H S

MANAGEMENT PARTNERS, LLC

investment styles ebb and flow . . . fundamentals never go out of favor

April 2017

640 Fifth Avenue, 18th Floor • New York, NY 10019 • Phone 212-888-0060 • www.hsmanage.com

Presentation Framework

I. **Firm Overview**

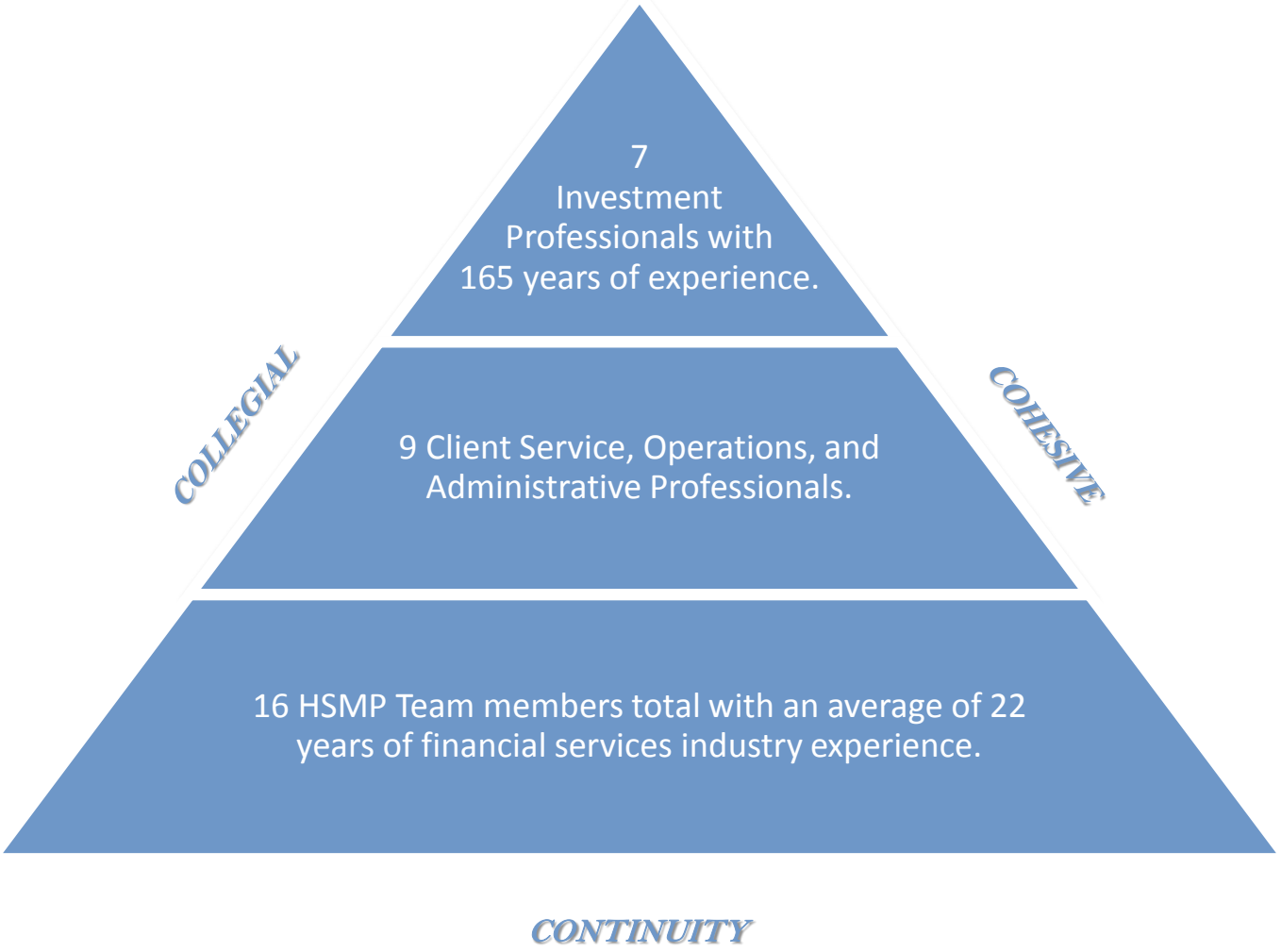
II. **Investment Methodology**

III. **Portfolio Perspective**

HS Management Partners, LLC

- **Concentrated Quality Growth manager**
- **Singular investment approach**
- **Bottom-up & benchmark agnostic**
- **Assets under management roughly $3.5 billion**
- **10-Year mark for performance track record**

HSMP Team: Investment Led, Client Driven, Operationally Focused



Note: Information as of 3/31/17.

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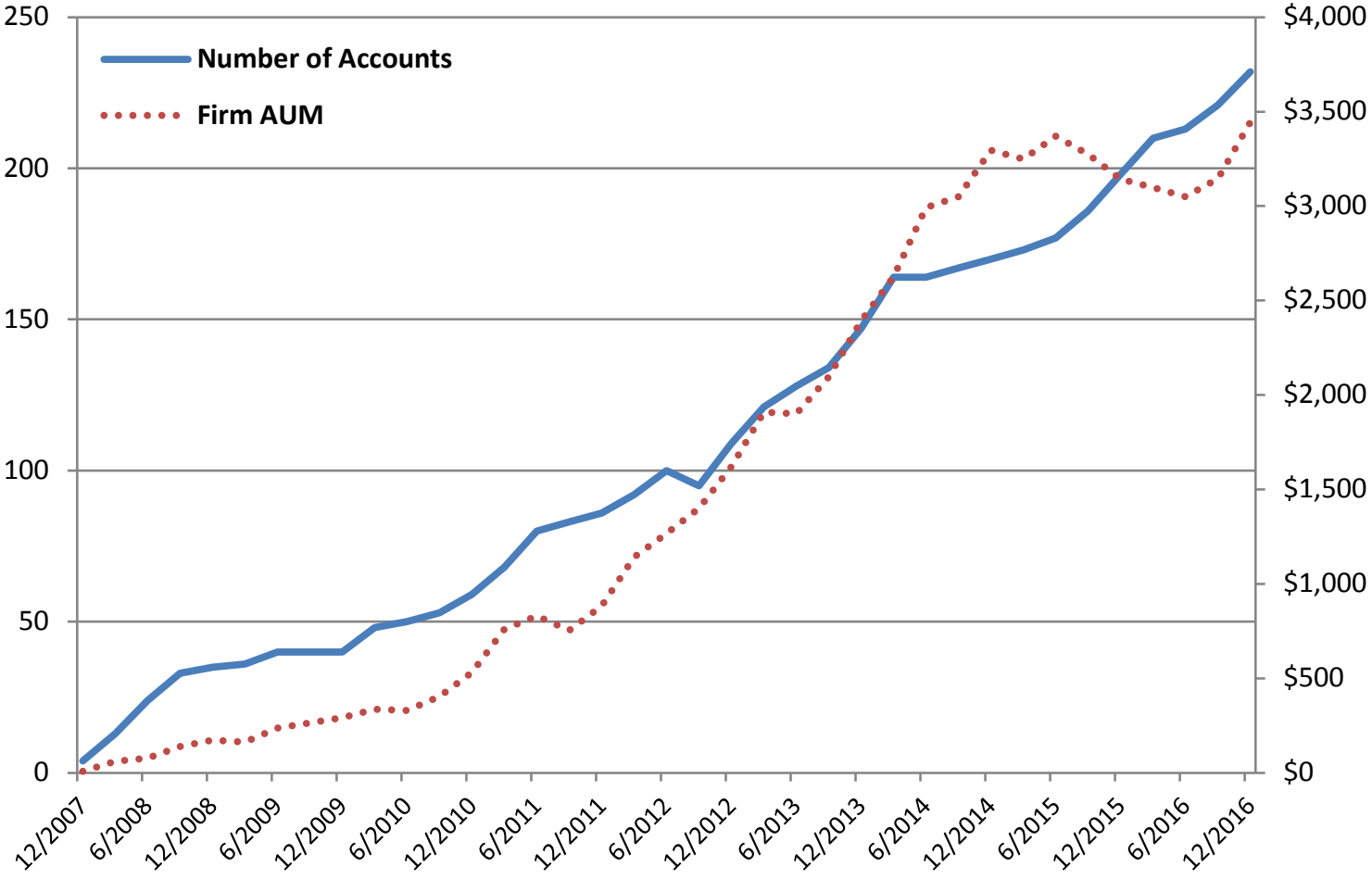
Firm Growth

Firm Number of Accounts & Assets Under Management (millions)



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Investment Goal

Deliver positive absolute returns over time by owning good businesses, growing the earnings and cash flow stream yearly, and attaching ourselves to this stream at an attractive valuation.

Look for positive absolute gains to translate into superior relative performance over investment cycles.

Performance

HSMP Composite Performance as of 3/31/17	1Q17	1 Year	3 Years *Annualized*	5 Years *Annualized*	10 Years *Annualized*	Since Inception 4/1/07 *Cumulative*
HSMP Composite (net)	8.9%	12.8%	10.4%	15.0%	10.9%	181.9%
Russell 1000® Growth Index	8.9%	15.8%	11.3%	13.3%	9.1%	139.6%
S&P 500® Index	6.1%	17.2%	10.4%	13.3%	7.5%	106.3%

Note: Performance (net-of-fees) through 3/31/17 (preliminary performance has not yet been verified). Performance results are presented net-of-fees and includes the reinvestment of dividends and other earnings. Past performance is not indicative of future results. Please refer to the Appendix for important disclosures.

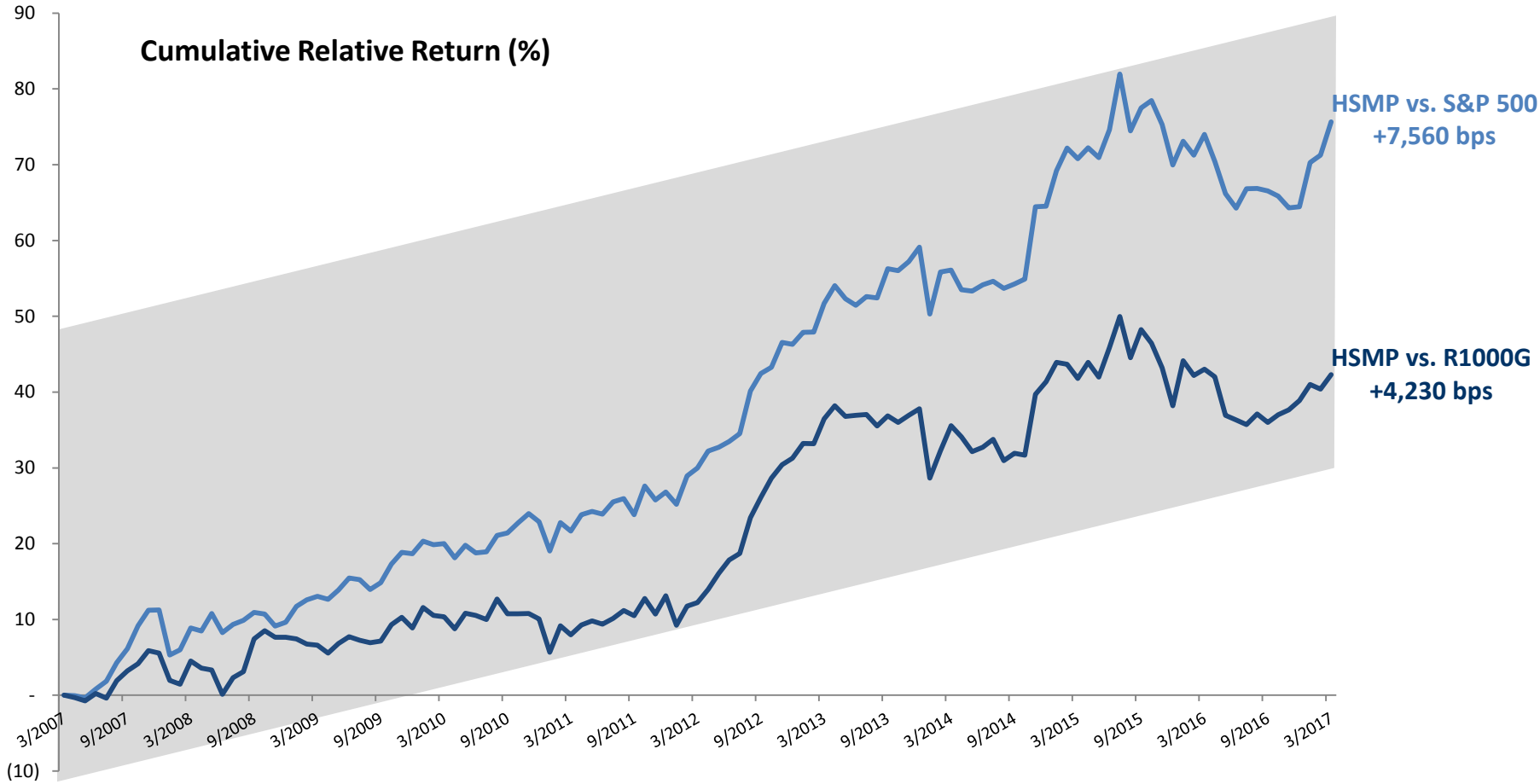
Rolling Returns through 3/31/17

HSMP (net) Outperformed the Russell 1000 Growth:

- **62 of 109 rolling 1 year periods**
- **63 of 85 rolling 3 year periods**
- **61 of 61 rolling 5 year periods**
- **1 of 1 rolling 10 year periods**

Note: Performance (net-of-fees) from 4/1/07 through 3/31/17 (preliminary performance has not yet been verified). Monthly returns were used for the analysis. Performance results are presented net-of-fees and includes the reinvestment of dividends and other earnings. Past performance is not indicative of future results. Please refer to the Appendix for important disclosures.

Long-Term Outperformance



Note: Performance (net-of-fees) through 3/31/17 (preliminary performance has not yet been verified). Performance results are presented net-of-fees and includes the reinvestment of dividends and other earnings. Past performance is not indicative of future results. Please refer to the Appendix for important disclosures.

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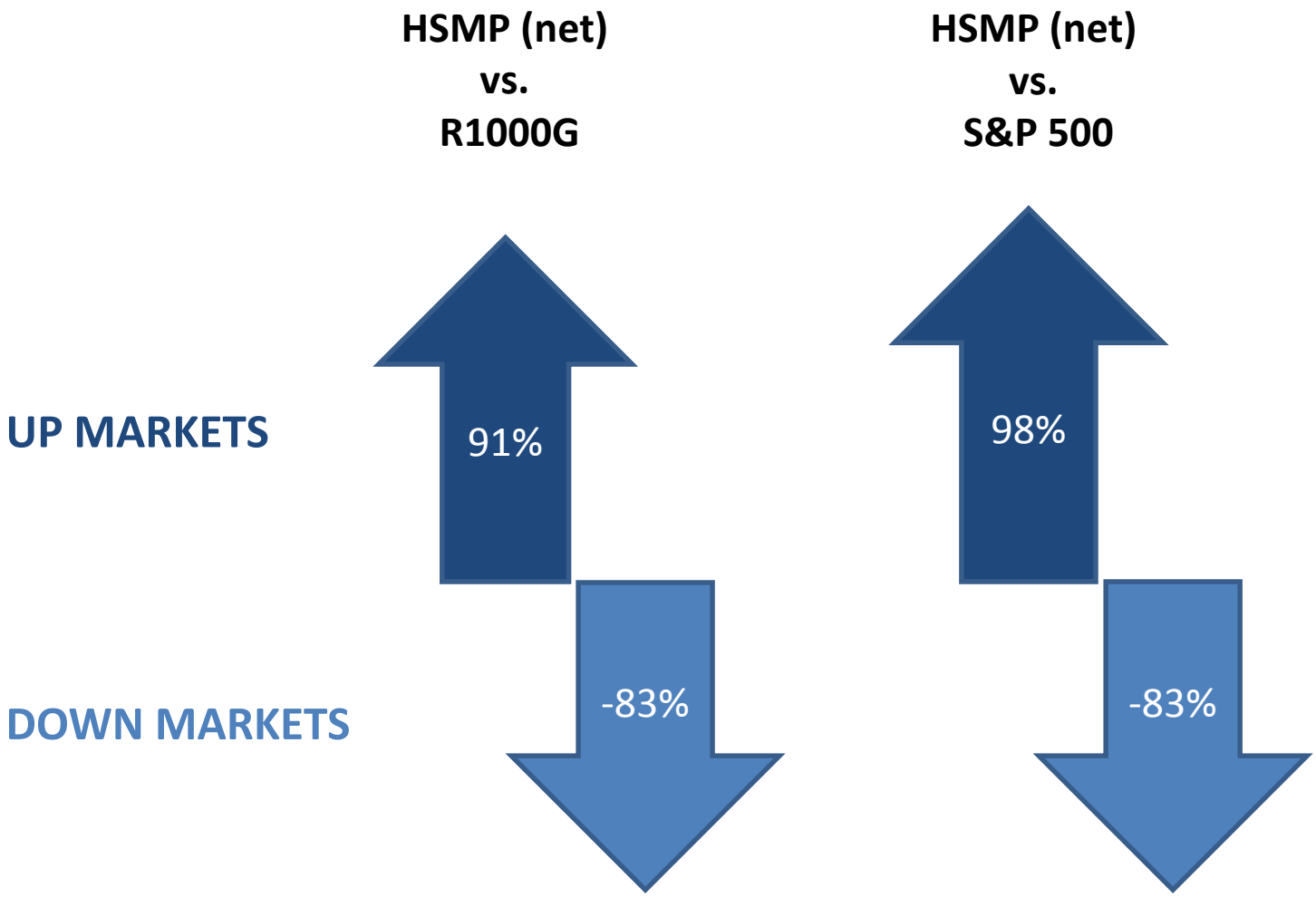
Upside and Downside Capture Ratios

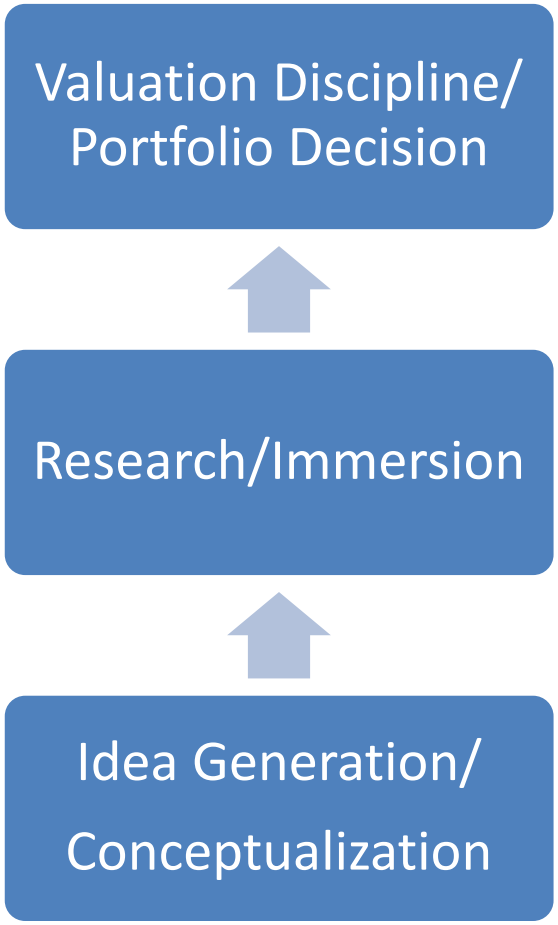


Note: Analysis of monthly returns since inception (4/1/07) through 3/31/17. Performance (net-of-fees) from 4/1/07 through 3/31/17 (preliminary performance has not yet been verified). Upside [downside] ratios computed by dividing the cumulative annualized return of the HSMP Composite (net-of-fee) in months of positive [negative] index returns by the cumulative annualized return of said index for those same months. Performance results are presented net-of-fees and includes the reinvestment of dividends and other earnings. Past performance is not indicative of future results. Please refer to the Appendix for important disclosures.

Investment Methodology

- **Focus on good business models**
- **Grow the earnings and cash flow stream**
- **Pay close attention to valuation**
- **Multi-dimensional approach to growth**
- **Active portfolio management**

Bottom-up, Fundamentals First Approach



Focus on Value-Added Activities

Focus List: Institutionalization of Process

RANKINGS SHEET

Ticker	FTM P/E	Ticker	Potential Appr.	Ticker	Market Cap (bil)	Ticker	26 Wk % Chg	Ticker	EPS GROWTH 2017E	Ticker	EPS GROWTH 2018E	Ticker	P/E F5Y	Ticker	Yield Div Yld	Ticker	Sentiment Rank	Ticker	Analyst Revision Rank

PORTFOLIO SHEET

Italics = non GAAP estimates

Ticker	Portfolio Weight	Price	Market Cap (bil)	HSMP EPS Estimates 2016E	2017E	2018E	EPS Growth Rates 2016E	2017E	2018E	LT Growth Rate	Fiscal/Non-GAAP HSMP vs. Consensus Current FY	Next FY	FTM FCF Yld/ Div Yld	FTM FCF/EPS	Div. Yield	FTM P/E	FTM FCF Yld	Appraised PV/FTM	Potential Apprec.	Ticker

FOCUS LIST METRICS

Ticker	Company	FYE Month	Last Price	52-week Range	% Δ since 11/8/16	YTD % Δ	Market Cap (bil)	Shares O/S (mil)	P/E 2016E	2017E	2018E	FTM	P/E 2016E	2017E	Beta	Div Yield	Relative P/E FTME	FTM+5E	Absolute P/E F5Y	5 Yrs Out FTM EPS	Appraised PV	LT Gro Rate	P/E FTM	Appraised PV/FTM EPS	Potential App.	Ticker
	10 Year Treasury		2.39%														10 Year Treasury		4.0%							
	S&P 500 (cons. EPS)		2,368.1	2400.98 - 1991.68	10.7%	5.5%			$ 118.56	$ 129.35	$ 138.77	$ 131.69	20.0	18.3		N/A		S&P 500	15.5				18.0			
	R1000 Growth Index		1,144.2	1149.2 - 956.02	11.3%	8.3%			N/A	N/A	N/A					N/A	Inflation growth		2-3%							
																	Nominal GDP growth		3-6%							
	Discount Rate (6.0%)																Real GDP Growth		1-3%							
		DA	9	$ 143.66	144.5 - 89.47	29%	24%	$ 754	5,247	$ 8.39	$ 9.20	$ 10.00	$ 9.40	17.1	15.6	1.2	1.6%	0.85	0.95	14.7	$ 13.18	$ 155.52	7.0%	15.3	16.5	8%	
		KN	12	$ 109.76	136.08 - 98.28	-5%	4%	$ 186	1,693	$ 3.29	$ 4.35	$ 4.93	$ 4.50	33.3	25.2	0.8	3.5%	1.36	1.15	17.8	$ 6.61	$ 105.94	8.0%	24.4	23.6	-3%	
		DA	12	$ 37.59	38.44 - 29.81	20%	9%	$ 179	4,752	$ 1.74	$ 1.88	$ 2.13	$ 1.94	21.6	20.0	0.9	1.7%	1.08	1.05	16.3	$ 3.12	$ 40.67	10.0%	19.4	21.0	8%	
		DA	8	$ 167.69	178.71 - 138.57	15%	5%	$ 74	439	$ 5.41	$ 5.91	$ 6.64	$ 6.09	31.0	28.4	0.8	1.1%	1.53	1.15	17.8	$ 9.81	$ 139.42	10.0%	27.5	22.9	-17%	
		KN	6	$ 115.58	117.84 - 99.46	9%	11%	$ 72	2,517							0.8	2.6%										
		KN	6	2,283	2348 - 1737	9%	8%	£ 57	2,517	100.00	112.00	120.00	113.99	22.8	20.4	0.9	2.6%	1.11	1.15	17.8	167.50	2,520	8.0%	20.0	22.1	10%	
		KN	12	$ 42.45	47.81 - 36.02	4%	13%	$ 24	576							0.6	1.7%										
		KN	12	€ 79.80	86.95 - 67.47	8%	12%	$ 46	576	€ 3.68	€ 4.00	€ 4.25	€ 4.06	21.7	20.0	0.8	1.7%	1.09	1.15	17.8	€ 6.25	€ 89.79	9.0%	19.6	22.1	13%	
		RG	12	$ 109.25	117.79 - 87.92	8%	6%	$ 30	273	$ 4.41	$ 4.75	$ 5.20	$ 4.86	24.8	23.0	0.6	2.3%	1.25	1.15	17.8	$ 7.14	$ 106.53	8.0%	22.5	21.9	-2%	
		KN	12	$ 42.44	47.13 - 39.88	-1%	2%	$ 182	4,292	$ 1.91	$ 1.87	$ 1.95	$ 1.89	22.2	22.7	0.6	3.5%	1.25	1.15	17.8	$ 2.78	$ 43.67	8.0%	22.4	23.1	3%	
	Discount Rate (7.0%)																									
		KN	12	€ 178.30	185.05 - 100.45	31%	19%	$ 37	209	€ 4.92	€ 6.10	€ 7.30	€ 6.40	36.3	29.2	0.8	1.1%	1.55	1.20	18.6	$ 11.79	$ 166.75	13.0%	27.9	26.1	-6%	
		RG	12	$ 886.54	877.06 - 585.25	13%	18%	$ 423	477	$ 4.76	$ 7.21	$ 12.50	$ 8.53	186.1	123.0	1.1	0.0%	5.78	1.90	29.5	$ 19.10	$ 400.95	17.5%	104.0	47.0	-55%	
		DA	9	$ 113.39	113.3 - 90.32	20%	9%	$ 179	1,581	$ 5.65	$ 6.10	$ 6.75	$ 6.26	20.1	18.6	1.1	1.4%	1.01	1.15	17.8	$ 9.20	$ 123.71	8.0%	18.1	19.8	9%	
		DA	12	$ 54.68	58.43 - 41.29	14%	4%	$ 5.0	92	$ 2.23	$ 2.38	$ 2.66	$ 2.45	24.5	23.0	0.4	2.3%	1.24	1.15	17.8	$ 3.95	$ 55.93	10.0%	22.3	22.8	2%	
		RG	12	$ 184.30	192.01 - 116.91	9%	16%	$ 8.9	48	$ 4.25	$ 5.22	$ 6.22	$ 5.47	43.3	35.3	0.7	1.0%	1.87	1.30	20.2	$ 9.86	$ 149.46	12.5%	33.7	27.3	-19%	
		KN	6	$ 84.79	97.48 - 75.3	6%	11%	$ 31	366	$ 3.25	$ 3.40	$ 3.80	$ 3.50	26.1	24.9	0.9	1.6%	1.35	1.20	18.6	$ 5.64	$ 80.56	10.0%	24.2	23.0	-5%	
		DA	12	$ 142.05	142.95 - 106.31	14%	23%	$ 411	2,890	$ 3.49	$ 4.20	$ 5.30	$ 4.47	40.7	33.8	0.9	0.0%	1.77	1.30	20.2	$ 11.13	$ 159.95	20.0%	31.7	35.7	13%	
		DA	12	$ 29.80	33. - 28.19	1%	-6%	$ 259.5	8,709	$ 1.49	$ 1.63	$ 1.90	$ 1.70	20.0	18.3	1.1	3.2%	0.98	0.95	14.7	$ 2.49	$ 30.39	8.0%	17.6	17.9	2%	
		DA	12	$ 829.56	853.5 - 663.28	5%	7%	$ 574	691	$ 27.85	$ 33.50	$ 40.00	$ 35.12	29.8	24.8	1.2	0.0%	1.31	1.25	19.4	$ 70.64	$ 975.83	15.0%	23.6	27.8	18%	
		KN	12	€ 205.85	205.85 - 130.55	24%	13%	$ 104	507	€ 7.89	€ 8.80	€ 9.60	€ 9.00	26.1	23.4	0.9	1.9%	1.27	1.15	17.8	€ 13.85	€ 193.20	9.0%	22.9	21.5	-6%	
		RG	12	$ 112.47	113.5 - 86.65	6%	9%	$ 121	1,078	$ 3.76	$ 4.26	$ 4.96	$ 4.43	30.0	26.4	1.1	0.8%	1.41	1.15	17.8	$ 8.53	$ 112.54	14.0%	25.4	25.4	0%	
		DA	12	$ 191.33	193.5 - 163.17	12%	7%	$ 114	598	$ 8.16	$ 8.62	$ 9.38	$ 8.81	23.5	22.2	1.0	2.4%	1.21	1.00	15.5	$ 13.55	$ 170.44	9.0%	21.7	19.3	-11%	
		KN	5	$ 55.73	62.64 - 49.01	9%	10%	$ 92	1,654	$ 2.29	$ 2.45	$ 2.70	$ 2.51	24.3	22.7	1.0	1.3%	1.23	1.20	18.6	$ 4.63	$ 64.81	13.0%	22.2	25.8	16%	
	Discount Rate (8.0%)																									
		DA	12	$ 49.86	50.4 - 33.03	22%	38%	$ 37	752	$ 0.91	$ 0.95	$ 1.55	$ 1.10	54.7	52.3	1.1	0.6%	2.52	1.15	17.8	$ 2.12	$ 27.07	14.0%	45.2	24.6	-46%	
		RG	11	$ 58.91	60.24 - 42.94	18%	13%	$ 43	724	$ 3.45	$ 3.70	$ 4.20	$ 3.82	17.1	15.9	1.0	2.4%	0.86	0.90	14.0	$ 6.16	$ 64.98	10.0%	15.4	17.0	10%	
		RG	12	$ 445.52	473.75 - 352.96	18%	18%	$ 13	29	$ 0.97	$ 8.14	$ 11.76	$ 9.04	458.3	54.7	0.1	0.0%	2.74	1.20	18.6	$ 33.57	$ 424.97	30.0%	49.3	47.0	-5%	
		DA	3	$ 89.52	91.82 - 61.1	10%	14%	$ 28	308	$ 2.76	$ 3.19	$ 3.75	$ 3.33	32.4	28.1	1.1	0.0%	1.50	1.15	17.8	$ 6.41	$ 77.73	14.0%	26.9	23.4	-13%	
		DA	12	$ 232.76	262.72 - 201.94	10%	0%	$ 14	59	$ 11.48	$ 11.86	$ 13.16	$ 12.19	20.3	19.6	0.9	2.1%	1.06	1.10	17.1	$ 18.75	$ 239.04	9.0%	19.1	19.6	3%	
		DA	3	$ 24.38	27.14 - 22.72	#VALUE!	-1%	$ 5	205	$ 0.12	$ 0.87	$ 1.36	$ 0.99	206.8	27.9	1.3	0.0%	1.36	1.00	15.5	$ 2.00	$ 21.10	15.0%	24.5	21.2	-13%	
		RG	1	$ 51.87	81.81 - 50.5	-9%	-20%	$ 7.1	137	$ 2.15	$ 2.30	$ 2.70	$ 2.40	24.1	22.6	0.8	0.0%	1.20	1.20	18.6	$ 5.04	$ 63.80	16.0%	21.6	26.6	23%	
		RG	12	$ 94.18	95.42 - 60.87	29%	14%	$ 36	384	$ 3.30	$ 3.95	$ 4.55	$ 4.10	28.5	23.8	1.1	1.3%	1.28	1.15	17.8	$ 7.22	$ 93.01	12.0%	23.0	22.7	-1%	
		DA	12	$ 147.81	148.29 - 84.5	19%	19%	$ 64	430	$ 0.41	$ 1.12	$ 2.01	$ 1.34	364.8	131.7	1.6	0.0%	6.12	1.90	29.5	$ 4.10	$ 82.19	25.0%	110.0	61.2	-44%	
		RG	12	$ 40.81	43.65 - 23.83	26%	3%	$ 54	1,335	$ 1.30	$ 1.60	$ 1.96	$ 1.69	31.3	25.5	1.6	0.8%	1.34	0.95	14.7	$ 3.40	$ 35.54	15.0%	24.1	21.0	-13%	

Italics = non GAAP estimates

Note: The table above is a representation of some of the information contained in our Focus List (not current) and is provided solely for purposes of illustration. Please refer to the Appendix for important disclosures.

