Global Mid Cap Growth Commentary

Q3 2023

SGA
Sustainable Growth Advisers

Performance

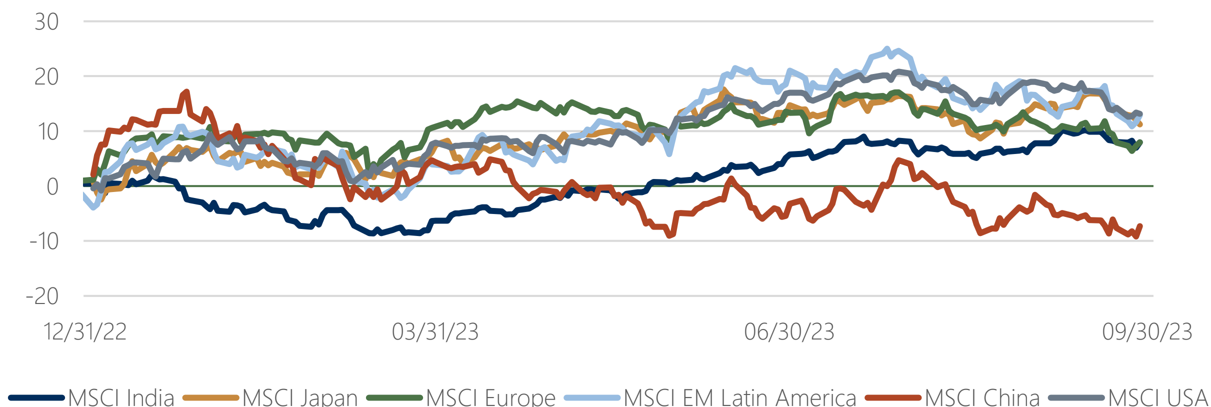
SGA's Global Mid Cap Growth portfolio returned -4.4% (Gross) in Q3 2023 and -4.6% (Net) versus -3.7% for the MSCI ACWI Mid Cap Index and -5.0% for the MSCI ACWI Mid Cap Growth Index. Q3 Index leadership broadened as the market's excitement over expected Artificial Intelligence beneficiaries moderated. The Energy sector performed best by a wide margin while Communication Services, Health Care, and Consumer Staples lagged. Fear of higher rates for a longer period weighed on U.S. markets while China and other emerging markets were dragged down by weak economic data.

Highlights

- Portfolio returned -4.4% (Gross) in Q3 and -4.6% (Net) versus -3.7% for the MSCI ACWI Mid Cap Index and -5.0% for the MSCI ACWI Mid Cap Growth Index.
- Pressure on stocks with higher levels of sales stability created a headwind.
- Atlassian, Universal Music Group, and MSCI contributed most to performance, while Adyen, Shandong Weigao, and Experian detracted most.
- We liquidated the position in Match and reinvested the capital in Gartner.
- XP was trimmed on recent strength while Universal Music Group was added to on weakness.
- Portfolio revenues and earnings are expected to grow by 12% and 17%, respectively, over the next three years versus 5% and 12% for the MSCI ACWI Mid Cap as we continue to expect slowing macroeconomic and profit growth.

