



# Municipal Employees' Retirement System of Louisiana

## 2019 First Eagle International Value Fund, LP Annual Review

As of 31 December 2019

**First Eagle Investment Management, LLC**  
1345 Avenue of the Americas  
New York, NY 10105

For Institutional Use Only

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## Strategy Review



# First Eagle Investment Management

- Independent asset management firm
- Significant family and employee ownership\*
- \$101 billion of assets under management\*\*
- 314 employees

## Core Investment Tenets

- Absolute Return Oriented
- Benchmark Agnostic
- Fundamental
- Downside Protection Focused
- Global Perspective
- Flexible

As of 31-Dec-2019.

First Eagle Investment Management is the brand name for First Eagle Investment Management, LLC and its subsidiary investment advisers.

\* Private equity funds indirectly controlled by The Blackstone Group Inc. and Corsair Capital LLC, as well as certain co-investors, indirectly own a majority stake in First Eagle Investment Management, LLC.

\*\* Firm AUM is preliminary and is subject to change.

# Strategy Review

## Objective

- We seek to achieve attractive real returns over time while avoiding the permanent impairment of capital.

|                               |                                                                      |
|-------------------------------|----------------------------------------------------------------------|
| Range of Holdings             | 100–150                                                              |
| Style                         | Value                                                                |
| Approach                      | Bottom-Up<br>Fundamental<br>Benchmark Agnostic                       |
| Historical Portfolio Turnover | 10–20%                                                               |
| Market Capitalisation         | All                                                                  |
| Sector/Country Constraints    | None                                                                 |
| Non-Equity Securities Include | Gold<br>Cash and Cash Equivalents<br>Fixed Income<br>Currency Hedges |

The portfolio is actively managed and subject to change. The above are not investment guidelines or restrictions. Range of holdings is approximate.

All investments involve the risk of loss of principal. Additional risk disclosures for this strategy are included in the appendix.

Information for periods prior to 01-January-2000 occurred while a prior portfolio manager of the strategy was affiliated with another firm. Inception date shown is when this prior portfolio manager assumed portfolio management responsibilities.

# Investment Team — International Value Strategy

First Eagle's industry coverage structure provides balance between generalist & specialists, maintains comparative advantage while mitigating behavioural bias.

**Matt McLennan, CFA (28 years)**  
Head of Global Value Team  
Portfolio Manager

**Kimball Brooker, Jr. (27 years)**  
Deputy Head of Global Value Team  
Portfolio Manager

**Alan Barr, CFA\* (29 years)**  
Associate Portfolio Manager

## Director of Research

**Matt Lamphier, CFA (25 years)**  
Director of Research

## Senior Advisors

**Jean-Marie Eveillard (57 years)**  
Senior Advisor

**Bruce Greenwald, PhD (40 years)**  
Senior Advisor

**Tano Santos, PhD (23 Years)**  
Senior Advisor

## Equity

**Julien Albertini (17 years)**  
*Beverages, commercial services, diversified  
industrials, healthcare*

**Benjamin Bahr, CFA (14 years)**  
*Agricultural commodities, automobiles, banks &  
other financials, chemicals, energy E&P*

**Alan Barr, CFA\* (29 years)**  
*Forest products & paper, non-food consumer  
products, retail*

**Max Belmont, CFA (11 years)**  
*Precious metals, aerospace & defense*

**Manish Gupta (14 years)**  
*Technology, media, telecommunications, logistics*

**Christian Heck, CFA (8 years)**  
*Gaming, lodging & leisure, healthcare,  
industrials, retail, technology*

**Thomas Kertsos (13 years)**  
*Precious metals, marine transportation*

**John Masi, CFA (10 years)**  
*Commercial vehicles & trucks, diversified  
industrials, infrastructure, insurance, utilities*

**George Ross, CFA\* (17 years)**  
*Investment grade credit, metals & mining,  
midstream energy & infrastructure, oil  
equipment services & distribution, packaging*

**Elizabeth Tobin (33 years)**  
*Holding companies*

**David Wang (9 years)**  
*Building materials & products, healthcare,  
holding companies, packaged food, real estate*

**Mark Wright, CFA (25 years)**  
*Banks, credit cards & payments, food &  
tobacco*

## Trading

**Doug DiPasquale (31 years)**  
**Joseph Dargan (27 years)**  
**Mike Grazidei (20 years)**

## Research Operations

**Debbie Lusman (25 years)**  
**Mahoko Hikita (17 years)**

## Sovereign Debt, FX

**Idanna Appio, PhD (21 years)**  
**Camille Bryan (13 years)**  
**Emily Howard (9 years)**

## Investment Grade Debt

**Adrian Jones (31 years)**  
**George Ross, CFA\* (17 years)**

## High Yield

**Edward Meigs, CFA (31 years)**  
**Sean Slein, CFA (31 years)**  
**Stefanie Bachhuber, CFA (33 years)**  
**Kevin Kuzio, CFA (26 years)**  
**Andrew Bahl, CFA (17 years)**  
**Lina Kabaria, CFA (13 years)**

*\* Certain members of the investment team hold dual roles.*

*( ) = industry years of experience*

# Executive Summary

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## Recent Market Dynamics

- 2019 Market Returns: strong rebound in performance across asset classes relative to 2018
- Returns resemble 2017, but with a mid-year bout of volatility
- Mid-year economic/market uncertainty countered by central bank easing

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## 2019 First Eagle Global Value Team Portfolios

- Net sellers in 2019 (stocks & gold)
- On margin, bought international names, but activity mostly idiosyncratic

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## Outlook

- Narrow markets with stretched valuations portend low expected returns across equities and bonds
  - Selectivity is critical
-

# Equity Market Returns Resemble 2017, with the Exception of a Mid-Year Bout of Volatility

MSCI World Cumulative Returns: 2017 vs. 2019

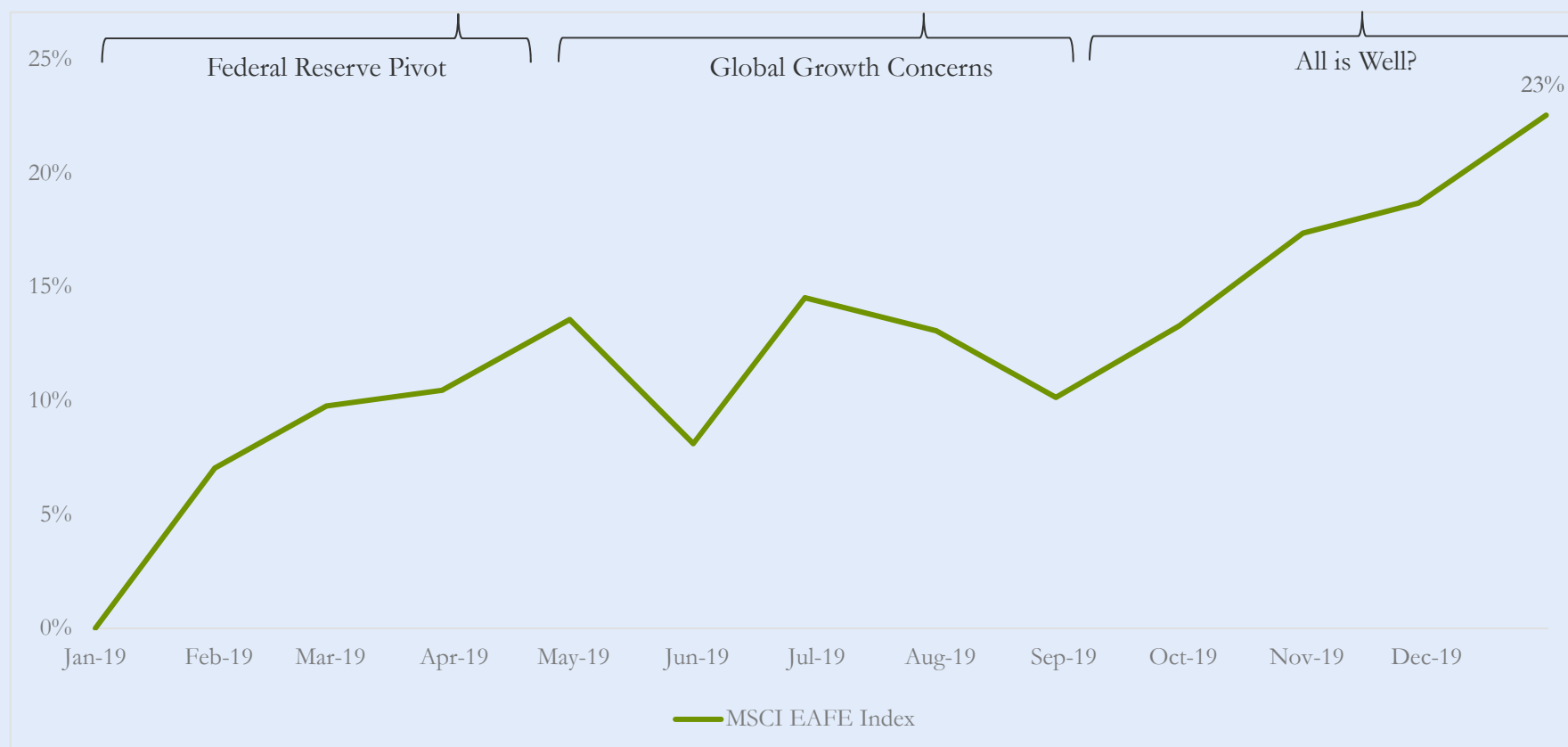


Source: FactSet, Bloomberg as of 12/31/2019.  
Past performance does not guarantee future results.

# International Value 2019 Performance

2019 Performance & Attribution: International Value (Net) vs. MSCI EAFE Index

|                                     | Jan-April | May - August | September-December |
|-------------------------------------|-----------|--------------|--------------------|
| <b>International Value Fund, LP</b> | 9.4%      | 1.6%         | 6.0%               |
| <b>MSCI EAFE</b>                    | 13.1%     | -3.0%        | 11.3%              |
| <b>Excess Return</b>                | -3.7%     | 4.6%         | -5.3%              |

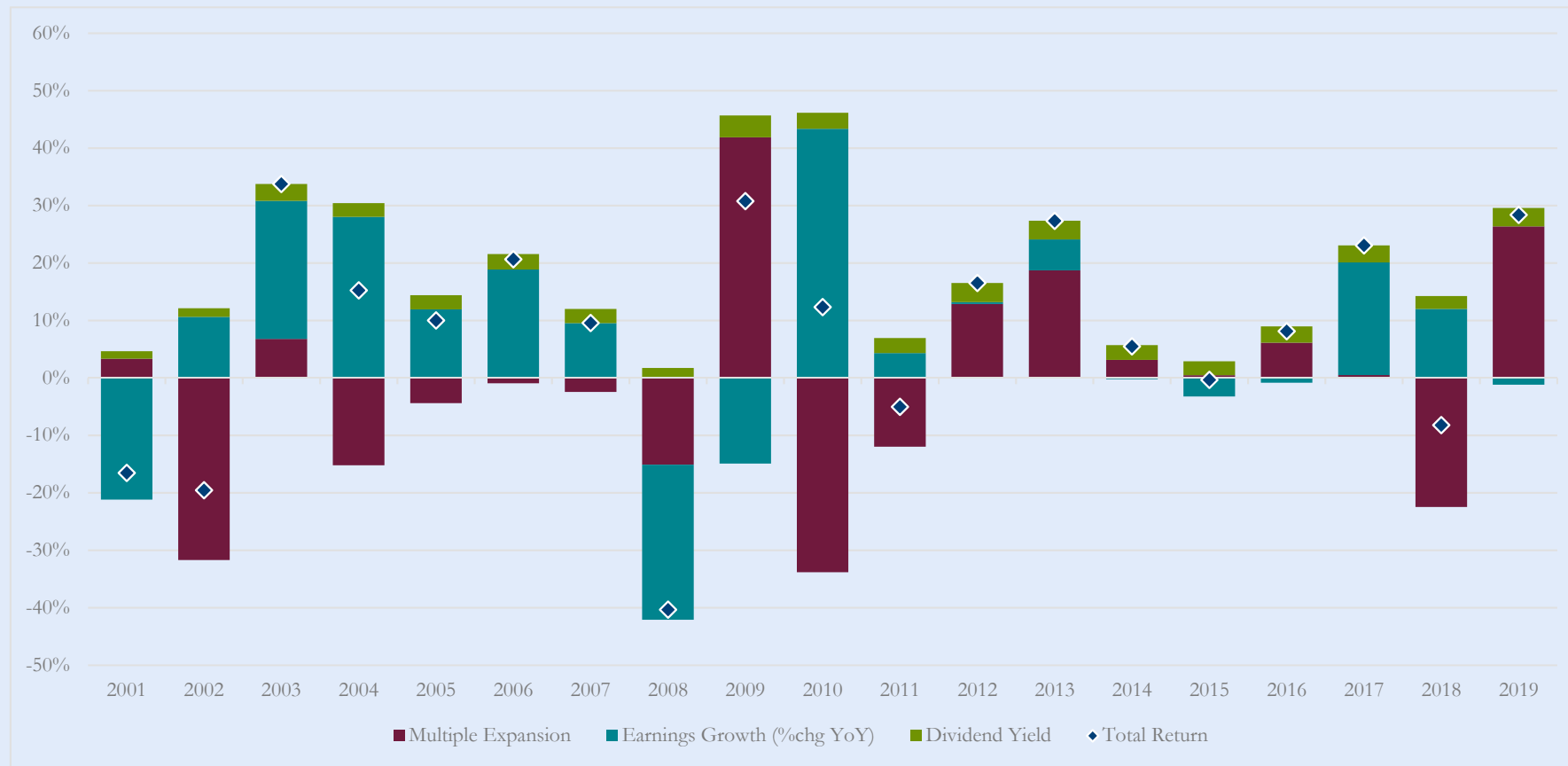


Source: FactSet, as of 12/31/2019. Please see pages 48 to 52 for index descriptions and definitions.

**Past performance does not guarantee future results.**

# Multiple Expansion Drove Most of 2019's Return

MSCI World Total Return Decomposition (%)



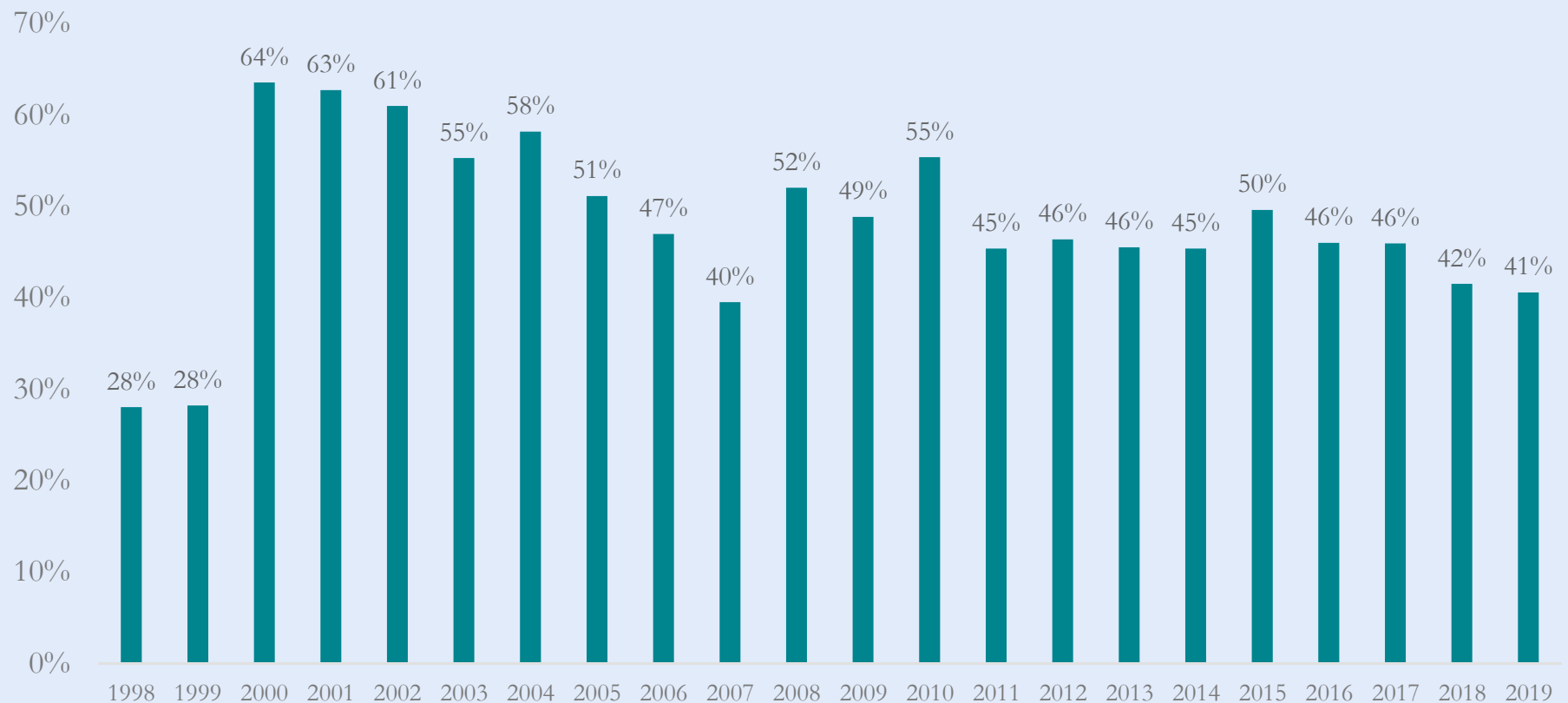
Source: FactSet, as of 12/31/2019. Please see pages 48 to 52 for index descriptions and definitions.