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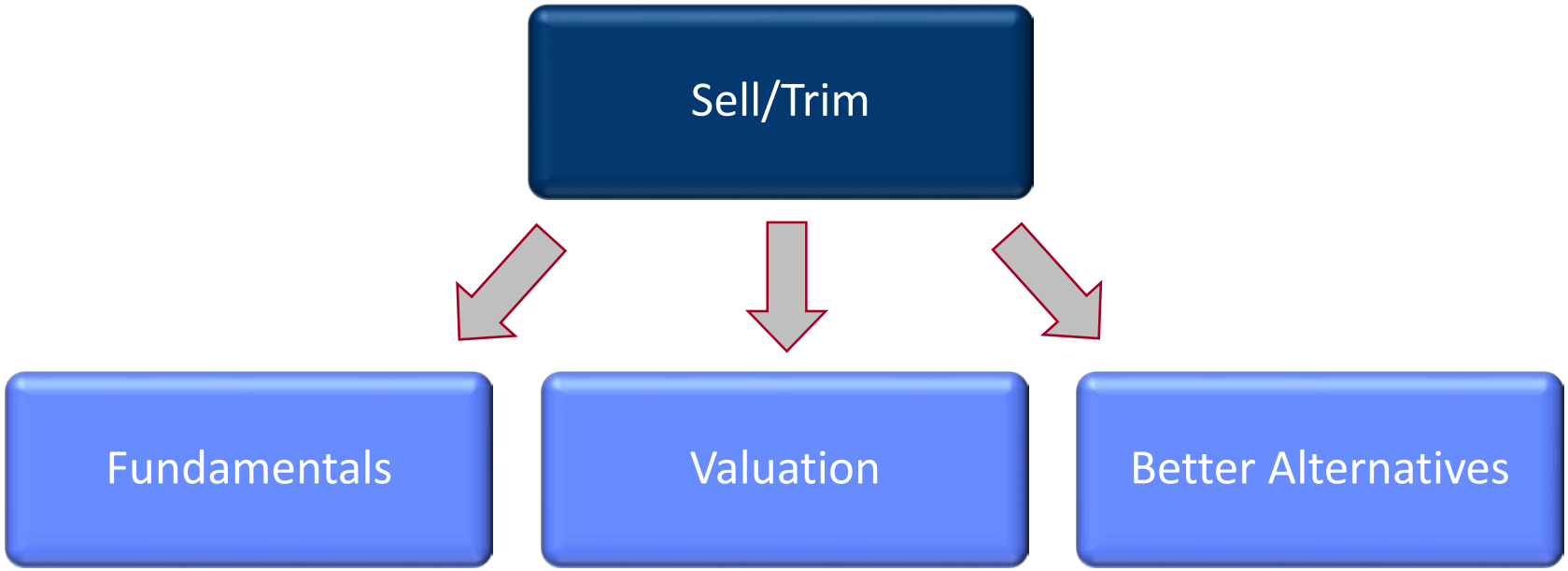
Sell Discipline: Optimizing Capital Deployment



Apply best thinking while maintaining hard cap of 25 stocks

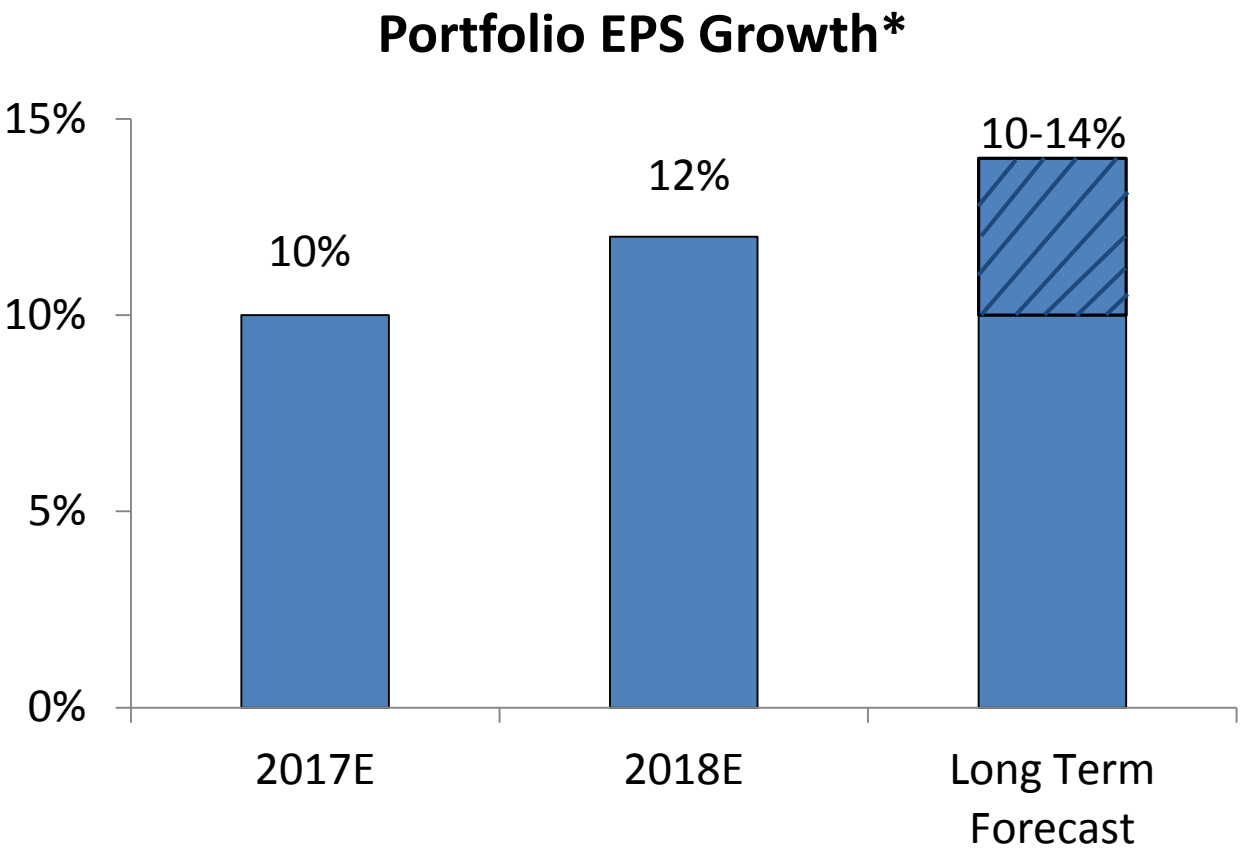
Risk: How we think about it

Consider "the reasoned probability" of loss in value

Current Portfolio

Note: Current Portfolio information as of 3/31/17. The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified is, was or will be profitable. Please note that in some instances the Portfolio may hold more or less than 20 to 25 securities. Please refer to the Appendix for important disclosures.

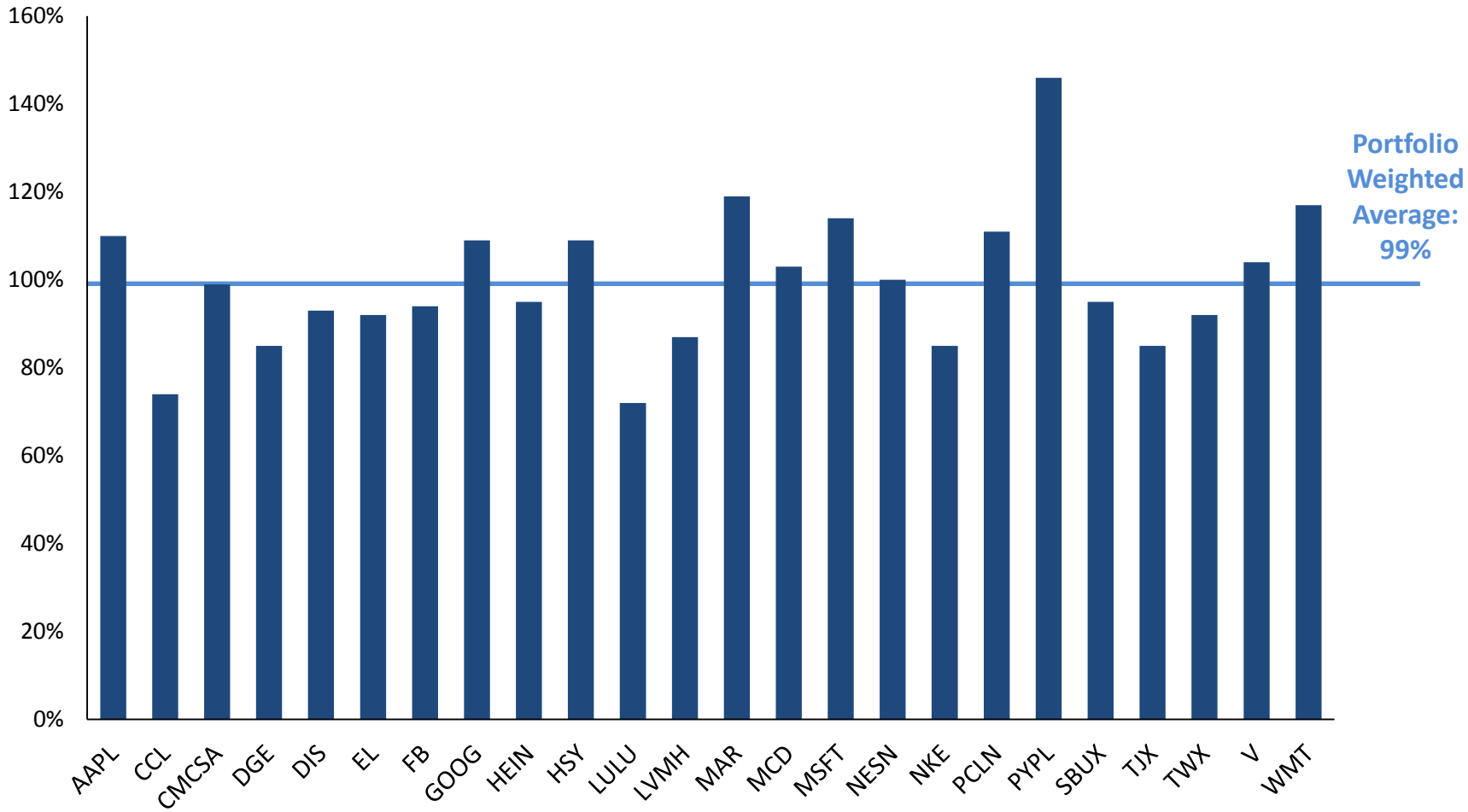
Growth in the Earnings Stream



*Note: Weighted average portfolio EPS growth based on HS Management Partners, LLC estimates as of 3/31/17.
The Long Term Forecast is a rolling five year growth estimate.

Strong Cash Flows

Forward 12 Month Estimated FCF/EPS (Free Cash Flow Conversion)



Note: Based on HS Management Partners, LLC estimates as of 3/31/17. The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.

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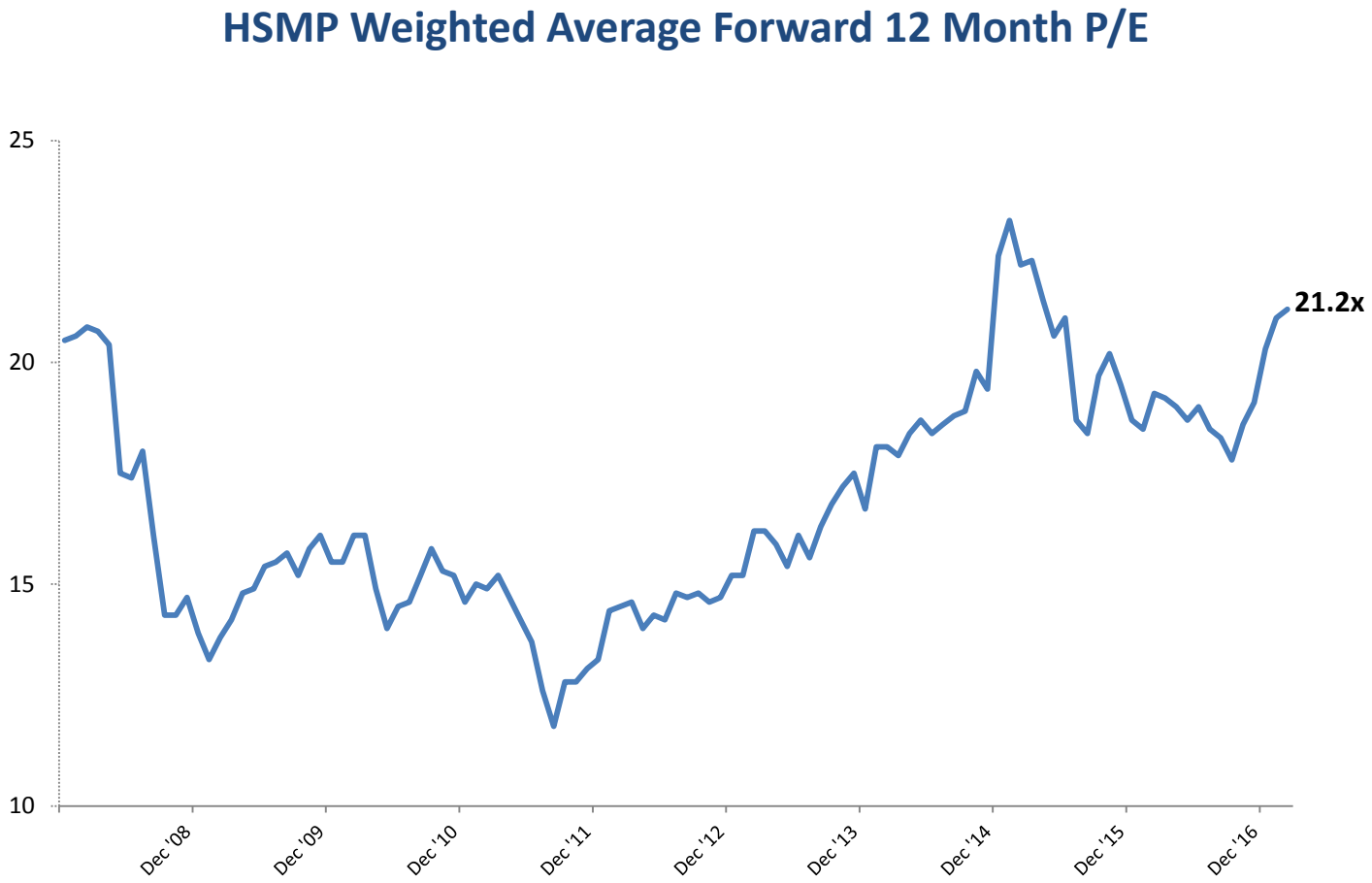
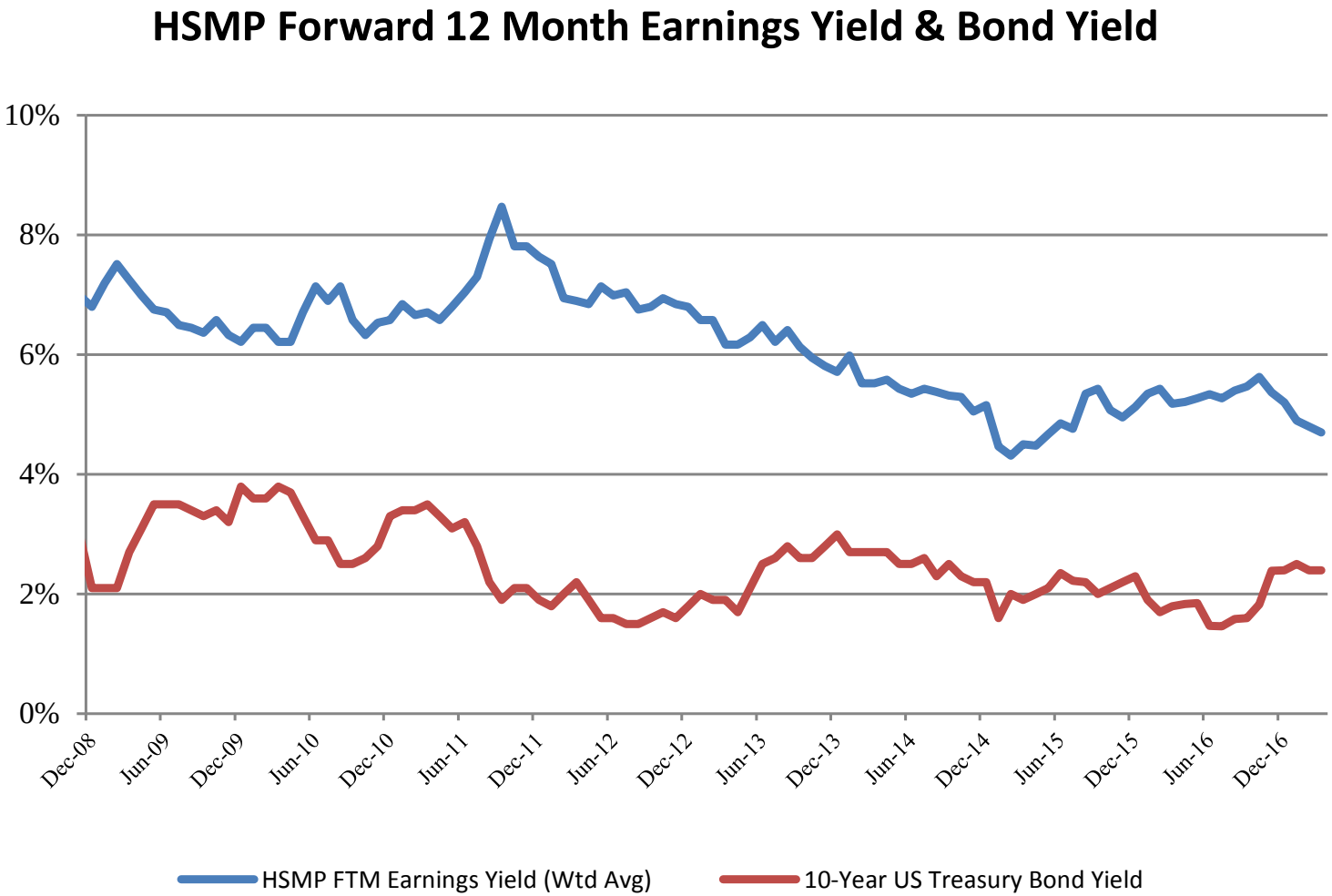
Current Valuation



Note: Based on HSMP estimates as of 3/31/17. Please refer to the Appendix for important disclosures.

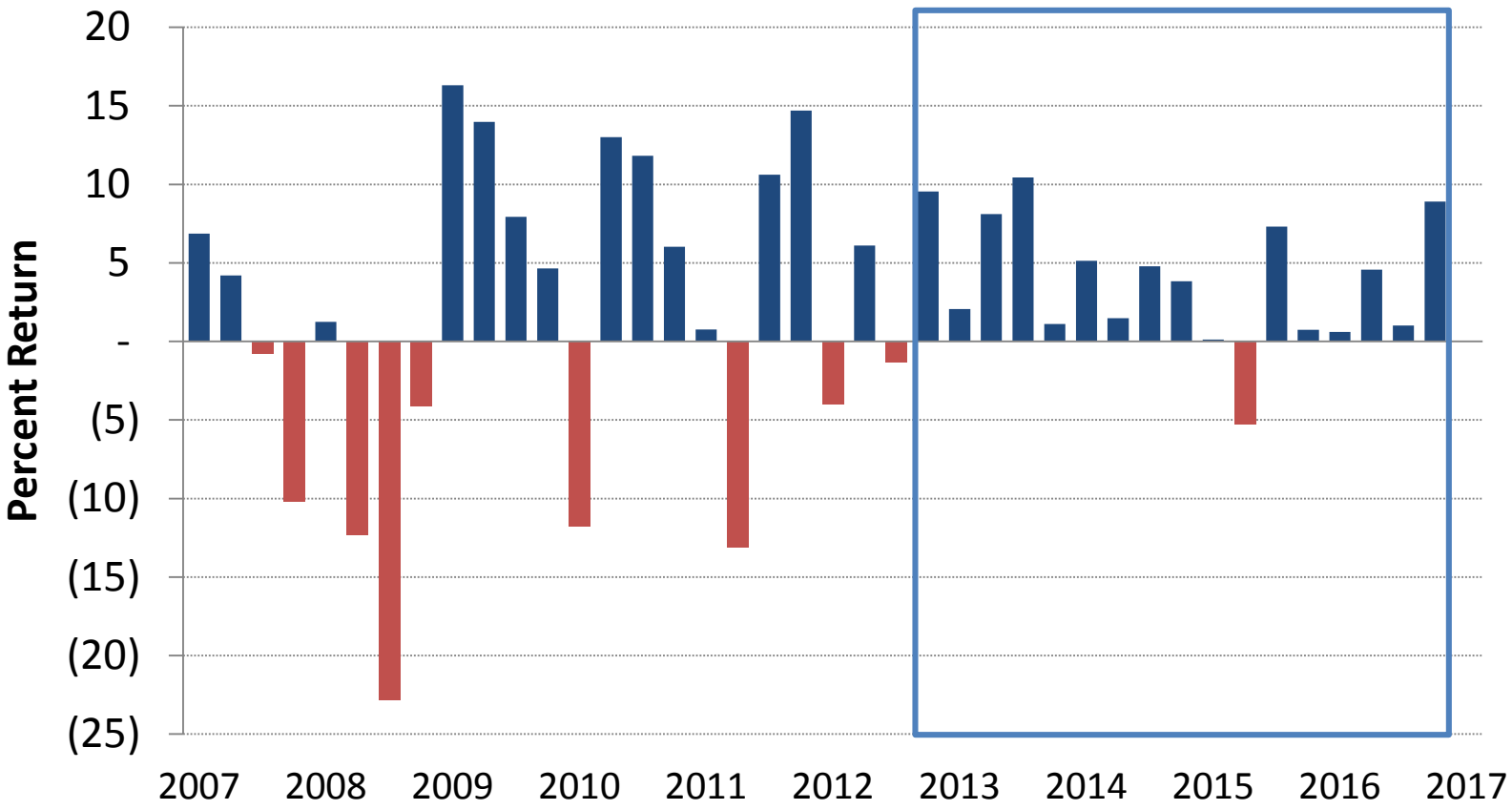
Earnings Yield vs. Bond Yield



Note: Based on HSMP estimates as of 3/31/17. Please refer to the Appendix for important disclosures.

Steady Market Advance

Russell 1000® Growth index has performed strongly over past 4+ years



Note: Quarterly returns for the Russell 1000® Growth from 2nd quarter 2007 through 1st quarter 2017. See appendix for important disclosures

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Investment Conclusion

- **Mindful that market has risen with few setbacks**
- **Important to consider risk & reward at all times**
- **Like what we own: continue to find attractive opportunities**
- **Earnings & cash flow growth to drive portfolio**
- **Notwithstanding increase in multiple, we believe valuation reasonable**

Confident methodology adds value through market cycles & resilient through tougher times.

Appendix

Fee Schedule

For a $10 million account size
0.90% on first $25 million 0.70% on next $25 million 0.50% on balance
For accounts less than $10 million
The greater of 1% of the account's assets under management or $10,000.

Actual investment advisory fees may deviate from this fee schedule at the Firm's sole discretion. Please refer to our Form ADV for more information related to our fees.

Partner Biographies

Harry W. Segalas, *Managing Partner & Chief Investment Officer*
Harry founded the Firm in 2007. Prior to the formation of the Firm, Harry served as Chairman, CEO, and Chief Investment Officer of W.P. Stewart & Co., Inc., where he worked for 17 years. In addition to overseeing the firm's U.S. investment team, Harry directly managed $4 billion of institutional and high-net-worth client assets worldwide. From 1987 until joining W.P. Stewart in 1990, he was the Senior Packaged Food Analyst at Shearson Lehman Hutton. Harry began his career in 1982 as a research analyst at L.F. Rothschild, Unterberg & Towbin. He has a B.A. in Political Science and History from Tufts University.

David A. Altman, CFA, *Partner & Director of Research*
Prior to joining the Firm in October of 2007, David served as Director of Research and Portfolio Manager at W.P. Stewart & Co., Inc., where he worked for 13 years. In addition to his research responsibility, David managed approximately $1 billion of institutional and high-net-worth client assets. Before joining W.P. Stewart in 1993, David was a Research Analyst at Goldman, Sachs & Co., where he began his investment career in 1981. David was Institutional Investor's top ranked analyst for Electrical Equipment for six consecutive years. He has a Bachelor of Commerce from McGill University and an M.B.A. from the University of Texas.

Gregory A. Nejmeh, CFA, *Partner & President*
Greg spent 23 years of his sell side career at three investment banks, where he specialized in equity research coverage of the homebuilding and building products industries. From 2000 to 2004, Greg was a Managing Director with Deutsche Bank. Prior to that, Greg was a Principal with Donaldson, Lufkin & Jenrette. Before joining DLJ in 1996, Greg was a Managing Director at Lehman Brothers, where he began his investment career at Shearson/American Express in 1981. Prior to joining the Firm in 2007, Greg was a private investor. Greg earned repeated top rankings for his analytical work spanning three decades, including multiple number one citations, from Institutional Investor, The Wall Street Journal, Reuters Institutional Survey and The Greenwich Survey. Greg has a B.A. from Franklin & Marshall College.

Barton H. Buxbaum, CFA, *Partner & Director of Client Service*
Prior to joining the Firm in October of 2007, Bart was Senior Vice President & Product Manager at TimesSquare Capital Management, LLC, a position he held since early 2006. Previously, Bart was President of W.P. Stewart Asset Management (NA), responsible for U.S. client service and marketing. Prior to joining W.P. Stewart in 2001, he was a Senior Portfolio Manager and Director at Citigroup Global Asset Management. Bart began his investment career in the equity research department of T. Rowe Price Associates in 1982. He has a B.S. in Economics from the Wharton School of the University of Pennsylvania and an M.B.A. from the Harvard Business School.

Professional Biographies

Bernadette H. Carlson, *Administrative Assistant*
Bernadette joined the Firm in April 2015 after working for the past 15 years in the hospitality and fitness industry. Most recently, she worked at the Peninsula Hotel Spa in the reception area. Over the course of her career, Bernadette has earned numerous health and fitness industry certifications. She started her career as an elementary school teacher in the Philippines. Bernadette holds a Bachelor of Elementary Education in conjunction with a Math major from Central Luzon State University in the Philippines.

Sandra Coleman, *Senior Vice President, Finance*
Sandra joined the Firm in January of 2013. Prior to joining HSMP, Sandra was Controller for W.P. Stewart & Co., an SEC registered investment advisor, from 1994 to 2012, and served as Assistant Controller from 1989 to 1994. While at W.P. Stewart & Co., she worked closely with the firm's Chief Financial Officer and Chief Operating Officer on all financial affairs. Sandra studied accounting at both Queens College and Hunter College and during her long tenure at W.P. Stewart worked alongside several members of the HSMP team.

Mark E. Dreifus, *Senior Vice President, Trading & Operations*
Prior to joining the Firm in October of 2007, Mark worked for four years at a boutique accounting firm where his duties included financial statement analysis, corporate tax compilation and estate planning. Mark holds a B.B.A. in Finance from Bernard Baruch College.

Robert G. Gebhart, CFA, *Senior Vice President, Investments*
Rob joined the Firm in the fourth quarter of 2011. From 2002 to 2008, he was an Analyst and Portfolio Manager at W.P. Stewart, working on the investment team alongside two HSMP partners for the majority of this time. Rob joined Grisanti Brown & Partners in 2008, where he was a Partner and Portfolio Manager and jointly managed a concentrated portfolio of U.S. Equities. He began his analytical career in 1993 with Huntington Bancshares before moving to State Teachers Retirement System of Ohio in 1997 and then to Merrill Lynch in 1999, where he was a Director in U.S. Equity Research. Rob has a B.S. in Finance from Miami University and serves on the investment advisory committee of The Navigators in Colorado Springs, CO.

Professional Biographies, cont'd

Cameron J. Livingstone, CFA, CIPM, *Senior Vice President, Investments, Manager of Operations*
Cameron joined the Firm in January of 2008. From 2004 to 2007 he was Senior Vice President of Client Service at W.P. Stewart Asset Management (NA), where he worked closely with the firm's Chief Investment Officer on many of the firm's largest institutional and high-net-worth clients. Prior to joining W.P. Stewart, he was Vice President and Portfolio Manager at Morgan Stanley Investment Management, where he managed over $250 million in U.S. equity investments. He began his investment career at Dean Witter in 1989. Cameron holds a B.S. in Business Administration from the University of Delaware and is a member of the CFA Institute and the CIPM Association.

Maite G. MacDonald, *Senior Vice President, General Counsel*
Maite joined the Firm in the first quarter of 2012. From 2005 to 2008, Maite was an associate in the capital markets practice at Cleary Gottlieb Steen & Hamilton LLP. Maite served as a paralegal at the Massachusetts Office of the Attorney General and has worked as an attorney in the USA, Cuba and Venezuela. Prior to joining HSMP, Maite was an adjunct professor teaching business courses at the University of Puerto Rico School of Law. A native Spanish speaker, Maite is a member of the Bar of the State of New York. She is a graduate of the University of Havana Law School (Licenciado en Derecho, summa cum laude, '95) and Harvard Law School (LL.M.'05).

