to reduce water, energy and labor costs while complying with food safety and sanitization regulations. The company also offers highly recurring revenues with consistent double-digit earnings growth, contracts typically ranging from 3-5 years, and customer retention rates of over 90%. The company offers predictable organic growth with an addressable market over $152 billion and its revenues comprising only about 8% of that. With a strong ability to protect its margins, as evidenced through several raw material cycles, the company has shown an ability to cover cost inflation through its pricing. With strong free cash flow generation and an experienced and adept management team, Ecolab meets our business quality criteria well while offering predictable and sustainable earnings growth in the mid-to-upper teens.

Among the key risks we will be monitoring for Ecolab are the impact from significant raw material cost inflation even though the company has proven to be able to offset such increases historically. We will also be watching for any impacts from COVID-19 on the company's institutional businesses.

We initiated a position in **Sherwin-Williams**, a global leader in the manufacture, development, distribution, and sale of paint, coatings, and related products. It serves professional, industrial, commercial, and retail customers with a wide variety of brands including Sherwin-Williams, Valspar, and Krylon among others. Its products are sold exclusively through a chain of

more than 5,000 company owned and operated stores as well as through leading retail and distribution partners. About 57% of its sales come from the company's North American paint stores, 27% from global coatings, and the balance from the do-it-yourself market via retail partners.

Sherwin-Williams has strong pricing power supported by industry leading service and innovation, with its products ranked as the #1 preferred brand by professionals and designers, and #1 in JD Powers customer satisfaction survey and in terms of consumer brand awareness according to third party research. The company's vertically integrated business model, growing e-commerce capability and superior paint performance strengthen its position further. With paint representing only a fraction of a painting contractor's total cost (about 90% is labor), professionals are willing to pay more for demonstrated advantages in service levels and paint performance. Importantly, particularly today given rising inflation, the company has demonstrated a consistent ability to pass along input cost inflation while holding its pricing during periods of deflation.

While paint is relatively inexpensive it is a high impact expenditure that is generally less cyclical than more discretionary home improvement projects. In the new construction market Sherwin-Williams has exclusive relationships with 18 of the 20 top national homebuilders. The company's industrial business is focused on specific high-value, high margin applications that must be maintained (cargo liners for the transport of highly acidic orange juice being one example). Its most cyclical business (General Industrial and Protective & Margin) represents less than 10% of sales.

In addition to its strong pricing power and more predictable revenues, we see an attractive growth opportunity for Sherwin-Williams over our 3–5-year investment horizon driven by the older average age of homes in the U.S. (now over 40 years), increased urban flight to the suburbs, strong demographics with Boomers choosing to age in place and remodel, Millennials approaching the prime home ownership age, and an increasing shift toward more eco-friendly products. In the industrial business, we expect the company to benefit from catchup on deferred maintenance, high demand for non-BPA packaging, a recovery in the auto and cabinetry markets, and a cyclical recovery in the demand for heavy machinery.

Among the key risks we will be monitoring are volatility in the price of oil given the importance of petroleum derivatives in the manufacture of paint.

With attractive margins, strong cash flow generation, controlled capex, easily manageable debt, a strong and stable management team, and an attractive valuation we initiated a below-average weight position and expect to build the position on volatility.

Looking Forward

Passive investors have had much success in recent years as many active managers (including SGA) failed to keep pace with the Index. As an example, the Russell 1000 Growth Index's 3-year return ending 12/31/2021 of 34% ranks in the top 1 percentile of its history while its Sharpe Ratio over this period of 1.8 is nearly 3x its long-term average. It has been an incredible run with investors chasing returns in a low interest rate environment fueled by QE and a lack of attractive alternatives. Over this same period, however, underlying earnings growth for the Russell 1000 Growth Index companies has grown just 6% per year, slightly below the long-term average. Passive investors have been rewarded handsomely whereas portfolios focused on high-quality fundamental growth with a valuation discipline have lagged. Market index returns have been above the long-term trend for more than 10 years in a largely momentum-driven environment with a few large stocks driving the index return. Significant risk-taking has been rewarded and passive indices, which by design are momentum-driven, have done well.

We believe we are at an inflection point as inflation is forcing the Federal Reserve to move away from extraordinary levels of stimulus and shift from quantitative easing to quantitative tightening, while at the same time the global economy is slowing and rising geopolitical tensions interrupt tailwinds from globalization. It seems likely that the best days of the speculative asset rally are behind us, and we will move towards an environment where the true long-term drivers of stock returns, earnings and cash flows, will once again be the determining factors along with valuations.