Rising Interest Rates and China Weakness Weigh on Markets

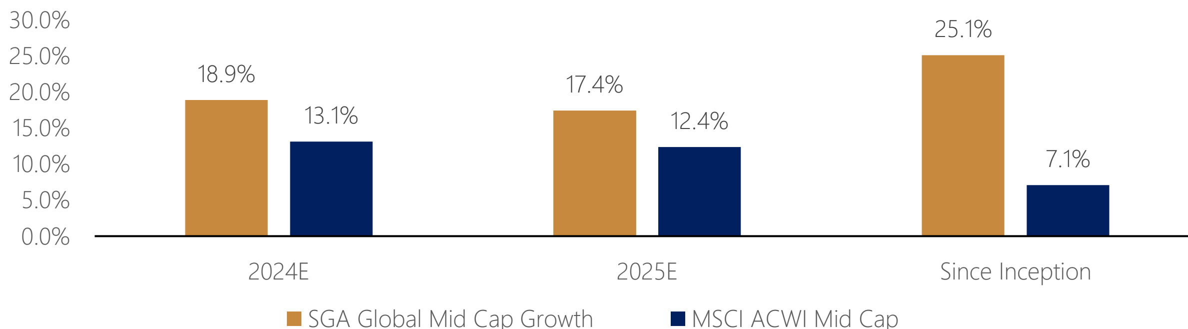
Global markets finished the quarter down despite a strong start as concerns about interest rates staying "higher for longer" in the U.S. weighed on companies with a longer duration of growth and a deteriorating economic backdrop in China negatively impacted emerging markets stocks. The quarter started off strongly as rising expectations for an economic "soft landing" in the U.S. and nascent signs of increasing Chinese stimulus efforts supported global markets in July. Chinese stocks led the way during the initial rally and emerging markets outperformed developed markets as risk appetites were high. Optimism about a turnaround in China's economy quickly faded, however, as weak economic data and underwhelming stimulus efforts raised doubts about the sustainability of a rebound. The MSCI China Index closed the quarter down over 20% from its highs in late January when optimism regarding the country's re-opening peaked. Concerns around Chinese demand also weighed on Latin American markets which were among the worst performing in Q3 despite moderating inflation pressures and easing monetary policies. Leading economic indicators continued to worsen in Europe as well, which combined with rising energy costs and a still hawkish European Central Bank made Europe the worst performing region for the quarter. In contrast, strong and improving economic growth in India provided a boost for Indian stocks in Q3.



Source: FactSet, MSCI. Please see table included in this commentary for full performance presentation.

Global Mid Cap Growth Commentary

Growth expectations improved in the U.S. but were offset by a deteriorating growth outlook in non-U.S. markets, most notably in emerging markets. Looking ahead, expectations for the next couple of years remain above the long-term trend, and quite optimistic in our view given continued restrictive monetary policies in the developed world, tighter lending and credit standards, rising energy costs, depleting consumer savings, and weakening demand from China.



Source: FactSet, Bloomberg, SGA Earnings Estimates and Adjustments.

Key Contributors

Atlassian was the largest contributor to performance this quarter after reporting solid results, with cloud revenue growth, margins, and free cash flow all beating expectations. Revenues increased 24% driven by strong cloud revenues which were up 30% and data center revenues which were up 46% year-over-year. Operating margins reached 21.6% which beat management's guide of 17%, and free cash flow increased 42% year-over-year driven by more multi-year deals, partially attributed to the end of royalty discounts to drive cloud migration. Management's expectation that margins would be trending back towards historical levels by FY 2025 was earlier than expected therefore a positive surprise. Guidance for FY 2025 cloud growth to be in the 25-30% range was also reassuring. Management's strategic decision to focus on cloud migration, larger enterprises, and IT service management (ITSM) growth opportunities are bearing fruit in the near term with enterprise sales up 50% year-over-year and ITSM for enterprises up 80% year-over-year. In addition, the end of the company's server product by Feb 2024 will lead to customer migration to higher priced cloud and data center products which provide better visibility for revenue and free cash flow growth in the near term despite a more volatile macro backdrop. We maintained an above-average weight position in the company.

Universal Music Group (UMG), the world's leading music label, was the second largest contributor to performance in Q3. UMG has several notable record labels under its ownership including Republic, Interscope Record, Capitol Music, Def Jam, and EMI. It represents artists across lifecycles and genres and owns the rights to the industry's leading catalogue. UMG's business is split among recorded music, music publishing and merchandising, with 77% of its revenues coming from the recorded music business where it promotes and markets recorded music for its artists and shares in the economics. The advent of streaming has shifted the music label business to become more repeatable and drive growth as the labels now get paid every time a song is played versus the previous transactional process that relied on the one-time sale of an individual song or album. We estimate about 60% of revenues are recurring and expect this to increase as subscription streaming revenue continues to grow. The company has demonstrated low churn rates. UMG's scale, scope and geographic reach would be very difficult to replicate, and the label remains an artist's best chance at reaching global stardom, allowing it to earn attractive margins and returns on capital. With only 30% of the developed markets' population subscribing to streaming platforms, and much lower levels in developing countries, we see an attractive growth runway. Growth from new and emerging platforms such as gaming, digital fitness, and social media is also an opportunity. We continue to see an attractive long-term opportunity ahead for UMG and increased our position to an above-average weight given high conviction and an attractive valuation.