Katelyn R. Nejmeh, *Vice President, Investments*
Katelyn is a 2010 graduate of Fordham University and holds a B.S. from Fordham's College of Business Administration with a dual concentration in finance and marketing as well as a specialization in international business and a minor in economics. Prior to joining the Firm in November of 2011, Katelyn was the president and founder of Style by Katelyn, LLC, a fashion consulting company. Katelyn is a member of the Consumer Analyst Group of New York (CAGNY) and the National Association of Professional Women (NAPW).

Patti L. Norton, *Senior Vice President, Client Service & Administration*
Prior to joining the Firm in May 2015, Patti worked for five years as Vice President at RBC Advisor Services managing Advisor firm and High-Net-Worth client onboarding, documentation and procedures. From 2006 to 2010, Patti was Vice President of J.P. Morgan Securities where her role was Integration Manager for the Broker Dealer and Investment Advisor division. Prior to the JPM acquisition, she served as Managing Director of Bear Stearns supporting onboarding and operational risk controls. Patti began her financial services career at Neuberger and Berman in 1991. She holds a B.A. in Mathematics and Music from Hobart and William Smith Colleges.

Professional Biographies, cont'd

Maggie Nye Roche, *Senior Vice President, Operations*
Maggie joined the firm in 2014. Prior to joining HSMP, she worked in the investment division of Genworth Financial, where she held positions in Trade Operations, Data Management, Client Services, Controllership and Business Continuity. From 1996 to 2007, Maggie was a Trader and an Operations Analyst at Gillespie, Robinson and Grimm, a boutique investment management firm. She has a B.A. in Economics from Colgate University and an M.B.A. in Finance/Investments from Pace University's Lubin School of Business. Maggie is a certified Associate Business Continuity Professional.

Brendan H. Segalas, *Associate, Investments & Client Communications*
Brendan studied in the Sociology and Social Policy degree program at Trinity College Dublin in Ireland before completing his B.A. in Sociology at Fordham University in 2013. Brendan joined HSMP in 2014. Previous experience includes an internship at Jennison Associates, as well as hosting an FM radio show in Dublin and interning as an assistant video coordinator for the Fordham University football team.

Ronald R. Staib, CSCP, *Senior Vice President, Chief Compliance Officer*
Prior to joining the Firm in October of 2007, Ron was a Vice President in Operations at Lehman Brothers. Ron became associated with Lehman Brothers after they acquired Neuberger Berman in 2005. Ron started with Neuberger Berman in 1986 and managed a variety of operational departments during his tenure, including Internal Audit, Credit/Margin, Operations Control and Account Administration. From 1982 to 1986, Ron worked for ADP in their Brokerage Services Division. He began his career at Citibank in 1981. Ron holds a B.A. in Economics from Binghamton University and an M.B.A. in Finance from Adelphi University. Ron is a graduate of the Securities Industry Institute at the Wharton School and has been designated as a Certified Securities Compliance Professional by the National Society of Compliance Professionals.

Michael Y. Yu, *Vice President, Operations & Trading*
Michael joined the Firm in June of 2016. Prior to joining HSMP, he worked for 7 years at Newland Capital Management, LLC, a long/short equity hedge fund. His duties included trade execution as well as management of the operations department. Prior to joining the hedge fund, Michael was a Fund Administrator/Trade Support Associate at Cohen & Steers. He began his career at Morgan Stanley in 2004. Michael holds a B.S. in Economics from Hunter College.

Performance Notes

HS Management Partners, LLC
Concentrated Quality Growth Composite
Annual Disclosure Presentation

Period End	Total Firm Assets (millions)	Composite Assets (USD) (millions)	Number of Accounts	Performance Results Gross	Net	S&P 500®	Russell 1000®G	Composite Dispersion (Std Dev)	Composite Gross 3-Year Annualized Std Dev	S&P 500 3-Year Annualized Std Dev	Russell 1000G 3-Year Annualized Std Dev
1Q – 17	3,571	3,368	200	9.05%	8.89%	6.07%	8.91%	.05	9.60	10.26	10.88
2016	3,446	3,264	198	6.92%	6.25%	11.96%	7.08%	.11	10.72	10.59	11.15
4Q - 16	3,446	3,264	198	2.16%	2.00%	3.82%	1.01%	.08	10.72	10.59	11.15
3Q - 16	3,145	2,986	193	3.92%	3.76%	3.85%	4.58%	.10	10.82	10.67	11.28
2Q - 16	3,050	2,906	189	(2.00%)	(2.16%)	2.46%	0.61%	.09	11.17	11.10	11.58
1Q - 16	3,099	2,949	183	2.77%	2.60%	1.35%	0.74%	.16	11.18	11.20	11.63
2015	**3,143**	**3,014**	**176**	**3.94%**	**3.32%**	**1.38%**	**5.67%**	**.81**	**11.03**	**10.48**	**10.70**
4Q - 15	3,143	3,014	176	1.80%	1.64%	7.04%	7.32%	.67	11.03	10.48	10.70
3Q - 15	3,274	3,149	165	(3.21%)	(3.34%)	(6.44%)	(5.29%)	.23	10.35	9.61	9.99
2Q - 15	3,370	3,202	154	1.92%	1.76%	0.28%	0.12%	.06	9.29	8.44	8.75
1Q - 15	3,248	3,144	151	3.50%	3.35%	0.95%	3.84%	.13	9.91	9.45	9.73
2014	**3,295**	**3,193**	**148**	**13.06%**	**12.39%**	**13.69%**	**13.05%**	**.26**	**9.85**	**8.98**	**9.59**
4Q - 14	3,295	3,193	148	8.58%	8.42%	4.93%	4.78%	.13	9.85	8.98	9.59
3Q - 14	3,050	2,905	142	1.04%	0.89%	1.13%	1.49%	.07	11.30	10.42	10.94
2Q - 14	2,993	2,858	140	3.04%	2.90%	5.23%	5.13%	.19	12.76	12.09	12.43
1Q - 14	2,627	2,423	150	0.00%	-0.15%	1.81%	1.12%	.07	12.98	12.29	12.59
2013	**2,392**	**2,298**	**136**	**31.76%**	**31.04%**	**32.39%**	**33.48%**	**.09**	**12.26**	**11.94**	**12.18**
4Q - 13	2,392	2,298	136	9.09%	8.93%	10.51%	10.44%	.04	12.26	11.94	12.18
3Q - 13	2,096	2,088	121	6.58%	6.43%	5.24%	8.11%	.06	12.40	12.23	12.38
2Q - 13	1,900	1,875	113	2.05%	1.91%	2.91%	2.06%	.04	12.78	13.37	13.91
1Q - 13	1,909	1,902	106	11.05%	10.91%	10.61%	9.54%	.05	13.85	14.80	15.23
2012	**1,622**	**1,616**	**94**	**28.86%**	**28.16%**	**16.00%**	**15.26%**	**.15**	**13.82**	**15.09**	**15.66**
4Q - 12	1,622	1,616	94	2.34%	2.20%	(0.38%)	(1.32%)	.03	13.82	15.09	15.66
3Q - 12	1,400	1,396	82	11.36%	11.20%	6.35%	6.11%	.05	14.04	15.36	15.84
2Q - 12	1,267	1.251	80	0.43%	0.31%	(2.75%)	(4.02%)	.05	14.12	15.88	16.25
1Q - 12	1,142	1,128	79	12.59%	12.43%	12.59%	14.69%	.06	14.24	16.00	16.27
2011	**884**	**880**	**72**	**5.55%**	**5.00%**	**2.11%**	**2.64%**	**.11**	**15.81**	**18.70**	**17.76**
4Q - 11	884	880	72	12.14%	11.98%	11.82%	10.61%	.08	15.81	18.70	17.76
3Q - 11	754	749	68	(11.16%)	(11.28%)	(13.87%)	(13.14%)	.08	17.91	20.95	20.61
2Q - 11	832	820	65	2.00%	1.87%	0.10%	0.76%	.03	17.68	20.91	21.04
1Q - 11	760	737	50	3.88%	3.75%	5.92%	6.03%	.10	18.70	21.58	21.64

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Note: Annual Disclosure Presentation continued on the following page.

Performance Notes

HS Management Partners, LLC
Concentrated Quality Growth Composite
Annual Disclosure Presentation

Period End	Total Firm Assets (millions)	Composite Assets (USD) (millions)	Number of Accounts	Performance Results				Composite Dispersion (Std Dev)	Composite Gross 3-Year Annualized Std Dev	S&P 500 3-Year Annualized Std Dev	Russell 1000G 3-Year Annualized Std Dev
				Gross	Net	S&P 500®	Russell 1000®G				
2010	**531**	**528**	**46**	**17.13%**	**16.44%**	**15.06%**	**16.71%**	**.28**	**19.54**	**21.85**	**22.11**
4Q - 10	531	528	46	10.17%	10.01%	10.76%	11.83%	.07	19.54	21.85	22.11
3Q - 10	404	402	42	11.97%	11.82%	11.29%	13.00%	.05	19.42	21.51	21.89
2Q - 10	329	327	38	(10.32%)	(10.46%)	(11.43%)	(11.75%)	.21	19.05	20.45	20.56
1Q - 10	337	316	36	5.88%	5.71%	5.39%	4.65%	.06	18.80	20.09	20.18
2009	**292**	**290**	**32**	**35.91%**	**35.06%**	**26.46%**	**37.21%**	**.33**			
4Q - 09	292	290	32	9.34%	9.16%	6.04%	7.94%	.03			
3Q - 09	265	263	32	12.18%	12.01%	15.61%	13.97%	.05			
2Q - 09	237	235	31	16.55%	16.36%	15.93%	16.32%	.18			
1Q - 09	163	155	29	(4.92%)	(5.07%)	(11.01%)	(4.12%)	.15			
2008	**172**	**152**	**27**	**(34.49%)**	**(34.80%)**	**(37.00%)**	**(38.44%)**	**N.A.**			
4Q - 08	172	152	27	(20.61%)	(20.79%)	(21.94%)	(22.79%)	.08			
3Q - 08	139	138	28	(4.88%)	(5.04%)	(8.37%)	(12.33%)	.09			
2Q - 08	78	73	17	(2.98%)	(3.06%)	(2.73%)	1.25%	.03			
1Q - 08	62	37	10	(10.59%)	(10.60%)**	(9.44%)	(10.18%)	-			
2007*	**-**	**6**	**5 or fewer**	**16.84%**	**16.08%**	**4.83%**	**10.51%**	**N.A.**			
4Q - 07	-	6	5 or fewer	1.54%	1.31%	(3.33%)	(0.76%)	-			
3Q - 07	-	6	5 or fewer	7.23%	6.99%	2.03%	4.21%	-			
2Q - 07	-	1	5 or fewer	7.31%	7.09%	6.28%	6.86%	-			

ASHLAND VERIFIED

- *Performance shown for 2007 is from April 1, 2007 through December 31, 2007.*

*** HS Management Partners, LLC charges its fees quarterly in arrears and therefore no significant fees were charged to client accounts in the first quarter of 2008. Had a modeled fee of 0.90% per annum been applied, the net of fee return for the first quarter of 2008 would be (10.82%).*

N.A. - Information is not statistically meaningful due to an insufficient number of portfolios (5 or fewer) in the Composite for the entire year.

The HS Management Partners Concentrated Quality Growth Composite includes all fully discretionary, actively managed, fee paying accounts which employ our style of investing in 20-25 quality growth businesses. These accounts must have a market value exceeding $500,000 at the time of initial inclusion in the Composite and have a market value exceeding $300,000 to maintain inclusion.

Accounts that have contributions/withdrawals of greater than 10% of their market value (at the time of the cash flow) shall be excluded from Composite membership. Accounts that are not actively managed according to the intended strategy are excluded at the end of the last full day in which they last met the inclusion criteria. Accounts are reinstated into the Composite on the first day after the account again meets our inclusion criteria. Prior to April 1, 2009, our inclusion and exclusion criteria were applied on a monthly basis, rather than daily. Additional information regarding the treatment of significant cash flows is available upon request. Also available upon request are policies for valuing portfolios, calculating performance, and preparing compliant presentations.

HS MANAGEMENT PARTNERS, LLC

investment styles ebb and flow . . .
fundamentals never go out of favor

Note: Annual Disclosure Presentation continued on the following page.

Performance Notes & Other Disclosures

Continuation of Annual Disclosure Presentation

For benchmark purposes, the Composite is compared to the S&P 500® and Russell 1000® Growth indices, however, the Composite may contain securities not represented in either or both indices. The HS Management Partners Concentrated Quality Growth Composite was created January 1, 2008. Prior to January 1, 2008 the accounts in the Composite were non-fee paying individual accounts managed by Harry Segalas in accordance with HS Management Partners' investment policies, becoming HS Management Partners accounts in December 2007. Prior to July 1, 2011, the HS Management Partners Concentrated Quality Growth Composite was known as the HS Management Partners Concentrated Growth Composite. The Composite Dispersion presented is an asset-weighted standard deviation calculated using gross performance results for accounts included within the Composite for the entire period.

The Composite Dispersion presented is an asset-weighted standard deviation calculated using gross performance results for accounts included within the Composite for the entire period.

HS Management Partners, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. HS Management Partners, LLC has been independently verified for the period January 1, 2008 through March 31, 2017. 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 Concentrated Quality Growth Composite has been examined for the period January 1, 2008 through March 31, 2017. The verification and performance examination reports are available upon request.

The performance track record from April 1, 2007 through December 31, 2007 has been examined by Ashland Partners & Company LLP and is compliant with the portability requirements of the GIPS® standards. A copy of the verification report is available upon request.

HS Management Partners, LLC is an independent SEC registered investment advisor (SEC registration does not imply a certain level of skill or training). The Firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the Firm. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. When international ordinary shares or ADRs are held in portfolios in the Composite, performance is shown net of foreign withholding taxes. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. Prior to January 1, 2008, a representative fee of 0.90% annually was applied to the individual accounts in the Composite managed by Harry Segalas. Additional information regarding the policies for calculating and reporting returns is available upon request. Policies governing compliance with the GIPS® Standards were followed in establishing HS Management Partners' performance record and the accounts to be included therein. In that regard, certain individual accounts managed by Harry Segalas were excluded from the Composite because of material differences in the management style of those accounts and HS Management Partners' investment policies. The GIPS® standards were applied retroactively for the purposes of computing 2007 performance, and are being applied prospectively in a consistent manner.

Investment advisory fees are charged as a percentage of on an account's assets under management. The annual fee schedule for accounts that are at least $10 million under management is as follows: 0.90% on first $25 million, 0.70% on next $25 million and 0.50% on the balance. Accounts below $10 million pay the greater of 1% or $10,000. Actual investment advisory fees may deviate from the above fee schedule at the Firm's sole discretion. Please refer to our Form ADV for more information related to our fees.

Additional Disclosures: This piece represents the opinion of HSMP as of March 2017 based on our understanding of market conditions and reported information about the aforementioned companies. The opinions stated herein are subject to change without notice and are provided solely for purposes of illustration or discussion. The performance data contained in this document should not be taken as an indication of how the performance of the Composite will be in the future; past performance is not indicative of and does not guarantee future results. Investment in securities can involve significant risks, including the risk of loss of principal. While we believe that our investment strategy will produce desired returns, there can be no assurance that HSMP will achieve its investment objective or will be successful in implementing its investment strategy. The performance comparisons in this document are provided for market context only, and there are meaningful differences between the Composite and the S&P 500® and Russell 1000® Growth indices (such as in terms of composition, concentration and volatility) that should be considered when comparing performance. In addition, client account performance may vary for reasons such as account size, timing of transactions and market conditions at the time of investment. The information in this document should not be construed as a recommendation to buy or sell any particular security. This document should not be used as the only basis for making investment decisions. Please note that during certain transitional periods of selling or buying a security or due to some corporate actions such as spinoffs, or due to some other factors, the Portfolio may hold more or less than 20 to 25 securities.

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The City of Jacksonville Police & Fire Pension Fund

John O'Shea, CFA
Vice President, Product Manager

John Meyer, CFA, CAIA, FRM
Vice President

April 21, 2017

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loomis sayles at a glance

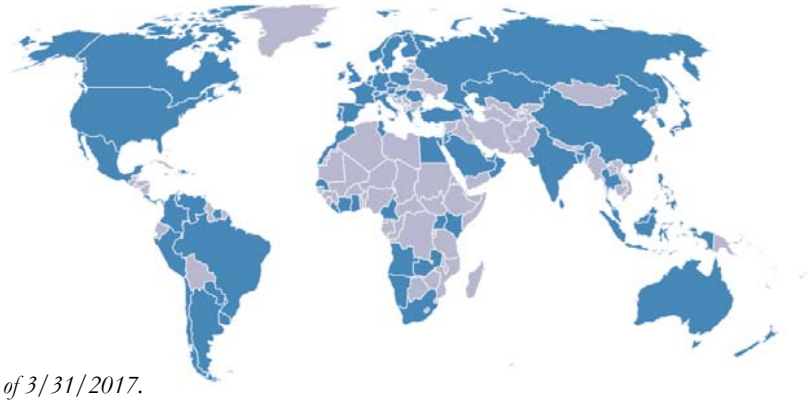
A RICH INVESTMENT TRADITION

- Serving clients with integrity since 1926
- $250.2 billion assets under management*
- Expertise across all major asset classes
- 75% of investment professionals dedicated to research & trading; 159 CFA® charterholders**
- Global perspective: investors in Boston, San Francisco, Detroit, London and Singapore

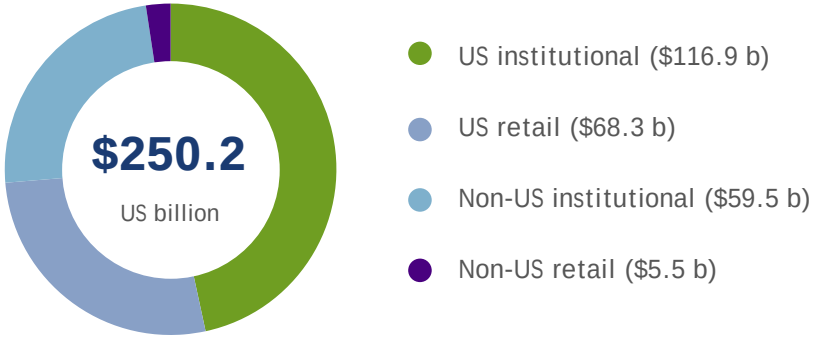
WHAT DEFINES US

- Core attributes: integrity, transparency and a team-oriented culture
- Rigorous fundamental analysis complemented by robust macro and market insight
- Portfolio managers, strategists, research analysts and traders collaborating to identify our best ideas
- Small, accountable product teams implementing portfolio decisions
- Disciplined risk awareness integrated into a high conviction investment process

WHERE WE INVEST



AUM BY GLOBAL ACCOUNTS



As of 3/31/2017.
**Includes the assets of both Loomis, Sayles & Co., LP, and Loomis Sayles Trust Company, LLC. ($19.5 billion for the Loomis Sayles Trust Company). Loomis Sayles Trust Company is a wholly owned subsidiary of Loomis, Sayles & Company, L.P. **As of 12/31/2016. 283 investment professionals. 82% of CFA charterholders are investment professionals and 18% are non-investment professionals.*

a common foundation lies at the heart of all our investment strategies

A SOUND PHILOSOPHY

A RIGOROUS, REPEATABLE PROCESS

PROPRIETARY RESEARCH

DISCIPLINED PORTFOLIO CONSTRUCTION

INTEGRATED RISK MANAGEMENT

deep insight fuels our pursuit of alpha

MACRO STRATEGIES

- Director
  36 years experience
- Associate Director/
  Senior Global Macro Strategist
  21 years experience
- Senior Equity Strategist
  31 years experience
- Economist
  36 years experience
- Senior Commodities Analyst
  8 years experience
- Research Analyst
  5 years experience

SOVEREIGN RESEARCH

- 5 Senior Sovereign Analysts
  16 years average experience
- 3 Analysts
  6 years average experience
- Research Associate

CREDIT RESEARCH

- Director
  33 years experience
- 32 Senior Credit Analysts
  18 years average experience
- 7 Credit Analysts
  7 years average experience
- 7 Research Associates
- 7 Research Assistants
- Proprietary credit rating system since the 1930s

MORTGAGE & STRUCTURED FINANCE

- Director
  19 years experience
- 3 Strategists
  15 years average experience
- 4 Senior Analysts
  17 years average experience
- Senior Portfolio Analyst
  8 years experience
- 2 Research Analysts
  4 years average experience
- Research Associate

QUANTITATIVE RESEARCH & RISK ANALYSIS

- 2 Associate Directors
  20 years average experience
- Quantitative Strategist
  21 years experience
- Senior Strategist, LDI & Solutions
  10 years experience
- 3 Senior Quantitative Analysts
  13 years average experience
- 5 Quantitative Analysts
  6 years average experience

CONVERTIBLES & SPECIAL SITUATIONS

- Director
  31 years experience
- 5 Senior Research Analysts
  15 years average experience
- Research Analyst
  5 years experience

TRADING

- Head of Trading
  28 years experience
- 4 Trading Directors
  23 years average experience
- 35 Traders (incl. 4 directors above)
  15 years average experience
- Dir. of Portfolio Implementation
  10 years experience
- 19 Portfolio Specialists
  19 years average experience
- Dir. of Operational Trading Risk Management
  15 years experience
- Risk Analyst
  9 years experience
- 10 distinct asset class teams

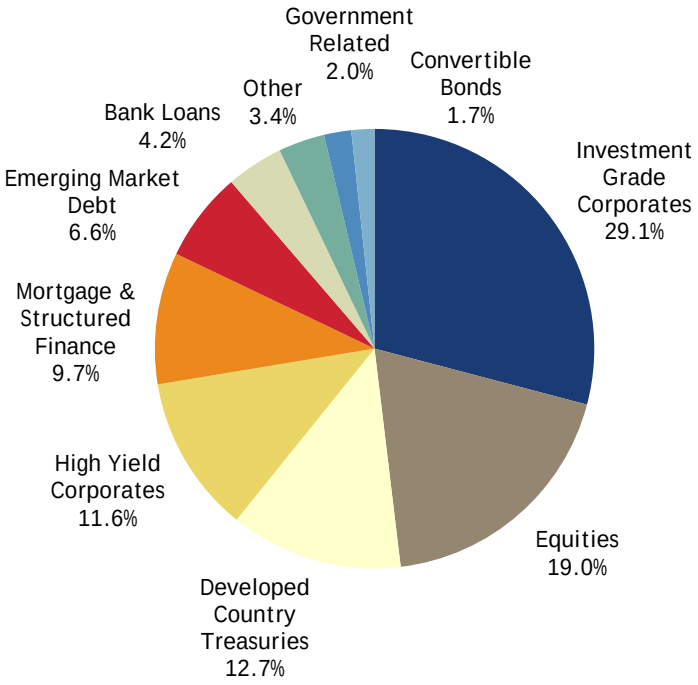
EQUITY RESEARCH

- 22 Senior Analysts
  19 years average experience
- 6 Analysts
  6 years average experience

As of 3/31/2017; Years experience indicates industry experience.

comprehensive expertise

By global sector	Assets ($ millions)
Investment Grade Corporates	73,018
Equities	47,612
Developed Country Treasuries	31,967
High Yield Corporates	29,225
Mortgage & Structured Finance	24,248
Emerging Market Debt	16,472
Bank Loans	10,628
Other	8,609
Government Related	5,111
Convertible Bonds	4,300



As of 3/31/2017. Due to rounding, pie chart total may not equal 100%.
Other includes municipals, cash & equivalents, and derivatives.
Includes the assets of both Loomis, Sayles & Co., LP, and Loomis Sayles Trust Company LLC.

our investment platform

JAE PARK
Chief Investment Officer

DAVID WALDMAN
Deputy CIO

ALPHA STRATEGIES	BANK LOANS	DISCIPLINED ALPHA	EMERGING MARKET DEBT	FULL DISCRETION	GLOBAL	RELATIVE RETURN	MORTGAGE & STRUCTURED FINANCE
Credit Long/Short	Senior Loans	Core	Corporate	Multisector	Global Bond	Short Duration	Agency MBS
Credit Asset	Senior Floating Rate and Fixed Income	Corporate	Local Currency	Core Plus	Global Credit	Inter. Duration	Investment Grade
World Credit Asset	Credit Opportunities	Long Corporate	Short Duration	High Yield Full Discretion	Global Debt Unconstrained	Core	Securitized Credit (ERISA)
Multi-Asset Income		Global Disciplined Alpha*	Hard/Local Currency Blend	Global High Yield	Global Disciplined Alpha*	Core Plus	High Yield
Commodities				US High Yield		IG Corporate	Private Debt and Equity
				High Yield Conservative		Long Corporate	
				Strategic Alpha		Long Gov't/Credit	
						Custom LDI	

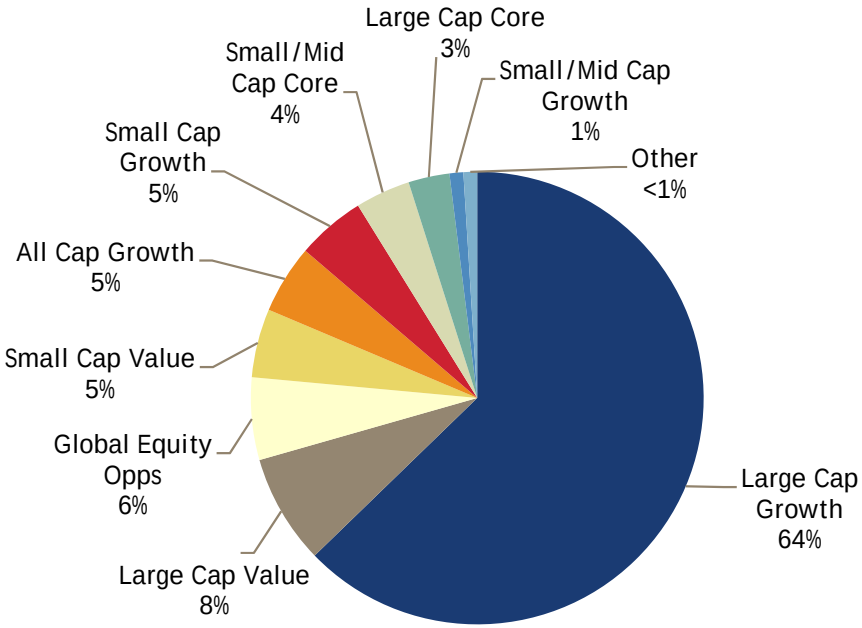
GLOBAL EQUITY OPPORTUNITIES	GROWTH	LARGE CAP CORE	SMALL CAP GROWTH	SMALL CAP VALUE	VALUE
Global Equity & Income	All Cap Growth	Large Cap Core	Small Cap Growth	Small Cap Value	Dividend Income
Global Equity Opportunities	Global Growth		Small/Mid Cap Growth	Small/Mid Cap Core	Focused Value
	Large Cap Growth				Large Cap Value
	Long/Short Equity				

As of 3/31/2017.
** Co-managed investment strategy*

a range of equity capabilities

$44 BILLION ASSETS UNDER MANAGEMENT

By strategy	Assets ($ millions)
Large Cap Growth	28,013
Large Cap Value	3,414
Global Equity Opportunities	2,530
Small Cap Value	2,109
All Cap Growth	2,004
Small Cap Growth (closed 6/2013)	1,978
Small/Mid Cap Core	1,591
Large Cap Core	1,398
Small/Mid Cap Growth	474
Other	202



As of 12/31/2016. Due to rounding, pie chart total may not equal 100%.
The Small Cap Growth strategy is currently closed to new investors.
Includes the assets of both Loomis, Sayles & Co., LP, and Loomis Sayles Trust Company LLC.
Strategy assets represent all assets managed by the respective team.

loomis sayles growth team

TEAM HIGHLIGHTS AS OF 12/31/2016

Team assets under management*

- $28.0 billion – Large Cap Growth
- $2.0 billion – All Cap Growth
- $57.0 million – Global Growth

Product capacity

- Large Cap Growth: soft closed
- All Cap Growth: $5 - $7 billion
- Global Growth: $25 - $30 billion

Client profile

- Institutional Separate accounts
  - Corporates
  - Endowments
  - Public pension funds
  - Taft-Hartley
- Sub advised mandates
- Managed accounts
- Mutual funds

**Team assets under management are aggregated from all vehicles managed by the team. Not all vehicles are available for all investors.*

loomis sayles growth team

INVESTMENT TEAM

PORTFOLIO MANAGEMENT	AZIZ HAMZAOGULLARI, CFA* Portfolio Manager
Yrs of industry experience	23
Yrs with firm	6
Yrs with team	10

DEDICATED ANALYSTS	Brian Coyle, CFA*	Peter Linnard*	Rayon Ward, CFA*	Igor Chan, CFA	Larry Keegan, CFA	Ryan Hill
Yrs of industry experience	16	17	14	7	6	2
Yrs with firm	6	6	6	6	4	2
Yrs with team	10	10	10	6	2	2

PRODUCT MANAGEMENT	Hollie Briggs, CFA	John O'Shea, CFA	Adam Mushaweh, CFA
Yrs of industry experience	23	19	8
Yrs with firm	4	<1	4
Yrs with team	7	<1	2

FIRMWIDE RESOURCES

Equity Research
23 Senior Analysts
7 Analysts

Equity Trading
Director
4 Traders
Commission Mgt.
Coordinator/ Junior Trader

Macro Strategies
Director
Assoc. Director/
Senior Global Macro Strategist
Senior Equity Strategist
Economist
Senior Commodities Analyst
Research Analyst
Research Assistant

Sovereign Research
5 Senior Analysts
3 Analysts
Research Associate**

Credit Research
Director
28 Senior Analysts
7 Analysts
10 Research Associates
7 Research Assistants

Securitized Research
Director
3 Strategists
4 Senior Analysts
2 Research Analysts
Research Associate

Convertibles & Special Situations
Director
5 Senior Analysts**
Research Associate

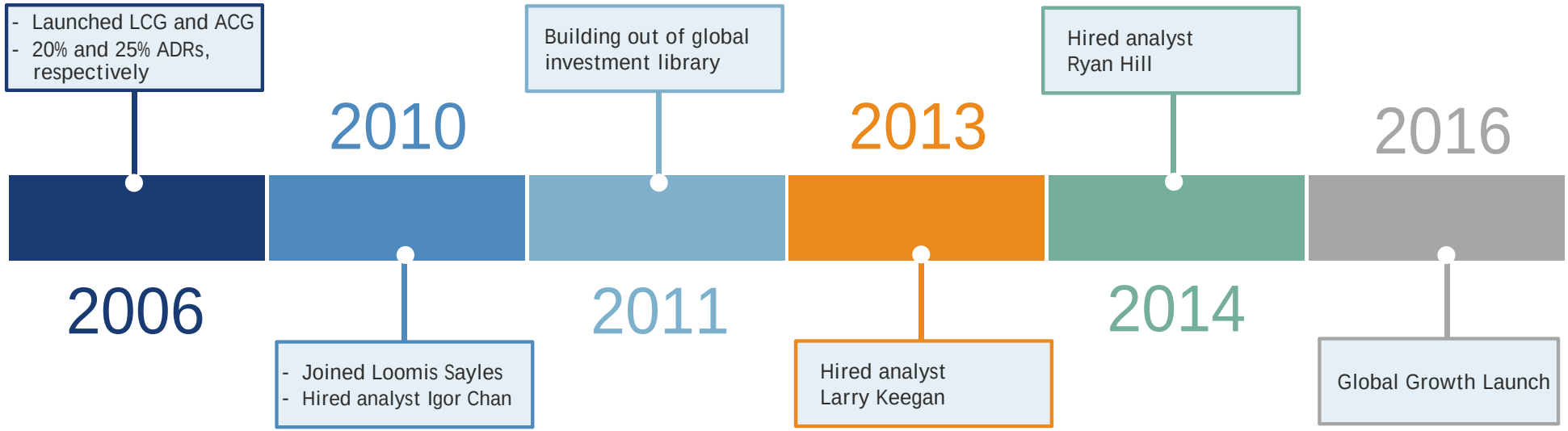
Quant. Research & Risk Analysis
2 Associate Directors
Quantitative Strategist
Senior Strategist, LDI & Solutions
2 Analysts – Equity
6 Analysts - Fixed
Quantitative Associate

As of 12/31/2016.
**These team members have been with the Large Cap Growth and All Cap Growth strategies since inception on July 1, 2006 and joined Loomis Sayles in 2010.*
All dedicated analysts have been with the Global Growth strategy since inception on January 1, 2016.
***Includes one associate and one senior analyst with a January 9th start date*

loomis sayles growth team

LONG-TERM PLANNING

Thoughtful and deliberate team growth from 4 analysts in 2010 to 6 analysts in 2014



The Manager for the Growth Team joined Loomis Sayles May 19, 2010, and events prior to that date occurred at prior firm.

loomis sayles growth team

TEAM CULTURE

- Team-oriented, horizontal structure
- Group research process from idea generation through seven-step research process
- Process-focused investment approach
- Promote intellectual honesty and curiosity
- Seek information to disprove our investment thesis
- An awareness of behavioral biases
- 'Mistakes' are part of process and culture
- Incentives aligned with investor return objectives

strategy overview

ALPHA THESIS: OUR TENETS, PROCESS, PROOF POINTS AS OF 12/31/2016

TENET	PROCESS	PROOF POINTS
Long-term investor	Time arbitrage	Low turnover: 15.17%*
Deep understanding	7-step research framework	High-conviction portfolio: 32 names
Quality	Difficult-to-replicate business models	High active share: 81.19%**
Growth	Secular drivers; sustainable, profitable growth	Growth Rate: 16.6%***
Valuation	Margin of safety†	Down-market capture: 13th percentile^ *since inception*
Absolute risk focus	Active risk management	Volatility rank: 33rd percentile^ Sharpe ratio rank: 2nd percentile^ Information ratio rank: 1st percentile^ *since inception*
We believe active investment management and active risk management are integral to alpha generation. Alpha rank: 2nd percentile^ *since inception.*		

**Turnover calculated on an annualized basis since inception (7/1/2006).*
***Active Share indicates the proportion of portfolio's holdings (by market value) that are different than the benchmark. A higher active share indicates a larger difference between the benchmark and the portfolio.*
****Growth rate is our internal estimate of cash flow growth over the next five years of the entire portfolio. Our estimates may differ from the estimates of other industry members. Growth rate does not imply any specific or positive return.*
†Holding all else equal, the larger the discount between market price of a particular security and our estimate of its intrinsic value, the greater we view our margin of safety. Margin of safety is not an indication of the fund's safety as all investments carry risk, including risk of loss.
^Please refer to the Statistics and Rankings vs. Index slide in the investment performance section of this presentation.

investment philosophy

WE BELIEVE

We are an active manager with a long-term private equity approach to investing.

