

Firm Overview

Since its founding in 1955, Federated Investors, Inc. and its subsidiaries have grown to become one of the nation's largest investment management organizations with assets under management of \$575.9 billion (as of 12/31/19) in investment strategies of domestic and international equity, fixed-income and money market asset classes. Federated offers depth and breadth in its selection of products to meet the needs of virtually any client, from the large institutional investor and high net worth individuals, to retirement plan participants.

Composite

International ADR Managed Account

Index

MSCI EAFE (Index)

Key Investment Team

Marc Halperin

Senior Portfolio Manager
37 Years Experience

Richard Winkowski, Jr.

Senior Portfolio Manager
26 Years Experience

Dariusz Czoch, CFA

Portfolio Manager,
Senior Investment Analyst
18 Years Experience

**International ADR
Managed Account**

Objective:

The strategy relies on an intensive, bottom-up stock-selection process with the goal of creating an international, developed-market portfolio by investing in non-U.S. companies that offer American Depositary Receipts (ADRs). The process focuses on individual stock/industry selection combined with a buy-and-hold approach, resulting in a concentrated, low-turnover portfolio of undervalued stocks expected to increase in price as the market recognizes the true value of their franchise and cash-flow generation capabilities.

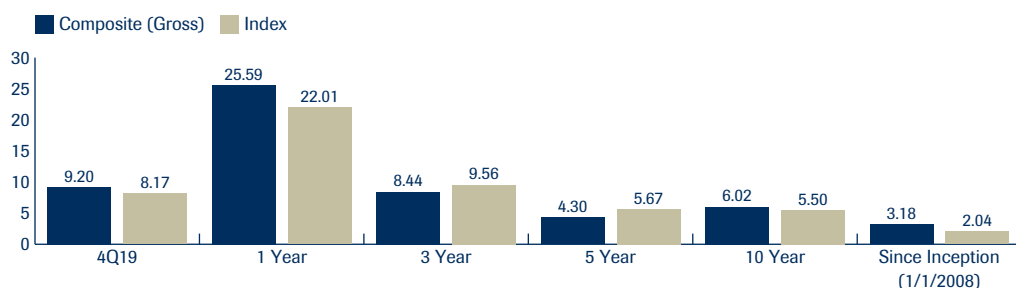
Philosophy:

- We believe a rigorous, bottom-up, internally driven due diligence process leads to identifying high-quality companies trading below intrinsic value. These companies offer the dual benefits of fundamental strength and the potential for a higher level of capital growth.
- We believe a high conviction portfolio with low turnover allows time for a company's earnings growth to translate into strong share-price performance. This "buy-and-hold" approach offers the greatest potential to support investors' long-term goals, especially in unpredictable markets.
- We believe in a long-term focus to buy attractive stocks when they are out of favor at discounted valuations.

Investment Approach:

- Follows a disciplined stock-selection process rather than fads and momentum investing.
- Uses a bottom-up, Graham and Dodd-based value approach to international equity investing, focusing primarily on a high-conviction portfolio of industry leaders that meet the management team's rigorous criteria for market leadership, sustainable business models, financial strength and compelling valuations.
- Emphasis on diligent fundamental analysis and disciplined stock selection designed to reduce turnover and potentially realize each holding's true value based on future earnings and cash flows.

Annualized Returns (%)*



Data as of 12/31/19. Information is supplemental to the attached GIPS report.

*For a comparison of gross to net returns, see chart on page 3. "Pure" gross-of-fees returns do not reflect the deduction of any expenses, including trading costs. "Pure" gross-of-fees returns are supplemental to net returns. This information is supplemental to the attached GIPS report which should be referred to for the current performance, including the net figures.

While there is no assurance that the strategy will achieve its objective, the advisor endeavors to do so by selecting securities in the manner described in this document. Performance data quoted represents past performance which is not indicative of future results.

International ADR

Portfolio Characteristics

	Portfolio	Index
Wtd. Avg. Dividend Yield (%)	2.48	3.16
P/E Ratio (LTM)*	20.66x	16.82x
EPS Growth Last 3-years** (%)	22.59	19.89
Price/Book Value Ratio*	2.63x	2.10x
Price/Cash Flow Ratio*	13.97x	12.16x
Wtd. Avg. Market Capitalization (Mil.)	\$75,751	\$67,058
Holdings	60	918

Sector Weightings (%)

	Portfolio	Index
Communication Services	4.4	5.2
Consumer Discretionary	14.6	11.6
Consumer Staples	11.6	11.3
Energy	7.1	4.9
Financials	15.2	18.6
Health Care	11.7	12.2
Industrials	15.5	15.1
Information Technology	10.9	7.0
Materials	8.5	7.1
Real Estate	0.4	3.5
Utilities	0.2	3.7