MSCI was the third largest contributor to performance in Q3 after being the largest detractor from results in Q2. The company posted a strong Q2 report with revenues up 13% and earnings per share up 17% while subscription revenues rose 11% and

index subscriptions were up by a double-digit rate for the 38th consecutive quarter. ESG & Climate revenue growth stabilized at 29%, beating expectations while retention of clients for the segment was a solid 97%. Investors were pleased with notably more positive comments from management regarding trends in the ESG & Climate business segment after their comments last quarter noting regulatory uncertainty in Europe and political headwinds in the U.S. We raised our position to an above-average weight in the company.

EPAM Systems and **MercadoLibre** were the fourth and fifth largest contributors to performance in Q3.

Key Detractors

Adyen, a leading payment services provider, was the largest detractor from performance in Q3. Adyen operates on a single proprietary platform providing a spectrum of payment services that collectively form the backbone for merchant clients to process payments at the physical point of sale and online. Adyen's platform represents a full end-to-end payments stack that enables the company to track payment flows and data from start (merchant's checkout) to finish (final settlement), leading to superior data capture and analysis, allowing the company to charge a premium for the value its services provide to customers. The company processes billions of transactions annually and customer attrition is very low (<1% of total payment volume). The company is well-positioned to take advantage of secular growth themes in the payment industry including the transition from cash and checks to electronic forms of payment, growth in mobile and omni-channel, the increasingly global nature of commerce, and the proliferation of payment methods. Adyen's shares experienced a material dislocation in Q3 following disappointing Q2 results, which sowed doubts about the company's longer-term growth trajectory amid rising competitive intensity its U.S. digital business which represents approximately 15% of total revenue. The company missed expectations across volumes, revenues, and profits. Management's comments about a more difficult operating environment in the U.S. with customers prioritizing cost optimizations over functionality and aggressive price actions by competitors raised concerns about the company's longer-term growth opportunity. While we were disappointed by the results and have subsequently lowered our growth expectations, reflecting a more competitive environment in the U.S., we believe the fragmented and more complicated payments markets outside the U.S., where the company generates the majority of its revenue, makes similar competitive pressures less likely in these markets. Following a Man Overboard Drill we decided to hold the position, albeit at a reduced weight, reflecting an attractive longer-term opportunity but recognizing greater near-term uncertainty.

Shandong Weigao, a leading Chinese medical device company, was the second largest detractor from performance in Q3. Shandong Weigao benefits from its manufacturing scale and strong R&D capabilities which enable the company to launch innovative, higher margin products over time. As most of the company's products are consumables, which must be replaced on an ongoing basis, the company's revenue generation is highly predictable and recurring. While we view Shandong Weigao as being well-positioned to participate in the growth of healthcare in a rapidly aging China, the company continues to see near-term pressures from the Chinese government's volume-based procurement (VBP) policies. The company's 1H 2023 results were worse-than-expected with sales and profits declining -1% and -24%, respectively, despite strong volume growth and market share gains. The company expects pricing pressures from government centralized purchasing to be mostly absorbed by 2024 leading to a re-acceleration in revenue growth. For 2H23, we expect improvement in underlying trends in most of the businesses, with some residual impact in orthopedics from the government centralized purchasing program. We do not expect a significant impact from the recent anti-corruption campaign in healthcare. While near-term growth expectations remain modest and uncertain, we are pleased to see the company gain market share and grow volumes, which should position the company well for future growth. We lowered the position target to a below-average weight in the company, recognizing the greater near-term uncertainty.