**Past performance does not guarantee future results.**

The chart shows a decomposition of each year's total return contributors. 'Multiple expansion' refers to the portion of index's total return unattributable to constituent members' dividend income and growth/contraction of earnings. 'Earnings Growth' is measured as the percent change in the index's weighted-average LTM Earnings Per Share compared to the prior year.

## Markets Continued to Narrow

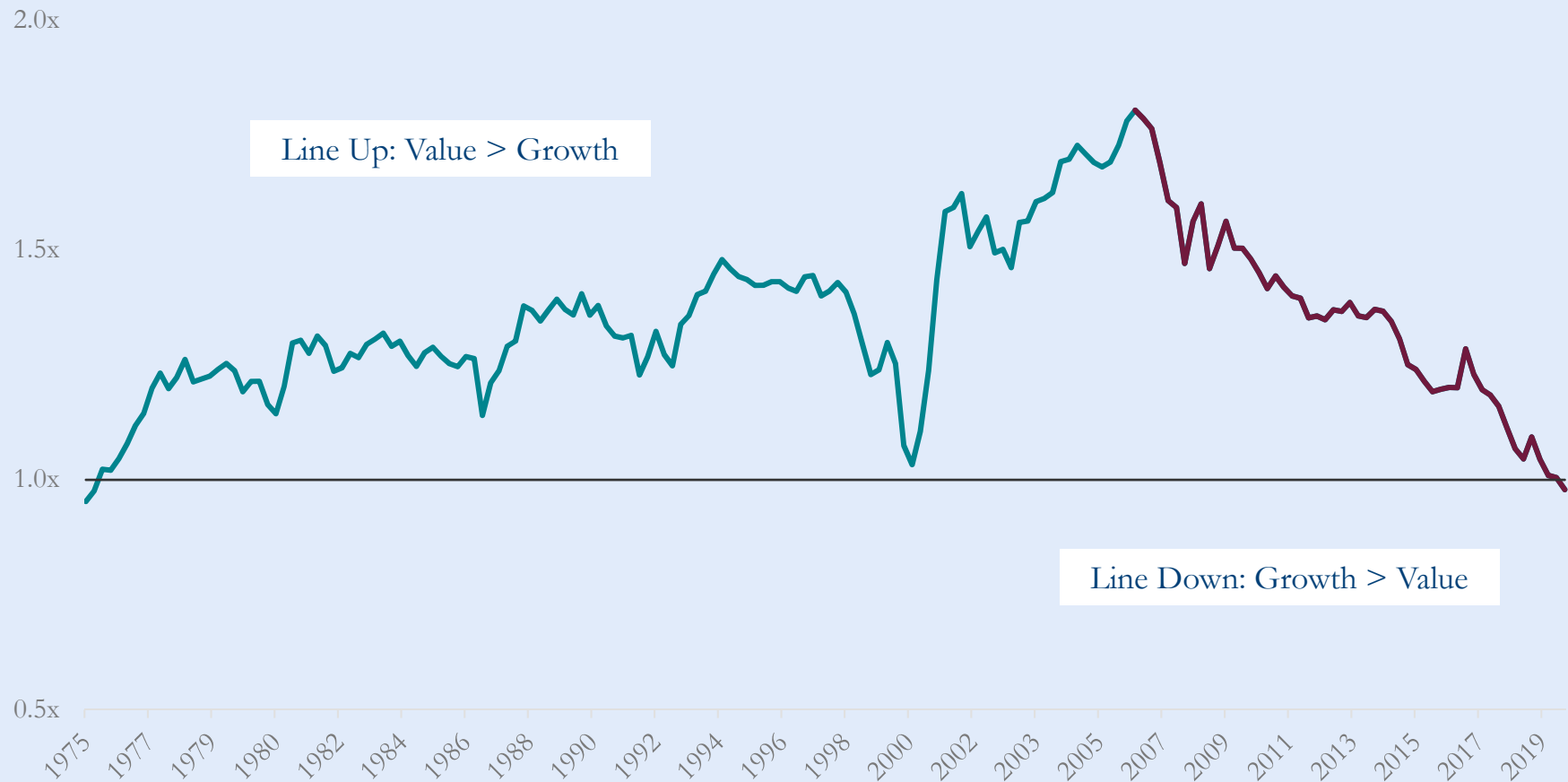
MSCI World Breadth: % of Stock in Index Beating Index Return



Source: FactSet, as of 12/31/2019. Please see pages 48 to 52 for index descriptions and definitions.

## Narrow Market Concentrated in Growth Names

MSCI World Value Index Relative to MSCI World Growth Index (price ratio)



Source: Bloomberg, as of 12/31/2019. Please see pages 48 to 52 for index descriptions and definitions.

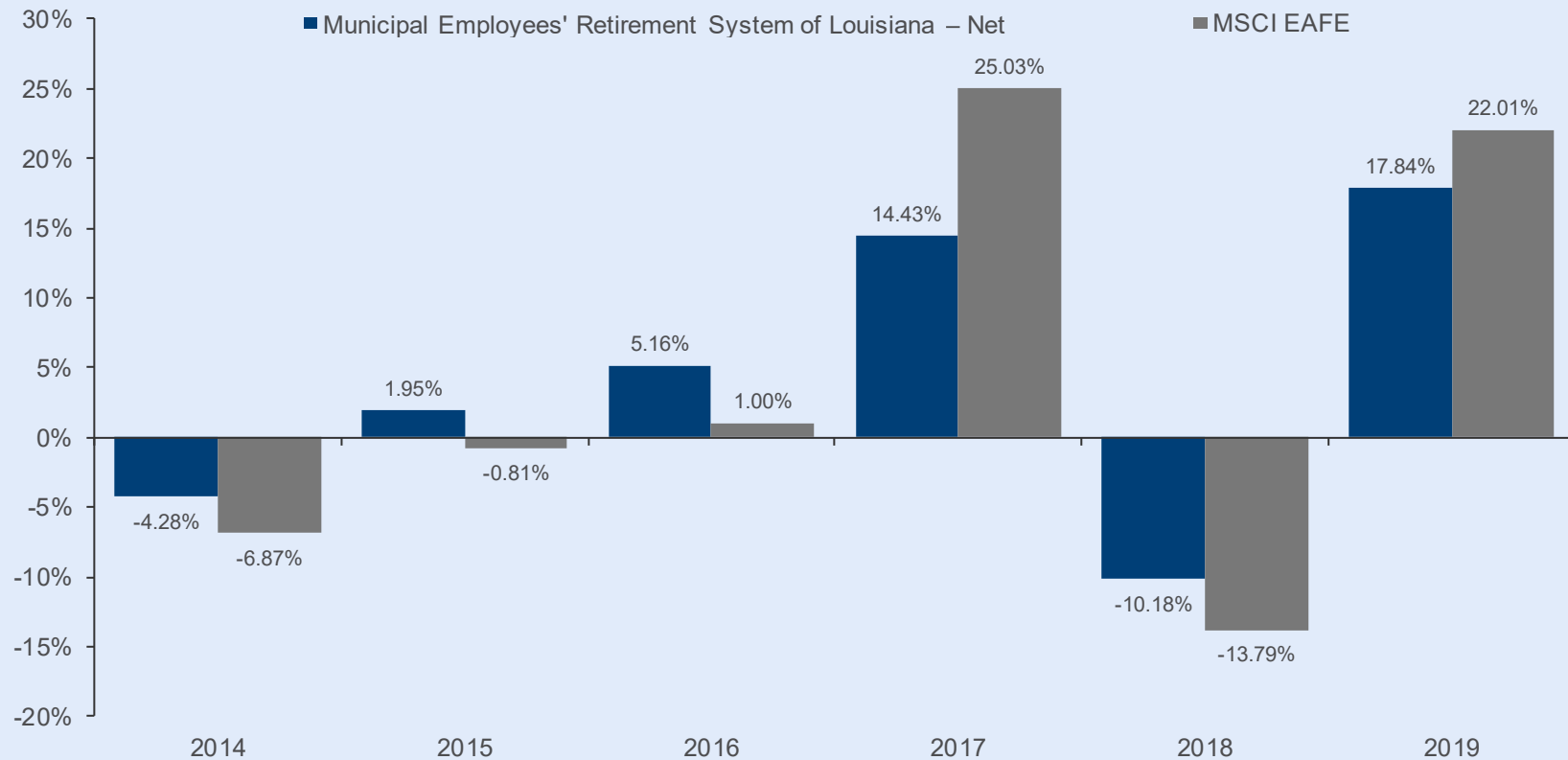
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## Your Portfolio Performance



## Calendar Year Returns

Calendar Year Net Returns\* (as of 31-Dec-2019)



\*Performance for 2014 is from 01-May-14 to 31-Dec-14.  
Past performance is no guarantee of future results.

Annual returns are calculated using a monthly frequency.

# Trailing Returns

## Trailing Returns – Net of Fees (%)

Period (01-May-2014 to 31-Dec-2019)

|                                             | 4th Qtr      | 1 Year       | 3 Year       | 5 Year       | 01-May-2014<br>to 31-Dec-2019 |
|---------------------------------------------|--------------|--------------|--------------|--------------|-------------------------------|
| MERSLA                                      | 4.23         | 17.84        | 6.59         | 5.36         | 3.91                          |
| MSCI EAFE – Net Return                      | 8.17         | 22.01        | 9.56         | 5.67         | 3.66                          |
| <b>Excess Net Return</b>                    | <b>-3.94</b> | <b>-4.17</b> | <b>-2.97</b> | <b>-0.31</b> | <b>0.25</b>                   |
| MERSLA – Net – Standard Deviation           |              |              | 7.29         | 8.30         | 8.18                          |
| MSCI EAFE – Net Return – Standard Deviation |              |              | 10.81        | 12.13        | 11.75                         |

All returns data beyond one-year figures are annualized. Performance numbers are preliminary.  
Portfolio and index returns are shown in USD.  
Past performance is no guarantee of future results.

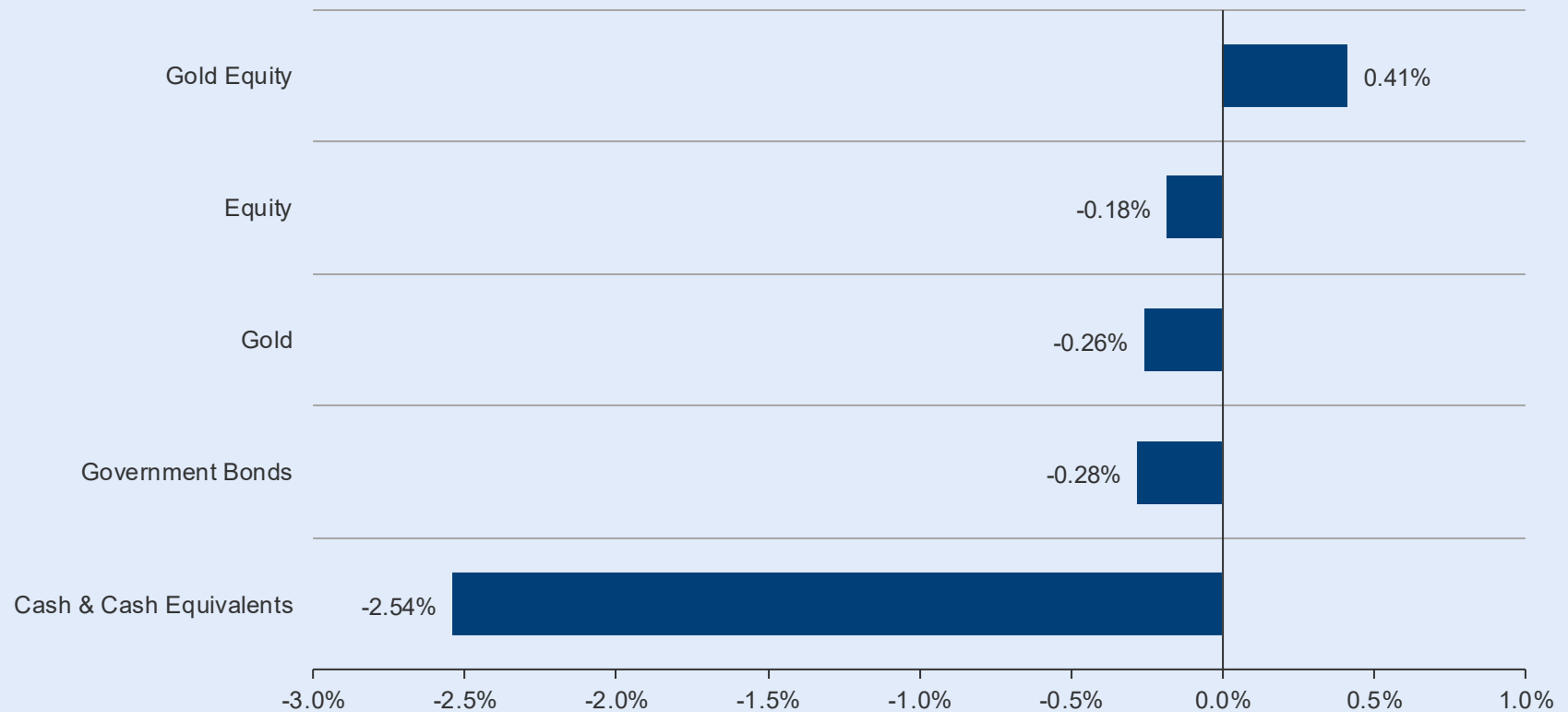
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## Relative Performance Attribution