Our pursuit of long-term excess returns on a risk-adjusted basis requires that we invest in businesses rather than trading stocks.

QUALITY	• Identify high-quality businesses with sustainable competitive advantages and difficult-to-replicate business models with drivers such as network effect, low cost advantage, strong brand awareness, or high switching costs
GROWTH	• Find businesses with sustainable, profitable growth that are best-positioned to benefit from long-term secular and structural growth drivers
VALUATION	• Buy these companies when they trade at significant discounts to intrinsic value

Businesses with all three of these characteristics are rare; therefore we concentrate our portfolio in high-conviction ideas.

investment process

SEVEN-STEP RESEARCH FRAMEWORK

QUALITY	1. Sustainable competitive advantage	• Seek to identify unique elements and defensibility of the business model & a company's competitive advantage
	2. Competitive analysis	• Assess barriers to entry, industry rivalry, power of buyer vs. suppliers & substitution threats
	3. Financial analysis	• Measure balance sheet health & cash flow generation capability; assess cash flow relative to reinvestment needs and ROIC* relative to cost of capital
	4. Management analysis	• Partner with long-term shareholder-oriented owners; look for management that allocates capital effectively and that we believe operates with vision and integrity
GROWTH	5. Growth drivers	• Evaluate sources and sustainability of growth; focus on secular long-term structural drivers
VALUATION	6. Intrinsic value range	• Model present value of future cash flows with sensitivity analysis; establish our "best", "base", "bear" and "worst" case scenarios to help guide buy & sell decisions
	7. Expectations analysis	• Assess what is implied in the stock price; differentiate fundamentals from sentiment and look for significantly differing perspectives

**Return on invested capital.*

investment process

BUY DISCIPLINE

We look to buy at significant discounts to our estimate of intrinsic value

- Seek to maximize reward-to-risk profile by increasing margin of safety
- Analyze reason for the disconnect between our expectations and the consensus
- Scale into new positions as low market expectations drive price toward worst case scenario, with investment thesis intact
- Position weight reflects level of conviction

Why these buying opportunities may occur

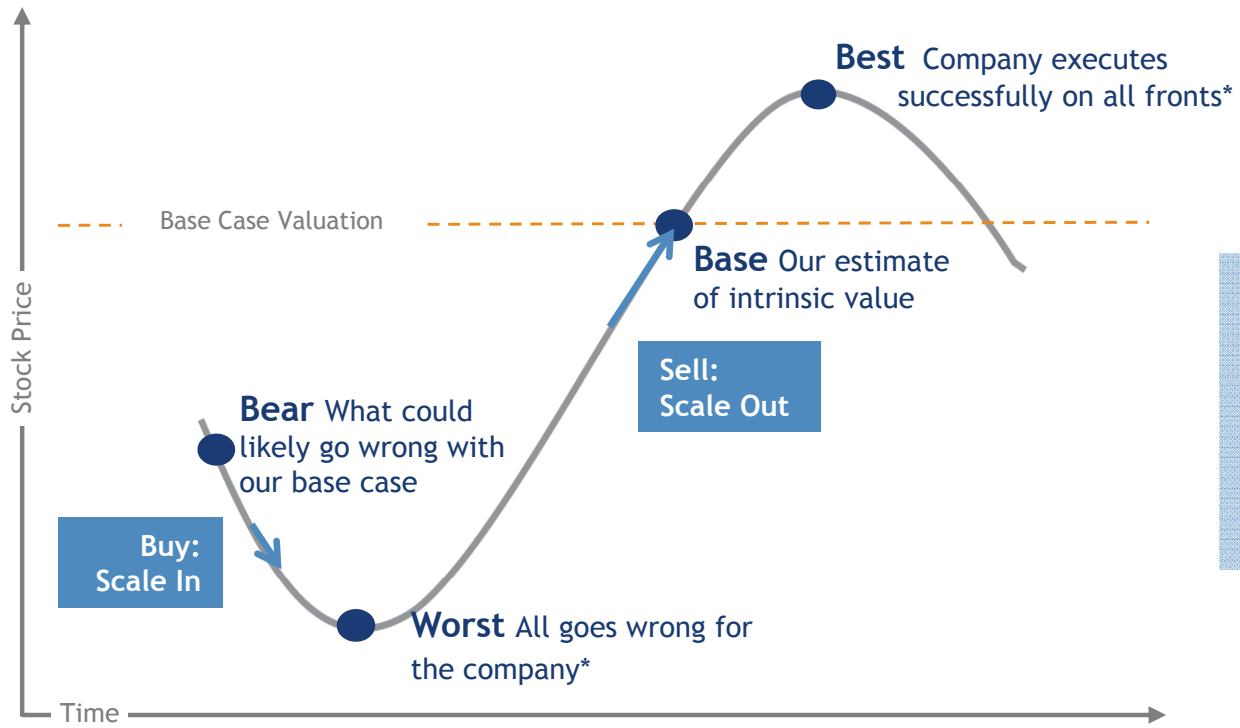
- Innate behavioral biases – such as herding, overconfidence or loss aversion – influence investment decisions and can create asset pricing anomalies
- Market prices can be driven to our bear-and worst-case scenario levels when investors overreact to short-term, non-secular events that we believe have no impact on the company's long-term value
- Growth potential and private market valuation can be widely underestimated or misunderstood by the market

All descriptions assume normal market conditions.

investment process

VALUATION DRIVES TIMING AND CONVICTION DRIVES WEIGHT

Stock values are modeled and regularly updated based on our four valuation scenarios: Best, Base, Bear, and Worst



Buy Candidate:
- Price moves towards worst case
- Investment thesis intact
- Reward-to-risk and margin of safety increase

Sell Candidate:
- Price converges towards base case
- Investment thesis is realized
- Reward-to-risk and margin of safety decrease

**Based on the Team valuation criteria.*

investment process

VALUATION DRIVES TIMING AND CONVICTION DRIVES WEIGHT

- Scale into new positions as price moves towards worst case and investment thesis remains intact. Reward-to-risk and margin of safety increases.
- Scale out of positions as price converges towards base case and investment thesis is realized.

Scenario	Reward	Risk	Position Size
BEST	Minimum	Maximum	0%
BASE	Low	High	2.5% - 0%
BEAR	High	Low	0 – 2.5%
WORST	Maximum	Minimum	2.5 - 5.0%

TRIM

BUILD

Typically 5% maximum position size at cost; 8% maximum position size at market price

Based on the Team valuation criteria.

investment process

SELL DISCIPLINE

We aim to recognize and act quickly upon mistakes when:

- A critical underlying assumption is flawed
- Unfavorable structural change takes place within a given business or the markets in which it operates
- We lose confidence in management

Stocks also can become sell candidates when we believe:

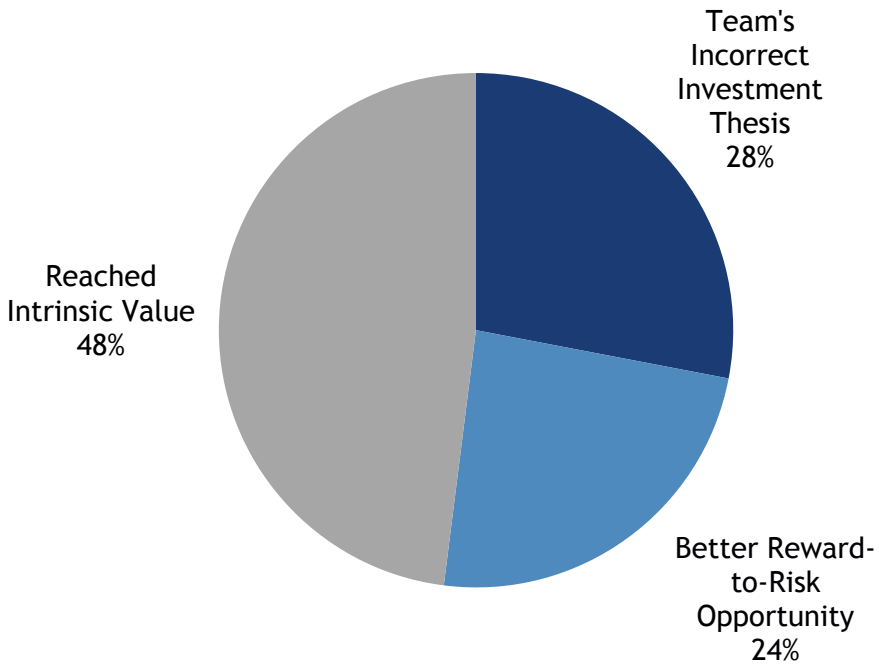
- The current price fully reflects intrinsic value
- A position size becomes too large; initial buys will typically not exceed 5% of assets and holdings are unlikely to exceed 8%
- A better reward-to-risk opportunity becomes available elsewhere

All descriptions assume normal market conditions.

investment process

SELL DISCIPLINE

Main reasons for selling a security since inception of Composite (7/1/2006):



All descriptions assume normal market conditions.
Based on Team valuation criteria.
The Manager for the Large Cap Growth Composite joined Loomis Sayles on May 19, 2010, and performance prior to that date was achieved at his prior firm.
As of 12/31/2016.

investment process

ACTIVE RISK MANAGEMENT

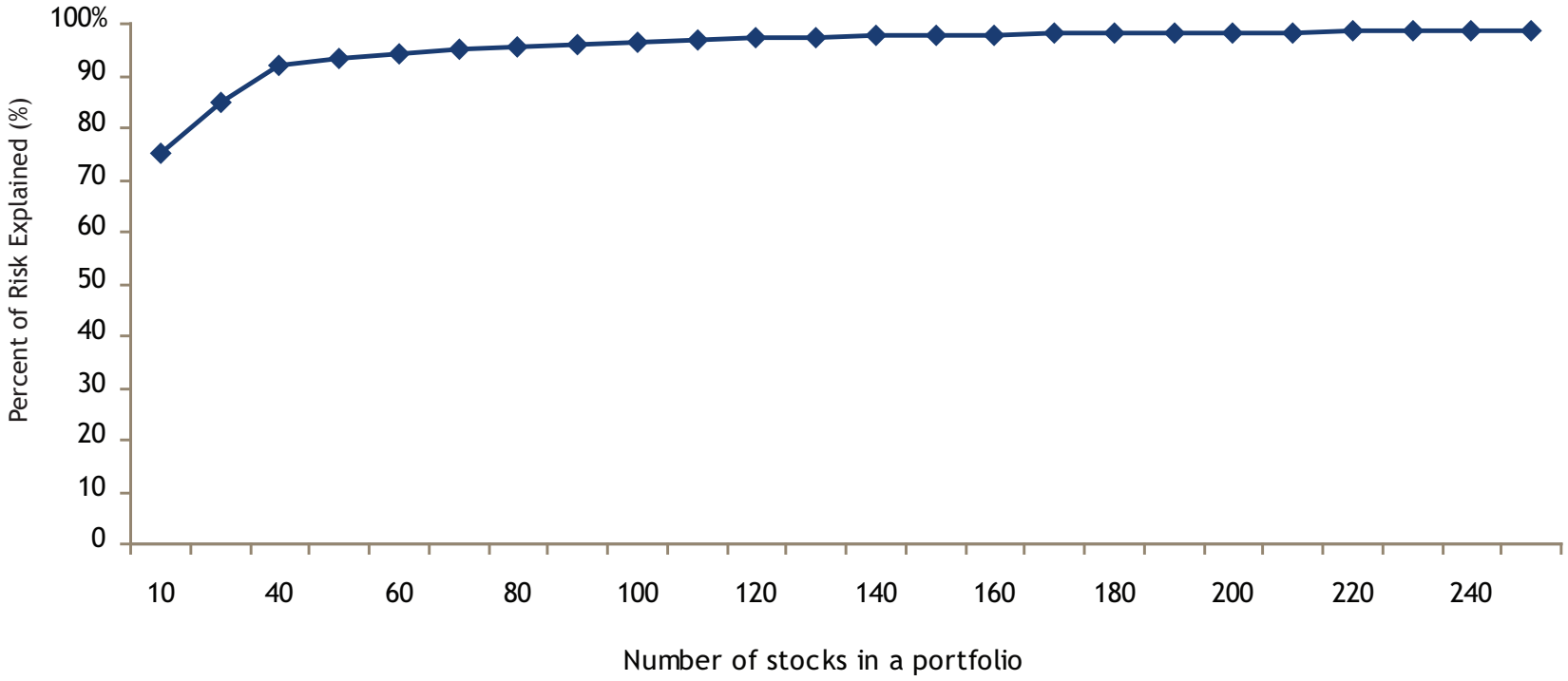
- Defines risk as permanent loss of capital, not tracking error or short-term relative underperformance; seeks to actively manage our downside risk
- Incorporates an analysis of fundamental risk, financing risk and valuation risk:
  - Fundamental risk or business risk: Knowing what we own; develop a deep understanding of each investment through our 7-step research framework and quality assessment
  - Financing risk or borrowing needs: Identify profitable growth companies with sustainable cash flows to self-fund business investments needed for future growth
  - Valuation risk or overpaying for a company: Invest with a margin of safety
- Diversification is derived by investing in a portfolio of 30-40 companies with different business drivers

We believe active investment management and active risk management are integral to alpha generation.

Diversification does not ensure a profit or guarantee against a loss.

investment process

ACTIVE RISK MANAGEMENT



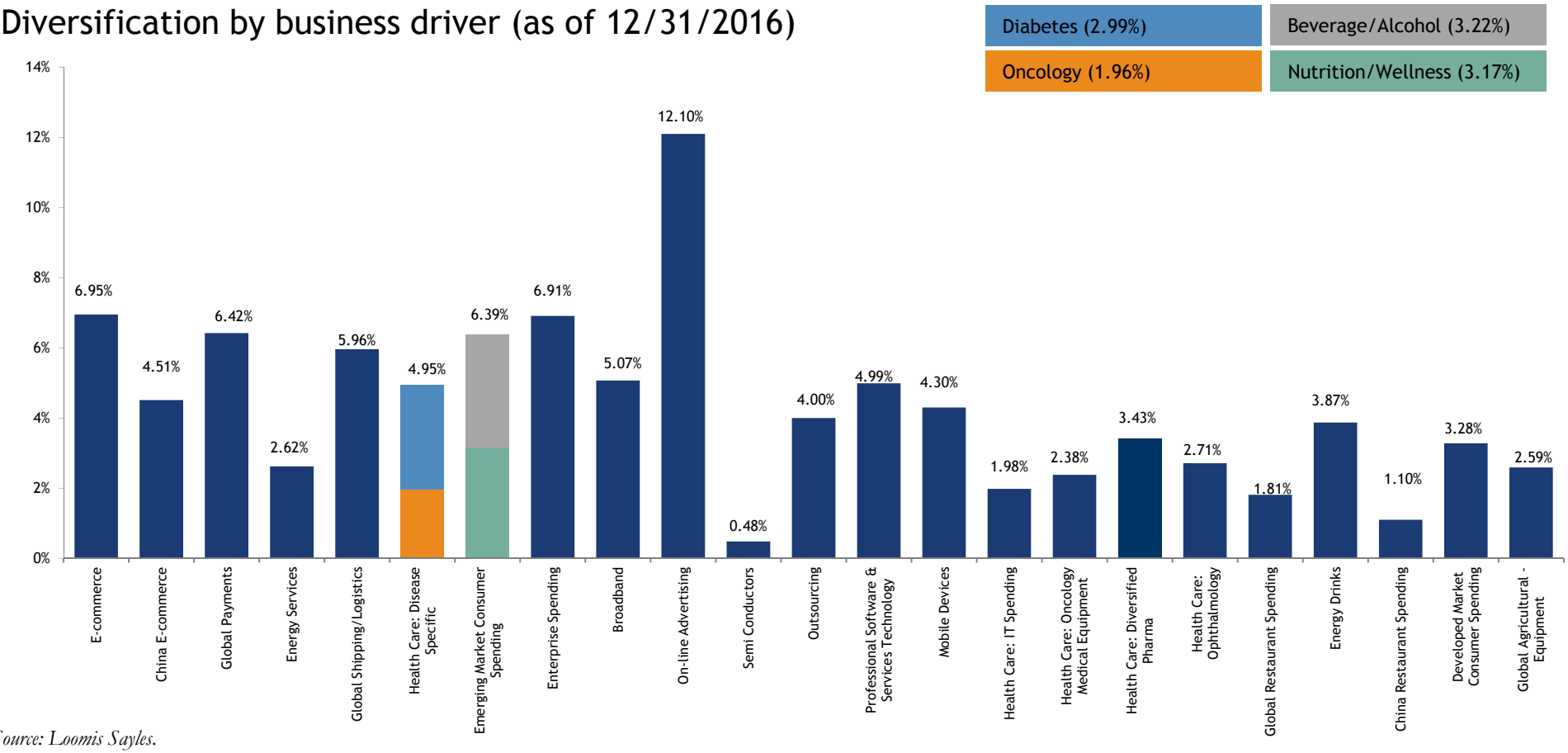
Sources: Citigroup as of 12/31/2010. The chart above shows the R-squared of a portfolio of stocks as a function of the number of stocks in the portfolio, i.e., how much of the portfolio risk is explained by the systematic factors as portfolio size increases. For each value of N (number of stocks), Citigroup randomly simulated 100 portfolios using the S&P 1500 as the starting universe, and measured the R-squared of each portfolio. The R-squared value for a given value of N is the average of those 100 values.

investment process

ACTIVE RISK MANAGEMENT – LARGE CAP GROWTH REPRESENTATIVE ACCOUNT

Large Cap Growth

Diversification by business driver (as of 12/31/2016)



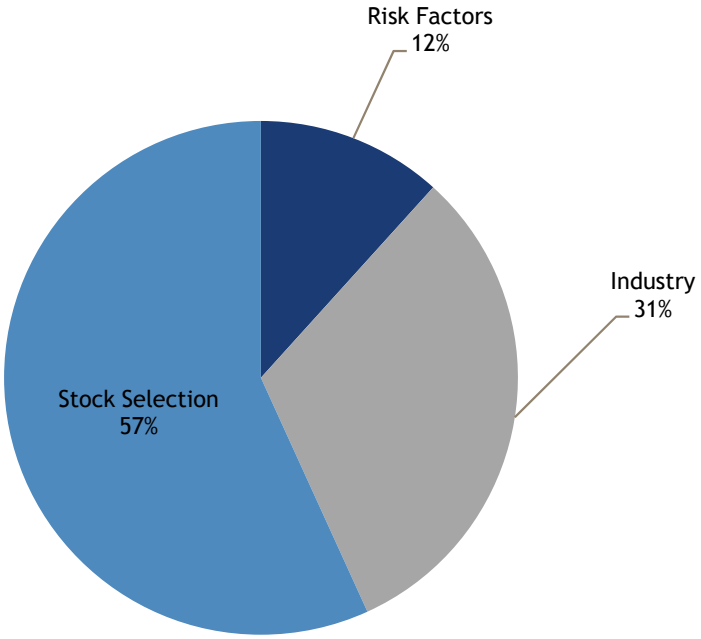
Source: Loomis Sayles.

The team has determined the business driver categories. Certain categories are further broken down into sub-categories for additional clarification. Diversification analysis is shown for a representative account as supplemental information. Due to systems limitations it is difficult to analyze attribution on a composite basis. The representative account was initiated on May 19, 2010, the day on which the Large Cap Growth Manager joined Loomis Sayles. This representative account was selected because it closely reflects the Loomis Sayles Large Cap Growth investment strategy. Due to guideline restrictions and other factors, there is some dispersion between the returns of this account and other accounts managed in the Loomis Sayles Large Cap Growth investment style. The Disclosure Statement at the end of this presentation displays performance, including dispersion, for the Loomis Sayles Large Cap Growth Composite. Due to active management, characteristics will evolve over time. Diversification does not ensure a profit or guarantee against a loss.

investment process

ACTIVE RISK MANAGEMENT

Sources of risk since Composite inception* (as of 12/31/2016)



Pie Chart based on absolute values of return impact.
U.S. Barra risk factors are comprised of Country, Growth Size, Non-linear Size, Dividend Yield, Book-to-Price, Earnings Yield, Beta, Residual Volatility, Non-linear Beta, Momentum, leverage and Liquidity.

Sources: Barra and Loomis Sayles.
**Composite inception date: 7/1/2006.*
The Manager for the Large Cap Growth Composite joined Loomis Sayles on May 19, 2010, and performance prior to that date was achieved at his prior firm.
Past performance is no guarantee of future results.

investment process

TRADING IMPLEMENTATION

DECISION TO BUY

- Decision made by Portfolio Manager
- Initial position is usually 1%—2% with 5% maximum position size at market cost

COMPLIANCE

- Charles River automated, pre-trade client guideline system augmented by Portfolio Manager check of certain designated guidelines
- Portfolio Manager initiates trades electronically

TRADING

- Trade routed automatically to appropriate Trader
- Trader develops trading strategy, utilizes traditional brokers, ECN/ATS

TRADE ALLOCATED

- Trade allocated across all participating accounts in accordance with firm's allocation procedures

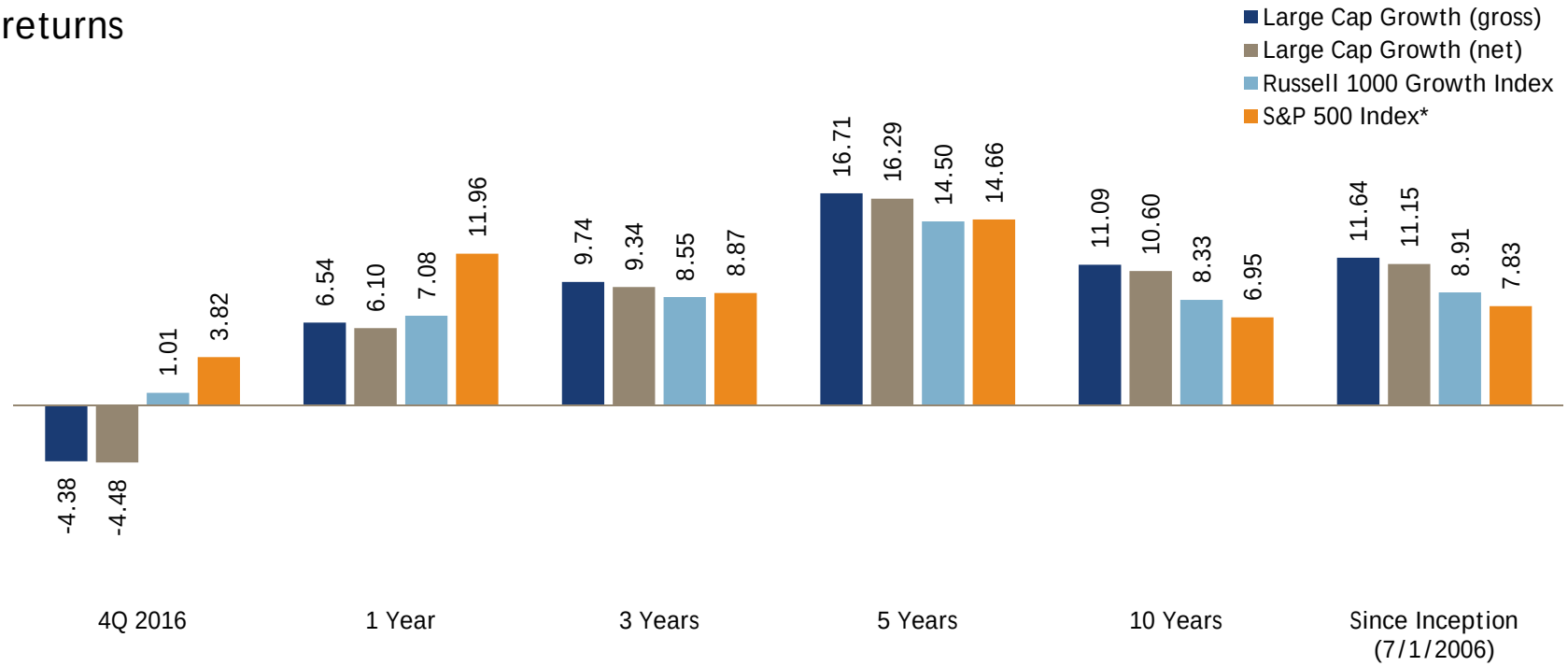
POST-TRADE ANALYSIS

- Internal evaluation
- ITG Alpha Capture

investment performance

COMPOSITE PERFORMANCE AS OF 12/31/2016 (%)

Trailing returns



	4Q 2016	1 Year	3 Years	5 Years	10 Years	Since Inception (7/1/2006)
Excess return vs. Russell 1000 Growth (gross)	-5.39	-0.54	+1.19	+2.21	+2.76	+2.73

Data source: Loomis Sayles and the Frank Russell Company. The Manager for the Large Cap Growth Composite joined Loomis Sayles May 19, 2010, and performance prior to that date was achieved at his prior firm. As required by GIPS, the prior performance information is being included as part of the Loomis Sayles Large Cap Growth Composite. Gross returns are net of trading costs. Net returns are gross returns less the effective management fees. Returns for multi-year periods are annualized. See Disclosure Statement at the end of this presentation for a description of the Loomis Sayles Large Cap Growth Composite. Indexes are unmanaged and do not incur fees. It is not possible to invest directly in an index.