SGA's approach offers access to an attractive asset class with a lower risk profile and portfolio attributes we expect to be more important in this environment. Through a very consistent and disciplined process and team-based approach we have been able to deliver attractive absolute, relative and risk-adjusted results through full market cycles over multiple decades. While our valuation focus tends to lead us to trail in momentum markets, this and our business quality focus have led to downside protection over rolling 3-year periods ranking in the top quartile of peers 75% of the time. With economic policy

at an inflection point, years of historically low interest rates ending and market volatility likely to remain high, the consistency and predictability of the portfolio's earnings and cash flow growth, and its attractive valuation position the portfolio well.

We thank you for your continued support and look forward to answering any questions you may have.

The opinions expressed herein reflect the opinions of Sustainable Growth Advisers, LP and are subject to change without notice. Past performance is no guarantee for future results. This information is supplemental and complements a GIPS Report that can be found with composite performance. The securities referenced in the article are not a solicitation or recommendation to buy, sell or hold securities. This commentary is provided only for qualified and sophisticated institutional investors.

Results are presented gross and net of management fees and include the reinvestment of all income. The Net Returns are calculated based upon the highest published fees. The net performance has been reduced by the amount of the highest published fee that may be charged to SGA clients, 0.75%, employing the U.S. Large Cap Growth equity strategy during the period under consideration. Actual fees charged to clients may vary depending on, among other things, the applicable fees schedule and portfolio size. SGA's fees are available upon request and also may be found in Part 2A of its Form ADV. The performance record presented for periods prior to July 1, 2003 occurred before to the inception of SGA and represents the portable performance record established by two of SGA's founders (and investment committee members) Gordon Marchand and George Fraise while affiliated with a prior firm. The largest contributors and detractors are determined using a ranking of the absolute contribution to portfolio return by each security held over the period under consideration. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Upon request, free of charge, SGA can provide a list of all portfolio holdings held in SGA's U.S. Large Cap Growth portfolio for the past year. SGA's earnings growth forecast data is based upon portfolio companies' non-GAAP operating earnings.

Sustainability Report

Q1 2022

SGA Sustainable Growth Advisers

Carbon Tax Analysis

The transitional risks of climate change relate to the adjustment towards a low-carbon economy. These include the impact of changes to government policies, regulations, technology, and market demand. Carbon taxes are becoming an increasingly preferred policy by governments around the globe to raise the cost of fossil fuels to more accurately reflect their externalities and discourage future use.

We recently completed an analysis of the impact of a carbon tax on the earnings of companies in our Qualified Company List ('QCL'). Specifically, we calculated the impact to 2022 estimated earnings assuming a tax of \$50/tCO_2e on all Scope 1, 2, and 3 emissions. We found the exercise valuable in two regards. First, it underscored the companies on our Qualified Company List that do not yet disclose Scope 3 emissions, which in most cases represent the majority of a company's total carbon footprint. Unfortunately, approximately one third of the companies on the QCL fall into this category, thus rendering any analysis of a carbon tax on these specific companies far less useful. For these companies with inadequate disclosure of emissions data, we are systematically reaching out to management to strongly encourage them to increase their disclosure. Second, the analysis identified those companies for which a potential carbon tax represents a material risk to earnings. For approximately 20% of QCL companies, a \$50 carbon tax would cause over a 10% reduction in earnings.

The QCL companies with the highest potential risk to earnings as a result of a carbon tax are mostly in the consumer goods, industrials, data warehouses, and retailers/restaurant industries and include Yum! Brands, Linde, Heineken, CP All, Equinix, and Amazon. While the likelihood of a global carbon tax is relatively low over our 3-5 year time horizon, we have utilized the results of this exercise to refine our proprietary ESG scores and risk category designations, as well as prioritize engagement with management regarding plans for emissions reduction, including net zero commitments and science based targets for emissions reductions.