## Annual Contribution to Relative Return

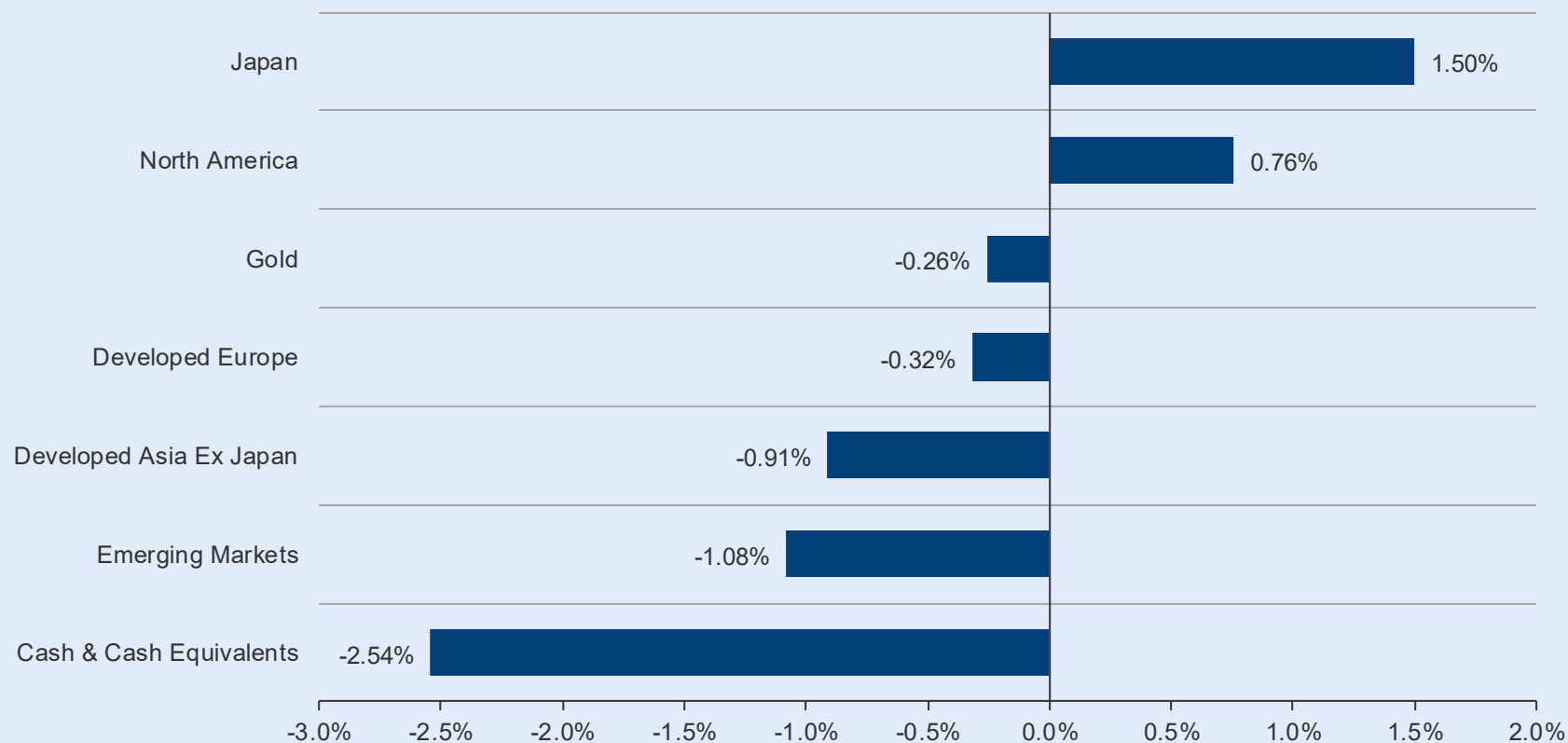
Asset Class Contribution vs. MSCI EAFE (as of 31-Dec-2019)



Gold may include investments in gold bullion or gold exchange-traded funds.  
Cash & Cash Equivalents may include cash, forwards, and commercial paper.  
Past performance is no guarantee of future results.

## Annual Contribution to Relative Return

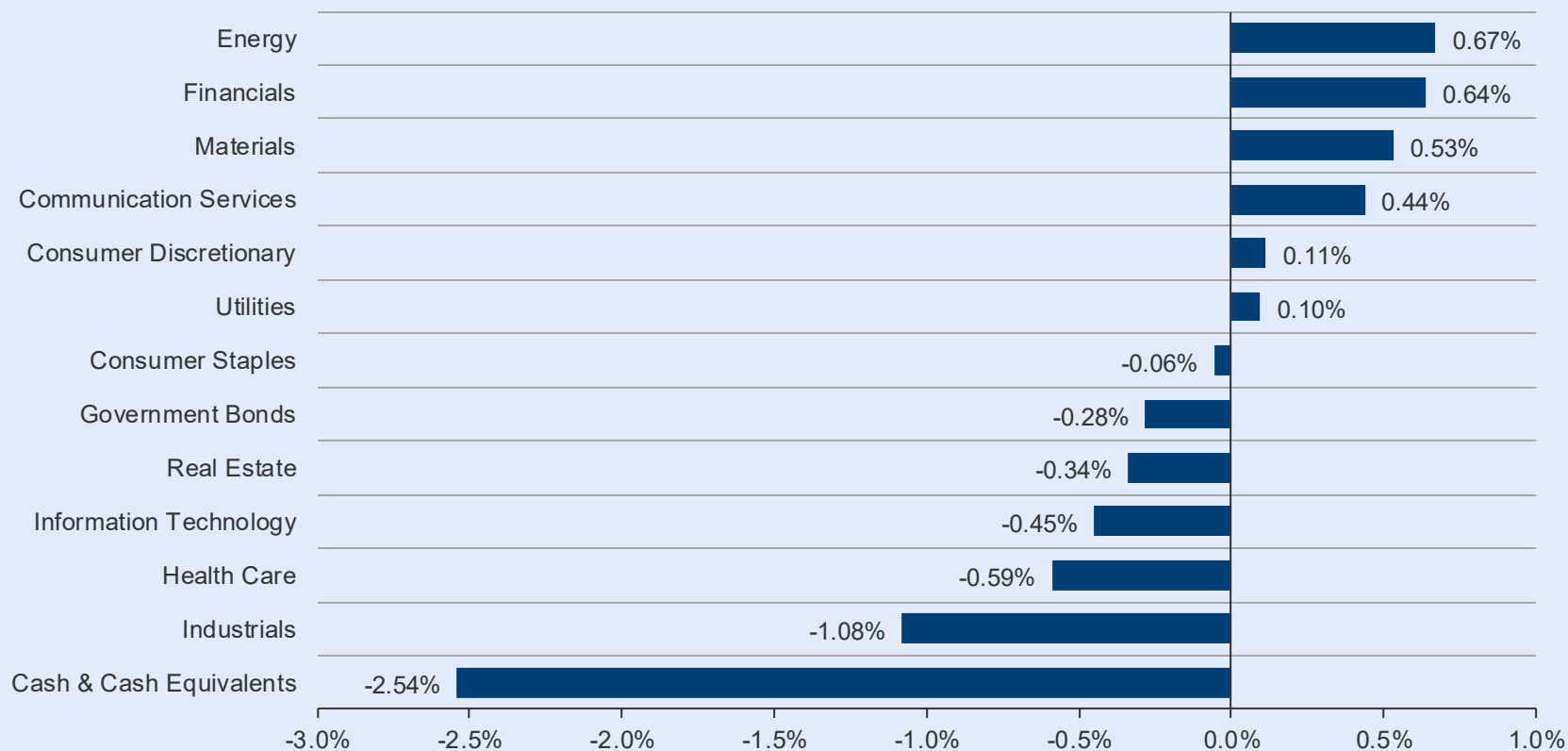
Regional Contribution vs. MSCI EAFE (as of 31-Dec-2019)



Gold may include investments in gold bullion or gold exchange-traded funds.  
Cash & Cash Equivalents may include cash, forwards, and commercial paper.  
Past performance is no guarantee of future results.

# Annual Contribution to Relative Return

Sector Contribution vs. MSCI EAFE (as of 31-Dec-2019)



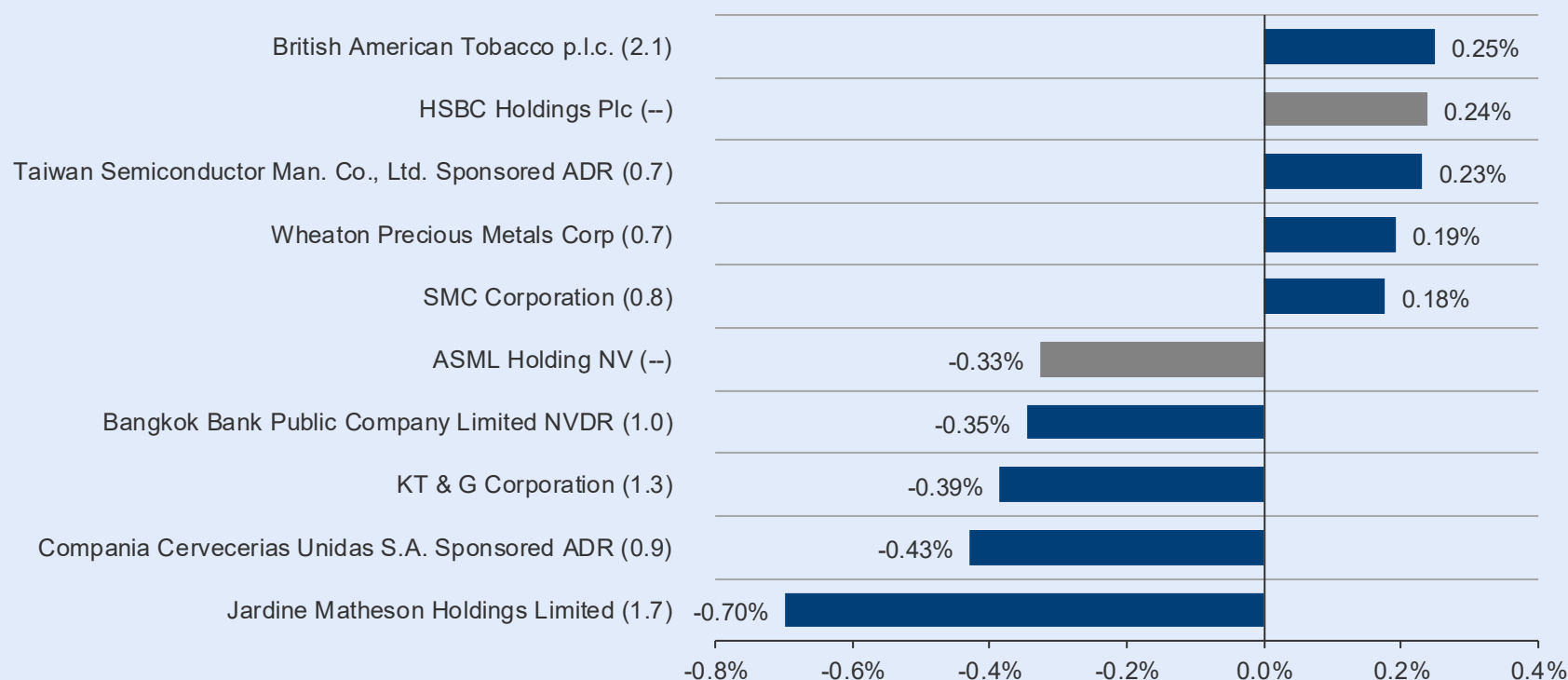
Materials include precious metals and gold.

Cash & Cash Equivalents may include cash, forw ards, and commercial paper.

Past performance is no guarantee of future results.

# Annual Contribution to Relative Return

## Top Five and Bottom Five Contributors vs. MSCI EAFE (as of 31-Dec-2019)



Number noted in () represents the average portfolio weight of that position.

The holdings with no weight (--) were only held in the benchmark not the portfolio during the past quarter.

The inclusion of the securities mentioned above is not to be interpreted as recommendations to buy or sell.

Past performance is no guarantee of future results.

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## Portfolio Activity



## 2019 New Purchases

### New Purchases (as of 31-Dec-2019)

| Security Name                             | Country     | Sector                 |
|-------------------------------------------|-------------|------------------------|
| Fuchs Petrolub SE Pref                    | Germany     | Materials              |
| Government Of Malaysia 3.418% 15-aug-2022 | Malaysia    | Government Bonds       |
| Government Of Mexico 8.0% 07-dec-2023     | Mexico      | Government Bonds       |
| Government Of Peru 8.2% 12-aug-2026       | Peru        | Government Bonds       |
| Government Of Poland 2.5% 25-apr-2024     | Poland      | Government Bonds       |
| Henkel AG & Co. KGaA Pref                 | Germany     | Consumer Staples       |
| Hongkong Land Holdings Limited            | Hong Kong   | Real Estate            |
| HOSHIZAKI Corp.                           | Japan       | Industrials            |
| NAVER Corp.                               | South Korea | Communication Services |
| Olympus Corp.                             | Japan       | Health Care            |
| Samsung Electronics Co Ltd Pfd Non-Voting | South Korea | Information Technology |
| UOL Group Limited                         | Singapore   | Real Estate            |

The inclusion of the securities mentioned above is not to be interpreted as recommendations to buy or sell.

## 2019 Full Sells

### Full Sells (as of 31-Dec-2019)

| Security Name                          | Country       | Sector                 |
|----------------------------------------|---------------|------------------------|
| Bouygues SA                            | France        | Industrials            |
| Canadian Natural Resources Limited     | Canada        | Energy                 |
| Gazprom PJSC Sponsored ADR             | Russia        | Energy                 |
| Goldcorp Inc.                          | Canada        | Materials              |
| Government Of Mexico 5.0% 11-dec-2019  | Mexico        | Government Bonds       |
| Government Of Mexico 6.5% 09-jun-2022  | Mexico        | Government Bonds       |
| Government Of Mexico 6.5% 10-jun-2021  | Mexico        | Government Bonds       |
| Government Of Poland 3.25% 25-jul-2019 | Poland        | Government Bonds       |
| Hamburger Hafen und Logistik AG        | Germany       | Industrials            |
| ICL-Israel Chemicals Ltd.              | Israel        | Materials              |
| Italmobiliare S.p.A.                   | Italy         | Industrials            |
| Jumbo S.A.                             | Greece        | Consumer Discretionary |
| Liberty Global Plc Class C             | United States | Communication Services |
| Robertet SA                            | France        | Materials              |
| Robertet SA Cert.d'Invest. Em.87       | France        | Materials              |
| Swire Properties Limited               | Hong Kong     | Real Estate            |

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## Portfolio Positioning



# Top Holdings

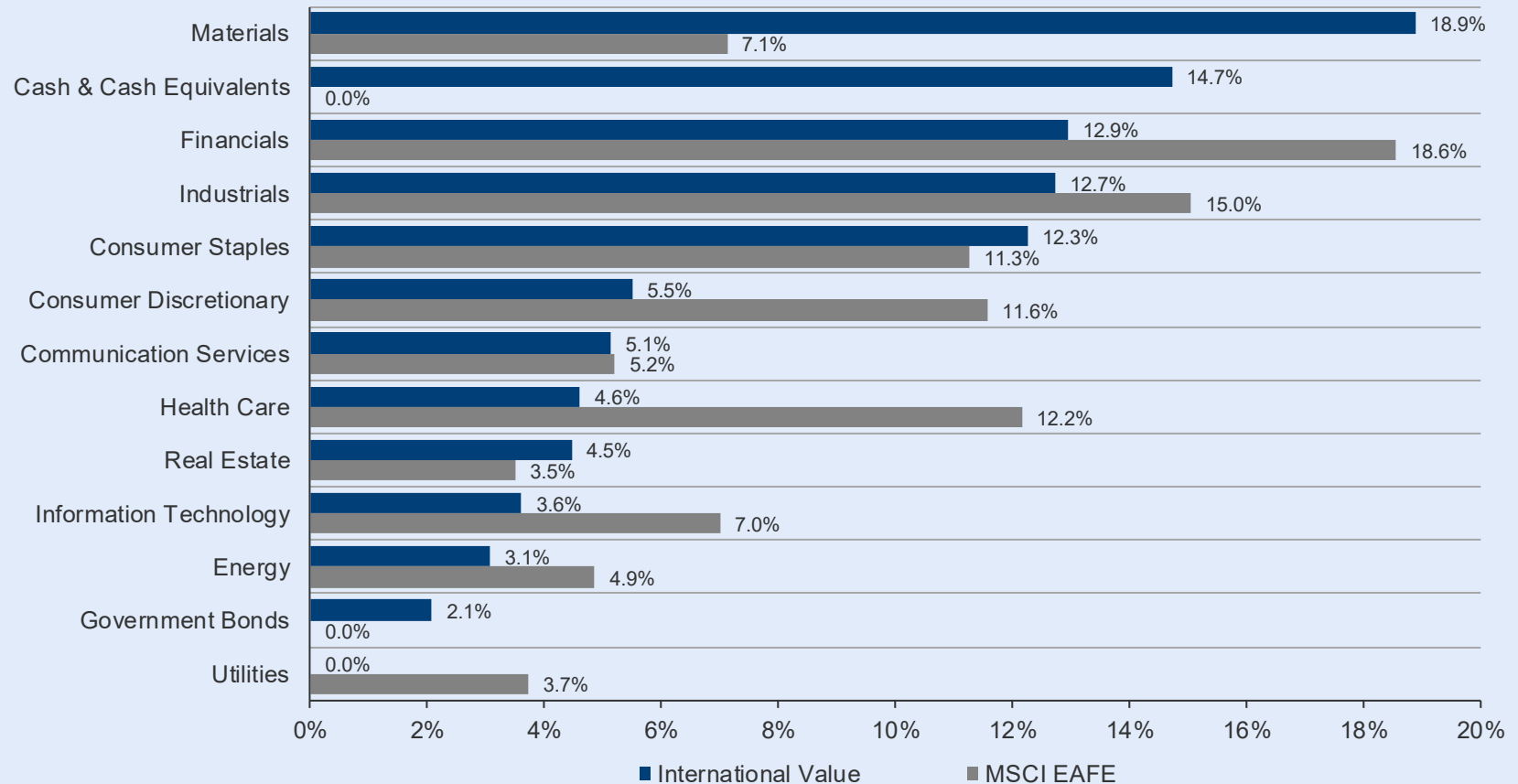
As of 31-Dec-2019

| Security Name                      | (%)  | Country        | Sector                 |
|------------------------------------|------|----------------|------------------------|
| Gold                               | 9.0% | Gold           | Materials              |
| Fanuc Corporation                  | 2.5% | Japan          | Industrials            |
| Danone SA                          | 2.4% | France         | Consumer Staples       |
| British American Tobacco p.l.c.    | 2.2% | United Kingdom | Consumer Staples       |
| KDDI Corporation                   | 2.1% | Japan          | Communication Services |
| Mitsubishi Estate Company, Limited | 1.9% | Japan          | Real Estate            |
| Sompo Holdings, Inc.               | 1.9% | Japan          | Financials             |
| Secom Co., Ltd.                    | 1.8% | Japan          | Industrials            |
| Nestle S.A.                        | 1.7% | Switzerland    | Consumer Staples       |
| Nutrien Ltd.                       | 1.7% | Canada         | Materials              |

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The portfolio is actively managed and subject to change. The above are not investment guidelines or restrictions.