Top Holdings (%)***

	Portfolio
iShares MSCI Japan ETF	4.5
Astrazeneca PLC	3.5
Royal Dutch Shell PLC	3.5
Lonza Group AG	3.3
Diageo PLC	3.3
iShares Currency Hedged MSCI Japan ETF	3.1
SAP SE	3.0
Nestle S.A.	2.9
Rheinmetall AG	2.5
Sony Corporation	2.4

Country Weightings (%)

	Portfolio
Japan	19.1
France	18.0
United Kingdom	13.6
Germany	11.0
Switzerland	10.5
Netherlands	7.8
United States	2.7
Singapore	1.8
China	1.4
Spain	1.3
Denmark	1.3
Hong Kong	1.3
Ireland	1.1
Taiwan	0.9
Total	91.8

Calendar Year Returns (%)****

	Composite (Gross)	Index
2010	11.39	7.75
2011	-11.10	-12.14
2012	21.82	17.32
2013	28.58	22.78
2014	-6.25	-4.90
2015	-0.52	-0.81
2016	-2.71	1.00
2017	26.19	25.03
2018	-19.54	-13.79
2019	25.59	22.01

Portfolio information is derived from a model portfolio managed in the strategy as of 12/31/19. Since this is a managed portfolio and market conditions can fluctuate suddenly and frequently, the portfolio holdings and investment mix will change. Information is supplemental to the attached GIPS report.

*Weighted Median

**Weighted Average

***Strategy has invested in iShares MSCI Japan and WisdomTree Japan Equity Fund as a means of providing liquid indexed exposure and reducing benchmark risk.

****For a comparison of gross to net returns, see chart on page 3. "Pure" gross-of-fees returns do not reflect the deduction of any expenses, including trading costs. "Pure" gross-of-fees returns are supplemental to net returns. This information is supplemental to the attached GIPS report which should be referred to for the current performance, including the net figures.

Past performance is no guarantee of future results.

Schedule of Rates of Return and Statistics

Composite **International ADR Managed Account Composite**
 Index **MSCI EAFE Index (net)**
 Periods Ending **12/31/2019**

Returns (%)			
	Gross Composite Return	Index	Net Composite Return (Assuming Maximum Fee)
Q4 19	9.20	8.17	9.02
1 Year	25.59	22.01	24.49
3 Years (Annlzd)	8.44	9.56	7.62
5 Years (Annlzd)	4.30	5.67	3.53
7 Years (Annlzd)	5.84	6.35	5.07
10 Years (Annlzd)	6.02	5.50	5.26
Jan 08 - Dec 19 (Annlzd)	3.18	2.04	2.45

	Composite Gross Return	Composite Net Return	Benchmark Return	Composite* 3-Yr St Dev	Benchmark* 3-Yr St Dev	Number of Portfolios	Dispersion**	Composite Assets (\$mil)	Firm Assets (\$bil)
2010	11.39	10.62	7.75	28.04	26.23	<5	N/A	0.2	354.3
2011	-11.10	-11.73	-12.14	24.89	22.43	<5	N/A	0.2	363.9
2012	21.82	20.98	17.32	22.27	19.37	<5	N/A	0.2	371.3
2013	28.58	27.70	22.78	18.43	16.25	<5	N/A	0.3	366.8
2014	-6.25	-6.91	-4.90	14.74	13.03	<5	N/A	0.3	349.3
2015	-0.52	-1.22	-0.81	13.80	12.46	<5	N/A	0.3	343.4
2016	-2.71	-3.39	1.00	13.55	12.46	<5	N/A	0.3	342.3
2017	26.19	25.33	25.03	12.80	11.83	<5	N/A	0.3	354.7
2018	-19.54	-20.11	-13.79	13.26	11.24	<5	N/A	0.3	377.2
2019	25.59	24.49	22.01	13.29	10.81	<5	N/A	0.3	503.1

*Standard deviation is calculated using gross returns. Standard deviation is not applicable ("N/A") for any period if fewer than five accounts are in the composite for that period. (See footnote 5)