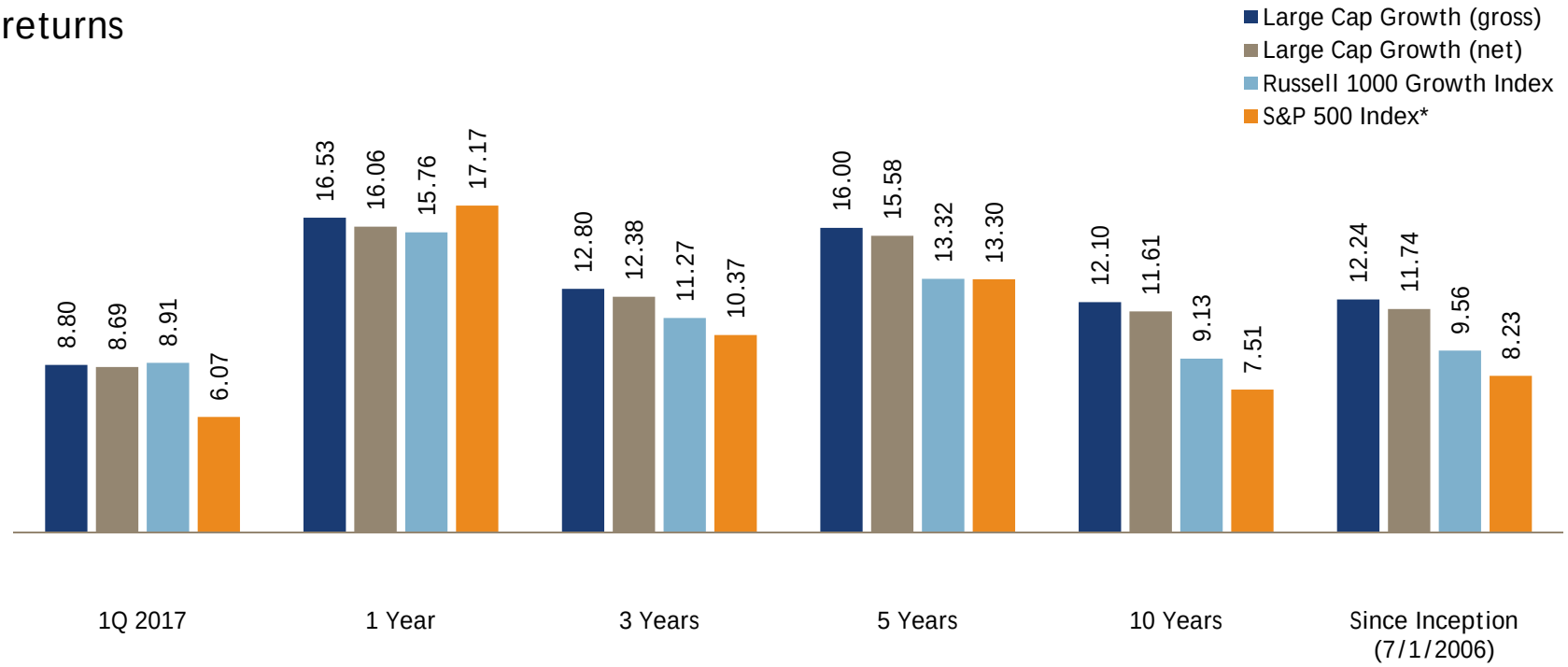
**The benchmark for the Large Cap Growth Composite is the Russell 1000 Growth Index. Performance for the S&P 500 Index is shown as supplemental information.*

Past performance is no guarantee of future results.

investment performance

COMPOSITE PERFORMANCE AS OF 3/31/2017 (%)

Trailing returns



	1Q 2017	1 Year	3 Years	5 Years	10 Years	Since Inception (7/1/2006)
Excess return vs. Russell 1000 Growth (gross)	-0.11	+0.77	+1.53	+2.68	+2.97	+2.68

Data source: Loomis Sayles and the Frank Russell Company. The Manager for the Large Cap Growth Composite joined Loomis Sayles May 19, 2010, and performance prior to that date was achieved at his prior firm. As required by GIPS, the prior performance information is being included as part of the Loomis Sayles Large Cap Growth Composite. Gross returns are net of trading costs. Net returns are gross returns less the effective management fees. Returns for multi-year periods are annualized. See Disclosure Statement at the end of this presentation for a description of the Loomis Sayles Large Cap Growth Composite. Indexes are unmanaged and do not incur fees. It is not possible to invest directly in an index.

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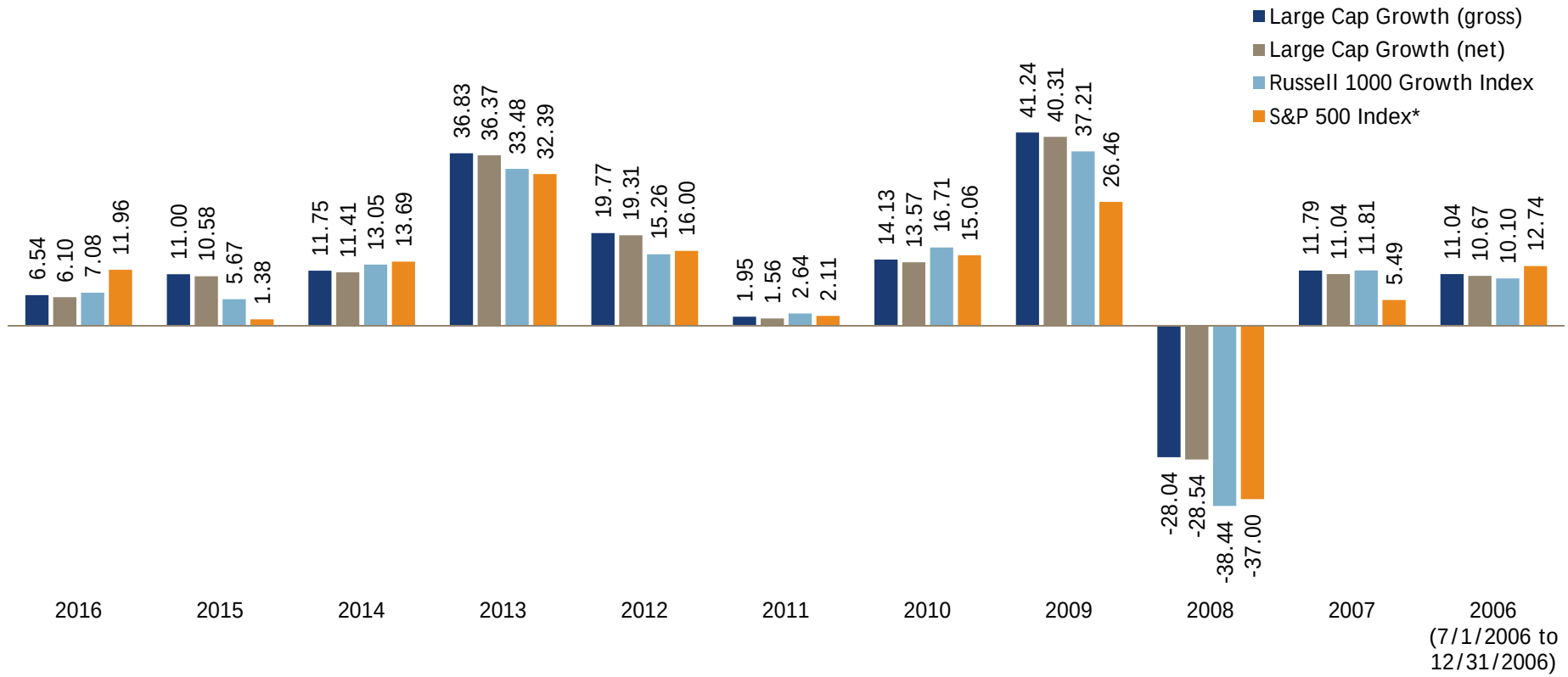
investment performance

COMPOSITE PERFORMANCE

Calendar year returns



Data source: Loomis Sayles and the Frank Russell Company. The Manager for the Large Cap Growth Composite joined Loomis Sayles on May 19, 2010, and performance prior to that date was achieved at his prior firm. As required by GIPS, the prior performance information is being included as part of the Loomis Sayles Large Cap Growth Composite. Gross returns are net of trading costs. Net returns are gross returns less the effective management fees. Returns for multi-year periods are annualized. See Disclosure Statement at the end of this presentation for a description of the Loomis Sayles Large Cap Growth Composite. Indexes are unmanaged and do not incur fees. It is not possible to invest directly in an index.

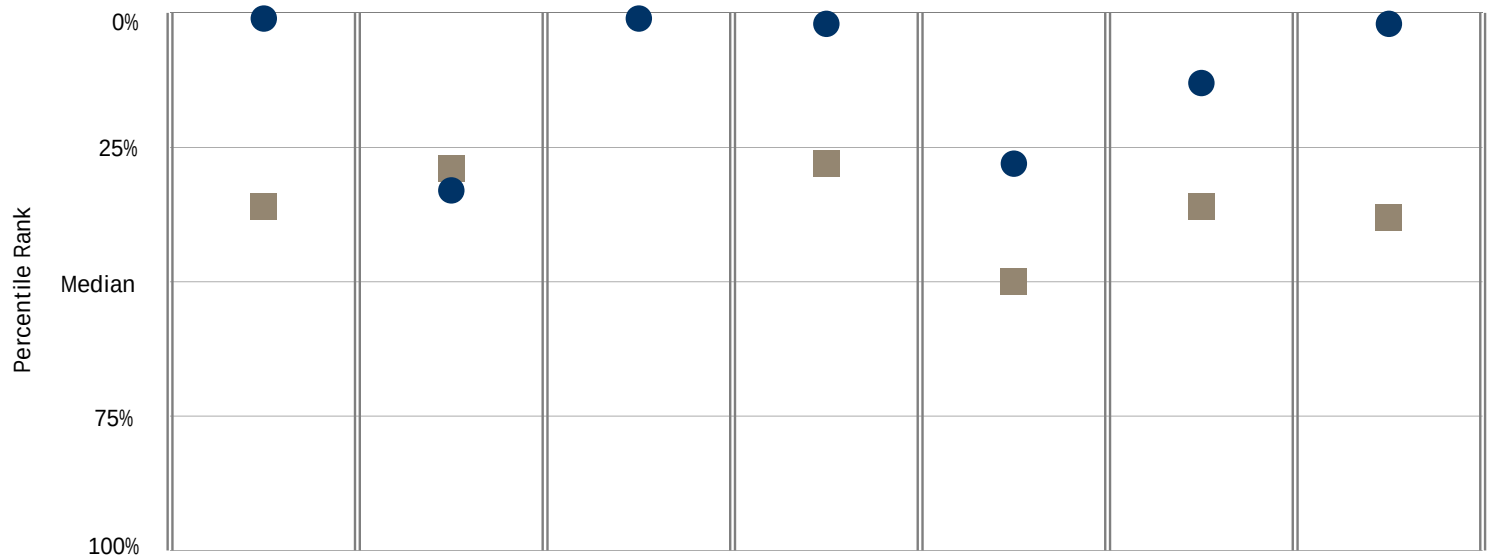
**The benchmark for the Large Cap Growth Composite is the Russell 1000 Growth Index. The S&P 500 Index is shown as supplemental information.*

Past performance is no guarantee of future results.

investment performance

LARGE CAP GROWTH COMPOSITE INCEPTION (7/1/2006) THROUGH 12/31/2016

Statistics & rankings vs Index



	Gross Annualized Returns	Standard Deviation	Information Ratio	Sharpe Ratio	Up Market Capture	Down Market Capture	Alpha
Large Cap Growth	11.64	15.40	0.56	0.70	104.37	91.89	2.94
% Ranking*	**1st**	**33rd**	**1st**	**2nd**	**28th**	**13th**	**2nd**
Russell 1000 Growth	8.91	15.24	N/A	0.52	100.00	100.00	0.00
% Ranking	**36th**	**29th**	**N/A**	**28th**	**50th**	**36th**	**38th**
Median	**8.46**	**15.89**	**-0.10**	**0.49**	**99.99**	**102.77**	**-0.36**

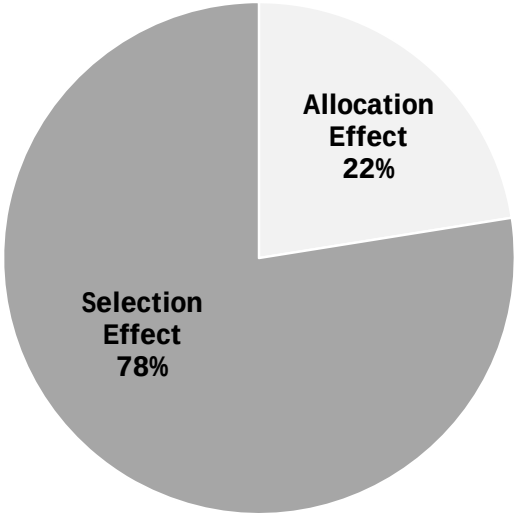
*Source: eASE Analytics System; eVestment Alliance is the ranking agency. *Ranking out of 254 observations. Annualized performance is calculated as the geometric mean of the product's returns with respect to one year. Returns-based data are gross of management fees and net of trading costs. The highest (or most favorable) percentile rank is 1, and the lowest (or least favorable) percentile rank is 100. Rankings are subject to change. Although we believe it is reliable, we cannot guarantee the accuracy of data from a third party source. This information cannot be copied or redistributed in any form. The Manager for the Large Cap Growth Composite joined Loomis Sayles on May 19, 2010, and performance prior to that date was achieved at his prior firm. As required by GIPS, the prior performance information is being included as part of the Loomis Sayles Large Cap Growth Composite.*

Past performance is no guarantee of future results.

investment performance

LARGE CAP GROWTH REPRESENTATIVE ACCOUNT SINCE INCEPTION* RETURNS AS OF 12/31/2016 (%)

Excess return attribution



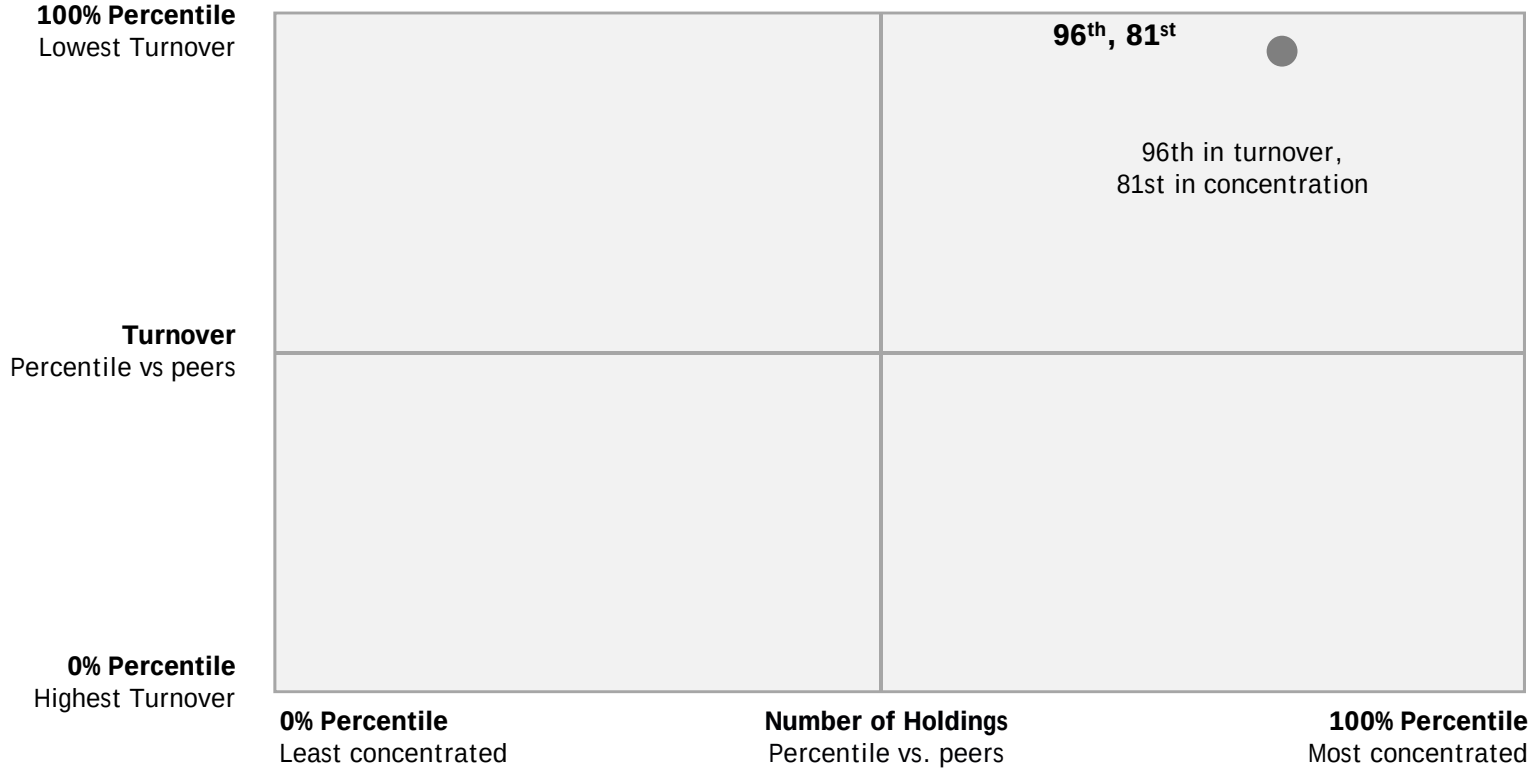
Data source: FactSet. The Manager for the Large Cap Growth Composite joined Loomis Sayles on May 19, 2010, and performance prior to that date was achieved at his prior firm. As required by GIPS, the prior performance information is being included as part of the Loomis Sayles Large Cap Growth Composite. Attribution analysis is shown for a representative account as supplemental information. Due to systems limitations it is difficult to analyze attribution on a composite basis. This representative account was selected because it closely reflects the Loomis Sayles Large Cap Growth investment strategy. Due to guideline restrictions and other factors, there is some dispersion between the returns of this account and other accounts managed in the Large Cap Growth investment style. The representative account was initiated on May 19, 2010. The Disclosure Statement at the end of this presentation displays performance, including dispersion, for the Loomis Sayles Large Cap Growth Composite.
**Inception date: 7/1/2006.*

Past performance is no guarantee of future results.

characteristics

LARGE CAP GROWTH REPRESENTATIVE ACCOUNT IN EVESTMENT ALLIANCE'S LARGE CAP GROWTH UNIVERSE AS OF 12/31/2016

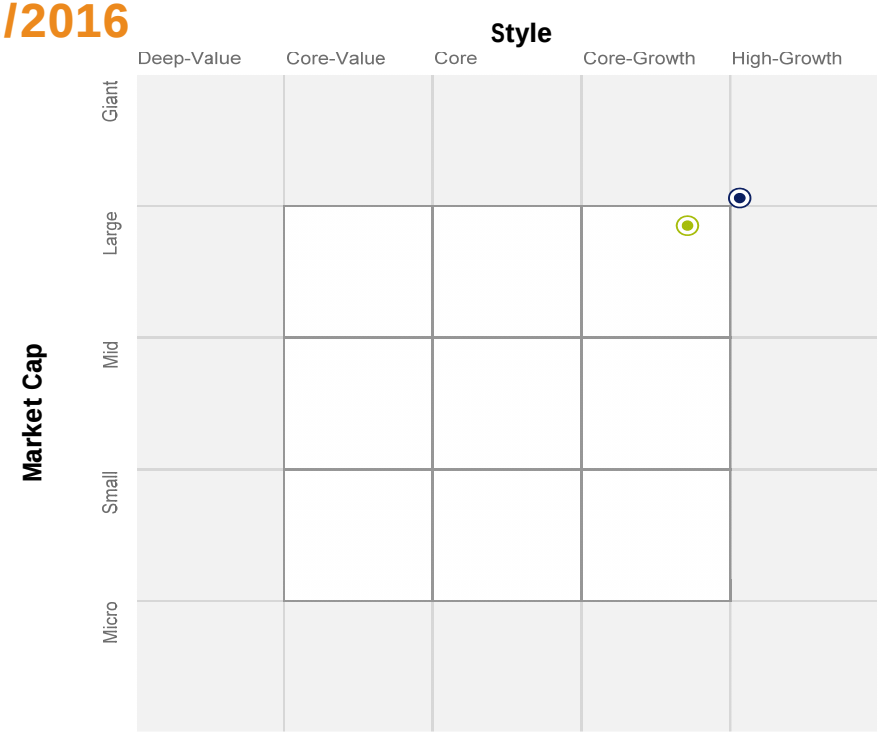
Turnover & holdings percentile vs peers



Data source: eVestment Alliance, Loomis Sayles. eVestment Alliance is the data provider for ranking calculations in the respective universe. Percentile ranking using 232 observations for turnover information (trailing 12-months) and 281 observations for number of holdings information as of 12/31/2016 (eVestment Alliance's Large Cap Growth universe). Rankings analysis is shown for a representative account as supplemental information. Due to systems limitations it is difficult to analyze characteristics on a composite basis. This representative account was selected because it closely reflects the Loomis Sayles Large Cap Growth investment strategy. Due to guideline restrictions and other factors, there is some dispersion between the returns of this account and other accounts managed in the Large Cap Growth investment style. The representative account was initiated on May 19, 2010, the day on which the Large Cap Growth Manager joined Loomis Sayles. This Disclosure Statement at the end of this presentation displays performance, including dispersion, for the Loomis Sayles Large Cap Growth composite.

characteristics

HOLDINGS-BASED STYLE MAP LARGE CAP GROWTH REPRESENTATIVE ACCOUNT AS OF 12/31/2016



●	Loomis Sayles Large Cap Growth	12/31/2016
●	Russell 1000 Growth TR USD	12/31/2016

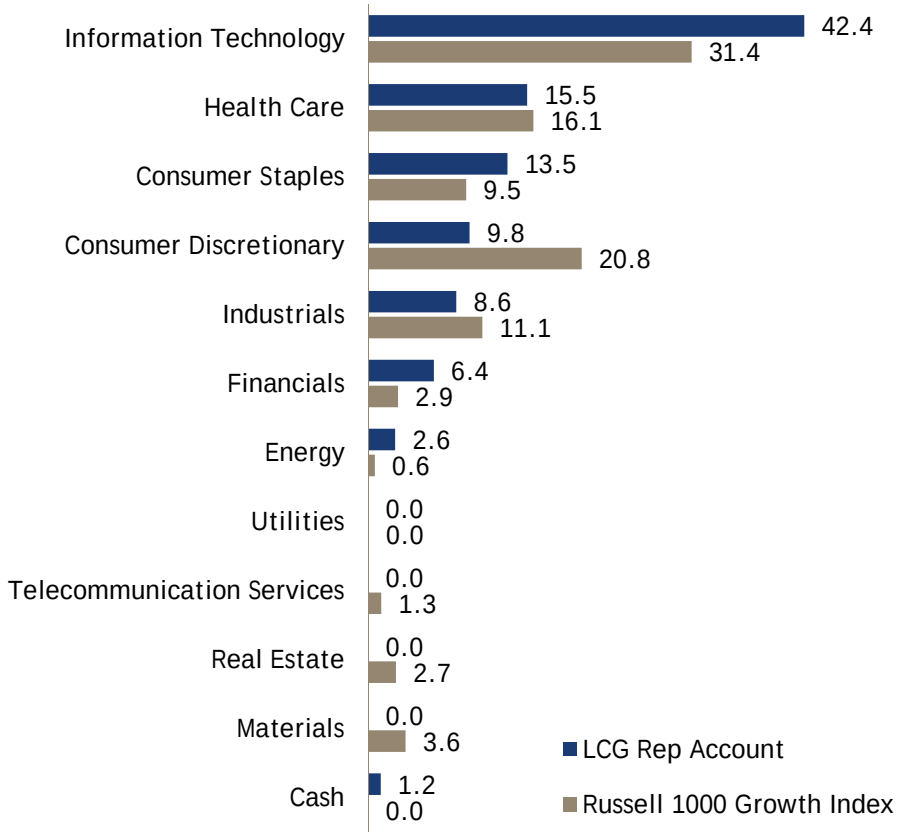
Data source: Morningstar. Style map depictions of portfolio characteristics are produced by Loomis Sayles using data and calculations provided by Morningstar, Inc. The style map estimates characteristics of a portfolio's equity holdings over two dimensions: market capitalization and valuation. Style map characteristics represent an approximate profile of the portfolio's equity holdings (e.g. domestic stocks, foreign stocks, and American Depositary Receipts), are based on historical data, and are not predictive of the portfolio's future investments. The map is updated as of the most recent year end. Although the data are gathered from reliable sources, accuracy and completeness cannot be guaranteed. Portfolio holdings analysis is shown for a representative account as supplemental information. Due to systems limitations it is difficult to analyze this data on a composite basis. This representative account was selected because it closely reflects the Loomis Sayles Large Cap Growth investment strategy. Due to guideline restrictions and other factors, there is some dispersion between the returns of this account and other accounts managed in the Large Cap Growth investment style. The representative account was initiated on May 19, 2010. The Disclosure Statement at the end of this presentation displays performance, including dispersion, for the Loomis Sayles Large Cap Growth Composite.

Past performance is no guarantee of future results.

characteristics

LARGE CAP GROWTH REPRESENTATIVE ACCOUNT AS OF 12/31/2016 (%)

SECTOR DISTRIBUTION



TOP 10 HOLDINGS*

	Portfolio Weight (%)
Amazon.com Inc	6.94
Facebook Inc	6.16
Alphabet Inc	5.94
Cisco Systems Inc	5.06
Visa Inc	4.94
Alibaba Group Holding Ltd	4.51
QUALCOMM Inc	4.30
Oracle Corp	4.14
Monster Beverage Corp	3.87
Procter & Gamble Co/The	3.28
TOTAL	**49.13**

Data source: FactSet. Characteristics analysis is shown for a representative account as supplemental information. Due to systems limitations it is difficult to analyze sector distribution on a composite basis. This representative account was selected because it closely reflects the Loomis Sayles Large Cap Growth investment strategy. Due to guideline restrictions and other factors, there is some dispersion between the returns of this account and other accounts managed in the Large Cap Growth investment style. The representative account was initiated on May 19, 2010, the day on which the Large Cap Growth Manager joined Loomis Sayles. The Disclosure Statement at the end of this presentation displays performance, including dispersion, for the Loomis Sayles Large Cap Growth Composite.
Due to active management, sector distribution and holdings will evolve over time. Top 10 Holdings may not be representative of current or future holdings.
**Holdings may combine more than one security from the same issuer and related depositary receipts. Portfolio weight calculations include accrued interest.*

characteristics

LARGE CAP GROWTH REPRESENTATIVE ACCOUNT

Holdings* by sector as of 12/31/2016

Information Technology 42.4%
Facebook Inc
Alphabet Inc
Cisco Systems Inc
Visa Inc
Alibaba Group Holding Ltd
QUALCOMM Inc
Oracle Corp
Autodesk Inc
Microsoft Corp
Automatic Data Processing Inc
Analog Devices Inc

Health Care 15.5%
Novo Nordisk A/S
Regeneron Pharmaceuticals Inc
Varian Medical Systems Inc
Novartis AG
Cerner Corp
Amgen Inc
Merck & Co Inc

Consumer Staples 13.5%
Monster Beverage Corp
Procter & Gamble Co/The
Coca-Cola Co/The
Danone SA

Consumer Discretionary 9.8%
Amazon.com Inc
Yum! Brands Inc
Yum China Holdings Inc

Industrials 8.6%
Expeditors International of Washington I
United Parcel Service Inc
Deere & Co

Financials 6.4%
SEI Investments Co
FactSet Research Systems Inc
American Express Co

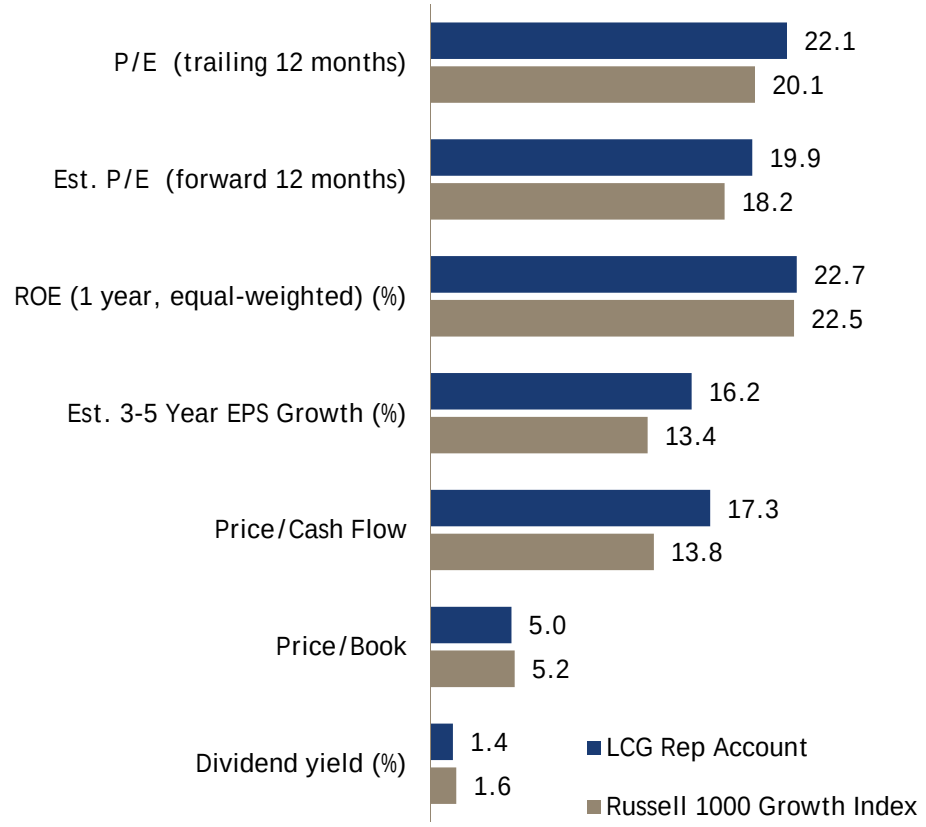
Energy 2.6%
Schlumberger Ltd

Data source: FactSet. **Boldface** *items represent top 10 holdings. Characteristics analysis is shown for a representative account as supplemental information. Due to system limitations, it is difficult to analyze this data on a composite basis. This representative account was selected because it closely reflects the Loomis Sayles Large Cap Growth investment strategy. Due to guideline restrictions and other factors, there is some dispersion between the returns of this account and other accounts managed in the Large Cap Growth investment style. The representative account was initiated on May 19, 2010, the day on which the Large Cap Growth Manager joined Loomis Sayles. The Disclosure Statement at the end of this presentation displays performance, including dispersion, for the Loomis Sayles Large Cap Growth Composite. Due to active management, sector distribution and holdings will evolve over time. Holdings may not be representative of current or future holdings.*
**Holdings may combine more than one security from the same issuer and related depositary receipts. Portfolio weight calculations include accrued interest.*

characteristics

LARGE CAP GROWTH REPRESENTATIVE ACCOUNT AS OF 12/31/2016 (%)

CHARACTERISTICS



MARKET CAPITALIZATION STATISTICS

	Representative Account	Russell 1000 Growth Index
> $50 Billion	66.62%	58.50%
$25 to 50 Billion	13.35%	16.18%
$10 to 25 Billion	8.44%	14.04%
< $10 Billion	10.39%	11.29%
Cash/Equivalents	1.21%	NA
Weighted Average ($mm)	$143,308	$136,816
Median	$79,028	$8,755
Minimum	$6,488	$202
Maximum	$483,160	$617,588

Data source: FactSet. Estimated P/E and 3-5 Year EPS Growth data are sourced from FactSet and based on pre-calculated mean long-term estimates gathered directly from brokers. Portfolio and benchmark statistics are a weighted average of company level estimates. Characteristics analysis is shown for a representative account as supplemental information. Due to systems limitations it is difficult to analyze characteristics on a composite basis. This representative account was selected because it closely reflects the Loomis Sayles Large Cap Growth investment strategy. Due to guideline restrictions and other factors, there is some dispersion between the returns of this account and other accounts managed in the Large Cap Growth investment style. The representative account was initiated on May 19, 2010, the day on which the Large Cap Growth Manager joined Loomis Sayles. The Disclosure Statement at the end of this presentation displays performance, including dispersion, for the Loomis Sayles Large Cap Growth Composite.