# Portfolio Exposure by Sector

International Value vs. MSCI EAFE (as of 31-Dec-2019)



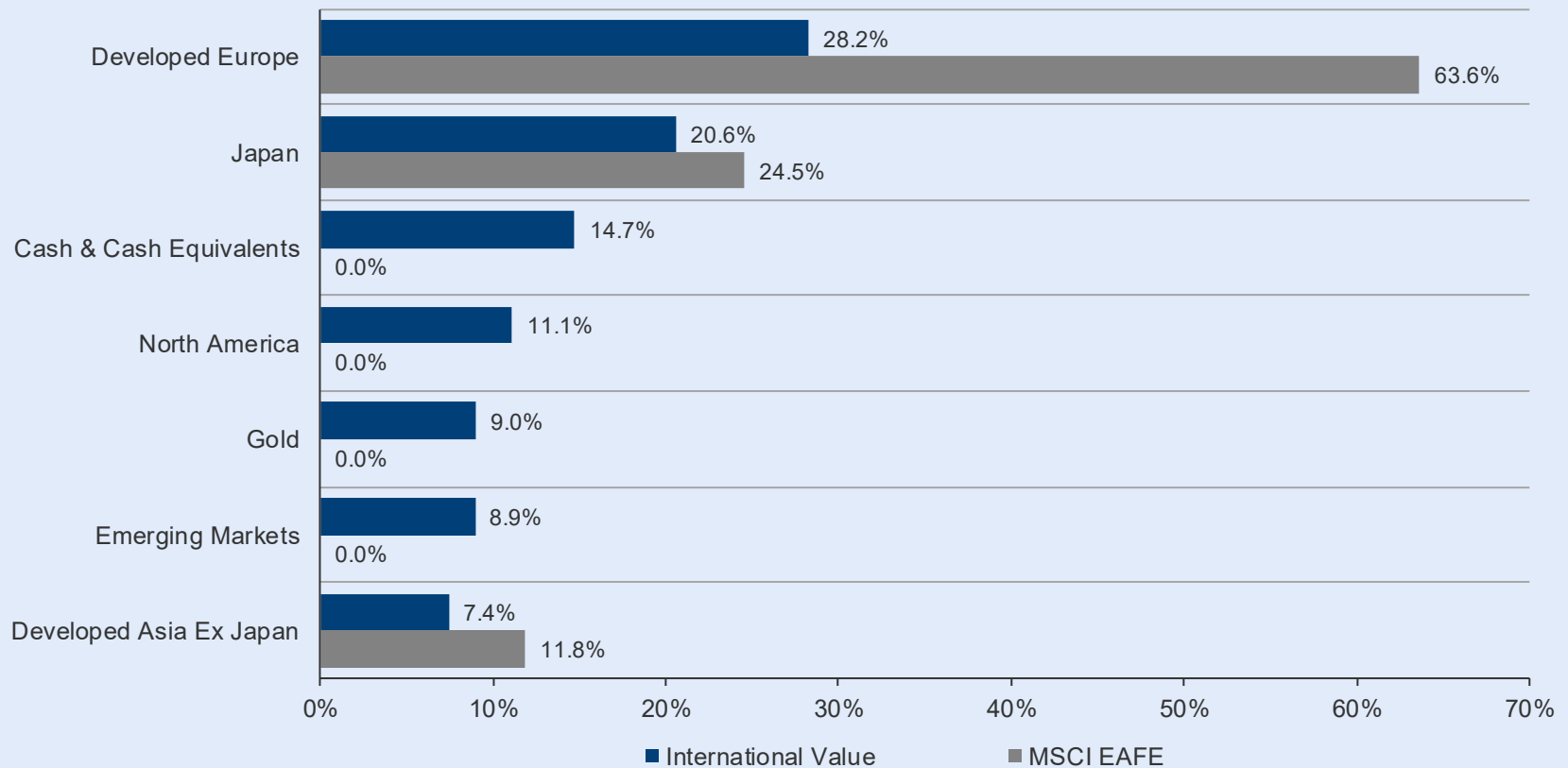
Materials include precious metals and gold.

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## Portfolio Exposure by Region

International Value vs. MSCI EAFE (as of 31-Dec-2019)



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# Country Exposures by Region

As of 31-Dec-2019

|                         | International Value | MSCI EAFE    |
|-------------------------|---------------------|--------------|
| <b>North America</b>    | <b>11.1%</b>        | <b>--</b>    |
| United States           | 4.5%                | --           |
| Canada                  | 6.6%                | --           |
| <b>Developed Europe</b> | <b>28.2%</b>        | <b>63.6%</b> |
| Austria                 | --                  | 0.2%         |
| Belgium                 | 1.4%                | 1.0%         |
| Denmark                 | 0.4%                | 1.8%         |
| Finland                 | --                  | 0.9%         |
| France                  | 8.0%                | 11.4%        |
| Germany                 | 2.0%                | 8.7%         |
| Ireland                 | 0.4%                | 0.6%         |
| Israel                  | --                  | 0.6%         |
| Italy                   | --                  | 2.3%         |
| Netherlands             | 1.4%                | 3.9%         |
| Norway                  | 1.0%                | 0.6%         |
| Portugal                | --                  | 0.2%         |
| Spain                   | --                  | 2.8%         |
| Sweden                  | 2.4%                | 2.7%         |
| Switzerland             | 3.7%                | 9.3%         |
| United Kingdom          | 7.6%                | 16.5%        |

|                                | International Value | MSCI EAFE    |
|--------------------------------|---------------------|--------------|
| <b>Developed Asia</b>          | <b>28.0%</b>        | <b>36.4%</b> |
| Australia                      | 0.4%                | 6.8%         |
| Hong Kong                      | 4.8%                | 3.5%         |
| New Zealand                    | --                  | 0.3%         |
| Singapore                      | 2.3%                | 1.3%         |
| Japan                          | 20.6%               | 24.5%        |
| <b>Emerging Markets</b>        | <b>8.9%</b>         | <b>--</b>    |
| Brazil                         | 0.6%                | --           |
| Chile                          | 1.0%                | --           |
| Indonesia                      | 0.2%                | --           |
| Malaysia                       | 0.4%                | --           |
| Mexico                         | 0.3%                | --           |
| Peru                           | 0.2%                | --           |
| Poland                         | 0.4%                | --           |
| South Korea                    | 4.0%                | --           |
| Taiwan                         | 0.9%                | --           |
| Thailand                       | 0.9%                | --           |
| Turkey                         | 0.2%                | --           |
| <b>Gold</b>                    | <b>9.0%</b>         | <b>--</b>    |
| <b>Cash &amp; Cash Equiv.*</b> | <b>14.7%</b>        | <b>--</b>    |

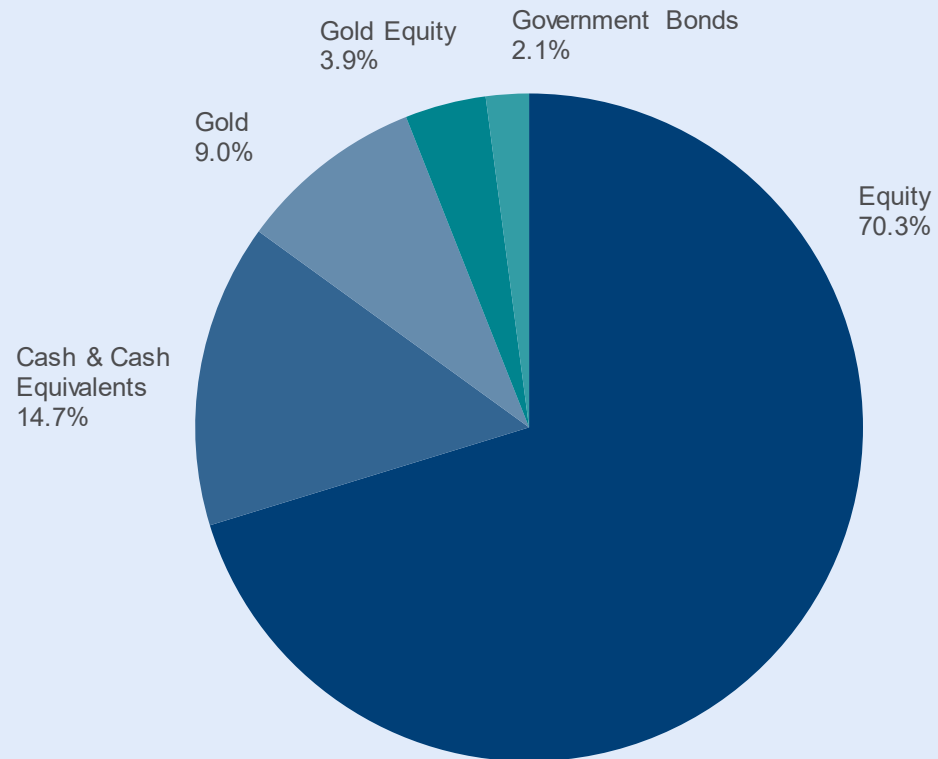
Gold may include investments in gold bullion or gold exchange-traded funds.

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## Asset Class Breakdown

As of 31-Dec-2019



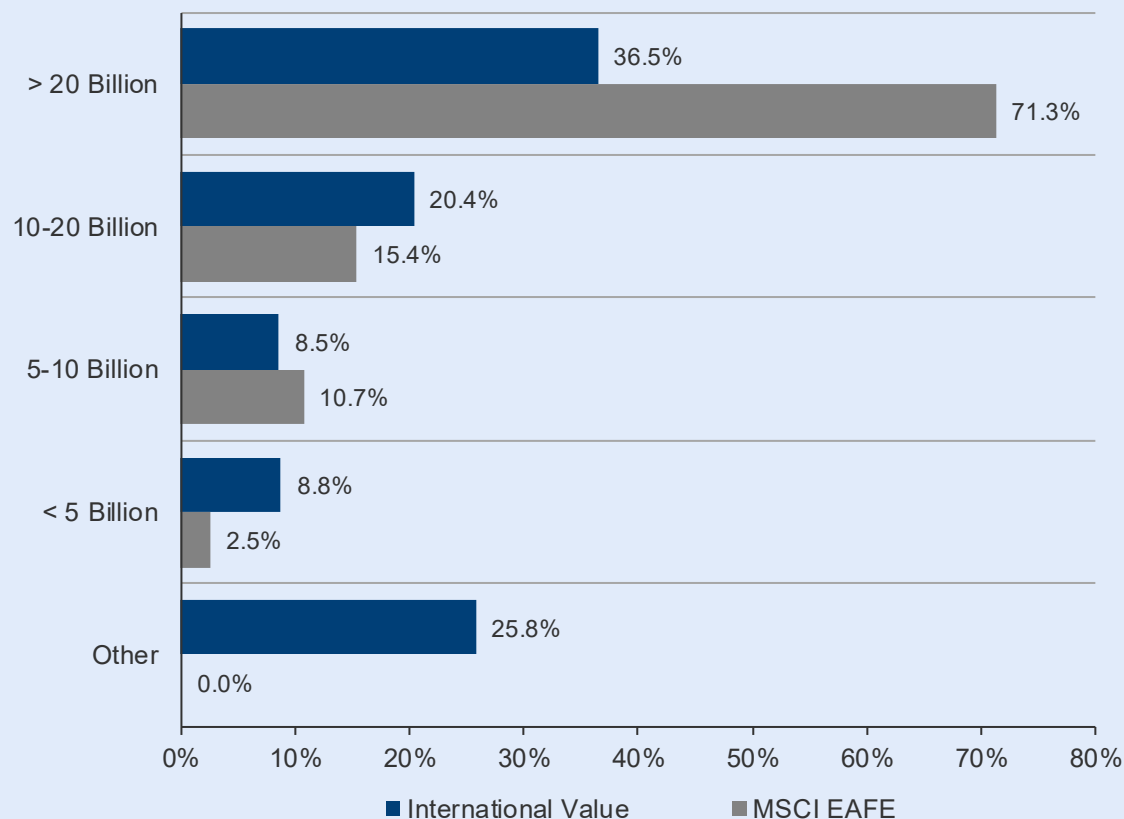
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# Portfolio Exposure by Market Cap

International Value vs. MSCI EAFE (as of 31-Dec-2019)



|                              |                |
|------------------------------|----------------|
| Weighted Average Market Cap: | \$43.5 Billion |
| Median Market Cap:           | \$14.4 Billion |

Other includes Gold, Bonds and Cash & Cash Equivalents.