**Represents the 3-year annualized standard deviation for both the composite and index returns. The statistic is used to measure the volatility of composite returns. This composite is comprised of all fully invested international equity portfolios invested in a manner consistent with Federated's International ADR model portfolio. The International ADR model portfolio consists of foreign stocks that are listed on a U.S. exchange as American Depositary Receipts. Investments in ADRs entail risks related to daily fluctuations in the value of currency, which may be more volatile in times of increased market risk. Portfolios in this composite may invest in less developed or emerging markets which generally entail greater political, economic, market, tax, credit and other risks, and generally have greater price volatility than securities issued or traded in developed markets. Portfolios managed in this strategy utilize a bottom-up approach focusing on large- and mid-cap stocks from primarily developed markets focusing on companies leading market positions, strong cash flow, solid growth prospects, and attractive valuations. This strategy is considered a core strategy with a bias toward quality. Effective January 2013, performance for this composite is calculated in U.S. dollars net of foreign withholding taxes on dividends, interest, and capital gains. Accounts deemed by the portfolio manager to have a category restriction shall be excluded from this composite. A category is defined as a collection of investments with similar attributes such as industry classification, business sensitivity, social theme, or security features. Portfolios in this composite are generally managed to the MSCI EAFE Index. The MSCI EAFE Index is an equity index which captures large- and mid-cap representation across developed markets countries around the world, excluding the U.S. and Canada. The index covers approximately 85% of the free float-adjusted market capitalization in each country. Indexes are unmanaged and cannot be invested in directly. Separate accounts eligible for this composite generally have a minimum of \$100,000 at the time of opening and are a part of an asset-based pricing program. Wrap fee accounts make up 100% of this composite for all time periods. This composite was created in January 2008. Federated Investors has managed portfolios in this investment style since January 2008. Federated Investors claims compliance with the Global Investment Performance Standards ("GIPS®") and has prepared and presented this report in compliance with the GIPS® standards. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy of quality of the content contained herein. Federated Investors has been independently verified for the period of January 1, 1992, through September 30, 2019. The verification report is available upon request. 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. Verification does not provide assurance on the accuracy of any specific performance report. Performance results are presented both net and gross of total wrap fees and reflect the reinvestment of income. "Pure" gross returns are shown as supplemental and do not reflect the deduction of transaction costs. Net returns reflect the deduction of a maximum fee. Effective July 2019 a fee equal to the highest anticipated wrap fee that a client could pay (3.00% annually as charged by the program sponsor, inclusive of up to a maximum investment advisory fee of 0.75%) is used. This total wrap fee includes all charges for trading costs, portfolio management, custody and other administrative fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. See Notes to the Schedule of Rates of Return and Statistics.

Notes to the Schedule of Rates of Return and Statistics

- 1. Federated Investors is a global, independent, multi-strategy investment management firm with offices in Pittsburgh, New York, Rochester, Boston, London, Dublin and Frankfurt. For GIPS® purposes, Federated Investors is defined to include the assets of registered investment companies, separate (or private) accounts, managed accounts (including wrap accounts) and commingled or collective trusts that are advised or sub-advised by the following subsidiaries: Federated Advisory Services Co.; Federated Equity Management Co. of PA; Federated Investment Counseling; Federated Investment Management Co.; Federated Global Investment Management Corp.; International Management Limited; MDT Advisers; Federated Securities Corp.; effective December, 2008, (the date of acquisition) the institutional assets of Federated Clover Investment Advisors, and effective September, 2009, (the date the assets were brought into compliance) the SMA/Wrap assets of Federated Clover Investment Advisors; and effective April, 2012 (the date of acquisition) Federated Investors (UK) LLP. Effective with the January 1, 2011, change in GIPS® policies regarding fair value, the assets of the Capital Preservation Fund (a Guaranteed Investment Contract vehicle) were included in the defined firm assets. Prior to that date they were excluded as they are not market value based investments. Firm assets on this report exclude the advisory-only, model-based assets that may be included in other reports providing total firm assets.*
- 2. Interest income and dividends are recognized on an accrual basis. Returns include the reinvestment of all income.*
- 3. All market values and performance information are valued in U.S. dollars unless currency is denoted in composite title.*
- 4. With the exception of the Federated Clover Investment Advisors composites, annual composite dispersion is measured and presented using the asset weighted standard deviation of the returns of all of the portfolios included in the composite over the entire year. Quarterly dispersion is measured using all portfolios included in the composite for that quarter. With regard to Federated Clover Investment Advisors composites, annual dispersion is measured using the equal weighted standard deviation of the returns of all the portfolios included in the composite over the entire year.*
- 5. Composite dispersion does not measure the risk of the product presented, it simply measures the return variance among portfolios managed in a similar fashion. This variance can be affected by variations in cash flow or specific client parameters among the portfolios comprising the composites, as well as by Federated's execution of strategy across accounts.*
- 6. See the composite description language on the prior page for a discussion on appropriate fees currently applied to calculate composite performance. With regard to the institutional composites not managed by the Federated Clover or MDT Advisers teams, for the period July 1, 1992 through September 30, 2009, net of fee performance was calculated monthly by reducing the gross composite return by the highest actual fee of any account in the composite for that month, regardless of investment vehicle. Prior to this, the maximum management fee charged for the period July 1, 1992 through September 30, 1992 was used to calculate net of fee performance back to inception of the composite. In addition, further fee information can be obtained from Federated's respective Forms ADV Part 2 Brochure Item 5.*
- 7. Additional information regarding the policies for valuing portfolios, calculating performance and preparing compliant presentations, as well as a complete list and description of the firm's composites is available upon request.*
- 8. Past performance is not indicative of future results.*
- 9. See disclosures on the Schedule of Rates of Return and Statistics Reports for additional information.*



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Federated Investment Counseling

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