Experian was the third largest detractor from performance in Q3 after reporting Q1 financial results. While its results were reassuring, there was some deceleration in both data and consumer segments while consumer credit related businesses got weaker. This was partially offset by still strong non-credit driven businesses (software, analytics, targeting, health), which overall are still within their guidance range. Total organic revenue was up 5% and next quarter's expectation is 4-5% revenue growth. Within the banking sector, the company is seeing stabilization since May post the regional banking crisis. In terms of consumer credit, demand remains strong even though supply has tightened thus impacting the growth of the B2C segment. We remain confident in the long-term growth opportunity for Experian and maintained an average weight position in the company.

The fourth and fifth largest detractors from performance in Q3 were **Ball Corporation** and **IQVIA**.

Portfolio Activity

We liquidated the portfolio's position in Match in Q3 and used the proceeds to fund a new position in Gartner. We also trimmed the position in XP on recent strength and continued building the position in Universal Music Group on weakness.

Purchases

We initiated a new position in **Gartner**, the leading research and advisory company for IT decision makers globally, based in Stamford, CT. The company provides its services to over 15k enterprises today who leverage its 3000+ research analysts and consultants to determine their strategic priorities and how to best execute them. The business is split into three major categories: Research (84%), Consulting (9%), and Conferences (7%). The Gartner Research platform operates through a subscription model that provides access to its proprietary research and analysts. Executives use Gartner's research to track emerging trends, understand the strategies and approaches available, and select vendors that are best suited for their needs. The consulting business leverages Gartner's experienced consultants for those customers seeking more in-depth engagement and project-based advisory services. Gartner's conferences are considered among the most important events for executive leaders and are generally heavily oversubscribed by enterprises and tech vendors, most notably the flagship IT Symposium/Xpo.

Gartner has strong pricing power as evidenced by its ability to grow pricing 3-4% per year and pass-on larger price increases during inflationary periods as seen in the last few years. About 70% of Gartner's research subscriptions are multi-year in nature, with total subscriptions representing about 76% of revenues. Client retention for the Research business is around 85%, but net wallet retention is generally 105-110% as larger contracts tend to be stickier, and it can upsell higher-fee subscriptions, drive seat growth, and take price over time. Gartner has a long-term growth runway with secular tailwinds due to the growing role of technology in a company's operations and strategy, and it is uniquely positioned to benefit from those tailwinds due to its strong competitive differentiation.

Among the key risks we are monitoring with Gartner are cyclicality, low barriers to entry, and brand degradation. Gartner has a demonstrated ability to carefully manage these risks but they remain areas we continue to monitor.

Gartner's research business grew double-digits year-over-year in every quarter for a decade starting in Q1 2010.

Sales

We sold the portfolio's position in **Match** to fund the new position in Gartner. While the company continues to grow and generate high margins and strong cash flows, increased concern over slowing growth at Tinder as well as in the company's older brands relative to our expectations weakened our conviction. As such, we determined that Match was the best source of capital. In retrospect, we misjudged the positive impact of fiscal stimulus during the pandemic on Match's business and underestimated the likely slowing in the company's legacy platforms. We continue to see online dating as a growth business but also believe it is undergoing a fundamental transformation which Match will need to adjust to. Given the risks involved, we believe our clients' capital is better invested in a higher confidence growth thesis.

Outlook

With the unprecedented monetary and fiscal stimulus applied during Covid, the significant supply chain blockages, and demographics constricting labor force growth, this positive economic cycle has defied expectations. While impossible to predict the market's path over the next 6-12 months, we continue to see the ingredients for slower macroeconomic and profit growth ahead given the lagged effects of the significant monetary tightening. While certainly not immune to macroeconomic forces, our approach has traditionally excelled in periods of slowing economic growth and increased uncertainty, and we believe that the combination of recurring revenues, sustainable growth and high business quality together with a focus on valuation will benefit our clients in the years ahead. Over the coming three years, our portfolio is expected to generate 12% revenue and 17% earnings growth. The ACWI Mid Cap is expected to earn revenue and earnings growth of 5% and 12%, respectively, which we believe is optimistic given the secular economic headwinds on the horizon.