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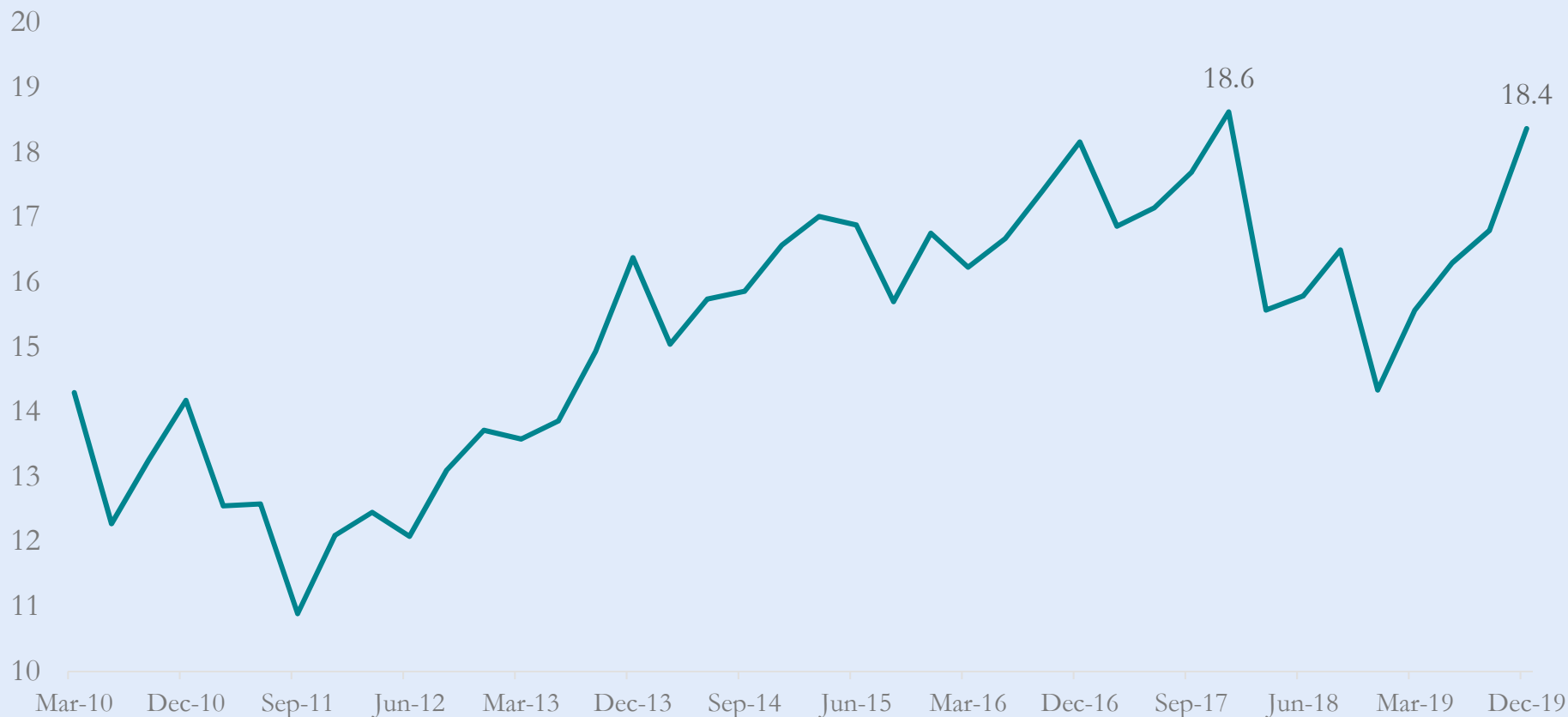
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## Looking Forward



## Market Valuations Back to 12/2017 Levels...

MSCI World P/E Ratio (FY1)

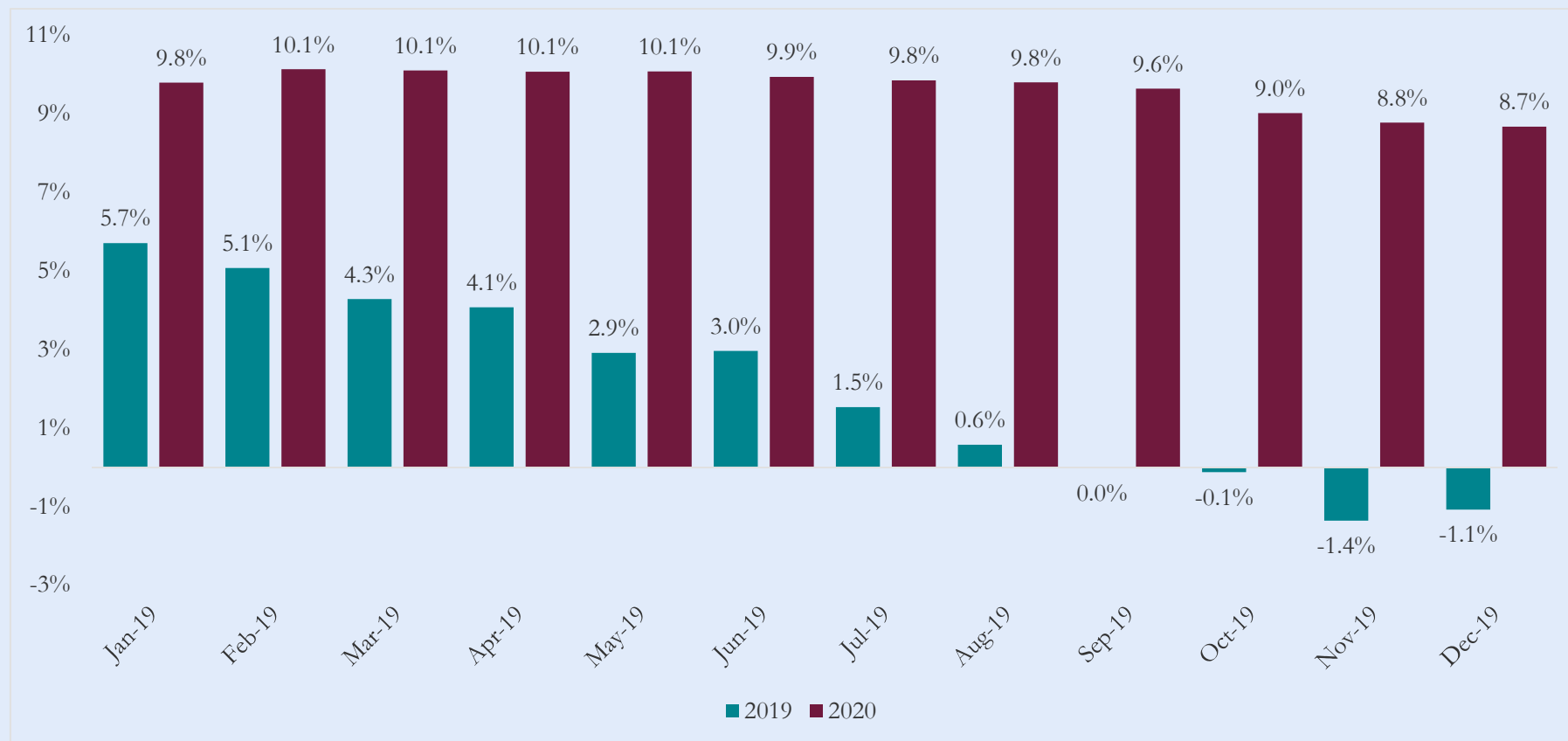


Source: FactSet, as of 12/31/2019.

Please see pages 48 to 52 for index descriptions and definitions. .

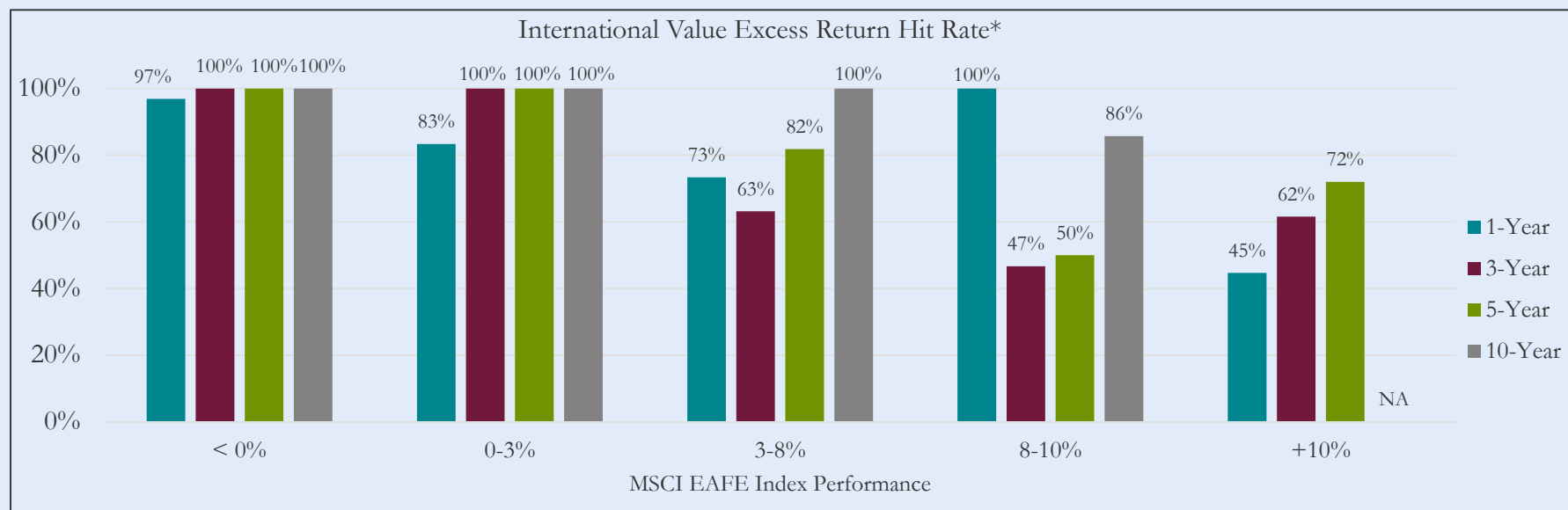
# Will 2020 Earnings Bounce Back?

MSCI World: Earnings Growth Estimate YoY%



Source: FactSet, as of 12/31/2019. Please see pages 48 to 52 for index descriptions and definitions.

## Implication: Selectivity Matters, Particularly in a Low-Return World



Source: FactSet, as of 12/31/2019.

**Past performance does not guarantee future results.**

Hit Rate is defined as the percent of the rolling periods where the fund outperformed its respective index, within the given index performance threshold,

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## Holdings



# Portfolio Holdings

As of 31-Dec-2019

| Security ID  | Security Description         | Quantity  | Unit Cost | Total Cost    | Market Price | Market Value  | % of Assets |
|--------------|------------------------------|-----------|-----------|---------------|--------------|---------------|-------------|
| B03MZM9      | AG ANADOLU GRUBU HOLDING AS  | 563,972   | 5.31      | 2,993,001.28  | 2.96         | 1,667,552.13  | 0.2%        |
| 2009823      | AGNICO EAGLE MINES LTD       | 79,718    | 31.11     | 2,480,293.54  | 61.59        | 4,909,973.16  | 0.5%        |
| 6480929      | AS ONE CORP                  | 58,760    | 41.81     | 2,456,752.68  | 93.97        | 5,521,509.36  | 0.5%        |
| 6368360      | BANGKOK BANK PUBLIC CO-NV DR | 1,767,420 | 5.82      | 10,279,291.89 | 5.34         | 9,440,794.56  | 0.9%        |
| 067901108    | BARRICK GOLD CORP            | 449,743   | 10.52     | 4,730,163.80  | 18.59        | 8,360,722.37  | 0.8%        |
| B02L3W3      | BERKELEY GROUP HOLDINGS/THE  | 147,854   | 36.25     | 5,360,202.56  | 64.36        | 9,516,225.55  | 0.9%        |
| 0287580      | BRITISH AMERICAN TOBACCO PLC | 563,540   | 45.11     | 25,418,914.44 | 42.80        | 24,122,019.23 | 2.2%        |
| 3091357      | BT GROUP PLC                 | 969,698   | 2.83      | 2,743,188.70  | 2.55         | 2,471,818.63  | 0.2%        |
| 15135U109    | CENOVUS ENERGY INC           | 577,609   | 18.87     | 10,901,034.49 | 10.15        | 5,862,731.35  | 0.5%        |
| 6192774      | CHOFU SEISAKUSHO CO LTD      | 63,270    | 22.17     | 1,402,738.36  | 22.68        | 1,434,791.59  | 0.1%        |
| 204429104    | CIA CERVECERIAS UNI-SPON ADR | 543,520   | 22.16     | 12,046,499.98 | 18.97        | 10,310,574.40 | 0.9%        |
| BCRWZ18      | CIE FINANCIERE RICHEMONT-REG | 146,673   | 69.59     | 10,207,622.40 | 78.59        | 11,527,121.70 | 1.1%        |
| B614LY3      | CIELO SA                     | 2,881,629 | 5.08      | 14,630,772.67 | 2.08         | 5,995,782.60  | 0.6%        |
| BYZQ077      | CK ASSET HOLDINGS LTD        | 1,151,000 | 7.48      | 8,609,141.51  | 7.22         | 8,308,682.91  | 0.8%        |
| 6603737      | COMFORTDELGRO CORP LTD       | 1,731,044 | 1.53      | 2,652,943.50  | 1.77         | 3,063,225.19  | 0.3%        |
| 7380482      | COMPAGNIE DE SAINT GOBAIN    | 300,983   | 43.20     | 13,002,414.07 | 40.94        | 12,322,861.03 | 1.1%        |
| 0182704      | CRH PLC                      | 120,545   | 28.58     | 3,444,637.31  | 40.29        | 4,857,280.25  | 0.4%        |
| 6253132      | DAIICHIKOSHO CO LTD          | 176,100   | 28.15     | 4,957,682.21  | 52.74        | 9,286,760.83  | 0.9%        |
| B1Y9TB3      | DANONE                       | 311,745   | 69.49     | 21,662,730.20 | 82.89        | 25,841,674.68 | 2.4%        |
| 0237400      | DIAGEO PLC                   | 117,248   | 30.42     | 3,567,105.01  | 42.39        | 4,970,590.98  | 0.5%        |
| 6356934      | FANUC CORP                   | 145,020   | 169.96    | 24,647,816.24 | 187.11       | 27,134,108.89 | 2.5%        |
| B29NF31      | FRANCO-NEVADA CORP           | 35,435    | 51.79     | 1,835,338.39  | 103.26       | 3,659,065.26  | 0.3%        |
| B2QPKJ1      | FRESNILLO PLC                | 462,568   | 14.70     | 6,801,178.93  | 8.48         | 3,922,617.92  | 0.4%        |
| 4354350      | FUCHS PETROLUB SE -PREF      | 83,232    | 37.45     | 3,116,714.73  | 49.53        | 4,122,836.55  | 0.4%        |
| 6424659      | FURSYS INC                   | 43,032    | 24.33     | 1,046,854.62  | 25.51        | 1,097,707.66  | 0.1%        |
| 0925288      | GLAXOSMITHKLINE PLC          | 464,289   | 21.51     | 9,988,405.16  | 23.56        | 10,940,800.36 | 1.0%        |
| US009A0SR8Z8 | GOLD SPOT \$/OZ              | 64,395    | 1,241.83  | 79,967,430.29 | 1,517.83     | 97,740,289.50 | 9.0%        |
| 6387406      | GREAT EAGLE HOLDINGS LTD     | 1,891,924 | 3.76      | 7,118,322.91  | 3.37         | 6,373,343.51  | 0.6%        |

