

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 Strategic Value Dividend ADR Managed Account

Index

MSCI World ex U.S. High Dividend Yield (Index)

Key Investment Team

Daniel Peris, Ph.D., CFA
Senior Portfolio Manager
20 Years Experience

Deborah Bickerstaff
Portfolio Manager
23 Years Experience

Jared Hoff
Portfolio Manager
18 Years Experience

Michael Tucker
Portfolio Manager
26 Years Experience

International Strategic Value Dividend ADR Managed Account

Objective

The strategy's objective is to provide a high level of current income, long-term capital appreciation driven by dividend growth and lower downside risk from non-U.S. companies who offer American Depositary Receipts (ADRs).

Positioning

The International Strategic Value Dividend ADR Strategy pursues income and long-term capital appreciation by investing primarily in ADRs of non-U.S. companies that have dividend growth potential. The strategy seeks to deliver a dividend yield that is higher than the broad international market, to invest in companies that are positioned to increase their dividend distribution over time, and to pursue competitive performance in both up and down markets.

Philosophy

- We believe client assets should be invested in a businesslike manner with an eye to cash returns and the long-term, using the stock market as a platform to make investments in major enterprises rather than as an end unto itself.
- We believe the discipline of high payout, plus the commitment of management to return funds to investors through regular dividends, are attractive investment characteristics—particularly in a time when cash flows are too readily squandered in low or no return projects.
- We believe a portfolio of high dividend-paying stocks can produce attractive total returns and offer lower levels of long-term volatility compared to low or non-dividend-paying stocks.
- We believe an investment product with a high current yield, a growing income stream that offsets inflation and lower downside risk will help meet the needs of a wide range of investors, including those entering a distribution phase over the next decade.
- We believe that by using ADRs, this product provides U.S. investors with the opportunity to readily invest in non-U.S. domiciled companies that meet our dividend standards.

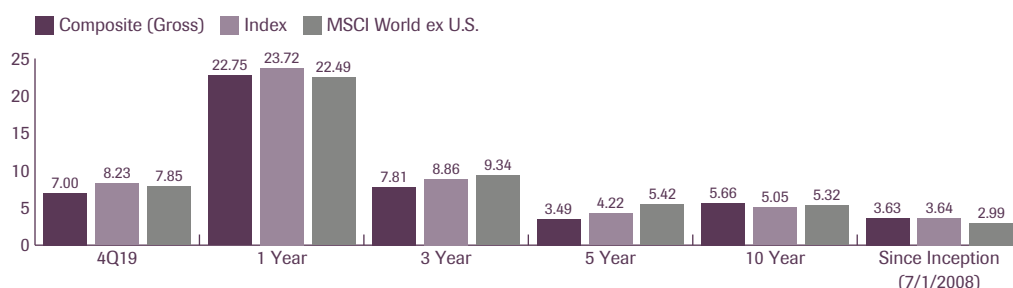
Investment Approach

- Strive to develop a diversified portfolio of high-dividend paying stocks that can produce attractive total returns and offer lower levels of long-term volatility.
- Aim to participate in international dividend investing that can take advantage of generally higher pay-outs and dividend yields in many developed and developing markets outside of the U.S.
- Emphasis on high current yield, dividend income growth that offsets inflation, capital appreciation and lower downside risk.

Dividend Yield (%)

Portfolio: 4.66 Index: 4.92 MSCI World ex U.S.: 3.16

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 and index changes.

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 no guarantee of future results.

Not FDIC Insured • May Lose Value • No Bank Guarantee

International Strategic Value Dividend ADR

Portfolio Characteristics

	Portfolio	Index	MSCI World ex U.S.
Dividend Yield (%)	4.66	4.92	3.16
P/E Ratio (LTM)*	17.80x	14.71x	19.03x
Price/Book Value Ratio*	1.86x	1.73x	2.03x
Price/Cash Flow Ratio*	9.24x	8.08x	11.74x
Beta (5-year)**	0.95	0.96	1.00
Standard Deviation (5-Year)	10.56	12.13	12.05
Upside Capture Ratio (5-Year)	—	86	58
Downside Capture Ratio (5-Year)	—	89	59
Wtd. Avg. Mkt. Capitalization (Mil.)	\$74,269	\$56,483	\$65,069
Median Market Capitalization (Mil.)	\$51,241	\$13,429	\$11,070
Turnover (Trailing 1 year) (%)	20.19	—	—
Holdings	30	143	1,008

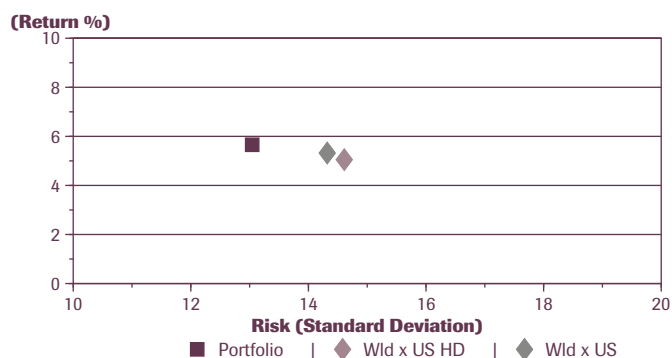
Sector Weightings (%)