Past performance is no guarantee of future results.

research from a global perspective

GLOBAL VALUE CHAIN ANALYSIS

We believe the qualities that make a business great are universal in nature. Regardless of location or domicile, structural drivers for sound investment decision making and analysis such as basic business characteristics, competitive advantage, business model, financial strength, management, growth drivers and valuation remain the same.

Who will capture the value an industry creates?

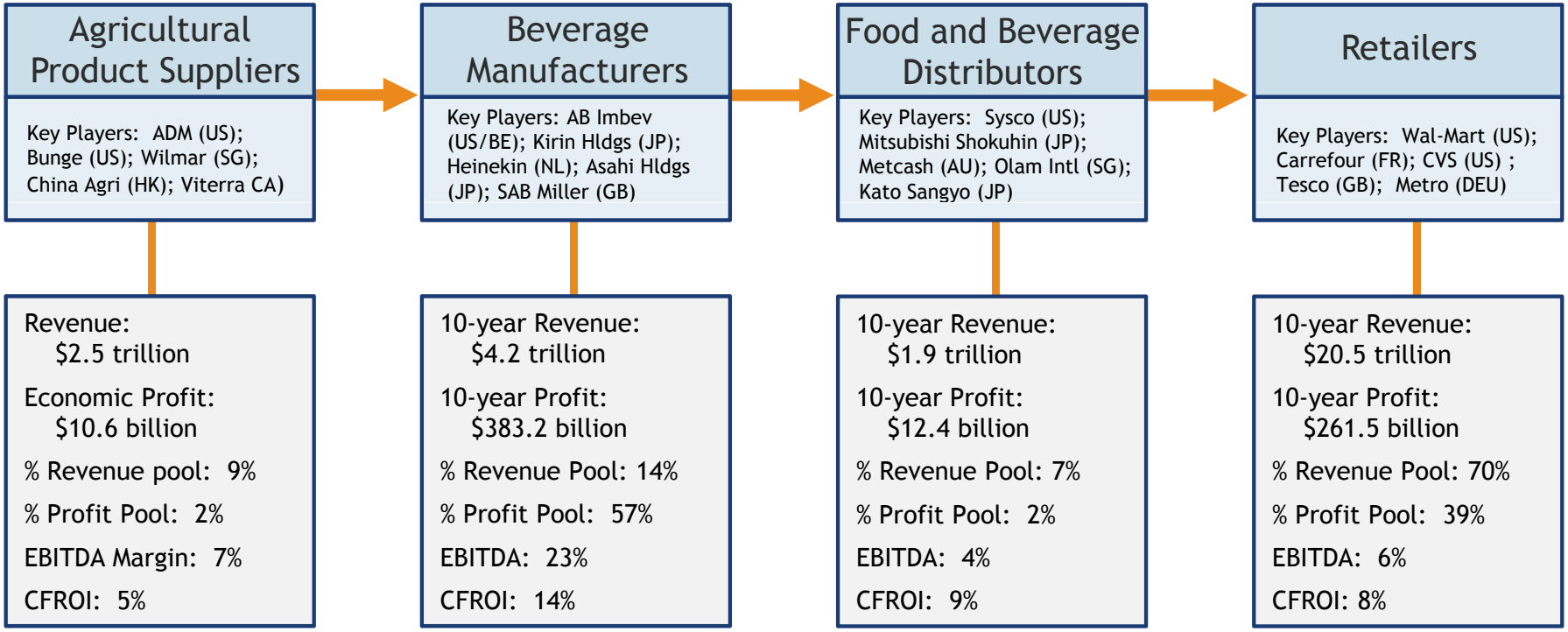
- Porter's* Five Forces: rivalry among existing competitors, power of buyers, power of suppliers, threat of new entrants, threat of substitutes
- An industry analysis using the Porter framework gives us insights about:
  - How the industry works
  - How it creates value
  - Who captures value

**Michael Porter is an economist, researcher, author, advisor, speaker and teacher at Harvard University.*
This reflects the current opinions of the investment team, and views are subject to change at any time without notice. Other industry analysts and investment personnel may have different views and opinions.

research from a global perspective

GLOBAL VALUE CHAIN ANALYSIS EXAMPLE

Global Beer Industry



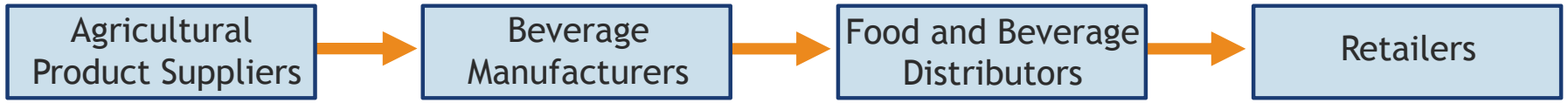
Source: Credit Suisse Holt. As of 7/31/2015.
Industry financial data based on trailing 10-year cumulative data. Examples are provided to illustrate the investment process for the strategy used by Loomis Sayles and are not to be considered recommendations for action by investors and they may not be representative of the fund's current or future investments. They have not been selected based on performance and we make no representation that they have had a positive or negative return during any holding period.

research from a global perspective

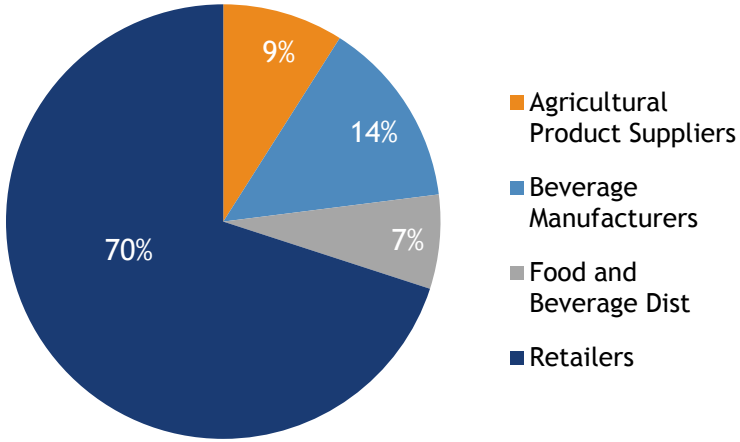
GLOBAL VALUE CHAIN ANALYSIS EXAMPLE

Global Beer Industry

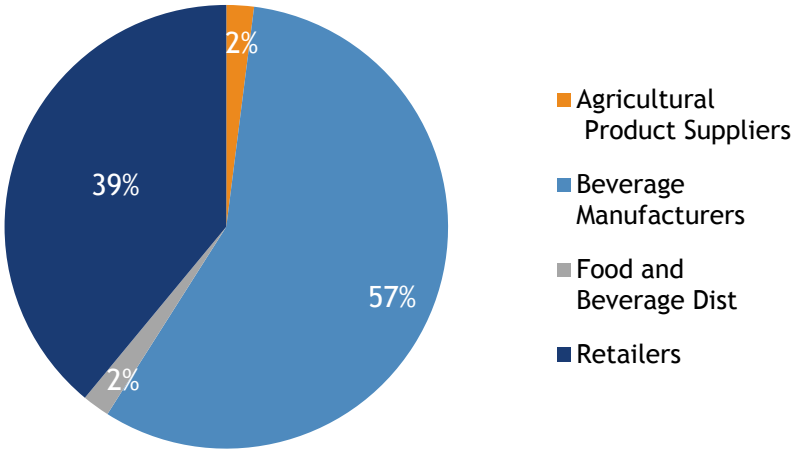
- The point is to earn profits on a sustained basis in the long term
- Profits flow to differentiated competitors



10-Year Revenue Pool



10-Year Profit Pool



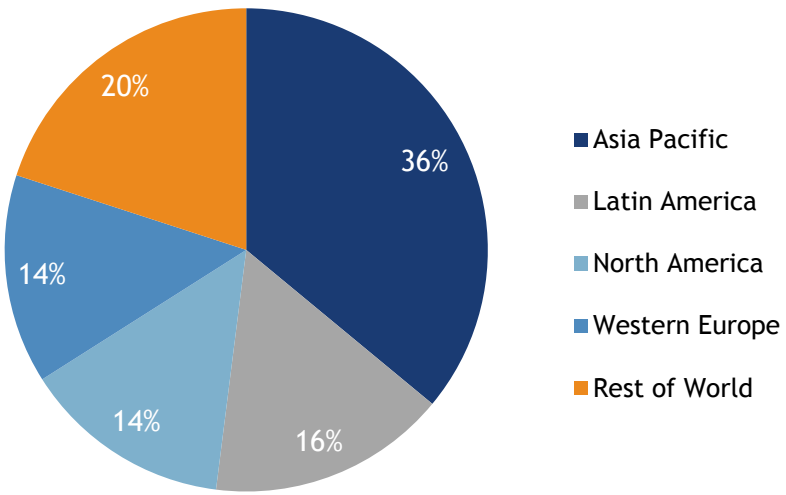
Source: Credit Suisse Holt. As of 7/31/2015.
Industry financial data based on trailing 10-year cumulative data. Examples are provided to illustrate the investment process for the strategy used by Loomis Sayles and are not to be considered recommendations for action by investors and they may not be representative of the fund's current or future investments. They have not been selected based on performance and we make no representation that they have had a positive or negative return during any holding period.

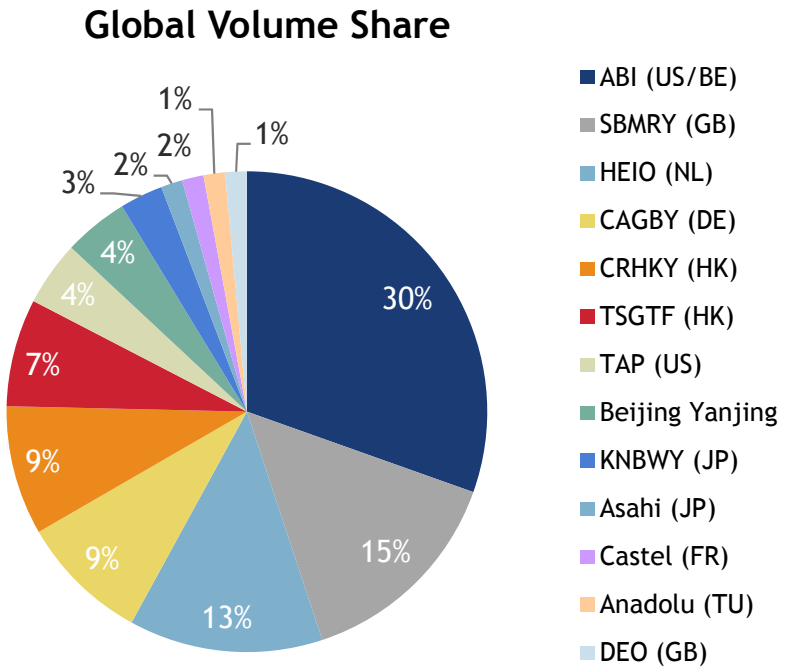
research from a global perspective

GLOBAL VALUE CHAIN ANALYSIS EXAMPLE

Global Beer Industry

- Beer is a global business
- Many players have meaningful global market share





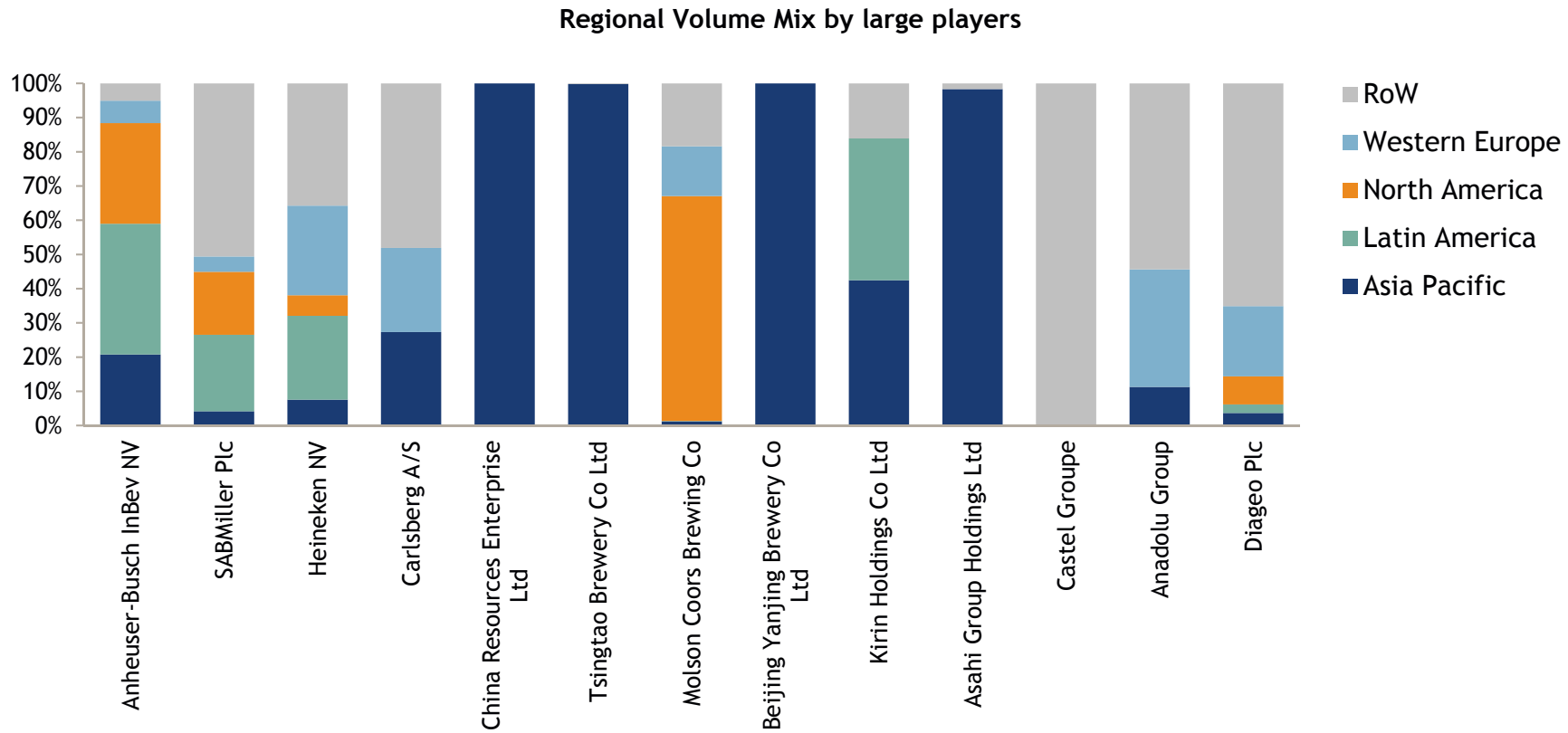
Source: Euromonitor. As of 12/31/2014. Examples are provided to illustrate the investment process for the strategy used by Loomis Sayles and are not to be considered recommendations for action by investors and they may not be representative of the fund's current or future investments. They have not been selected based on performance and we make no representation that they have had a positive or negative return during any holding period.

research from a global perspective

GLOBAL VALUE CHAIN ANALYSIS EXAMPLE

Global Beer Industry

- Competitive landscape differs by market and product category requiring a deep understanding of all players



Source: Euromonitor. As of 12/31/2014. Examples are provided to illustrate the investment process for the strategy used by Loomis Sayles and are not to be considered recommendations for action by investors and they may not be representative of the fund's current or future investments. They have not been selected based on performance and we make no representation that they have had a positive or negative return during any holding period.

TEAM BIOGRAPHIES – INVESTMENT TEAM

Aziz V. Hamzaogullari, CFA

Aziz Hamzaogullari is a vice president of Loomis, Sayles & Company and portfolio manager of the Loomis Sayles large cap, global and all cap growth strategies, including the Loomis Sayles Growth and Global Growth mutual funds and products outside the US. He is the head of the Loomis Sayles growth equity strategies team. Aziz joined Loomis Sayles in 2010 from Evergreen Investments where he was a senior portfolio manager. He joined Evergreen in 2001, was promoted to director of research in 2003 and portfolio manager in 2006. Aziz was head of Evergreen's Berkeley Street Growth Equity team and was the founder of the research and investment process. Prior to Evergreen, Aziz was a senior equity analyst and portfolio manager at Manning & Napier Advisors. He has 23 years of investment industry experience. Aziz earned a BS from Bilkent University, Turkey, and an MBA from George Washington University. He is also a member of the Boston Security Analysts Society.

Brian P. Coyle, CFA

Brian Coyle is a vice president of Loomis, Sayles & Company and a senior equity analyst for the growth equity strategies team. He is responsible for covering information technology companies, internet retail companies and education services in the consumer discretionary sector, asset management and specialty finance companies in the financials sector, and consulting and human resource services companies in the industrials sector. Brian joined Loomis Sayles in 2010 from Evergreen Investments where he was an equity research analyst for the Berkeley Street Growth Equity team supporting the large cap growth and all cap growth strategies since their inception. He has 16 years of investment industry experience. Brian earned a BS and an MBA from Babson College. He is also a member of the Boston Security Analysts Society.

Peter V. Linnard

Peter Linnard is a vice president of Loomis, Sayles & Company and a senior equity analyst for the growth equity strategies team covering healthcare and levered financial companies. Peter joined Loomis Sayles in 2010 from Evergreen Investments where he was an equity research analyst for the Berkeley Street Growth Equity team, supporting the large cap growth and all cap growth strategies since their inception. He has 17 years of investment experience. Peter earned an undergraduate degree from the University of Massachusetts at Amherst and an MBA from Boston College.

TEAM BIOGRAPHIES – INVESTMENT TEAM

Rayon K. Ward, CFA

Rayon Ward is a vice president of Loomis, Sayles & Company and a senior equity analyst for the growth equity strategies team covering consumer staples and consumer discretionary companies. He also covers hardware, semiconductor, and communication equipment companies in the information technology sector. Rayon joined Loomis Sayles in 2010 from Evergreen Investments where he was an equity research analyst for the Berkeley Street Growth Equity team supporting the large cap growth and all cap growth strategies since their inception. He has 14 years of investment industry experience. Rayon earned a BS in actuarial science and an MS in economics from the University of the West Indies, and an MS in finance from Bentley University. He is also a member of the Boston Security Analysts Society.

Igor M. Chan, CFA

Igor Chan is a vice president of Loomis, Sayles & Company and an equity analyst for the growth equity strategies team covering energy, industrials and materials companies. Igor joined Loomis Sayles in 2010 from EMC where he was a business operations analyst. He has seven years of investment industry experience. Igor earned a BS and an MS in finance from Bentley University. He is also a member of the Boston Security Analysts Society.

Ryan Hill

Ryan Hill is an equity analyst for the growth equity strategies team at Loomis, Sayles & Company covering healthcare companies. Ryan joined Loomis Sayles in 2014 after completing the MBA program at Duke University, during which time he interned for William Blair & Company in Chicago as an equity research analyst. Previously, Ryan was a mechanical engineer at Waters Corporation for three years where he invented a patent-pending carbon dioxide detection technology and later was a design engineer/technologist at GE Aviation for two years. Ryan earned a BS and an MS in mechanical engineering from Boston University.

Lawrence Keegan, CFA

Lawrence Keegan is an equity analyst for the growth equity strategies team at Loomis, Sayles & Company covering consumer staples and consumer discretionary companies. Lawrence joined Loomis Sayles in 2012 as a fixed income operations analyst and was promoted to equity research associate in 2013. In 2016, Lawrence was promoted to equity analyst. He has six years of investment industry experience. Lawrence earned a BA and an MBA with a concentration in finance from Suffolk University. He is also a member of the Boston Security Analysts Society.

TEAM BIOGRAPHIES – PRODUCT MANAGEMENT TEAM

Dedicated Large Cap Growth product managers who are fully embedded with the investment team serve as investment strategy experts and business managers. Product managers represent the strategy in the majority of client and prospect meetings largely so that the investment team is able to remain focused on and dedicated to their primary responsibility, managing investor assets.

Hollie C. Briggs, CFA

Hollie Briggs is a vice president of Loomis, Sayles & Company and product manager for the growth equity strategies team where she supports the large cap, global and all cap growth strategies. Hollie joined Loomis Sayles in 2012 from Evergreen Investments where she was senior vice president and lead portfolio specialist for the Berkeley Street Growth Equity team supporting the large cap growth and all cap growth strategies. Prior to Evergreen, Hollie was a senior vice president and product specialist at Pyramis Global Advisors responsible for equity products in the 401(k) channel. Hollie has also held leadership roles in business development and marketing at John Hancock and Prudential Financial. She began her investment industry career as vice president and controller for the broker-dealer subsidiary at Wells Fargo. She has 23 years of investment industry experience. Hollie earned a BA from the University of California, Santa Cruz and an MA from Middlebury College. She is also a member of the Boston Security Analysts Society.

Adam Mushaweh, CFA

Adam Mushaweh is an associate product manager for the growth equity strategies team at Loomis, Sayles & Company where he supports the large cap, global and all cap growth strategies. Adam joined Loomis Sayles in 2012 as a strategy analyst for the firm's risk oversight group and was promoted in 2013 to associate product manager. Previously, Adam conducted manager due diligence as an analyst at Old Mutual Asset Management. Adam began his career as a risk management consultant at KPMG Advisory. He has eight years of investment industry experience. Adam earned a BS and an MS in finance from Bentley University. He is also a member of the Boston Security Analysts Society.

John P. O'Shea, CFA

John O'Shea is a vice president of Loomis, Sayles & Company and product manager for the growth equity strategies team where he supports the large cap, global and all cap growth strategies. John joined Loomis Sayles in 2016 from JPMorgan where he spent 12 years, most recently as an executive director on the manager selection team. Previously, he was a vice president in private equity for Rosemont Partners. He has 19 years of investment industry experience. John earned a BA from Dartmouth College and an MBA from New York University Stern School of Business. He is also a member of the New York Security Analysts Society.

eSERVICE

Our web-based, client reporting application is designed to provide fast and easy access to account information

- Monthly, quarterly & historical client reporting
- Variety of reports available
- Account, management team & contact information
- Reports may be viewed, printed & saved in Adobe Acrobat PDF or Microsoft Excel format
- Investment Updates

REPORTS

PDF Excel

Portfolio Appraisal
Portfolio Summary Equity (Gross)
Purchase and Sales
Quarterly Mailer

Ctrl-click to select multiple PDI

RUN REPORTS

PERFORMANCE

as of 10-31-2013

Period	Account	Index

ACCOUNT INFORMATION

Asset Class
Equity

Product
Large Cap Growth

Portfolio Managers

Client Portfolio Manager

Portfolio Analyst

MACRO & MARKET COMMENTARY

Short-Duration Credit Solutions (05/2015)
Bond Market Review & Outlook (Q1 2015)
Of Cabbages and Steel: China's Convergence Trade (4/2015)
Equity Market Review & Outlook (Q1 2015)
Sector Teams Outlook 2015 (3/2015)
Top Five Macro Themes for 2015 (1/2015)
Strategic Alpha: A Case for Nontraditional Absolute Return Fixed Income (10/2014)
Bank Loans: Looking Beyond Interest Rate Expectations (5/2014)
LDI Derisking: Will Supply Meet Demand? (8/2014)
Labor Strikes in China: Shifting Demographics & Economic Rebalancing (5/2014)
First Quarter Macro Insights (04/14/2015)
Time to Rethink Emerging Market Debt Mandates? (9/2014)
Large Cap Growth Alpha Thesis: Seeking Risk-Adjusted Returns (12/2012)
Pursuing Consistent SMID Growth Returns (7/2014)
The Disciplined Alpha Process: Finding Value and the Ingredients of PI (8/2014)

FEE SCHEDULE

Annual rates applied to separate account assets under management

0.575% on the first $20 million

0.50% on the next $30 million

0.45% on the next $50 million

0.40% on value over $100 million

Minimum account size: $20 million

Minimum annual fee: $115,000

Additional information about fees can be found in Loomis Sayles' Form ADV, which is available upon request.

KEY INVESTMENT RISKS

Equity Risk The risk that the value of stock may decline for issuer-related or other reasons.

Market Risk The risk that the market value of a security may move up or down, sometimes rapidly and unpredictably, based upon a change in market or economic conditions.

Non-US Securities Risk The risk that the value of non-US investments will fall as a result of political, social, economic or currency factors or other issues relating to non-US investing generally. Among other things, nationalization, expropriation or confiscatory taxation, currency blockage, political changes or diplomatic developments can negatively impact the value of investments. Non-US securities markets may be relatively small or underdeveloped, and non-US companies may not be subject to the same degree of regulation or reporting requirements as comparable US companies. This risk is heightened for underdeveloped or emerging markets, which may be more likely to experience political or economic stability than larger, more established countries. Settlement issues may occur.

Smaller or Mid-Sized Companies Risk The risk that the equity securities of these companies may be subject to more abrupt price movements, limited markets and less liquidity than investments in larger, more established companies.

Liquidity Risk The risk that the Strategy may be unable to find a buyer for its investments when it seeks to sell them.

COMPOSITE DISCLOSURE STATEMENT as of 12/31/2016

Firm Loomis, Sayles & Company, L.P. ("Loomis Sayles") is an autonomous investment advisory firm registered under the Investment Advisers Act of 1940. Registration does not imply a certain level of skill or training.

Selection Criteria for the Large Cap Growth Composite ("Composite") The Composite includes all separate and commingled discretionary accounts with market values greater than $1 million managed by Loomis Sayles that seek to produce long-term excess returns at or below benchmark risk over a full market cycle relative to the Russell 1000 Growth Index and generally within the market capitalization range of the Index. As of 6/1/2013 the Composite was redefined to include commingled vehicles, previously only separate accounts were included. The Composite was created in 2010.

Loomis Sayles claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with GIPS standards. Loomis Sayles has been independently verified for the periods January 1, 1999 through December 31, 2015. The verification reports are available upon request.

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. Verification does not ensure the accuracy of any specific composite presentation.

Benchmark The benchmark for the Composite is the Russell 1000 Growth ("Index"). The 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-book ratios and higher forecasted growth values. The Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The investment portfolio underlying the Index is different from the investment portfolios of the accounts included in the Composite. The Index is used for comparative purposes only, is not intended to parallel the risk or investment style of the accounts in the Composite, and does not reflect the impact of fees and trading costs. The source of all data regarding the Index is Russell.

Calculation Methodology Gross of fee account returns are time-weighted rates of return, net of commissions and transaction costs. Net of fee account returns are the gross returns less the effective management fee for the measurement period. Beginning April 1, 2015 the effective fee for an account is derived by using beginning of measurement period assets and the standard fee schedule for the Composite to calculate an annual fee amount. Prior to April 1, 2015 the effective fee for an account was derived by using beginning of measurement period assets and the specific fee schedule for each account to calculate an annual fee amount. The fee amount is divided by the assets for an annual effective fee. The monthly effective fee is based on 1/12 of the annual effective fee.

All performance results are expressed in US dollars. Performance results include the reinvestment of dividends and other earnings on holdings in the Composite and Index. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Loomis Sayles's advisory fees are presented below and may also be found in Part II of Form ADV.

Annual Rates Applied to Assets Under Management 0.575% on the first $20 million; 0.50% on the next $30 million; 0.45% on the next $50 million; 0.40% on value over $100 million; Minimum account size: $20 million; Minimum annual fee: $115,000

COMPOSITE DISCLOSURE STATEMENT as of 12/31/2016

Large Cap Growth Composite

Period	Composite Gross Return (%)	Composite Net Return (%)	Russell 1000 Growth Index (%)	Composite 3-Year St Dev* (%)	Benchmark 3-Year St Dev* (%)	Number of Portfolios in Composite End of Period	Internal Dispersion of Returns** (%)	Composite Total Assets End of Period (USD M)	Total Firm Assets End of Period (USD M)
2016	6.54	6.10	7.08	12.30	11.15	44	0.18	18,001	240,193
2015	11.00	10.58	5.67	11.95	10.70	39	0.15	13,398	229,126
2014	11.75	11.41	13.05	10.36	9.59	26	0.34	9,016	230,229
2013†	36.83	36.37	33.48	11.98	12.18	22	0.10	5,446	199,777
2012	19.77	19.31	15.26	16.01	15.66	9	0.09	288	186,115
2011	1.95	1.56	2.64	17.64	17.76	9	0.08	252	162,606
2010	14.13	13.57	16.71	21.69	22.11	9	N/M	293	151,550
2009	41.24	40.45	37.21	18.83	19.73	≤5	N/M	344	N/A
2008	-28.04	-28.47	-38.44	N/A[1]	N/A[1]	≤5	N/M	242	N/A
2007	11.79	11.15	11.81	N/A[1]	N/A[1]	≤5	N/M	379	N/A

**The three year annualized standard deviation measures the variability of the gross composite returns and the benchmark returns over the preceding 36-month period.*
***The internal dispersion of returns presented reflects the annual equal weighted standard deviation and is calculated as the average dispersion from the mean return of all accounts included in the Composite for the entire year.*
N/A - The Large Cap Growth Manager joined Loomis Sayles on May 19, 2010 and accordingly the total firm assets are only applicable since that date. Asset levels prior to that date reflect assets managed at his prior firm. Firm assets in the Composite on May 19, 2010 were $10 million.
N/A[1] – There are fewer than 36 months since the Composite inception.
N/M - Measures of internal dispersion with five or fewer accounts for the entire period are not considered meaningful.
†As of June 1, 2013 the Composite was redefined to include commingled vehicles, previously only separate accounts were included.

The firm's list of composite descriptions is available upon request.

Past performance is no guarantee of future results.

SGA
Sustainable Growth Advisers

U.S. Large Cap Growth Equity

April 21st, 2017| Prepared for **The City of Jacksonville Police & Fire Pension Fund**

Our Investment Philosophy

Identify only those few ***differentiated*** global businesses that offer ***predictable, sustainable growth over the long term.***

Conduct deep company research with coverage by multiple analysts to enhance objectivity.

Include ***Valuation*** as an essential element of growth stock selection; cash flow metrics best reflect reality.