# Portfolio Holdings

As of 31-Dec-2019

| Security ID | Security Description                  | Quantity       | Unit Cost | Total Cost    | Market Price | Market Value  | % of Assets |
|-------------|---------------------------------------|----------------|-----------|---------------|--------------|---------------|-------------|
| 7097328     | GROUPE BRUXELLES LAMBERT SA           | 139,704        | 80.46     | 11,240,120.50 | 105.39       | 14,724,093.59 | 1.4%        |
| 6390363     | GUOCO GROUP LTD                       | 489,134        | 9.71      | 4,750,274.58  | 16.94        | 8,285,831.92  | 0.8%        |
| 4402839     | HAL TRUST                             | 38,565         | 116.24    | 4,482,868.34  | 161.52       | 6,229,203.87  | 0.6%        |
| 6030506     | HANG LUNG PROPERTIES LTD              | 1,763,089      | 1.91      | 3,369,989.30  | 2.19         | 3,869,052.98  | 0.4%        |
| 6415523     | HAW PAR CORP LTD                      | 1,161,491      | 4.81      | 5,580,982.46  | 9.51         | 11,045,369.63 | 1.0%        |
| 5120679     | HEIDELBERGCEMENT AG                   | 148,977        | 77.38     | 11,528,518.47 | 72.87        | 10,855,303.25 | 1.0%        |
| 5076705     | HENKEL AG & CO KGAA VORZUG            | 32,461         | 102.28    | 3,319,990.44  | 103.42       | 3,357,140.64  | 0.3%        |
| 6428725     | HIROSE ELECTRIC CO LTD                | 76,300         | 106.28    | 8,109,247.56  | 129.12       | 9,852,183.50  | 0.9%        |
| BVZHXQ9     | HISCOX LTD                            | 217,536        | 13.00     | 2,828,735.24  | 18.86        | 4,103,230.16  | 0.4%        |
| 6434915     | HONGKONG LAND HOLDINGS LTD            | 623,400        | 5.54      | 3,453,388.72  | 5.75         | 3,584,550.00  | 0.3%        |
| BZBWTJ1     | HORNBAACH HOLDING AG & CO KGA         | 4,395          | 57.15     | 251,194.22    | 72.35        | 317,976.71    | 0.0%        |
| B3FF8W8     | HOSHIZAKI CORP                        | 66,100         | 68.89     | 4,553,464.31  | 89.64        | 5,925,304.87  | 0.5%        |
| 6441506     | HOYA CORP                             | 48,210         | 45.50     | 2,193,793.62  | 96.18        | 4,636,643.51  | 0.4%        |
| 6449629     | HY SAN DEVELOPMENT CO                 | 1,309,222      | 4.61      | 6,031,306.50  | 3.92         | 5,132,853.25  | 0.5%        |
| 6449544     | HYUNDAI MOBIS CO LTD                  | 35,548         | 209.06    | 7,431,813.77  | 221.37       | 7,869,158.17  | 0.7%        |
| 2454241     | IMPERIAL OIL LTD                      | 519,255        | 30.61     | 15,892,404.32 | 26.45        | 13,735,635.39 | 1.3%        |
| B44K553     | INDONESIA GOVERNMENT 8.25% 07/15/2021 | 28,908,000,000 | 0.01      | 2,063,068.45  | 0.01         | 2,159,012.69  | 0.2%        |
| 2448200     | INDUSTRIAS PENOLES SAB DE CV          | 191,946        | 25.22     | 4,841,291.45  | 10.48        | 2,012,197.11  | 0.2%        |
| B1VSK54     | INDUSTRI VARDEN AB-C SHS              | 117,596        | 20.20     | 2,374,961.40  | 24.12        | 2,836,210.12  | 0.3%        |
| 5679579     | INVESTOR AB-A SHS                     | 58,323         | 27.60     | 1,609,824.73  | 54.08        | 3,153,907.29  | 0.3%        |
| 5679591     | INVESTOR AB-B SHS                     | 236,471        | 32.16     | 7,603,977.66  | 54.58        | 12,906,198.79 | 1.2%        |
| BKJ9RT5     | ISS A/S                               | 176,678        | 33.86     | 5,982,583.16  | 23.99        | 4,239,359.68  | 0.4%        |
| 6472119     | JARDINE MATHESON HLDGS LTD            | 286,500        | 56.27     | 16,122,130.94 | 55.60        | 15,929,400.00 | 1.5%        |
| 6472960     | JARDINE STRATEGIC HLDGS LTD           | 16,600         | 29.71     | 493,144.38    | 30.65        | 508,790.00    | 0.0%        |
| 6483746     | KANSAI PAINT CO LTD                   | 239,260        | 14.39     | 3,443,670.18  | 24.64        | 5,894,795.62  | 0.5%        |
| 6248990     | KDDI CORP                             | 762,200        | 21.57     | 16,436,977.83 | 29.94        | 22,819,351.16 | 2.1%        |
| 6490995     | KEYENCE CORP                          | 22,820         | 199.92    | 4,562,201.41  | 354.24       | 8,083,767.90  | 0.7%        |
| 6490928     | KIA MOTORS CORP                       | 217,322        | 30.15     | 6,551,854.86  | 38.31        | 8,324,929.40  | 0.8%        |

# Portfolio Holdings

As of 31-Dec-2019

| Security ID | Security Description                  | Quantity   | Unit Cost | Total Cost    | Market Price | Market Value  | % of Assets |
|-------------|---------------------------------------|------------|-----------|---------------|--------------|---------------|-------------|
| 6496584     | KOMATSU LTD                           | 254,200    | 21.61     | 5,493,206.73  | 24.32        | 6,180,998.57  | 0.6%        |
| 6175076     | KT&G CORP                             | 153,824    | 84.22     | 12,954,879.74 | 81.11        | 12,476,709.97 | 1.1%        |
| 5700952     | LAURENT-PERRIER GROUP                 | 33,130     | 95.17     | 3,153,119.12  | 98.04        | 3,247,951.90  | 0.3%        |
| B11ZRK9     | LEGRAND SA                            | 59,901     | 52.37     | 3,137,308.86  | 81.48        | 4,880,750.73  | 0.4%        |
| BYWD9S5     | LINDE PLC                             | 45,414     | 102.97    | 4,676,458.50  | 214.02       | 9,719,520.65  | 0.9%        |
| 0870612     | LLOYDS BANKING GROUP PLC              | 19,862,438 | 0.81      | 15,990,842.33 | 0.83         | 16,443,615.98 | 1.5%        |
| BZ60JT0     | LOTTE CONFECTIONERY CO LTD            | 8,833      | 249.58    | 2,204,547.71  | 129.27       | 1,141,885.50  | 0.1%        |
| 6535432     | LOTTE CORP                            | 49,965     | 27.43     | 1,370,778.00  | 33.68        | 1,682,854.19  | 0.2%        |
| 6559476     | MAEZAWA KASEI INDUSTRIES CO           | 20,150     | 9.88      | 199,039.68    | 11.11        | 223,837.37    | 0.0%        |
| B743PY2     | MALAYSIA GOVERNMENT 3.418% 08/15/2022 | 14,723,000 | 24.06     | 3,539,454.18  | 24.66        | 3,630,809.83  | 0.3%        |
| BVYTZD7     | MALAYSIA GOVERNMENT 3.659% 10/15/2020 | 1,586,000  | 23.43     | 370,229.00    | 24.59        | 390,012.37    | 0.0%        |
| ED2028832   | MEX BONOS DESARR FIX RT 8% 12/07/2023 | 300,300    | 5.37      | 1,611,275.37  | 5.51         | 1,654,314.30  | 0.2%        |
| 6597045     | MITSUBISHI ELECTRIC CORP              | 574,100    | 12.63     | 7,251,243.89  | 13.79        | 7,917,618.59  | 0.7%        |
| 6596729     | MITSUBISHI ESTATE CO LTD              | 1,098,320  | 18.66     | 20,497,900.17 | 19.23        | 21,121,344.04 | 1.9%        |
| B2Q4CS1     | MS&AD INSURANCE GROUP HOLDIN          | 236,144    | 27.84     | 6,574,244.95  | 33.23        | 7,847,922.18  | 0.7%        |
| 6623326     | NAGAILEBEN CO LTD                     | 110,400    | 15.89     | 1,753,854.29  | 22.09        | 2,438,544.01  | 0.2%        |
| 6621201     | NAMYANG DAIRY PRODUCTS CO             | 234        | 428.61    | 100,294.13    | 380.04       | 88,929.92     | 0.0%        |
| 6560393     | NAVER CORP                            | 9,991      | 104.40    | 1,043,026.99  | 161.27       | 1,611,242.59  | 0.1%        |
| 7123870     | NESTLE SA-REG                         | 174,584    | 74.28     | 12,967,589.70 | 108.27       | 18,901,541.16 | 1.7%        |
| 6637101     | NEWCREST MINING LTD                   | 192,416    | 12.14     | 2,335,136.68  | 21.23        | 4,084,594.83  | 0.4%        |
| 651639106   | NEWMONT GOLDCORP CORP                 | 253,994    | 48.91     | 12,421,838.06 | 43.45        | 11,036,039.30 | 1.0%        |
| 6641760     | NISSIN FOODS HOLDINGS CO LTD          | 47,890     | 51.67     | 2,474,640.03  | 74.73        | 3,578,913.06  | 0.3%        |
| 6638115     | NONGSHIM CO LTD                       | 16,611     | 208.09    | 3,456,532.74  | 207.96       | 3,454,490.47  | 0.3%        |
| 6129277     | NTT DOCOMO INC                        | 377,800    | 24.85     | 9,387,542.31  | 27.96        | 10,563,309.54 | 1.0%        |
| 67077M108   | NUTRIEN LTD                           | 378,249    | 48.25     | 18,251,314.08 | 47.91        | 18,121,909.59 | 1.7%        |
| 6658801     | OLYMPUS CORP                          | 57,540     | 8.31      | 477,980.27    | 15.54        | 894,437.07    | 0.1%        |
| B1VQF42     | ORKLA ASA                             | 1,022,827  | 7.84      | 8,020,613.50  | 10.13        | 10,364,230.62 | 1.0%        |
| B0CDLF8     | PARGESA HOLDING SA-BR                 | 111,926    | 75.37     | 8,435,418.93  | 83.13        | 9,304,036.67  | 0.9%        |

# Portfolio Holdings

As of 31-Dec-2019

| Security ID | Security Description                   | Quantity   | Unit Cost | Total Cost    | Market Price | Market Value  | % of Assets |
|-------------|----------------------------------------|------------|-----------|---------------|--------------|---------------|-------------|
| BZ06778     | POLAND GOVERNMENT BOND 2.5% 04/25/2024 | 15,262,000 | 26.30     | 4,003,880.80  | 27.14        | 4,141,533.32  | 0.4%        |
| 2697701     | POWER CORP OF CANADA                   | 359,288    | 20.97     | 7,533,345.84  | 25.76        | 9,255,079.55  | 0.9%        |
| 715638AX0   | REPUBLIC OF PERU 8.2% 08/12/2026 144A  | 5,928,000  | 37.07     | 2,190,357.78  | 38.41        | 2,276,697.71  | 0.2%        |
| B1VP0K0     | REXEL SA                               | 562,887    | 14.32     | 8,062,920.36  | 13.29        | 7,478,818.79  | 0.7%        |
| 780287108   | ROYAL GOLD INC                         | 37,480     | 63.16     | 2,367,308.86  | 122.25       | 4,581,930.00  | 0.4%        |
| 4054940     | SAINT JEAN GROUPE SA                   | 2,670      | 15.96     | 42,611.41     | 26.36        | 70,381.07     | 0.0%        |
| 6773812     | SAMSUNG ELECTRONICS-PREF               | 131,016    | 30.40     | 3,982,541.01  | 39.26        | 5,143,435.87  | 0.5%        |
| 5671735     | SANOFI                                 | 144,317    | 87.34     | 12,604,889.95 | 100.53       | 14,507,719.55 | 1.3%        |
| 6791591     | SECOM CO LTD                           | 214,000    | 55.43     | 11,861,836.05 | 89.98        | 19,256,159.40 | 1.8%        |
| 6804820     | SHIMANO INC                            | 48,430     | 75.15     | 3,639,456.20  | 163.55       | 7,920,492.39  | 0.7%        |
| B4P1BR9     | SINGAPORE GOVERNMENT 2.25% 06/01/2021  | 6,654,000  | 74.25     | 4,927,914.48  | 75.09        | 4,996,809.51  | 0.5%        |
| B0JCHN8     | SINGAPORE GOVERNMENT 3.25% 09/01/2020  | 4,344,000  | 77.44     | 3,195,042.93  | 75.16        | 3,265,065.09  | 0.3%        |
| 6826578     | SK KAKEN CO LTD                        | 3,400      | 181.61    | 617,459.68    | 457.87       | 1,556,762.23  | 0.1%        |
| 6763965     | SMC CORP                               | 21,730     | 277.75    | 6,035,438.58  | 462.84       | 10,057,537.17 | 0.9%        |
| 7062713     | SODEXO SA                              | 107,588    | 97.70     | 10,511,259.29 | 118.51       | 12,749,996.20 | 1.2%        |
| 4820301     | SOFINA                                 | 2,597      | 120.00    | 311,650.05    | 216.04       | 561,054.37    | 0.1%        |
| B62G7K6     | SOMPO HOLDINGS INC                     | 524,680    | 29.96     | 15,717,490.28 | 39.57        | 20,764,106.58 | 1.9%        |
| BXDZ9Q1     | SVENSKA HANDELSBANKEN-A SHS            | 642,912    | 10.43     | 6,707,854.94  | 10.77        | 6,925,837.79  | 0.6%        |
| 6899268     | T HASEGAWA CO LTD                      | 100,550    | 16.14     | 1,623,226.87  | 19.61        | 1,972,040.40  | 0.2%        |
| 6877811     | TAIWAN SECOM                           | 61,883     | 1.55      | 95,850.57     | 2.96         | 183,314.23    | 0.0%        |
| 874039100   | TAIWAN SEMICONDUCTOR-SP ADR            | 173,938    | 38.95     | 6,775,169.69  | 58.10        | 10,105,797.80 | 0.9%        |
| G87110105   | TECHNIPFMC PLC                         | 639,446    | 30.13     | 19,268,295.16 | 21.44        | 13,709,722.24 | 1.3%        |
| B7VG6L8     | TELEFONICA DEUTSCHLAND HOLDI           | 1,214,133  | 4.37      | 5,304,387.00  | 2.90         | 3,519,131.49  | 0.3%        |
| B15F664     | THAI BEVERAGE PCL                      | 3,449,893  | 0.44      | 1,507,202.88  | 0.66         | 2,282,913.68  | 0.2%        |
| 912796TA7   | TREASURY BILL 0% 01/09/2020            | 36,600,000 | 99.65     | 36,586,905.13 | 99.97        | 36,589,992.10 | 3.4%        |
| 912796TB5   | TREASURY BILL 0% 01/16/2020            | 36,600,000 | 99.70     | 36,577,223.77 | 99.95        | 36,580,109.00 | 3.4%        |
| B1527V7     | UNILEVER NV                            | 151,122    | 56.69     | 8,566,419.19  | 57.46        | 8,684,179.04  | 0.8%        |
| 6916844     | UOL GROUP LTD                          | 2,100      | 5.03      | 10,555.81     | 6.19         | 12,990.82     | 0.0%        |

# Portfolio Holdings

As of 31-Dec-2019

| Security ID            | Security Description         | Quantity | Unit Cost | Total Cost            | Market Price | Market Value            | % of Assets   |
|------------------------|------------------------------|----------|-----------|-----------------------|--------------|-------------------------|---------------|
| 7390113                | WENDEL                       | 43,647   | 105.04    | 4,584,494.07          | 132.92       | 5,801,622.49            | 0.5%          |
| 962879102              | WHEATON PRECIOUS METALS CORP | 245,037  | 19.11     | 4,683,400.51          | 29.75        | 7,289,850.75            | 0.7%          |
| G96629103              | WILLIS TOWERS WATSON PLC     | 49,861   | 126.66    | 6,315,327.23          | 201.94       | 10,068,930.35           | 0.9%          |
| B8KF9B4                | WPP PLC                      | 380,679  | 15.03     | 5,720,839.34          | 14.13        | 5,377,798.60            | 0.5%          |
| <b>Total</b>           |                              |          |           | <b>877,255,836.32</b> |              | <b>997,865,087.93</b>   | <b>91.9%</b>  |
| CASH                   |                              |          |           | 86,845,420.51         | 1.00         | 86,845,420.51           | 8.0%          |
| FX FORWARDS            |                              |          |           |                       |              | -448,915.05             | 0.0%          |
| TOTAL ACCRUED          |                              |          |           |                       |              | 1,323,155.50            | 0.1%          |
| <b>Total Cash</b>      |                              |          |           | <b>86,845,420.51</b>  |              | <b>87,719,660.96</b>    | <b>8.1%</b>   |
| <b>PORTFOLIO TOTAL</b> |                              |          |           | <b>964,101,256.83</b> |              | <b>1,085,584,748.89</b> | <b>100.0%</b> |

The inclusion of the securities mentioned above is not to be interpreted as recommendations to buy or sell.

Please note that holding weights may differ slightly from those cited elsewhere in this report due to sourcing from different data systems. The values represented in the table of Portfolio Holdings above include currency hedges and accrued income.