SGA Operations: Carbon Footprint Analysis

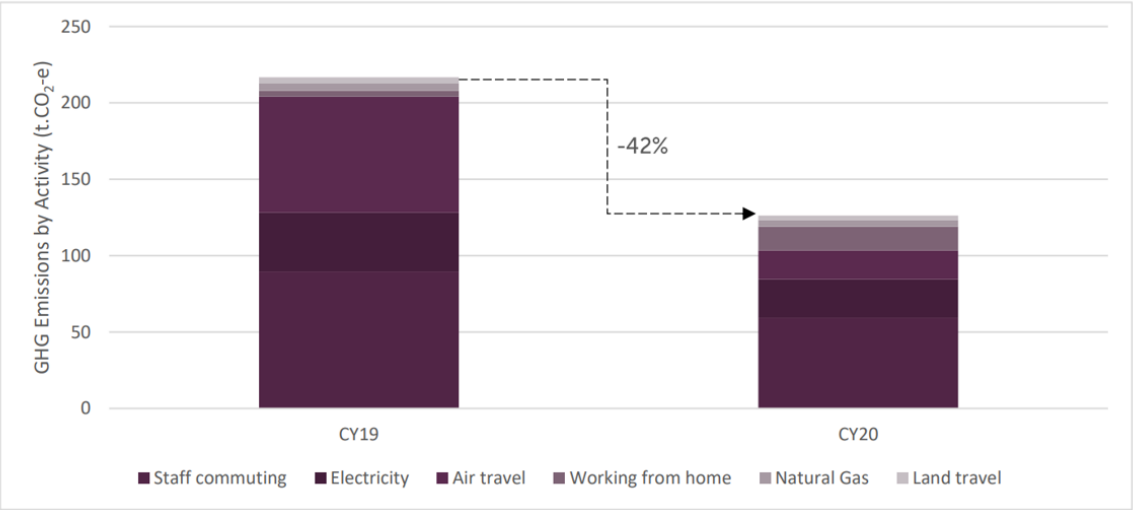
We recently conducted an exercise to map the carbon footprint of our firm's operations across calendar years 2019 and 2020 by a specialist carbon advisory firm. Total GHG emissions for the firm were estimated at 216.7 tonnes of carbon dioxide equivalent in 2019 and 126.2 in 2020. During 2020, our GHG emissions reduced approximately 42% due to our responses to COVID-19 which caused a large decrease in staff commuting and business air travel. A summary of GHG emissions sources by activity can be seen in the tables and figures, below.

Figure 1: GHG emissions by activity and scope (t CO_2e, %)

ACTIVITY	SCOPE	CY 2019		CY 2020	
		EMISSIONS	PERCENTAGE	EMISSIONS	PERCENTAGE
Natural Gas	1 & 3	5.01	2.3%	4.26	3.4%
Electricity	2 & 3	38.40	17.7%	24.96	19.8%
Air Travel	3	75.95	35.0%	18.99	15.0%
Staff Commuting	3	89.75	41.4%	59.46	47.1%
Land Travel	3	3.67	1.7%	2.96	2.3%
Working-from-home	3	3.92	1.8%	15.59	12.4%
TOTAL Gross GHG Emissions		216.70	100%	126.21	100%
TOTAL Net GHG Emissions		216.70		126.21	

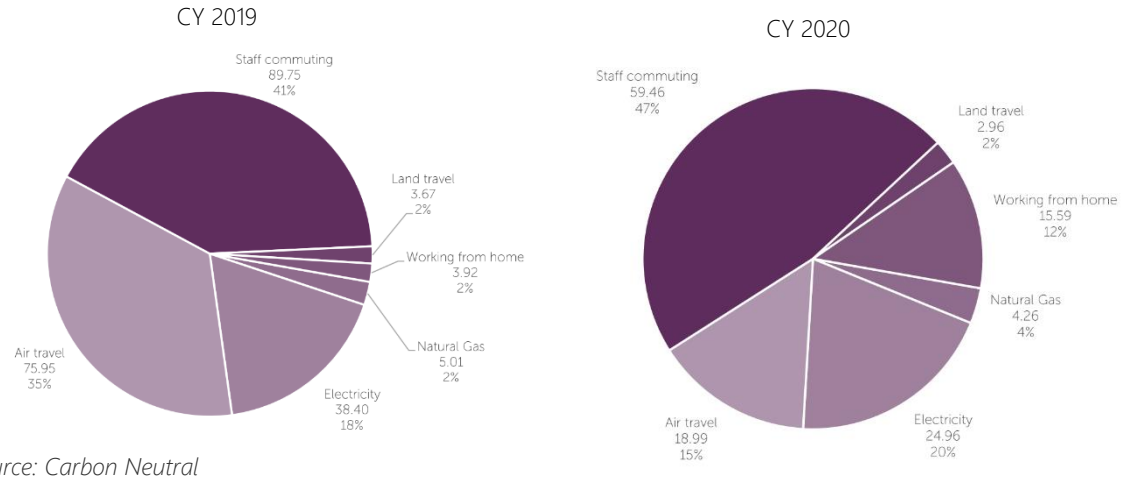
Source: Carbon Neutral

Figure 2: GHG emissions by activity (t CO_2e, %)