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

Global Mid Cap Growth Commentary

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. For interest and capital gains, SGA does not withhold taxes. For dividends, SGA will withhold taxes as reported by the client's custodian. Returns are calculated net of withholding taxes on dividends. The Net Returns are calculated based on the deduction of a model fee of 0.85% being the highest applicable fee that may be charged to SGA clients for the Global Mid Cap Growth equity strategy. Net Returns do not account for custodian and brokerage fees that clients pay to third parties. 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 may be found in Part 2A of its Form ADV. 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 Global Mid Cap Growth portfolio for the past year. SGA earnings growth forecasts are based upon portfolio companies' non-GAAP operating earnings.

Performance Results	Q3 2023	YTD 2023	1-Year	3-Year	Since Incep.
SGA Global Mid Cap Growth (Gross)	-4.4%	7.2%	14.2%	-5.6%	6.4%
SGA Global Mid Cap Growth (Net)	-4.6%	6.5%	13.2%	-6.4%	5.5%
MSCI ACWI Mid Cap (Net TR)	-3.7%	3.6%	15.7%	5.2%	6.0%
MSCI ACWI Mid Cap Growth (Net TR)	-5.0%	6.0%	17.1%	1.2%	6.5%

	Total Return					3 Year Standard Deviation				
Period	Before Fees	After Fees	MSCI ACWI Mid Cap Net TR Index	Number of Portfolios	Composite Dispersion	SGA Composite	MSCI ACWI Mid Cap Net TR Index	Total Assets in Composite at Period End (USD millions)	Total Firm Assets at Period End (USD millions)	Percentage of non-fee paying accounts
Nov. 1 - Dec. 31, 2018	-4.25%	-4.39%	-6.17%	Five or Fewer	N/A			0.113	9,096	100%
2019	38.88%	37.74%	26.00%	Five or Fewer	N/A			0.306	12,347	100%
2020	44.98%	43.79%	15.17%	Five or Fewer	N/A			6	18,780	8%
2021	-1.46%	-2.29%	16.39%	Five or Fewer	N/A	19.19%	19.29%	6	22,899	0%
2022	-33.30%	-33.88%	-18.77%	Five or Fewer	N/A	23.66%	22.20%	6	18,407	0%
Since Inception (November 1, 2018)	5.85%	4.95%	6.25%			21.60*	20.34*			

N/A- Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.
3 Year Standard Deviation is not shown for 2018, 2019, and 2020 as 36 months of returns are not available.
* Since Inception Annualized Standard Deviation. SGA Composite Dispersion based on Gross Returns.

Sustainable Growth Advisers, LP ("SGA") was formed in 2003 and is a registered investment advisor under the Investment Advisers Act of 1940. SGA manages portfolios of publicly traded equity assets according to its "Large Cap Growth Equity" investment approach for pooled funds, institutions, trusts and private accounts. SGA is an operationally independent investment management firm and is an affiliate of Virtus Investment Partners, Inc. The SGA Global Mid Cap Growth Composite was created in November 2018. The firm maintains a complete list and description of all composites, which is available upon request.

Sustainable Growth Advisers, LP claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sustainable Growth Advisers, LP has been independently verified for the periods July 1, 2003 – December 31, 2022.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The SGA Global Mid Cap Growth composite has had a performance examination for the periods November 1, 2018 - December 31, 2022. The verification and performance examination reports are available upon request.

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SGA Global Mid Cap Growth Composite contains fee paying and non-fee paying mid cap global growth equity portfolios under full discretionary management of the firm. For comparison purposes the composite is measured against the MSCI ACWI Mid Cap TR Index (Net).

Global Mid Cap Growth Commentary

The composite calculation has been appropriately weighted for the size of each portfolio on a time-weighted, total return basis. Monthly portfolio returns have been used in the construction of the composite. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm.

The U.S. Dollar is the currency used to express performance. Results are presented gross and net of management fees and include the reinvestment of all income. For interest and capital gains, SGA does not withhold taxes. For dividends, SGA will withhold taxes as reported by the Client's custodian. Returns are calculated net of withholding taxes on dividends. The Net Returns are calculated based upon the highest published fees. The net performance has been calculated by reducing the gross performance by the amount of the highest published fee that may be charged to SGA clients, 0.85%, employing the Global Mid Cap Growth 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 annual dispersion presented is an asset-weighted standard deviation calculated using gross returns for the accounts in the composite the entire year. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance is not indicative of future results.