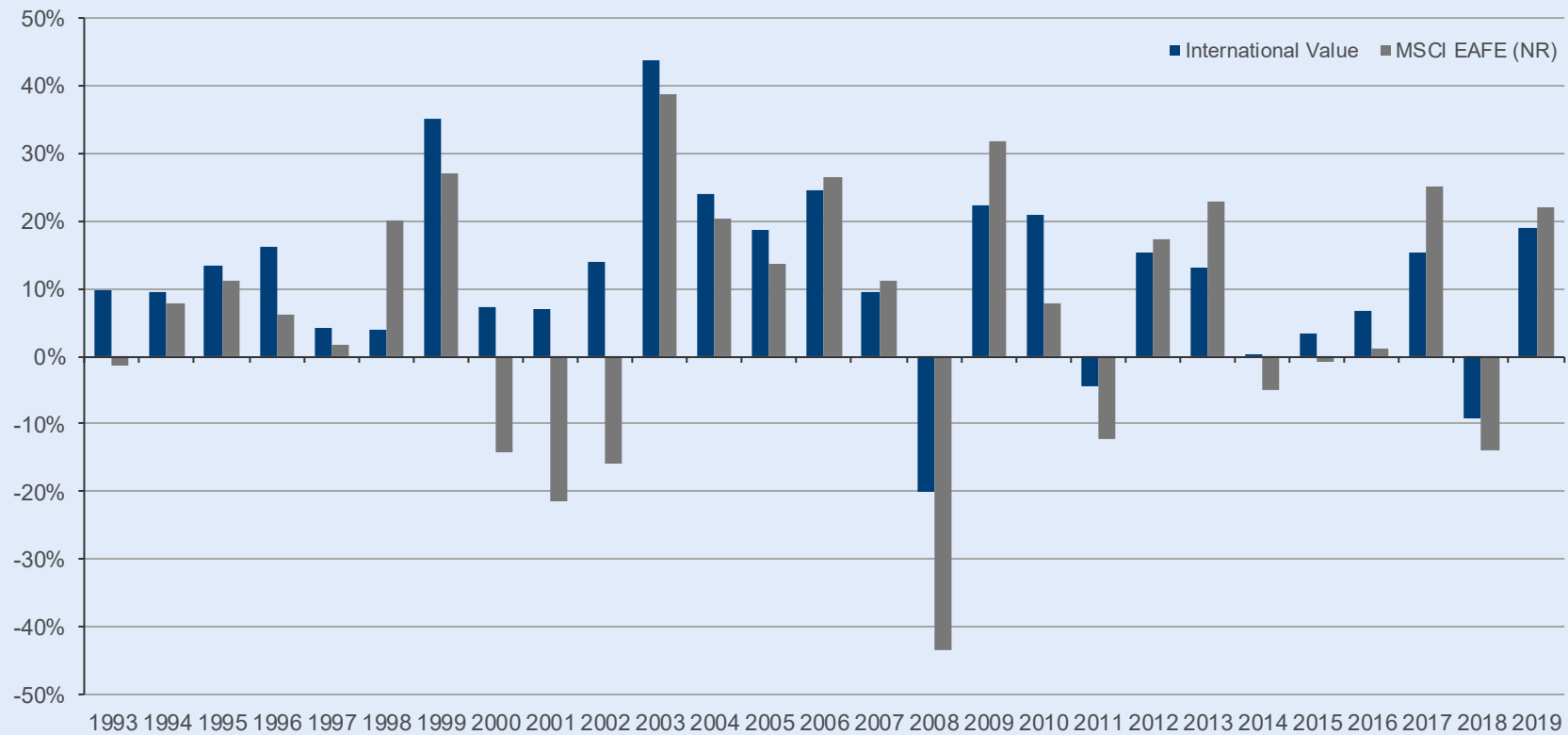
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## Appendix – Historical Composite Performance



# Calendar Year Gross Returns

Since Inception Composite Returns\* (as of 31-Dec-2019)



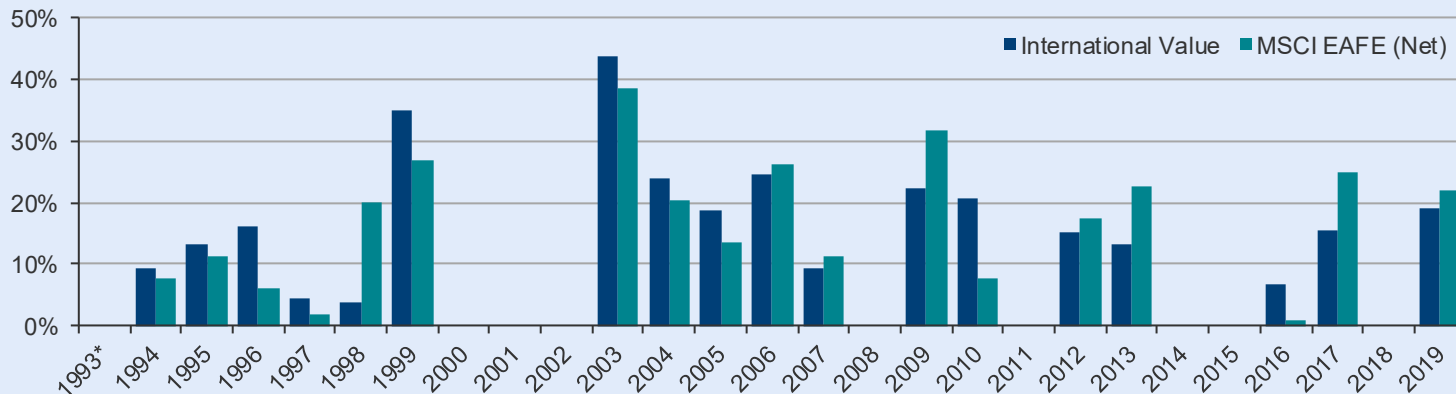
\* Returns represented above reflect the International Value Composite (inception 31-Aug-1993), not the returns of the International Value Fund, LP (inception 01-Nov-2008). Performance for 1993 is from 31-Aug-1993 to 31-Dec-1993. Annual returns are calculated using a monthly frequency.

Performance results are gross of investment management fees. The deduction of an advisory fee reduces an investor's return. Past performance is not a guarantee of comparable future results. Fees are described in Part 2A of the Advisor's ADV which is available upon request.

# Gross Performance in Up and Down Markets

As of 31-Dec-2019

## Up Markets



### Up Markets (18 Cal. Yrs.)<sup>1</sup>

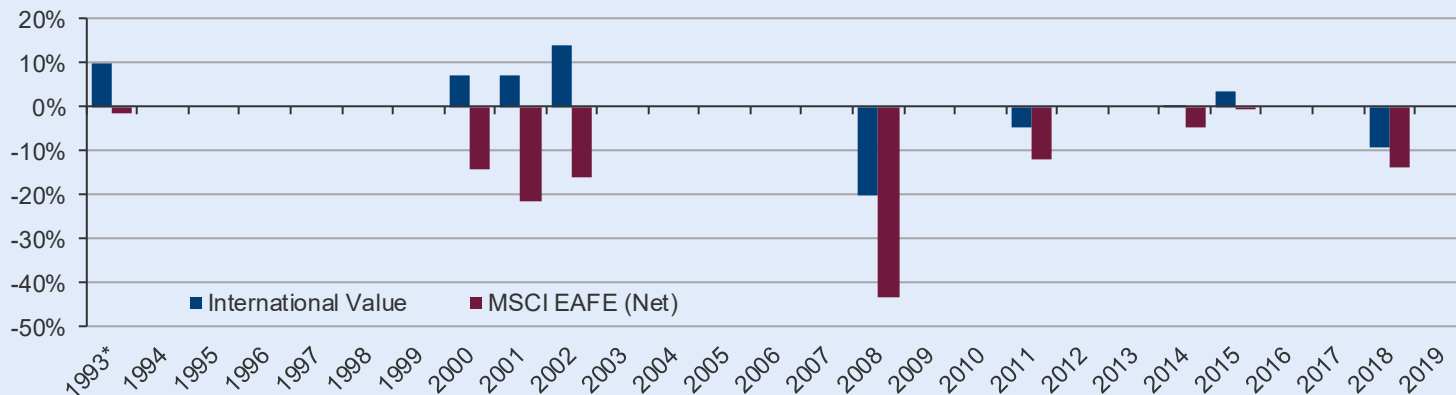
#### Up Market Return (%)<sup>2</sup>

Portfolio<sup>2</sup> 15.4%

Benchmark<sup>2</sup> 16.6%

Upside  
Capture<sup>2</sup> 93%

## Down Markets



### Down Markets (8 Cal. Years)<sup>1</sup>

#### Down Market Return (%)<sup>2</sup>

Portfolio<sup>2</sup> -3.4%

Benchmark<sup>2</sup> -9.7%

Downside  
Capture<sup>2</sup> 35%

\*Performance for 1993 is from 01-Sep-1993 to 31-Dec-1993.

<sup>1</sup>Reflects full calendar years. <sup>2</sup>Calculated using quarterly returns starting 01-Oct-1993.

**Past performance is not indicative of future results.**

Performance results are gross of investment management fees. The deduction of an advisory fee reduces an investor's return. Actual account performance will vary depending on individual portfolio security selection and the applicable fee schedule. Fees are described in Part 2A of the Advisor's ADV, which is available upon request.

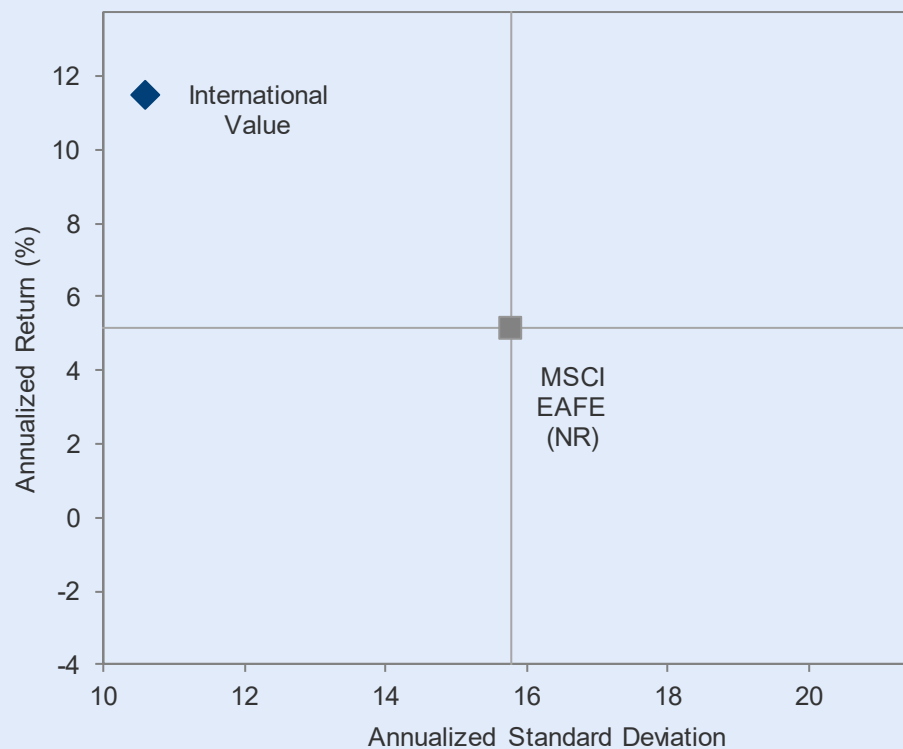
Full performance disclosures for the above in the Appendix. All figures beyond one year are annualized.

Information for periods prior to 01-Jan-2000 occurred while a prior portfolio manager of the strategy was affiliated with another firm.

# Key Since Inception Statistics

Since Inception (01-Sep-1993 to 31-Dec-2019)

## Risk vs. Return



## Performance Statistics

|                                | International Value | MSCI EAFE (NR) |
|--------------------------------|---------------------|----------------|
| Return (annualized)            | 11.50               | 5.13           |
| Std. Dev. (annualized)         | 10.60               | 15.78          |
| Tracking Error (annualized)    | 8.38                | N/A            |
| R-Square                       | 75.78               | 100.00         |
| Beta                           | 0.58                | 1.00           |
| Alpha (annualized)             | 8.12                | N/A            |
| Information Ratio (annualized) | 0.76                | N/A            |

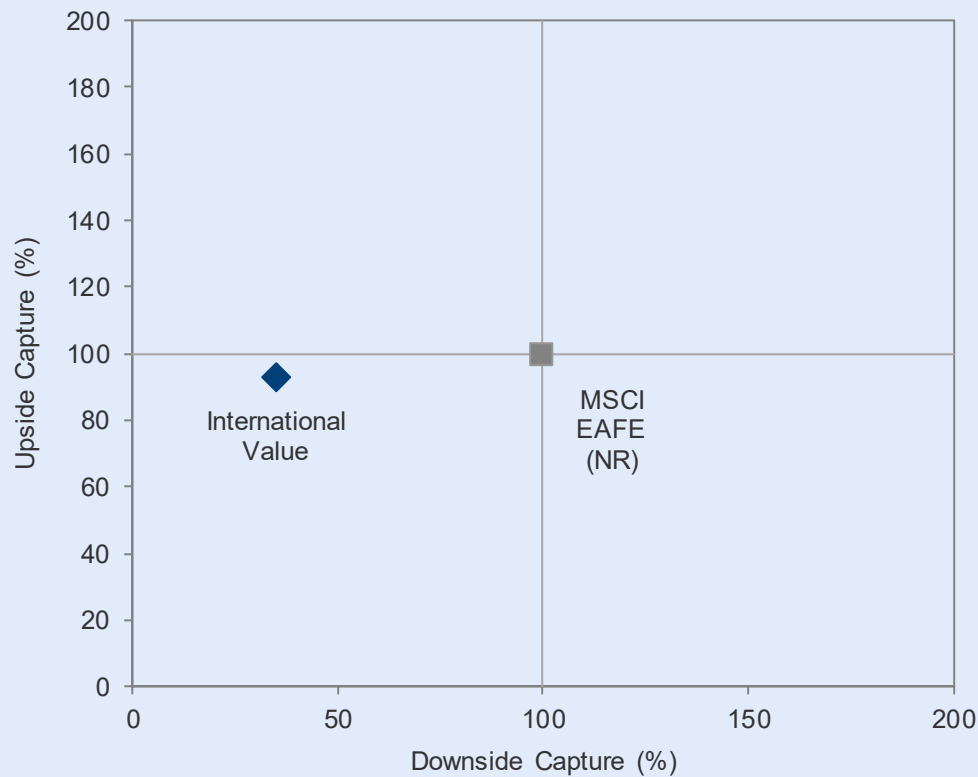
Past performance is not indicative of future results.

Performance results are gross of investment management fees. The deduction of an advisory fee reduces an investor's return. Past performance is not a guarantee of comparable future results. Fees are described in Part 2A of the Advisor's ADV which is available upon request.

Information for periods prior to 01-Jan-2000 occurred while a prior portfolio manager of the strategy was affiliated with another firm.

# Upside/Downside Capture

Since Inception Upside/Downside Capture (01-Sep-1993 to 31-Dec-2019)



- Compared to the MSCI EAFE Index, the Global Value team captured 93% of positive market performance and 35% of the downside.

Performance results are gross of investment management fees. The deduction of an advisory fee reduces an investor's return. Past performance is not a guarantee of comparable future results. Fees are described in Part 2A of the Advisor's ADV which is available upon request.

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## Appendix – Disclosures and Definitions



# Disclosures & Definitions

**Note: Indices are unmanaged and do not incur management fees or other operating expenses. One cannot invest directly in an index.**

**MSCI World Index** is a widely followed, unmanaged group of stocks from 23 international markets and is not available for purchase. The index provides total returns in U.S. dollars with net dividends reinvested.

**MSCI EAFE Index** is an unmanaged total return index, reported in U.S. dollars, based on share prices and reinvested net dividends of approximately 1,100 companies from 22 countries and is not available for purchase.

**MSCI EAFE Growth Index** captures large and mid cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend. Developed Markets countries include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

**MSCI EAFE Value Index** captures large and mid cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. Developed Markets countries include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

**MSCI EAFE Small Cap Index** is an equity index which captures small cap representation across Developed Markets countries around the world, excluding the US and Canada. With 2,244 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in each country. Developed Markets countries include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

**The MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 23 emerging market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey\* and United Arab Emirates.

**The MSCI All Country World Index** is an unmanaged index that captures large and mid cap representation across 23 Developed Markets and 23 Emerging Markets countries. With 2,491 constituents, the index covers approximately 85% of the global investable equity opportunity set.

**MSCI Europe Index** captures large and mid cap representation across 15 Developed Markets (DM) countries in Europe. With 445 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across the European Developed Markets equity universe. DM countries in Europe include: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK.

**MSCI Japan Index** is designed to measure the performance of the large and mid cap segments of the Japanese market. With 321 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan.

**MSCI United Kingdom Index** is designed to measure the performance of the large and mid cap segments of the UK market. With 109 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the UK.