Source: Carbon Neutral

Figure 3. GHG emissions by activity (t CO2e, %)



Source: Carbon Neutral

We have not yet set quantifiable targets to reduce our operations' emissions; however, we are implementing the following:

- Formalizing our hybrid Work From Home policy to reduce emissions from staff commuting, our largest source of GHG emissions.
- Encourage the use of virtual meetings in place of in-person meetings, where appropriate.
- Eliminating the use of single-use plastics in the office.
- Reducing paper waste and encouraging adoption of electronic materials.

Yum! Brands

We met with the company's Chief Sustainability Office, Jon Hixon, over the quarter to discuss the results of our carbon scenario analysis; our initial analysis showed that Yum! Brands has one of the higher exposures to earnings risk from a potential carbon tax relative to companies on our Qualified Company List.

Almost all of Yum! Brands' carbon emissions are derived from scope 3 emissions which consist predominantly of the scope 1 & 2 emissions of the franchised restaurants and the company's global supply chain. While the potential for a carbon tax is not currently prioritized by management as a significant risk, the company is making headwinds to reduce its carbon footprint.

Yum! Brands recently issued Science Based Targets that include a 46% reduction in scopes 1, 2, and 3 emissions by 2030 (using 2019 as the baseline, as is standard) and has many projects in place to reduce emissions, including:

- A partnership with the University of Liverpool to convert 1,000 units in the UK and another 1,000 in Europe to net zero (corporate and franchised units) in the next year or so. These markets were specifically chosen because of their higher regulatory risk in terms of cost of energy;
- A project to reduce methane emissions in the supply chain in collaboration with large dairy suppliers; and
- Collaboration with top 30 suppliers to educate them on the benefits of Science Based Targets.

Yum! Brands maintains a significant degree of control over franchisees in terms of "brand standards" which includes emissions considerations regarding new builds and renovations. In addition, the company's centralized procurement system in major markets, such as the US, provides management with a high capacity to drive change in emissions.

We believe Yum! Brands is less susceptible to a carbon tax than our initial analysis first suggested as the majority of the burden would likely be borne by the franchisees, as opposed to Yum! Brands. While a tax would ultimately be negative to franchisee economics and unit growth, we assess the probability of implementation of such a tax within our 3-5 year time frame as low, and believe Yum! Brands is well placed relative to competitors to navigate such a potential environment given its scale advantage. We will continue to monitor the progress of the various initiatives cited above and plan to explore further the hypothetical allocation of financial burden from a carbon tax between franchisees and the parent company.

Proxy Voting Summary Q1 2022

	Number of Resolutions	For	%	Against	%	Abstain	%
U.S. Large Cap Growth	45	43	96%	2	4%	NIL	0%
Global Growth	50	48	96%	2	4%	NIL	0%
International Growth	5	1	20%	4	80%	NIL	0%
Emerging Markets Growth	25	21	84%	4	16%	NIL	0%
Global Mid-Cap Growth	17	17	100%	NIL	0%	NIL	0%

Source: SGA, Broadridge, ISS

Carbon Risks Q1 2022

	Total Carbon Emissions	Carbon Intensity	Weighted Average Carbon Intensity
SGA Global Growth	13,197	70.3	58.2
MSCI ACWI	81,696	189.6	162.6
SGA Relative Exposure	-84%	-63%	-64%
SGA U.S. Large Cap Growth	4,781	30.5	29.9
Russell 1000 Growth	8,427	50.4	32.9
SGA Relative Exposure	-43%	-39%	-9%
SGA Emerging Markets Growth	21,622	53.0	47.8
MSCI EM	232,503	391.7	325.6
SGA Relative Exposure	-91%	-86%	-85%
SGA International Growth	24,452	89.3	94.5
MSCI ACWI ex-USA	144,225	219.4	201.7
SGA Relative Exposure	-83%	-59%	-53%
SGA Global Mid Cap	13,046	58.1	44.3
MSCI ACWI Mid Cap	164,195	273.4	256.7
SGA Relative Exposure	-92%	-79%	-83%
	t CO_2e	t CO_2e / $M Sales	t CO_2e / $M Sales

Source: SGA, MSCI. Carbon data includes Scope 1 and 2 emissions.