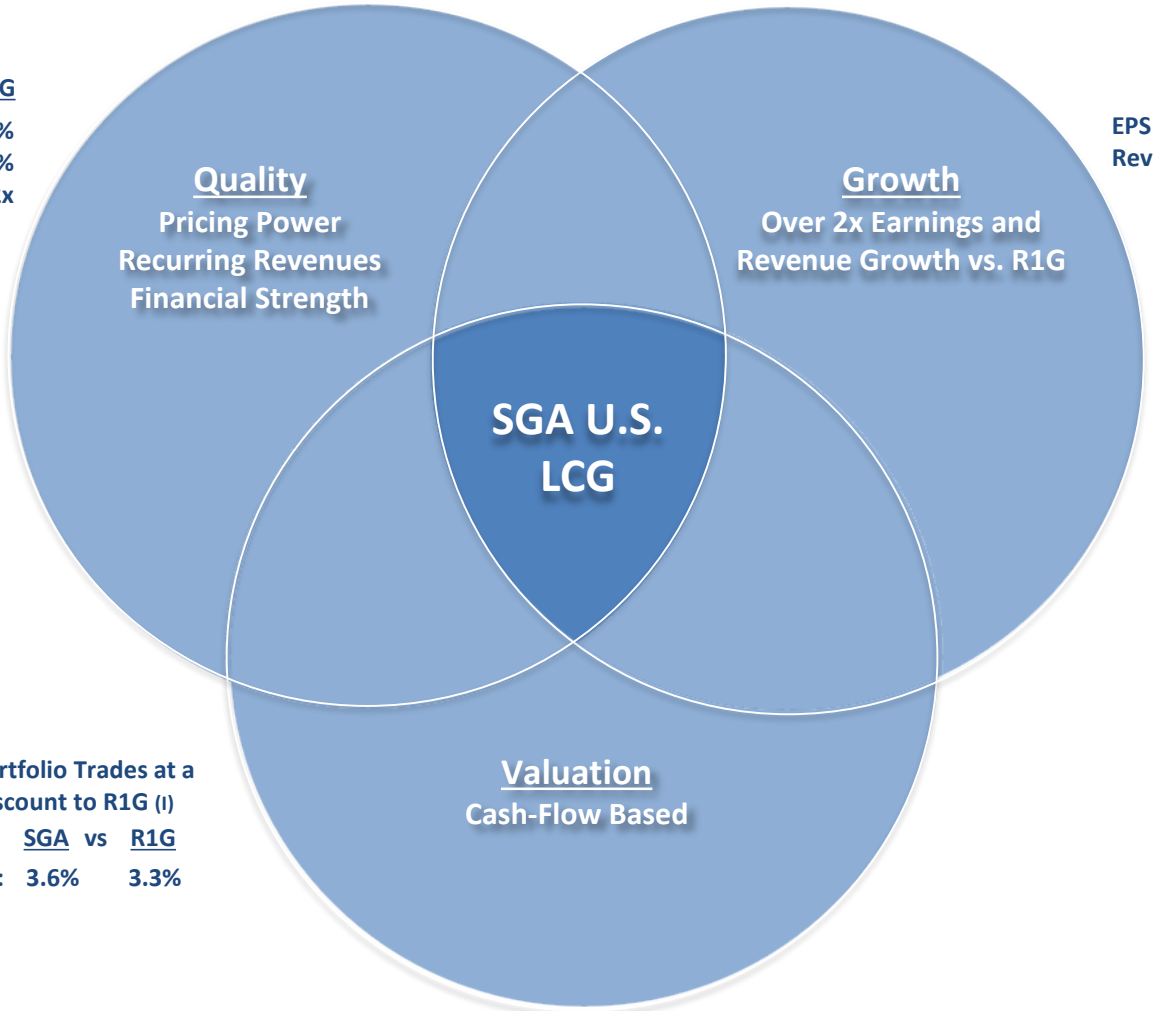
Focus on a ***longer-term time horizon*** to take advantage of short-term inefficiencies and volatility.

Invest with conviction based solely on opportunity *and not benchmark active weights.*

SGA U.S. Large Cap Growth Portfolio

	SGA	vs	R1G
Gross Margin:	39%		35%
Cash Flow/Earnings:	98%		67%
Debt/EBITDA:	1.8x		2.2x

	SGA	vs	R1G
EPS Growth:	13.6%		6.2%
Revenue Growth:	11.4%		5.3%



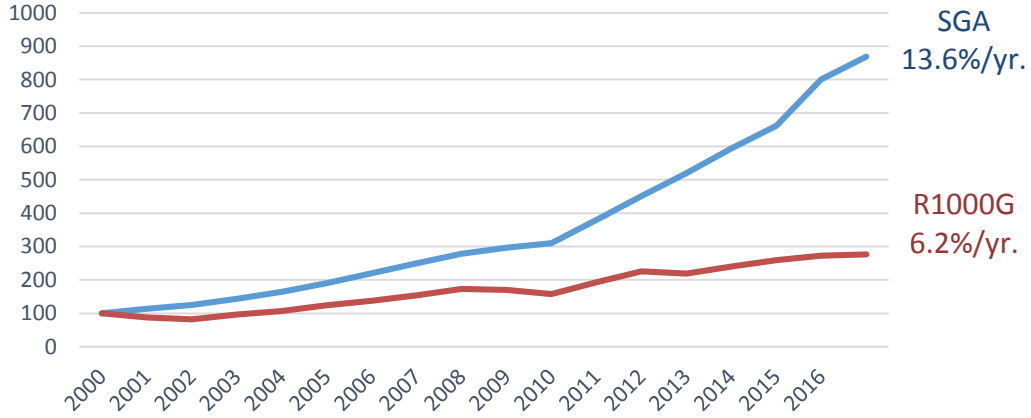
Portfolio Trades at a Discount to R1G (I)

	SGA	vs	R1G
EY:	3.6%		3.3%

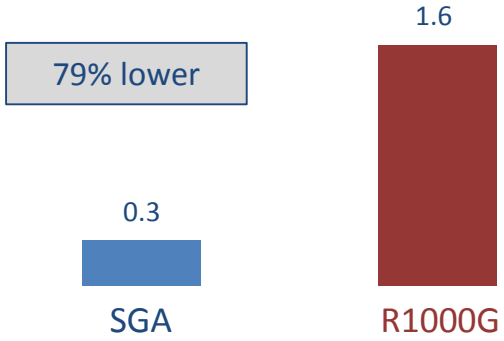
Cash Earnings Ratio is a measure of proportion of earnings that is converted into cash (CFATS / Earnings). Cash Flow Available To Shareholders (CFATS) = Op Cash Flow – Cap X – Sustaining Acquisitions – Unfunded Obligations (pensions, legal). Enterprise yield (EY) is a proprietary measure of the free cash flow truly available to investors as a percentage of market value (CFATS / Market Capitalization). (I) based on enterprise yield calculations. Source: Bloomberg, FactSet, and SGA estimates and adjustments. Data as of 3/31/17. C/E Ratio, EY exclude financials. SGA C/E ratio and Enterprise Yield projected. Earnings Growth data is through 12/31/2016 (last full calendar year of reported EPS data) for SGA's longest tenured account. SGA EPS Growth data is based upon portfolio companies non-GAAP operating earnings. EPS and Revenue Growth are historical values since inception of the U.S. Large Cap Growth composite, 4/1/2000. Performance presented prior to July 1, 2003 occurred prior to the inception of the firm and represents the portable performance record established by two of SGA's founders (and investment committee members) Gordon Marchand and George Fraise while affiliated with a prior firm. The portability track record was examined by Ashland Partners & Company, LLP.

Higher Growth with Lower Volatility

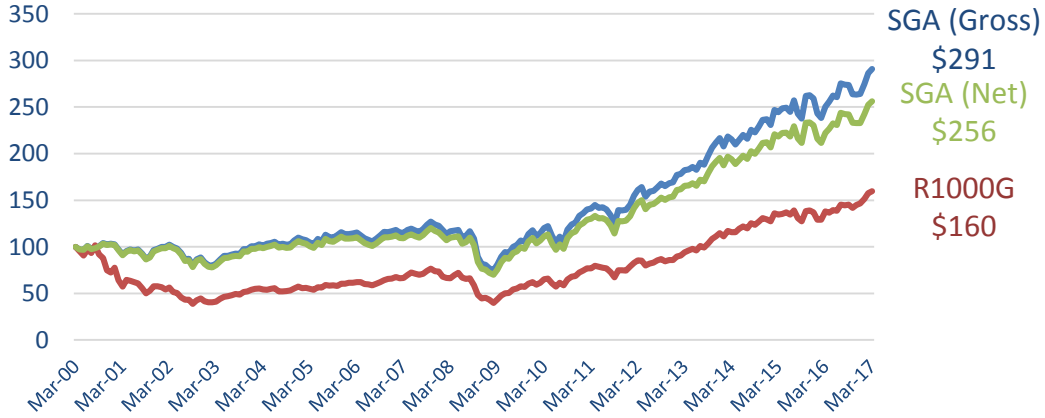
Earnings Growth



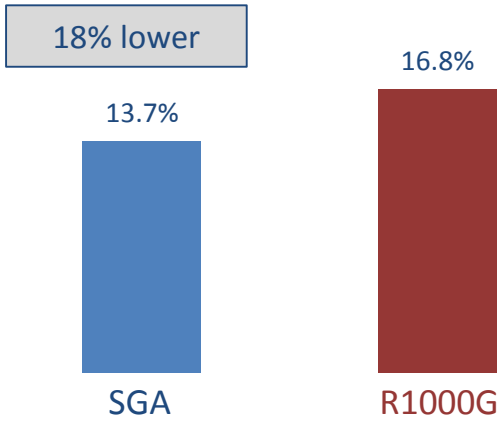
Earnings Volatility



Growth of $100



Return Volatility



Returns (gross and net of fees through 3/31/2017) are those of the SGA U.S. Large Cap Growth Equity composite. Source: Bloomberg, FactSet, Baseline, and SGA Estimates and Adjustments. Earnings Growth and Volatility data is through 12/31/2016 (last full calendar year of reported EPS data) for SGA's longest tenured account. SGA EPS Growth data is based upon portfolio companies non-GAAP operating earnings. Returns reflect the reinvestment of dividends, interest and other earnings. For interest and capital gains, SGA does not withhold taxes, for dividends SGA will withhold taxes as reported by the client's custodian. The Net Returns are calculated based upon the highest published fees. The net performance has been reduced by the amount of the highest published fee that may be charged to SGA clients, 0.75%, employing the U.S. Large Cap Growth equity strategy during the period under consideration. Actual fees charged to clients may vary depending on, among other things, the applicable fees schedule and portfolio size. SGA's fees are available upon request and also may be found in Part 2A of its Form ADV. SGA U.S. Large Cap Growth composite inception is 4/1/2000. The performance record presented for periods prior to July 1, 2003 occurred before to the inception of SGA, and represents the portable performance record established by two of SGA's founders (and investment committee members) Gordon Marchand and George Fraise while affiliated with a prior firm. This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document. Earnings volatility data presented is coefficient of variation, which is standard deviation relative to the mean. Return volatility data presented is standard deviation.

SGA Performance – U.S. LCG Composite

Rolling Data	Q1 2017	1 – Year	3 – Year	5 – Year	7 – Year	10 – Year	Since Inception
SGA U.S. LCG (Gross)	**10.2%**	**16.2%**	**10.6%**	**12.6%**	**13.5%**	**9.7%**	**6.5%**
Russell 1000 Growth Index	8.9%	15.8%	11.3%	13.3%	13.7%	9.1%	2.8%
S&P 500 Index	6.1%	17.2%	10.4%	13.3%	12.9%	7.5%	4.7%

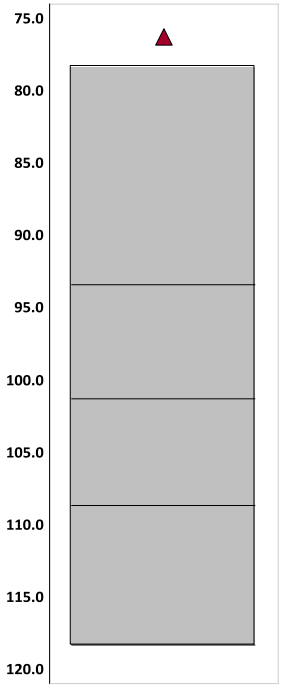
Calendar Year	2016	2015	2014	2013	2012	2011	2010	2009
SGA U.S. LCG (Gross)	**1.8%**	**9.4%**	**9.4%**	**28.0%**	**21.1%**	**4.9%**	**13.2%**	**46.2%**
Russell 1000 Growth Index	7.1%	5.7%	13.0%	33.5%	15.3%	2.6%	16.7%	37.2%
S&P 500 Index	12.0%	1.4%	13.7%	32.4%	16.0%	2.1%	15.1%	26.5%

Trailing returns and since inception are gross annualized and as of 3/31/2017. The performance figures shown do not reflect the deduction of investment advisory fees. The prospective return will be reduced by advisory fees and any other expenses incurred in the management of the account. SGA's fees are available upon request and also may be found in Part 2A of its Form ADV. SGA U.S. Large Cap Growth composite inception is 4/1/2000. The performance record presented for periods prior to July 1, 2003 occurred before to the inception of SGA, and represents the portable performance record established by two of SGA's founders (and investment committee members) Gordon Marchand and George Fraise while affiliated with a prior firm. Returns reflect the reinvestment of dividends, interest and other earnings. For interest and capital gains, SGA does not withhold taxes, for dividends SGA will withhold taxes as reported by the client's custodian. This information is supplemental & complements full disclosure presentation on composite performance found on the last pages of this document. It should not be assumed that future results will be reflective of past performance

Lower Volatility Risk vs Peers

Downside Capture

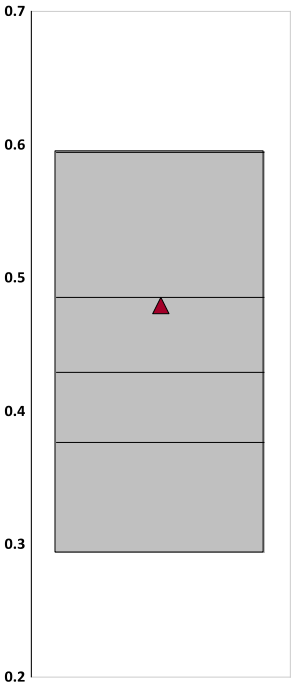
Downside capture is a statistical measure showing the percentage of market return an investment manager captures in periods when the market is down. A lower capture ratio indicates the manager outperforming in down markets. The downside capture ratio provides insight to the level of downside protection the manager has historically delivered.



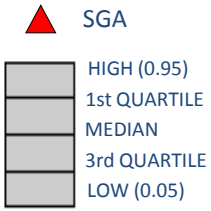
Rank: 5th

Sharpe Ratio

The Sharpe Ratio is a measure for calculating risk-adjusted return, and this ratio has become the industry standard for such calculations. It was developed by Nobel laureate William F. Sharpe. The Sharpe ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk.



Rank: 29th



Data is from 1/1/2007 to 12/31/2016. Source is FactSet SPAR. Universe is Investment Metrics U.S. Large Cap Growth Equity. Peer size is 229. Peer universe data and SGA data based on gross returns and do not reflect the deduction of investment advisory fees. SGA's fees are available upon request and also may be found in Part 2A of its Form ADV. Actual fees charged to clients may vary depending on, among other things, the applicable fees schedule and portfolio size. It should not be assumed that future results will be reflective of past performance.

Organization – Investment Team

George Fraise, Founding Principal

Years with SGA: **13**
Years in Industry: **31**

Experience:
- Yeager, Wood, Marshall – Officer, Director
- Scudder Kemper – Portfolio Manager
- Chancellor Capital – Analyst

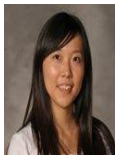
NYU, Stern – MBA, Trinity College – BA

Kishore Rao, Principal

Years with SGA: **12**
Years in Industry: **26**

Experience:
- Trident Capital – Investment Analyst
- Street Events/CCBN – Founder
- Tiger Management – Analyst

Harvard Business School – MBA, Carnegie Mellon – BS



Luying Wang, Research Analyst

New Addition: **Anticipated Start Date July 2017**
Years in Industry: **6**

Experience:
- PIMCO – Business Analyst, Portfolio Management Applications
- Deloitte Consulting - Consultant

U of Chicago, Booth – MBA July 2017, U of Michigan – MSE

Gordon Marchand, CPA, CFA, CIC, Founding Principal

Years with SGA: **13**
Years in Industry: **35**

Experience:
- Yeager, Wood, Marshall – Director IPC
- Price Waterhouse – Manager
- Grant Thornton International – CPA

UMass Amherst – MBA, Georgetown University – BA

Tucker Brown, Principal

Years with SGA: **10**
Years in Industry: **22**

Experience:
- Goldman Sachs – VP Equity Research
- Brown Brothers Harriman – Fund Accountant

The Wharton School – MBA, Bucknell University – BA

Peter Madej, CMT, Research Analyst

Years with SGA: **11**
Years in Industry: **27**

Experience:
- Valenzuela Capital – VP Client Services
- Avatar Associates – Senior Marketing Associate
- U.S. Trust Co. – Client Associate

Williams College – BA

Rob Rohn, Founding Principal

Years with SGA: **13**
Years in Industry: **34**

Experience:
- W.P Stewart & Co – CEO, PM, Analyst
- Yeager, Wood, Marshall – VP
- Morgan Guarantee Trust – Finance Officer

Harvard Business School – MBA, Dartmouth – BA

Hrishikesh (HK) Gupta, Principal

Years with SGA: **3**
Years in Industry: **14**

Experience:
- MDR Capital – Senior Analyst
- Iridian Asset Management – Associate Director
- Amazon.com – Product/Program Manager

NYU Stern – MBA, UC-SD – MS, Indian Inst. of Tech. – BA

Steve Skatrud, CFA, Client Portfolio Manager

Years with SGA: **3**
Years in Industry: **33**

Experience:
- Russell Investments – Head, US Equity Research, Portfolio Manager
- Harnischfeger Ind. – Director of Investments

Washington University – MBA, Beloit College – BA

Alexandra Lee, MD, Principal

Years with SGA: **12**
Years in Industry: **17**

Experience:
- Bear Stearns – Associate Director & VP
- JP Morgan – Associate Analyst
- Practicing MD in Korea

Harvard Business School – MBA, Yonsei University – MD

David Oh, Principal

Years with SGA: **3**
Years in Industry: **17**

Experience:
- Alinda Capital – VP
- Third Point – Research Analyst
- Sempra Energy – Principal

Harvard Business School – MBA, Yale University – BA

Patrick Holway, CFA, CAIA, CIC, Client Portfolio Manager

Years with SGA: **6**
Years in Industry: **16**

Experience:
- Hirtle Callaghan – VP, Investment Policy Committee
- Vanguard Group – Investor Information Associate

Penn State University – BA

Organization

Location	Assets	Staff
Stamford, CT	$8.2 Billion Firm-Wide • $5.9 Billion U.S. • $2.3 Billion Global	11 Investment Professionals 23 Total Staff 18 Employee Owners – 77% Investor – Estancia Capital – 23%

***Our ideal client**: believes strongly in being **very selective** in stock selection and **benchmark indifferent** in portfolio construction*

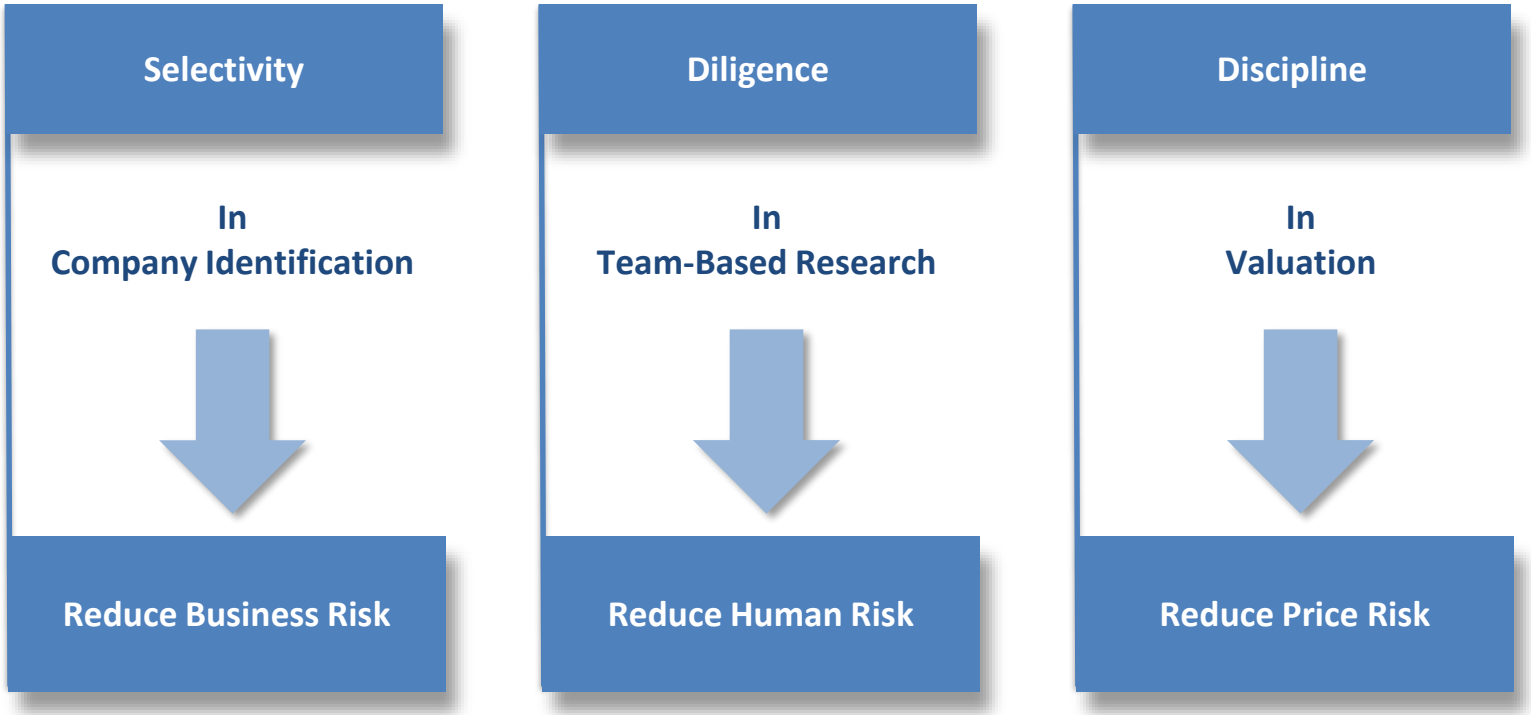
It is not known whether the listed clients approve or disapprove of Sustainable Growth Advisers or the advisory services it has provided. References provided upon request. The names included herein were selected as being representative of the different types of institutional clients and businesses serviced by Sustainable Growth Advisers. Performance was not a determining factor for inclusion or exclusion of client names on the list. You may have a different experience than the clients listed above. As of 3/31/2017, $8.2 billion in assets includes $6.7 billion from discretionary accounts and $1.5 billion from emulated (UMA) accounts.

Distinguishing Characteristics

Stability	■ No turnover of investment professionals since inception ■ Broad and meaningful equity participation ■ Multiple generations in place – no succession issues
Teamwork	■ Every company covered by two research analysts with input from the team ■ Every client portfolio managed by three portfolio managers ■ Diverse perspectives leveraged by real-world experience
Risk Management	■ Focused on one philosophy, one strategy, one team ■ Committed to deep understanding of companies under coverage ■ Process designed to reduce key risks

Investment Approach

Three Pillars

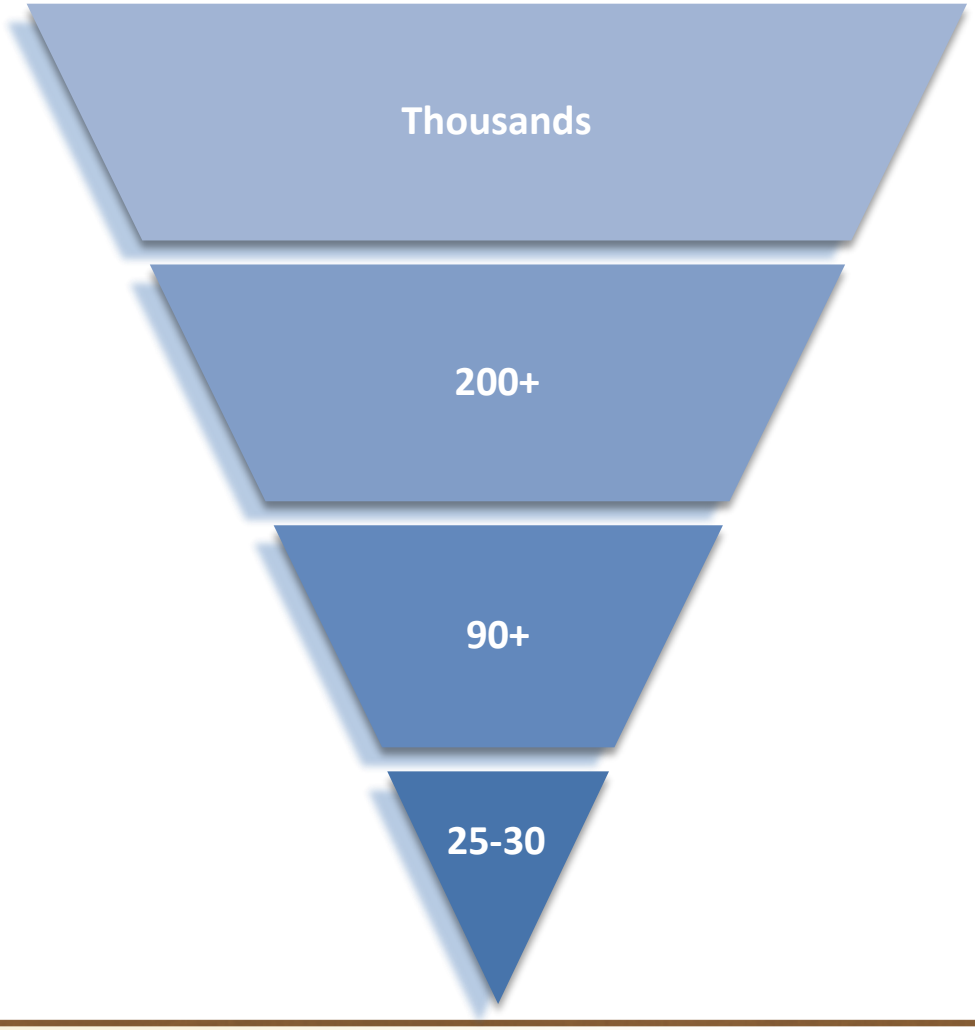


Selectivity in Company Identification

Manage *business risk* by identifying those *few businesses* that offer strong, predictable, sustainable earnings and cash flow growth resulting from specific characteristics:

Pricing power	*Are able to consistently price profitably*
Repeat revenues	*Have a high degree of predictability in their business*
Global opportunity	*Enjoy long runways of sustainable growth*
Financial strength	*Margin structure, cash generation, return on capital, leverage*
Management strength	*Stability, execution, commitment to shareholders*

Cast a Wide Net but Be Selective



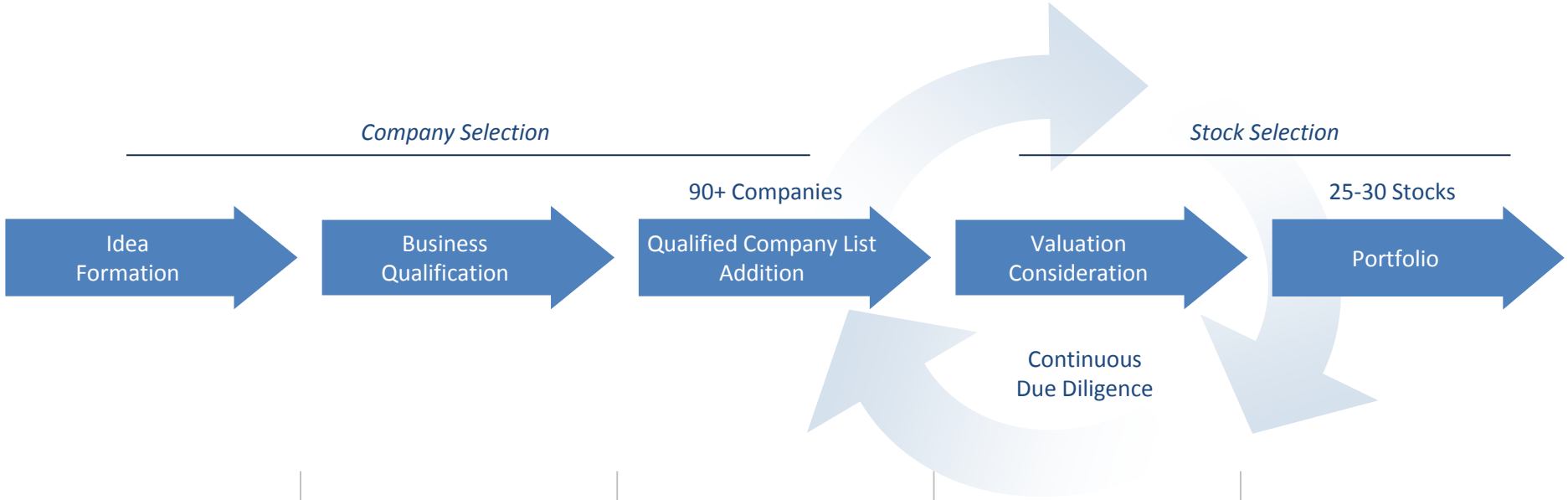
Assess thousands of companies for new ideas using screens, conferences, trade shows and leads from contacts

Research Coverage List *- closely monitor 200+ companies that potentially meet SGA criteria and/or are direct competitors*

Qualified Company List *- companies deemed worthy of client capital*

Client Portfolios *- companies providing best combination of attractive valuation and high conviction*

Diligence in Research



Analysts systematically look for new ideas using proprietary screens, conferences and leads from contacts. IC devotes at least one meeting quarterly to a discussion of new ideas. Candidates are prioritized and assigned to analysts

IC provides "go ahead"

Back-up analyst is assigned

Due diligence performed with management, competitors and other industry sources

Detailed financial projections are constructed

Investment concept presented by analyst and back-up for Qualified Company List addition

IC discusses

2 of 3 PMs decide

Compare to other Qualified Company List companies based on growth, quality, financial projections and valuation

Buy when conviction and valuation indicate high potential contribution

Analysts recommend

IC discusses

2 of 3 PMs decide

Discipline in Valuation

Manage price risk through the application of valuation disciplines focused on cash flow

Cash Flow Available To Shareholders (CFATS) =

Op Cash Flow – Cap X – Sustaining Acquisitions – Unfunded Obligations (pensions, legal)