The standard investment management fee schedule for the firm is 0.85% on the first $25 million and 0.65% on the next $75 million and 0.50% over $100 million. Actual investment advisory fees incurred by clients used in the composite may vary from the standard fee schedule.

Sustainability Report

Q3 2023

SGA Sustainable Growth Advisers

Ceres

During the quarter, we were pleased to join the Ceres Investment Network, an association of approximately 220 institutional investors managing more than $60 trillion in assets. Ceres leverages networks and collaborations to effect sustainability solutions through both the markets and policy with the ultimate goal of achieving a "just, sustainable, net zero emissions economy". We are excited for the opportunity to integrate Ceres' resources and data into our processes, advancing our ESG education and peer collaboration efforts. To that end, we joined Ceres' Paris Aligned Investment Working Group, a regularly scheduled forum to discuss the best practices, frameworks, and resources for setting and implementing investor climate action plans and net zero portfolio targets.

Visa

We met with Visa's ESG leadership team over the quarter to discuss pertinent topics, including Scope 3 emissions, merchant category codes for controversial retailers, and talent retention.

We engaged with the company to better understand its path to Net Zero, particularly as it relates to addressing Scope 3 emissions. Overall, the company is doing well to address GHG emissions. It has met its 2030 Science-Based Target ("SBT") for a 50% reduction in Scope 1 and 2 emissions as 100% of its electricity needs are now supplied by renewable sources, and it is on track to meet its 2030 SBT for a 42% reduction in Scope 3 emissions. Visa has also established a 2040 Net Zero target. Scope 3 represents 95% of total emissions, and by far the biggest category is purchased goods & services (90% of total). Pleasingly, the company is making progress to ensure their suppliers are on track to meet their Net Zero needs. For example, the company participates in CDP's Supply Chain program, through which Visa engages with suppliers regarding measuring emissions, setting reduction targets and reporting to CDP. Visa now reaches suppliers who represent 80% of the company's emissions as calculated by spend, with the goal to reach 85% by the end of the 2023 fiscal year. Of the participating suppliers, 88% reported their operational emissions, 73% reported active targets, 41% had validated SBTs, and 75% reported active initiatives to engage their own suppliers. The remaining 5% of Scope 3 emissions is mostly travel and commuting, and the company has multiple programs in these areas including membership in the United Airlines Eco-Skies Alliance (which allows corporate clients to collectively contribute to the purchase of sustainable aviation fuel), subsidies for public transit and bicycle commuting, and EV chargers at some facilities.

We also discussed the recent controversy regarding Merchant Category Codes ("MCCs") for gun retailers. We engaged with the company on the controversial topic of MCCs for gun shops, worried it might lead to consumer backlash from one side or the other. A gun retailer MCC would allow the company (and government) to track total purchase values at gun retailers, but not SKU-level information. Not surprisingly, some people see it as a way to identify suspicious firearms and ammunition purchases, while others see it as a threat to personal privacy and the right to bear arms. Visa's policy is legal compliance. Seven states have banned gun shop MCCs, while California will make it a legal requirement. The issue is MCCs are global, and Visa's system is currently not set up to work on a state-by-state basis. It sounds like it's not an insurmountable technological challenge, however the situation is fluid. There is risk for negative publicity to Visa, and the card industry, given the political sensitivity of gun rights and sales.

Lastly, we discussed talent recruitment and retention where conditions are easing following the pandemic. The bursting of the fintech bubble is also easing pressure on recruitment and retention.

ICON

We met with the clinical research health provider, ICON to discuss an upcoming proxy vote as it relates to an abnormal level of non-audit fees paid to the company's auditor, KPMG. Proxy advisory group ISS is recommending shareholders vote against the re-election of select Board members and the ratification of the company's audit firm due to the high level of non-audit fees paid which ISS believes may call into doubt the independence of the audit firm.