	Portfolio	Index	MSCI World ex U.S.
Communication Services	18.51	8.00	5.01
Consumer Discretionary	0.00	7.73	10.88
Consumer Staples	9.60	2.76	10.62
Energy	15.91	9.58	6.19
Financials	20.90	29.38	20.36
Health Care	16.93	10.06	11.14
Industrials	4.33	6.10	14.50
Information Technology	0.00	1.49	6.94
Materials	2.53	11.90	7.40
Real Estate	0.00	3.20	3.25
Utilities	11.43	9.67	3.71

Top Holdings (%)

	Portfolio
Zurich Insurance Group AG	5.37
Sanofi	5.24
National Grid PLC	4.96
GlaxoSmithKline PLC	4.94
Munich Re Group	4.62
TC Energy Corporation	4.46
Unilever PLC	4.41
Siemens AG	4.33
Enbridge Inc.	4.30
SSE PLC	3.91

10-Year Risk/Return Trade-Off***



Country Weightings (%)

	Portfolio
United Kingdom	32.67
Canada	25.32
Germany	8.95
Switzerland	8.88
France	7.34
United States	5.84
Japan	5.83
Norway	2.68
Brazil	1.57
Singapore	0.92
Total	100.00

Calendar Year Returns (%)***

	Composite (Gross)	Index	MSCI World ex U.S.
2010	3.84	-0.32	7.75
2011	4.90	-1.19	-12.14
2012	15.42	13.38	17.32
2013	15.96	23.90	22.78
2014	0.16	-3.61	-4.90
2015	-7.38	-6.74	-0.81
2016	2.30	5.70	2.75
2017	16.12	19.90	24.21
2018	-12.09	-13.04	-14.09
2019	22.75	23.72	22.49

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

***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 and index changes.

Past performance is no guarantee of future results.

Schedule of Rates of Return and Statistics

Composite **International Strategic Value Dividend ADR Managed Account Composite**
 Index **MSCI World x U.S. High Div Yld (1/2016) from EAFE High Div Yld (net)**
 Periods Ending **12/31/2019**

Returns (%)			
	Gross Composite Return	Index	Net Composite Return (Assuming Maximum Fee)
Q4 19	7.00	8.23	6.22
1 Year	22.75	23.72	19.18
3 Years (Annlzd)	7.81	8.86	4.64
5 Years (Annlzd)	3.49	4.92	0.44
7 Years (Annlzd)	4.70	6.15	1.61
10 Years (Annlzd)	5.66	5.42	2.54
Jul 08 - Dec 19 (Annlzd)	3.63	3.64	0.57

	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	3.84	0.77	-0.32	N/A	N/A	<5	N/A	37.4	354.3
2011	4.90	1.80	-1.19	19.14	24.37	6	N/A	0.8	363.9
2012	15.42	12.04	13.38	16.95	19.54	10	0.13	2.0	371.3
2013	15.96	12.57	23.90	13.51	15.37	58	0.17	11.9	366.8
2014	0.16	-2.80	-3.61	12.12	13.80	142	0.06	35.4	349.3
2015	-7.38	-10.14	-6.74	12.06	13.47	226	0.17	51.3	343.4
2016	2.30	-0.73	5.70	11.84	12.77	27	1.10	6.5	342.3
2017	16.12	12.72	19.90	10.42	11.30	23	0.29	7.9	354.7
2018	-12.09	-14.72	-13.04	10.06	10.68	17	0.41	4.3	377.2
2019	22.75	19.18	23.72	9.46	11.03	17	0.94	3.4	503.1

*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.

**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)

This composite is comprised of all portfolios investing in foreign stocks that management believes will provide high yield, reasonable dividend growth and lower volatility in falling equity market environments, yet will provide potential participation in rising markets. Eligible portfolios are managed with wide latitude to choose the sectors and securities to fulfill the mandate. Portfolios may invest in less developed or emerging markets which generally entail greater political, economic, market, tax, credit and other risks, and may have greater price volatility than securities issued or traded in developed markets. Within eligible portfolios, securities are selected based on a fundamental assessment of their financial strength, dividend yields, dividend growth rates, and performance during periods of market weakness. Portfolios in this composite implement the strategy using American Depositary Receipts (ADR) versus directly purchasing shares of companies on foreign exchanges. 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. Effective January 2013, performance for this composite is calculated in U.S. dollars net of foreign withholding taxes on dividends, interest, and capital gains. Individual tax rates may vary dependent on individual residency. 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 country restriction, industry classification, business sensitivity, social theme, or security features. Portfolios in this composite typically are managed against the MSCI World ex U.S. High Dividend Yield Index. This index is based on the MSCI World ex U.S. Index, its parent index, and includes large- and mid-cap stocks across 22 of 23 Developed Markets countries. The index is designed to reflect the performance of equities in the parent index (excluding REITs) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent. 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. This composite was created in March 2011. Federated Investors has managed portfolios in this investment style since June 2008. Prior to April 2011, this composite consisted of the International Strategic Value Dividend Institutional Composite. Effective April 2011, wrap fee accounts make up 100% of this composite. 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. 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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