

INTERNATIONAL SMALL CAP

- Style: Small Cap
- Approach: Active; Bottom-Up
- Benchmark: MSCI World ex USA Small Cap Index
- Inception: 1/1/2015
- Strategy Assets: \$114 MM

INVESTMENT PHILOSOPHY

We believe that a company’s ability to generate consistent, sustainable earnings growth will drive stock price performance over time. Leveraging our proprietary fundamental research process we seek to identify quality non-U.S. small cap companies trading at attractive prices, that are often under-researched or under-owned by other institutional investors, and that possess characteristics of one or more of our targeted growth categories. Applying our strong valuation discipline helps us to discern which companies have the potential to grow earnings or recognize value over the long term.

ABOUT OUR FIRM

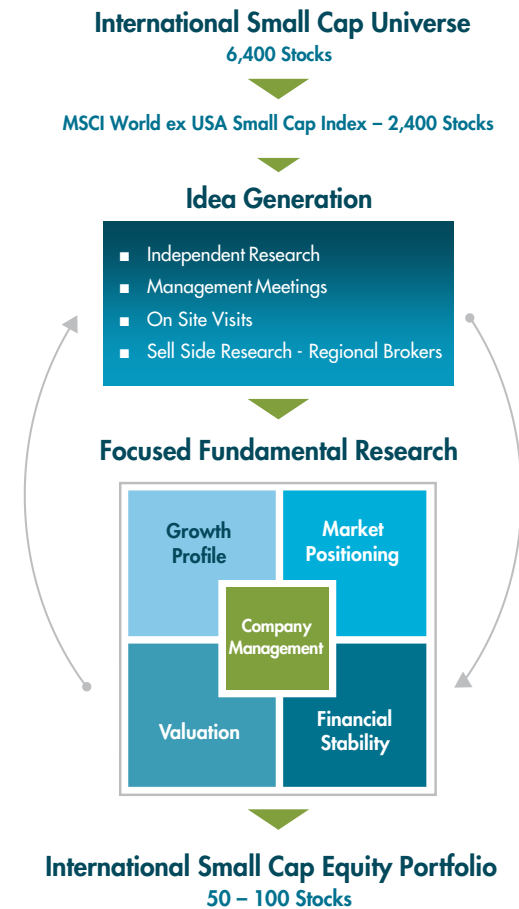
GW&K is a dynamic investment management firm that offers active equity and fixed income investment solutions to meet the needs of a diverse client base. At our core is an entrepreneurial spirit of innovation, a desire to help educate our clients and a level of service that is hard to come by. Our founding principles of applying rigorous fundamental research, focusing on quality and maintaining a long-term view still guide our investment process today.

- Founded in 1974
- \$44 Billion Under Management
- Individually Managed Accounts
- Serving Individuals and Institutions

STRATEGY HIGHLIGHTS

INTERNATIONAL FOCUS	Seek stocks meeting our growth, quality and valuation criteria, including selective investments in emerging markets
PROPRIETARY FUNDAMENTAL RESEARCH	Our bottom-up process seeks to discover well-managed growing businesses that are unrecognized or undervalued by the market
UNIQUE OPPORTUNITIES	Focus on quality companies at attractive prices that can grow earnings or recognize value over the long term

INVESTMENT PROCESS



FUNDAMENTAL RESEARCH

COMPANY MANAGEMENT

- Visionary leadership, high-quality management
- Committed to long-term enhancement of shareholder value

GROWTH PROFILE

- Business models that deliver consistent long-term growth
- Resilient through economic cycles
- Building Blocks of Growth

MARKET POSITIONING

- Leading companies in attractive and defensible niche markets

FINANCIAL STABILITY

- Strong financial characteristics
- Strong cash flow
- Prudent use of debt

VALUATION

- Attractive relative and absolute valuation

BUILDING BLOCKS OF GROWTH

Stable Growth	Growth at Value Prices	Contingent Growth	High Explosive Growth
40-60% Stable and visible earnings or cash flow growth with a high-quality business franchise	20-40% Under-appreciated growth potential trading at a discounted valuation	0-30% Attractive assets with possible catalysts to unlock embedded value	0-30% Potential for rapid growth utilizing a longer-term investment horizon to recognize underlying value

INVESTMENT TEAM

REID GALAS, CFA

Partner
Portfolio Manager
Investment Professional Since 2008
Joined GW&K 2014
BS, Cornell University
MBA, University of Michigan

KARL M. KYRISS, CFA

Principal
Equity Research Analyst
Investment Professional Since 1999
Joined GW&K 2014
BS, University of Scranton
MBA, University of Michigan

DANIEL L. MILLER, CFA

Partner
Director, Equities
Investment Professional Since 1979
Joined GW&K 2008
BS, University of California, Berkeley
MBA, Stanford University

8 International Small Cap Equity Investment Professionals Averaging 23 Years Experience

A DISCIPLINED APPROACH TO PORTFOLIO CONSTRUCTION

- DIVERSIFICATION**
- By region
 - By sector
 - Across currencies
 - High active share
 - By growth profile

MARKET CAP RANGE At time of purchase, company will have a market cap of < \$5 billion or within the market cap range of the MSCI World ex USA Small Cap Index

POSITION SIZE
Target: 1% – 3%
Maximum: 5%

GEOGRAPHIC REGIONS
Focused on developed markets
Opportunistic investment in emerging markets of less than 20%

SECTOR WEIGHTINGS
Benchmark aware; Bottom-up process drives sector allocation

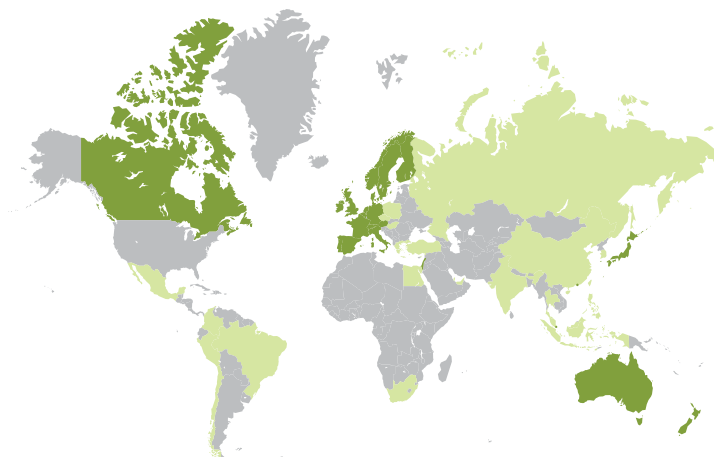
CASH POSITION
Portfolios are fully invested
Typically 0% – 5%

CURRENCY
Maintain unhedged foreign currency exposure
Exposure managed through investment process

- QUANTITATIVE RISK ANALYSIS**
- Portfolio Risk Characteristics – beta, absolute risk, tracking error
 - Fundamental factor exposure
 - Sector exposure
 - Geographic exposure
 - Stock specific risk

INTERNATIONAL FOCUS

We view our investment universe as including all developed markets excluding the U.S., but we may invest in companies located in emerging markets if we identify opportunities that meet our quality and risk management standards. Our objective is to build diversified portfolios that will generate attractive returns over the long run.



DEVELOPED MARKETS

- Australia
- Austria
- Belgium
- Canada
- Denmark
- Finland
- France
- Germany
- Hong Kong
- Ireland
- Israel
- Italy
- Japan
- Netherlands
- New Zealand
- Norway
- Portugal
- Singapore
- Spain
- Sweden
- Switzerland
- UK

EMERGING MARKETS