We discussed the matter with the company in depth and learned that the non-audit fees paid to KPMG, which accounted for slightly over half the total fees paid to KPMG, were primarily associated with tax advisory relating to the company's merger with PRA Health. Given the scale and complexity of the transaction, most of the fees were related to the consolidation of legal entities, and the company's transfer pricing model, which is the basis for the ICON's tax structure in Ireland. Management views KPMG as being uniquely qualified to advise them on these matters and hence justified the fees paid. Based on management's response, and subsequent disclosure of more granular information on non-audit fees in an additional filing, we decided to vote with the company's recommendation and against ISS's recommendation.

Nestlé

Over the quarter, we met with the outgoing Chief Financial Officer of Nestlé, François-Xavier Roger, to discuss the business and recent ESG progress. Nestlé is now two years into its five-year plan to invest $5bn into ESG initiatives. These investments, while at a cost to short-term profits, are part of Nestlé's plan to combat climate change and reduce greenhouse gas emissions 20% by 2025 and 50% by 2030, with the goal of reaching Net Zero emissions by 2050. The company has done important groundwork identifying its GHG emissions including Scope 2 and 3. Most of its carbon footprint comes through sourcing agricultural commodities and Nestlé has been working on regenerative agriculture in its supply chain. Nestlé is also making progress to address the key challenge of plastic packaging. Nestlé has adopted a five-pronged approach to tackle the issue, including reducing the use of plastic packaging materials, increasing the adoption of reusable systems, designing alternative packaging materials, supporting recycling infrastructure, and shaping new consumer behaviors. Furthermore, the sale of its packaged water business in North America is expected to make a significant reduction to the emissions of the business.

Proxy Voting Summary Q3 2023

	Number of Resolutions	For	%	Against	%	Abstain	%
U.S. Large Cap Growth	0	0	0	0	0	0	0%
Global Growth	45	45	100%	0	0	0	0%
International Growth	88	88	100%	0	0	0	0%
Emerging Markets Growth	1	1	100%	0	0	0	0%
Global Mid-Cap Growth	51	51	100%	0	0	0	0%

Source: SGA, ISS

Carbon Risks Q3 2023

	Carbon Emissions*	Carbon Intensity	Weighted Average Carbon Intensity
SGA Global Growth	15.3	65.5	72.1
MSCI ACWI	98.8	176.8	134.6
SGA Relative Exposure	-85%	-63%	-46%
SGA U.S. Large Cap Growth	7.0	32.4	42.0
Russell 1000 Growth	11.7	49.6	31.1
SGA Relative Exposure	-40%	-35%	+35%
SGA Emerging Markets Growth	22.6	44.6	38.6
MSCI EM	311.2	387.4	322.1
SGA Relative Exposure	-93%	-88%	-88%
SGA International Growth	21.1	71.1	93.9
MSCI ACWI ex-USA	176.1	215.7	176.3
SGA Relative Exposure	-88%	-67%	-47%
SGA Global Mid Cap	14.4	44.9	35.1
MSCI ACWI Mid Cap	220.1	264.7	207.2
SGA Relative Exposure	-93%	-83%	-83%
	t CO_2e/$M Invested	t CO_2e / $M Sales	t CO_2e / $M Sales

*Source: SGA, MSCI. Carbon data includes Scope 1 and 2 emissions. *Carbon Emissions are based on portfolio investment of $1,000,000,000 and benchmark investment of $1,000,000,000.*

SGA integrates ESG factors, including ESG risks and opportunities, into its investment process. SGA believes environmental, social and governance factors inherently impact a company's brand equity, employee satisfaction, competitive position, financial performance, and ultimately long-term shareholder value. Investments are made with the objective of maximizing risk-adjusted financial returns to its clients. SGA does not place a premium on social returns, nor does SGA allocate its clients' capital based on thematic or top-down views. The opinions expressed herein reflect the opinions of Sustainable Growth Advisers, LP and are subject to change without notice. The securities referenced in the article are not a solicitation or recommendation to buy, sell or hold securities. These materials are provided only for qualified and sophisticated institutional investors.