**MSCI The World Small Cap Index** captures small cap representation across 23 Developed Markets (DM) countries. With 4,263 constituents, the index covers approximately 14% of the free float-adjusted market capitalization in each country. DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US.

**The S&P 500 Index** is a widely recognized unmanaged index including a representative sample of 500 leading companies in leading sectors of the U.S. economy and is not available for purchase. Although the S&P 500 focuses on the large-cap segment of the market, with approximately 80% coverage of U.S. equities, it is also considered a proxy for the total market. The S&P 500 Index includes dividends reinvested.

**The Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set.

# Disclosures & Definitions

**Note: Indices are unmanaged and do not incur management fees or other operating expenses. One cannot invest directly in an index.**

**The Russell 2000 Value Index** measures the performance of small-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect value characteristics.

**The Russell 2000 Growth Index** measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-value ratios and higher forecasted growth values. The Russell 2000 Growth Index is constructed to provide a comprehensive and unbiased barometer for the small-cap growth segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect growth characteristics.

**Russell 1000 Index** measures the performance of the large-cap segment of the U.S. equity universe. The Russell 1000 Index is an index of approximately 1,000 of the largest companies in the U.S. equity market by market capitalization. The Russell 1000 Index is a subset of the Russell 3000® Index representing approximately 90% of the total market capitalization of all listed U.S. stocks.

**Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-value ratios and higher forecasted growth values. The Russell 1000 Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment.

**Russell 1000 Value Index** measures the performance of large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment.

**The Barclays Capital Aggregate Bond Index** is a broad-based benchmark that measures the investment grade U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS.

**Barclays Government Index** is an unmanaged index comprised of all publicly issued, convertible, domestic debt of the U.S. government or any of its agencies, quasi-federal corporations, or corporate debt guaranteed by the U.S. government.

**Barclays Government Long Index** includes fixed income securities issued by the U.S. Treasury (not including inflation-protected bonds) and U.S. government agencies and instrumentalities, as well as corporate or dollar-denominated foreign debt guaranteed by the U.S. government, with maturities greater than 10 years. One cannot invest directly in an index.

**Barclays US Credit Index** measures the performance of investment grade corporate debt and agency bonds that are dollar denominated and have a remaining maturity of greater than one year.

**The Barclays Capital U.S. Corporate High Yield Bond Index** is composed of fixed-rate, publicly issued, non-investment grade debt, is unmanaged, with dividends reinvested, and is not available for purchase. The index includes both corporate and non-corporate sectors. The corporate sectors are Industrial, Utility, and Finance, which includes both U.S. and non-U.S. corporations. The index is presented here for comparison purposes only.

**The Barclays US High Yield BB Index** tracks the performance of BB rated high yield bonds.

**The Barclays US High Yield B Index** tracks the performance of B rated high yield bonds.

**The Barclays US High Yield CCC Index** tracks the performance of B rated high yield bonds.

**S&P/LSTA Leveraged Loan Index** measures the performance of 100 large loan facilities meeting specific inclusion criteria. The index is modified market value-weighted and is fully rebalanced semi-annually. In addition, the index is reviewed weekly to reflect pay-downs and ensure that it continually maintains 100 loan facilities.

**The Barclays US TIPS Index** The Bloomberg Barclays U.S. Treasury Inflation Protected Securities (TIPS) Index (Series-L) measures the performance of TIPS securities and is selected by a Market Value process. The Index is a market-capitalization-weighted index that includes all inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than 5 years.

**Bloomberg Gold Index** Formerly known as Dow Jones-UBS Gold Subindex (DJUBSGC), the index is a commodity group subindex of the Bloomberg CI composed of futures contracts on Gold. It reflects the return of underlying commodity futures price movements only and is quoted in USD.

**Bloomberg Commodity Index** is a broadly diversified commodity price index distributed by Bloomberg Indexes. The BCOM tracks prices of futures contracts on physical commodities on the commodity markets. The index is designed to minimize concentration in any one commodity or sector. It currently has 22 commodity futures in seven sectors. No one commodity can compose less than 2% or more than 15% of the index, and no sector can represent more than 33% of the index (as of the annual weightings of the components). Annual rebalancing and reweighting ensure that diversity is maintained over time.

# Disclosures & Definitions

**Note: Indices are unmanaged and do not incur management fees or other operating expenses. One cannot invest directly in an index.**

**Bloomberg Crude Index** is a subindex of the Bloomberg Commodity Index, is intended to reflect the performance of crude oil as measured by the price of futures contracts of West Texas Intermediate sweet, light crude oil. The performance of the crude oil futures market is normally very different than the performance of the physical crude oil market. The Bloomberg WTI Crude Oil Subindex will reflect the performance of its underlying crude oil futures contracts, including the impact of rolling, without regard to income earned on cash positions.

**JPMorgan EMBI+ Index** tracks total returns for traded external debt instruments (external meaning foreign currency denominated fixed income) in the emerging markets. The regular EMBI index covers U.S.dollar-denominated Brady bonds, loans and Eurobonds. The EMBI+ expands upon J.P.Morgan's original Emerging Markets Bond Index (EMBI), which was introduced in 1992 and covered only Brady bonds. The EMBI+ provides investors with a definition of the market for emerging markets external-currency debt, a list of the instruments traded, and a compilation of their terms. Instruments in the EMBI+ must have a minimum face value outstanding of \$500 million and must meet strict criteria for secondary market trading liquidity.

**Citi Non-USD WGBI Hedged Index** is an unmanaged, market-capitalization-weighted index that tracks 10 government bond indices, excluding the United States. All foreign currency exposure is hedged against the USD.

**Citi Non-USD WGBI Index** is an unmanaged, market-capitalization-weighted index that tracks 10 government bond indices, excluding the United States.

**FTSE EPRA/NAREIT Global Index** is designed to represent general trends in eligible real estate equities worldwide. Relevant activities are defined as the ownership, disposal and development of income-producing real estate. The FTSE EPRA/NAREIT Global Index and FTSE EPRA/NAREIT Global ex US Index are designed to track the performance of listed real estate companies and REITs in both developed and emerging markets,

**S&P Global Infrastructure Index** is designed to track 75 companies from around the world chosen to represent the listed infrastructure industry while maintaining liquidity and tradability. To create diversified exposure, the index includes three distinct infrastructure clusters: energy, transportation, and utilities.

**FTSE WGBI 10+Y Index** measures the performance of fixed-rate, local currency, investment-grade sovereign bonds with maturities over 10 years. The WGBI is a widely used benchmark that currently comprises sovereign debt from over 20 countries, denominated in a variety of currencies, and has more than 30 years of history available. The WGBI is a broad benchmark providing coverage of the global sovereign fixed income market.

**Standard Deviation** is a statistical measure of the distance a quantity is likely to move from its average value. It is applied to the annual rate of return to measure volatility.

**Upside Capture** measures performance in up markets relative to the benchmark.

**Downside Capture** measures performance in down markets relative to the benchmark. A down market is defined as those periods in which the market return is less than 0.

**Beta** – The systematic risk of a portfolio. The beta of a portfolio is its sensitivity to a benchmark. A portfolio with a beta of 1 is as risky as the benchmark and would therefore provide expected returns equal to those of the market during both up and down periods. A portfolio with a beta of 2 would move approximately twice as much as the benchmark.

**Alpha** – The standard intercept. Alpha is a risk (beta-adjusted) return measurement. If two managers had the same return, but one had a lower beta, that manager would have a higher alpha.

**Volatility** – A statistical measure of the degree to which an individual portfolio return tends to vary from the mean, based on the entire population. The greater degree of dispersion, the greater degree of risk.

**P/E: Price to Earnings FY1** –provides a measure of how cheap or expensive an aggregate index is. Defined as the Sum of constituent Market Capitalization / Sum of constituent Recurrent Earnings Estimate for the Current Unreported Fiscal Year. Recurrent Earnings for each constituent is the Estimate of Current Unreported Earnings per share, multiplied by the number of shares.

**Multiple Expansion**– A decomposition of each year's total return contributors. 'Multiple expansion' refers to the portion of index's total return unattributable to constituent members' dividend income and growth/contraction of earnings. 'Earnings Growth' is measured as the percent change in the index's weighted-average LTM Earnings Per Share compared to the prior year.

**Earnings Growth (YoY)** – is measured as the percent change in the index's weighted-average LTM Earnings Per Share compared to the prior year.

**Shiller PE** – Also known as Cyclically-Adjusted Price-to-Earnings Ratio, is used to assess long-term equity market performance while isolating the impact of economic cycles. It is calculated by dividing the price by the average of the company's earnings in the last ten years, adjusted for inflation

The information shown in this piece is subject to change based on market and other conditions. This piece is provided for informational purposes only. The information shown is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Any statistics contained herein have been obtained from sources believed to be reliable, but the accuracy of this information cannot be guaranteed. The information provided is not to be construed as a recommendation or an offer to buy or sell or the solicitation of an offer to buy or sell any security. The portfolios are actively managed and holdings can change at any time. Current and future portfolio holdings are subject to risk. The information in this piece is not intended to provide and should not be relied on for accounting, legal, and tax advice.

First Eagle Investment Management is the brand name for First Eagle Investment Management, LLC and its subsidiary investment advisers.

# Disclosures & Definitions

International Value Composite contains fully discretionary accounts invested in a range of asset classes from markets outside the United States. To achieve its objective, management will normally invest in common stocks (and securities convertible into common stocks) of foreign companies. Prior to 14-Sep-2009, the composite was named Diversified International. For comparison purposes, the composite is measured against the MSCI EAFE (Net) Index. Returns include the effect of foreign currency exchange rates. The exchange rate source of the composite is Bloomberg 4 pm EST. The exchange rate source of the benchmark is Reuters 4 pm GMT. The asset mix of the accounts in the composite may not be comparable to the MSCI EAFE (Net) Index. Indices do not incur management fees or other operating expenses. Investments cannot be made directly into an index.

Prior to 07-Dec-2009, First Eagle Investment Management, LLC was known as Arnhold and S. Bleichroeder Advisers, LLC.

First Eagle Investment Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. First Eagle Investment Management, LLC has been independently verified for the periods 01-Jan-1996 through 31-Dec-2018.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The International Value Composite has been examined for the periods 01-Jan-2000 through 31-Dec-2018. The verification and performance examination reports are available upon request.

First Eagle Investment Management, LLC is an independent SEC registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request. The GIPS defined firm does not include the Private Credit business.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Total returns of the composite and benchmark are presented net of estimated foreign withholding taxes on dividends, interest, and capital gains. Withholding taxes may vary according to the investor's domicile. MSCI uses

withholding tax rates applicable to Luxembourg holding companies, as Luxembourg applies the highest rate.

Past performance is not indicative of future results.

Derivatives may make up a material part of the composite strategy. The composite may invest in structured notes, the value of which is linked to the price of gold or silver to hedge against market conditions. The use of structured notes is subject to availability and market conditions. The composite frequently uses currency forwards to hedge currency exposure. Structured notes are purchased through large commercial banks with strong credit rankings.

The annual composite dispersion presented is an equal-weighted standard deviation calculated for the accounts in the composite for the entire year.

The US Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fees performance was calculated using the highest applicable management fee of 0.75% applied monthly. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The investment management fee schedule is 0.75% on assets. Actual investment advisory fees incurred by clients may vary.

The collection of fees produces a compounding effect on the total rate of return net of management fees. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 1.00% annual investment advisory fee would be \$10,416 in the first year, and cumulative effects of \$59,816 over five years and \$143,430 over ten years. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The International Value Composite was created 01-Jan-2002. Performance presented prior to 01-Jan-2000, is for a US mutual fund that was managed by Jean-Marie Eveillard while he was affiliated with another firm and had portfolio management responsibility. First Eagle Investment Management, LLC, acquired this prior firm and became investment adviser to the US mutual fund on 31-Dec-1999. On 27-Mar-2009, Mr. Eveillard transitioned from having portfolio management responsibilities to a senior advisory role to First Eagle Investment Management, LLC, a position he also held from 01-Jan-2005 to 23-Mar-2007.

# Disclosures & Definitions

| Year End | Total Firm Assets<br>(USD Millions) | Composite<br>Assets<br>(USD Millions) | Number of<br>Accounts | Composite<br>Gross | Composite<br>Net | MSCI EAFE<br>(Net) | 3Y ex-post Std.<br>Dev.<br>Composite | 3Y ex-post Std.<br>Dev.<br>MSCI EAFE | Composite<br>Dispersion |
|----------|-------------------------------------|---------------------------------------|-----------------------|--------------------|------------------|--------------------|--------------------------------------|--------------------------------------|-------------------------|
| 2018     | 91,890                              | 14,955                                | 11                    | -9.29%             | -9.97%           | -13.79%            | 8.14%                                | 11.83%                               | 0.30%                   |
| 2017     | 116,057                             | 20,773                                | 13                    | 15.37%             | 14.51%           | 25.03%             | 8.87%                                | 12.46%                               | 0.30%                   |
| 2016     | 99,086                              | 17,114                                | 12                    | 6.70%              | 5.90%            | 1.00%              | 8.27%                                | 12.46%                               | 0.20%                   |
| 2015     | 92,369                              | 15,561                                | 13                    | 3.38%              | 2.61%            | -0.81%             | 8.96%                                | 13.03%                               | 0.40%                   |
| 2014     | 99,470                              | 16,006                                | 11                    | 0.22%              | -0.53%           | -4.90%             | 10.25%                               | 16.25%                               | 0.70%                   |
| 2013     | 92,511                              | 16,633                                | 11                    | 12.98%             | 12.14%           | 22.78%             | 11.87%                               | 19.37%                               | 0.30%                   |
| 2012     | 72,916                              | 13,210                                | 9                     | 15.26%             | 14.40%           | 17.32%             | 13.29%                               | 22.43%                               | N.A.                    |
| 2011     | 59,646                              | 10,439                                | 7                     | -4.53%             | -5.24%           | -12.14%            | 13.29%                               | 22.43%                               | N.A.                    |
| 2010     | 51,961                              | 9,967                                 | Five or Fewer         | 20.78%             | 19.88%           | 7.75%              |                                      |                                      | N.A.                    |
| 2009     | 38,910                              | 7,494                                 | Five or Fewer         | 22.21%             | 21.30%           | 31.78%             |                                      |                                      | N.A.                    |
| 2008     | 31,605                              | 6,261                                 | Five or Fewer         | -19.92%            | -20.52%          | -43.38%            |                                      |                                      | N.A.                    |
| 2007     | 43,879                              | 10,051                                | Five or Fewer         | 9.41%              | 8.59%            | 11.18%             |                                      |                                      | N.A.                    |
| 2006     | 43,089                              | 12,317                                | Five or Fewer         | 24.58%             | 23.65%           | 26.34%             |                                      |                                      | N.A.                    |
| 2005     | 35,210                              | 10,113                                | Five or Fewer         | 18.64%             | 17.76%           | 13.55%             |                                      |                                      | N.A.                    |
| 2004     | 26,315                              | 8,298                                 | Five or Fewer         | 23.84%             | 22.91%           | 20.25%             |                                      |                                      | N.A.                    |
| 2003     | 15,481                              | 5,455                                 | Five or Fewer         | 43.59%             | 42.52%           | 38.59%             |                                      |                                      | N.A.                    |
| 2002     | 6,703                               | 1,334                                 | Five or Fewer         | 14.06%             | 13.21%           | -15.94%            |                                      |                                      | N.A.                    |
| 2001     | 5,274                               | 563                                   | Five or Fewer         | 6.95%              | 6.15%            | -21.44%            |                                      |                                      | N.A.                    |
| 2000     | 5,944                               | 419                                   | Five or Fewer         | 7.18%              | 6.38%            | -14.17%            |                                      |                                      | N.A.                    |
| 1999     |                                     | 498                                   | Five or Fewer         | 34.97%             | 33.96%           | 26.96%             |                                      |                                      | N.A.                    |
| 1998     |                                     | 603                                   | Five or Fewer         | 3.85%              | 3.07%            | 20.00%             |                                      |                                      | N.A.                    |
| 1997     |                                     | 964                                   | Five or Fewer         | 4.30%              | 3.52%            | 1.78%              |                                      |                                      | N.A.                    |