C/E ratio	*Measure of proportion of earnings that is converted into cash (CFATS / Earnings)*
Discounted cash flow	*Calculation using a risk-adjusted discount rate based on the risk-free rate and an appropriate equity risk premium (CFATS)*
Enterprise yield	*A proprietary measure of the free cash flow truly available to investors as a percentage of market value (CFATS / Market Capitalization)*

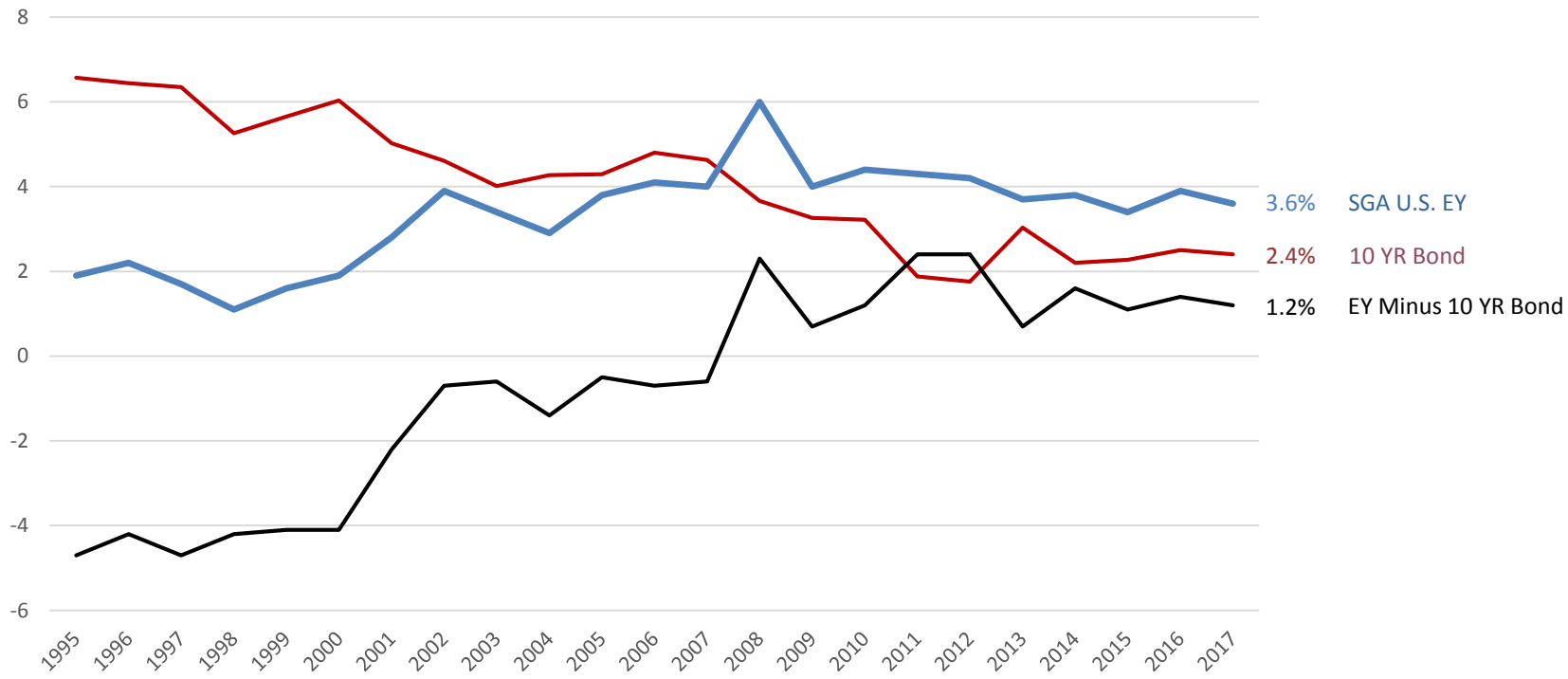
Portfolio Characteristics – U.S. Large Cap Growth

Growth	SGA EPS Growth	R1000G
2000	13.8%	-12.3%
2001	10.0%	-6.1%
2002	14.4%	17.3%
2003	14.7%	10.8%
2004	16.1%	15.7%
2005	15.2%	10.9%
2006	13.7%	11.8%
2007	11.6%	13.0%
2008	6.4%	-1.8%
2009	4.7%	-7.6%
2010	22.4%	22.6%
2011	18.7%	16.8%
2012	15.2%	-2.9%
2013	14.3%	9.5%
2014	11.4%	8.1%
2015	21.0%	5.3%
2016	8.5%	1.4%
2017E	28.3%	8.0%
Since 2000	13.6%	6.2%
Growth Volatility	4.7%	9.9%
Last 3 Yrs.	13.5%	4.9%
Next 3 Yrs.	21.9%	10.5%
Next 3 Yrs. Rev.	11.2%	5.8%

Quality	SGA Portfolio Companies	R1000G
C/E Ratio	98%	67%
Gross Margin	38.8%	35.1%
Debt to EBITDA	1.8x	2.2x
Net Debt/Market Cap	9.7%	9.9%
Valuation		
Enterprise Yield	3.6%	3.3%
EY/10YR Bond	150%	138%
General		
Weighted Market Cap	$136B	$176B
Median Market Cap	$65B	$9B
Dividend Yield	1.0%	1.4%
5 YR Dividend Growth	20.3%	26.2%
Number of Holdings	29	609
% in Top Ten Holdings	40.0%	28.4%
% of Portfolio in Cash	2.0%	-
Active Share	80%	-

Source: Bloomberg, FactSet, Baseline and SGA estimates and adjustments. Data as of 3/31/17. SGA EPS Growth data is based upon portfolio companies non-GAAP operating earnings. The data presented for periods prior to July 1, 2003 occurred before to the inception of SGA, and represents the portable data of two SGA founders (and investment committee members) Gordon Marchand and George Fraise while affiliated with a prior firm. C/E Ratio, EY exclude financials. SGA C/E ratio and Enterprise Yield projected. SGA Enterprise Yield (EY) is a proprietary measure of the projected free cash flow truly available to investors as a percentage of market value (CFATS / Market Capitalization). EY estimates vs. 10-Year Treasury Bond (represents the risk free rate and the benchmark against which all long duration assets must be measured). Growth volatility is calculated using standard deviation, since inception (3/2000). SGA weights and characteristics are based on a representative account. All accounts are modeled in line with SGA's representative account. Account holdings and weights may differ from this representative account. The representative account holdings are subject to change without notice. This information is supplemental & complements full disclosure presentation on composite performance found on the last pages of this document. It should not be assumed that future results will be reflective of past performance.

Portfolio Attractively Priced on Cash Flow Basis



Enterprise Yield = (Op Cash Flow – Cap X – Acquisitions) / Market Capitalization

Data as of 3/31/17. U.S. data for SGA's longest tenured account. The record presented for periods prior to July 1, 2003 occurred before to the inception of SGA, and represents the record established by two of SGA's founders (and investment committee members) Gordon Marchand and George Fraise while affiliated with a prior firm. SGA Enterprise Yield (EY) is a proprietary measure of the projected free cash flow truly available to investors as a percentage of market value (CFATS / Market Capitalization). SGA EY prior to 2005 utilizes a forward looking simple average of actual cash flows, from 2005 SGA EY utilizes projected cash flows. EY estimates vs. 10-Year Treasury Bond (represents the risk free rate and the benchmark against which all long duration assets must be measured). This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document. It should not be assumed that future results will be reflective of past performance.

SGA
Sustainable Growth Advisers

Appendix

Portfolio Holdings – U.S. Large Cap Growth

Consumer Discretionary	22.4%
Amazon.com	4.4%
Chipotle Mexican Grill	3.7%
Priceline	3.7%
Nike	3.6%
Lowe's	3.5%
Starbucks	3.5%

Consumer Staples	9.8%
Mondelez	3.9%
Colgate-Palmolive	3.0%
Whole Foods Market	2.9%

Energy	4.8%
Core Laboratories	3.1%
Schlumberger	1.7%

Financials	2.9%
State Street	2.9%

Health Care	11.5%
Cerner	3.2%
Regeneron	3.0%
Novo Nordisk	2.9%
UnitedHealth	2.4%

Industrials	2.8%
Kansas City Southern	2.8%

Materials	4.0%
Ecolab	4.0%

Information Technology	36.6%
Facebook	4.3%
Visa	4.3%
Apple	4.2%
Salesforce.com	3.9%
FleetCor Technologies	3.6%
Red Hat	3.6%
Automatic Data Processing	3.5%
Alliance Data Systems	3.2%
SAP	3.1%
Alphabet	2.9%

Real Estate	3.2%
Equinix	3.2%

Cash Balance	2.0%

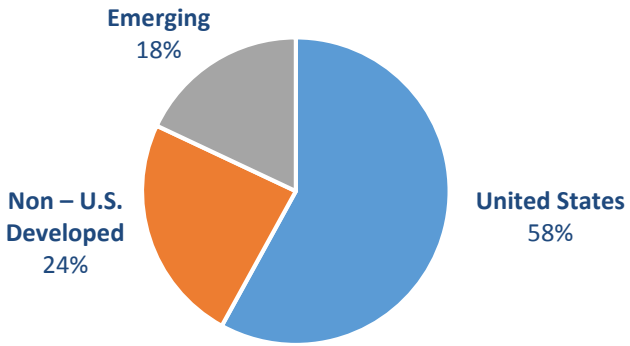
Representative portfolio weights as of 3/31/17. Portfolio holdings are subject to change daily. Under no circumstances does the information contained within represent a recommendation to buy or sell securities. It should not be assumed that investments in the securities were or will be profitable. The list provided may not represent all of the securities recommended for advisory clients. A complete list of all securities recommended for the strategy in the preceding year can be obtained free of charge by contacting SGA at (203) 348-4742. This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document. It should not be assumed that future results will be reflective of past performance.

Portfolio Balance – U.S. Large Cap Growth

Earnings Growth Rates

3 Year Est. Growth Rate (%)	5 to 10	10 to 15	15 to 20	20+
Percent Portfolio	13%	45%	19%	23%
C/E	94%	89%	98%	112%
EY	5.5%	4.1%	3.9%	1.7%
Fwd. 3 YR Rev.	5%	9%	13%	18%

Revenue by Geography

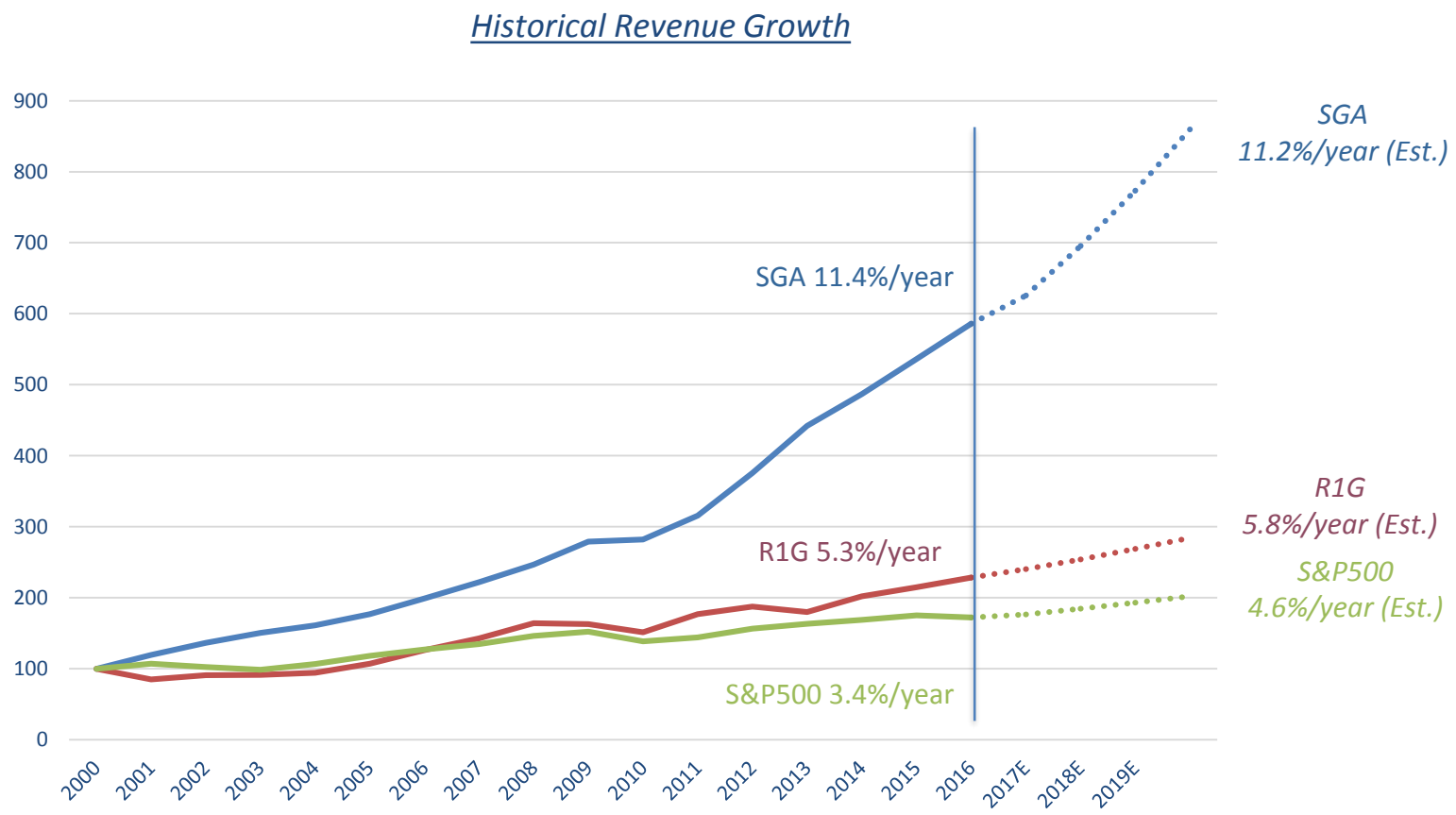


Market Capitalization	SGA	R1000G	Difference
$50 Billion +	56.4%	61.6%	-5.2%
$25 – 50 Billion	17.0%	14.9%	+2.1%
$15 – 25 Billion	6.9%	7.3%	-0.4%
$5 – 15 Billion	19.7%	13.7%	+6.0%
< $5 Billion	0.0%	2.5%	-2.5%

Sector Allocations	SGA	R1000G	Difference
Consumer Discretionary	22.4%	20.9%	+1.5%
Consumer Staples	9.8%	9.1%	+0.7%
Energy	4.8%	0.5%	+4.3%
Financials	2.9%	2.8%	+0.1%
Health Care	11.5%	15.9%	-4.4%
Industrials	2.8%	10.8%	-8.0%
Information Technology	36.6%	32.6%	+4.0%
Materials	4.0%	3.6%	+0.4%
Real Estate	3.2%	2.8%	+0.4%
Telecom	0.0%	1.0%	-1.0%
Utilities	0.0%	0.0%	0.0%
Cash	2.0%	0.0%	+2.0%

Data as of 3/31/17. Source: Bloomberg, FactSet, SGA Estimates and Adjustments and representative portfolio. Earnings growth rates are based upon SGA estimates of portfolio companies non-GAAP operating earnings. SGA C/E ratio and Enterprise Yield projected. Holdings/weights are subject to change without notice and should not be considered to be investment advice, a recommendation to purchase or sell a specific security or as indicative of the investment performance of SGA's portfolio. This information is supplemental and complements full disclosure presentation on composite performance found on the last pages of this document. It should not be assumed that future results will be reflective of past performance.

Portfolio Revenue Growth



Source: SGA estimates, Bloomberg, and FactSet as of 3/31/17. The record presented for periods prior to July 1, 2003 occurred before to the inception of SGA, and represents the record established by two of SGA's founders (and investment committee members) Gordon Marchand and George Fraise while affiliated with a prior firm. This information is supplemental & complements full disclosure presentation on composite performance. It should not be assumed that future results will be reflective of past performance.

Portfolio Construction And Risk Management

Stock Level	Portfolio	Benchmark Consideration	Sell Discipline
■ Extensive, first hand research ■ Selective criteria ■ Team vetting ■ 90+ Qualified Company List→ 25-30 Portfolio ■ Valuation considerations ■ 2 of 3 PM approval	■ 25 – 30 holdings ■ Conviction based sizing ▪ 4 – 6% above-average weight ▪ 3 – 4% average weight ▪ <2% below-average weight ■ 40% maximum sector exposure ■ 25% maximum industry exposure ■ Diversification of alpha drivers and macro factors	■ We never own a neutral conviction stock for diversification or active risk objectives ■ Bottom-up process with top down review	■ Fundamental deterioration ■ Valuation consideration ■ Forced attrition

These are general portfolio construction and risk management guidelines subject to the discussion of the investment manager in clients' specific portfolio mandates. No assurance can be given that the investment objectives of the portfolio will be achieved. Portfolio construction parameters are subject to change. This information is supplemental and complements full disclosure presentation on composite performance found on last pages of this document. It should not be assumed that future results will be reflective of past performance.

Sell Discipline

- **Fundamental Deterioration or Mistake**

  Hershey (HSY): Company failed to provide consistent revenue growth expected in North America and the unraveling of their recent acquisition of confectioner Shanghai Golden Monkey called into question their non-U.S. strategy so we sold the stock to fund another more attractive growth opportunity.

- **Valuation Considerations**

  Disney (DIS): A long-term holding in the portfolio, we began trimming the position in 2015 on strength as its valuation reflected the success of Star Wars, strong U.S. park attendance and pricing, and exited the position in early 2016. Difficult comparisons moving forward, the continued impact of unbundling on ESPN, and concern over the potential impact of a weakening Chinese economy on the new Shanghai park, combined with its high valuation led us to exit.

- **Forced Attrition**

  Verisk (VRSK): We exited the position given our growing concerns that forecasts for information services subscriptions at the company's Wood MacKenzie energy unit may need to be lowered given the extended weakness in the energy segment. While the company continued to meet our business quality criteria, we preferred other more attractive growth opportunities.

U.S. portfolio turnover past 10 years: 38%

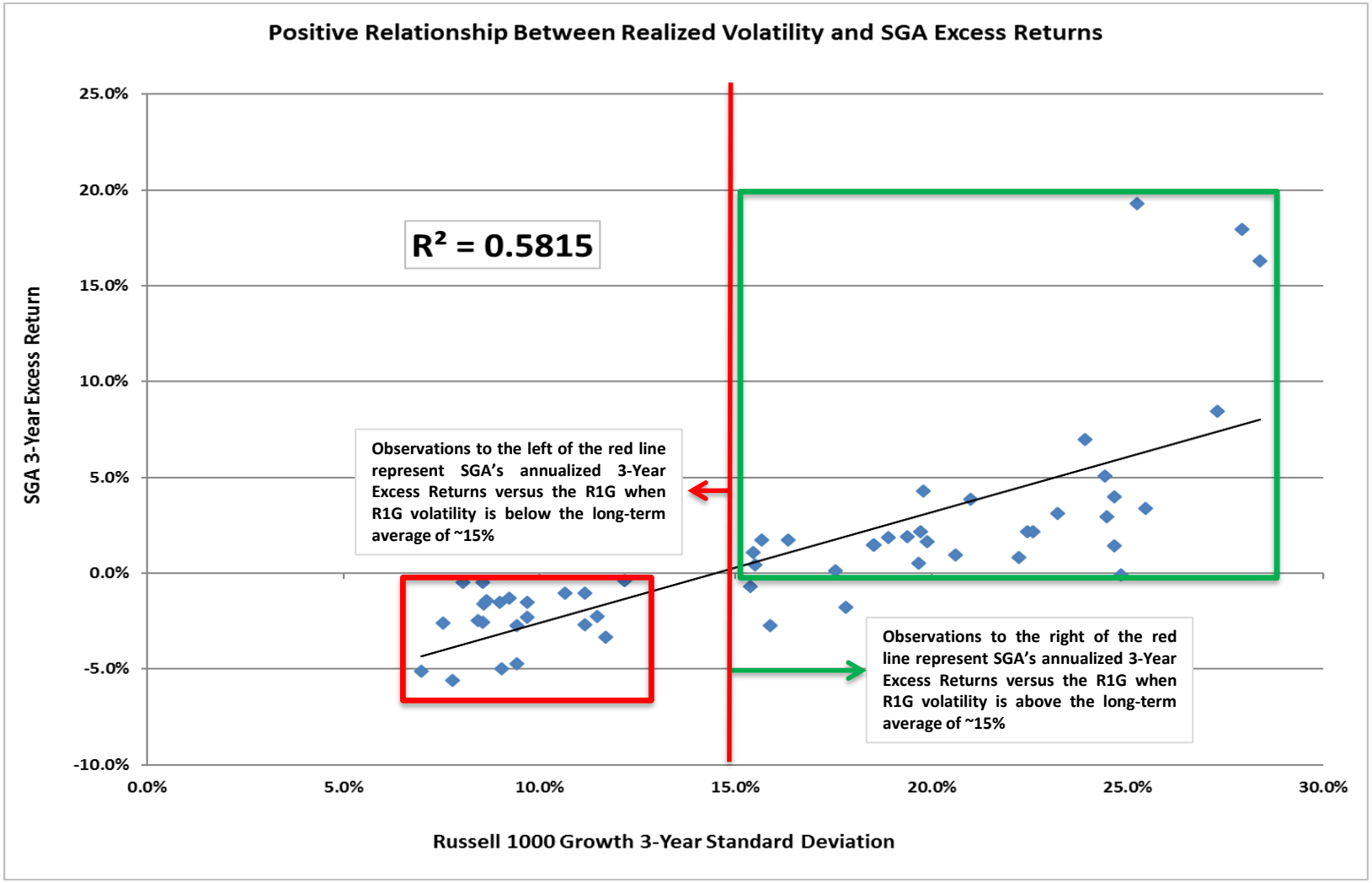
Data as of 3/31/2017.

This information contains the opinions of SGA which are subject to change without notice and should not be considered as investment advice, a recommendation to purchase or sell a specific security or as indicative of the investment performance of our portfolio. A complete list of all securities recommended for the strategy in the preceding year can be obtained free of charge by contacting SGA at (203) 348-4742. This information is supplemental & complements full disclosure presentation on composite performance found on the last pages of this document. It should not be assumed that future results will be reflective of past performance.

Risk Management

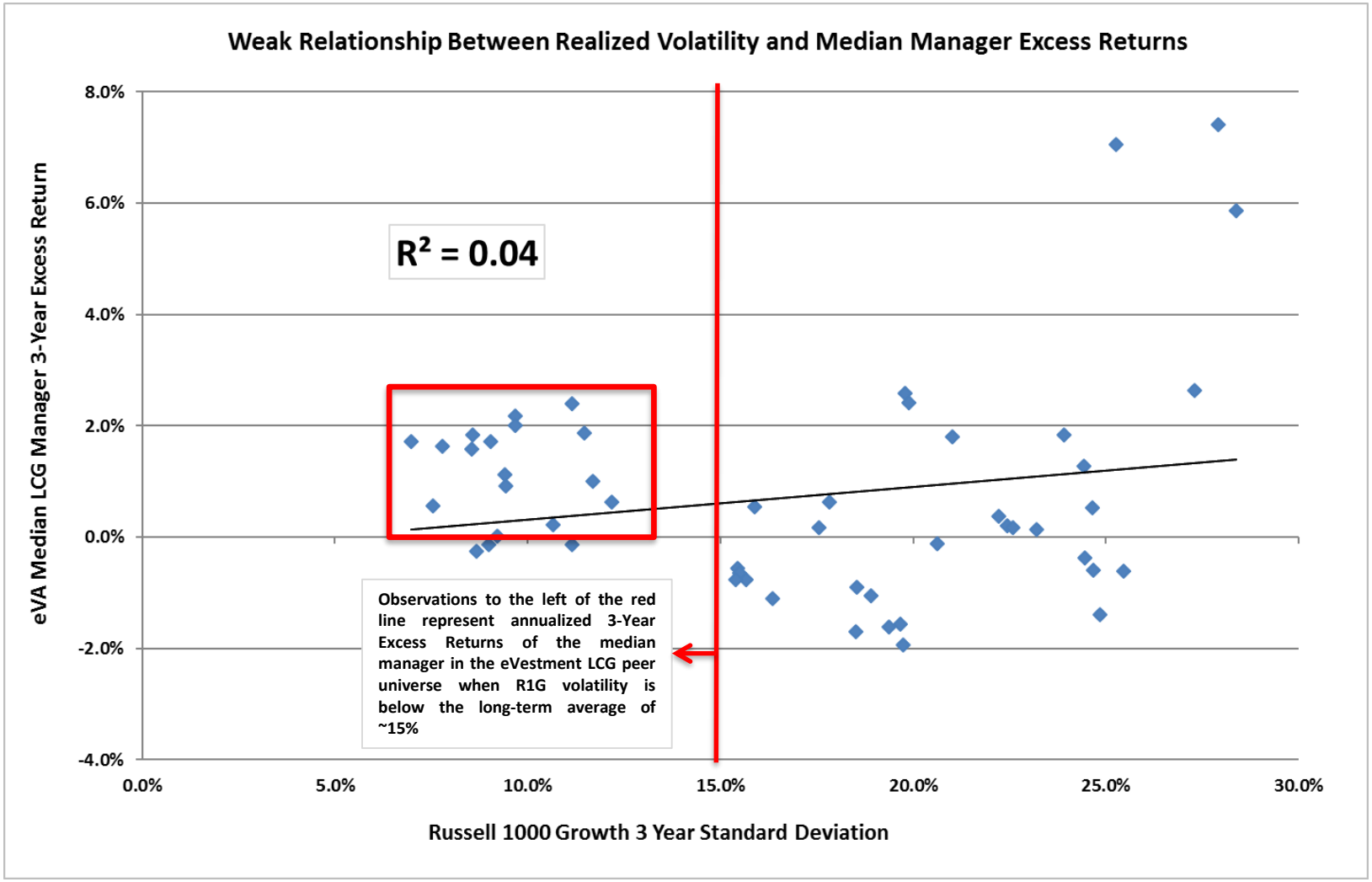
Investment risk	■ Invest only in growth companies that meet specific criteria ■ First-hand, team-based fundamental research ■ Prudent in valuation with clear sell discipline ■ Portfolio construction rules ensure diversified industry exposure
Organizational risk	■ Firm majority owned by employees ■ Profitable, debt free ■ Structured to avoid conflicts of interest ■ Team portfolio management, team-based research
Operational risk	■ Registered Investment Company (subadvisory clients) audited independently ■ Certified compliance officer and trader jointly monitor client guidelines ■ Compliance procedures and practices regularly verified by third party ■ Off-site disaster recovery tested periodically

SGA U.S. LCG Rewarded In Heightened Volatility Environments



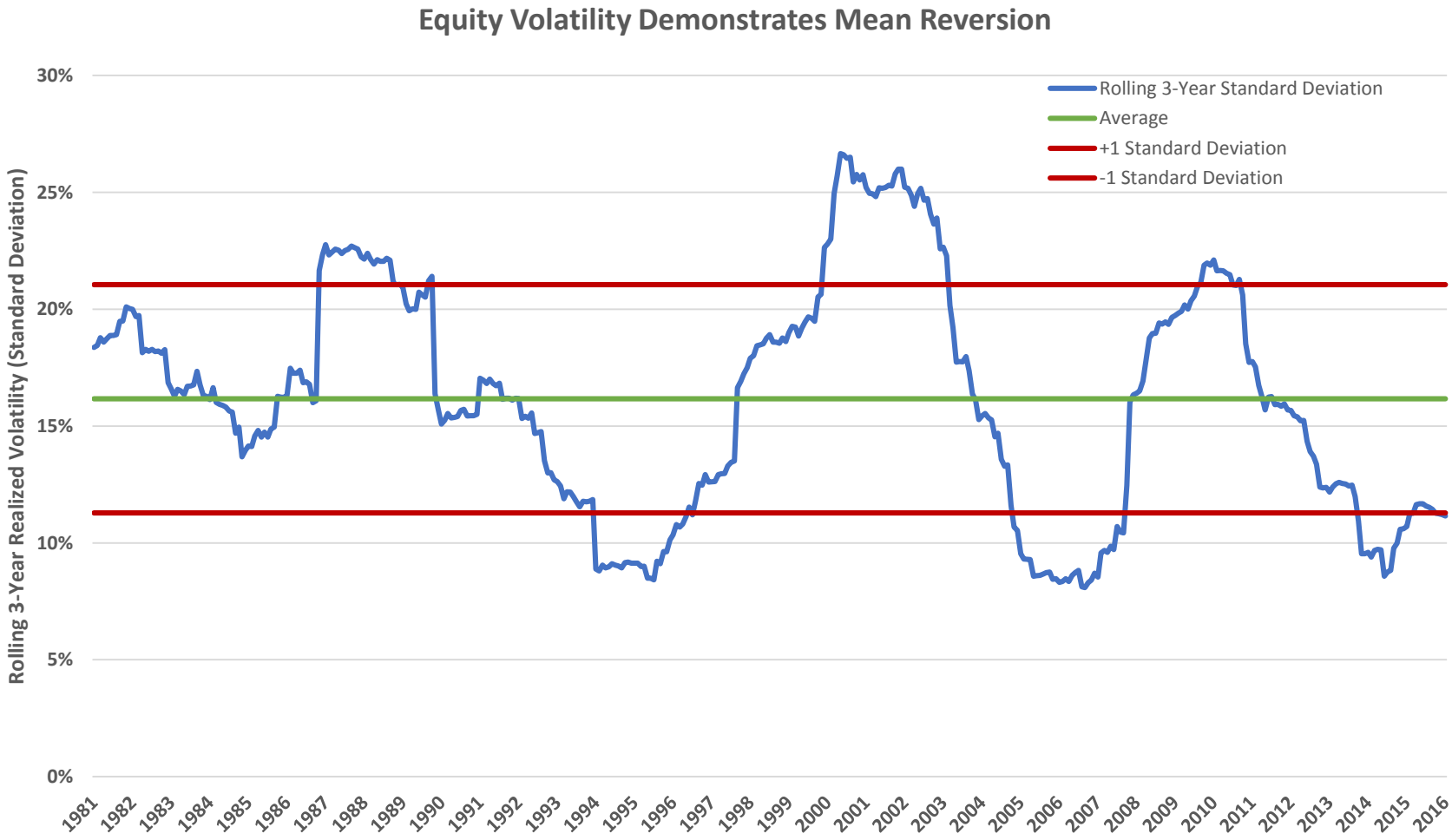
Source: eVestment Alliance, Russell Investments, SGA calculations. Rolling 3-Year Excess Return and Standard Deviation based on quarterly return observations from April 1st, 2000 through September 30th, 2016. This represents 55 rolling 3-Year observations over this period. The performance figures shown do not reflect the deduction of investment advisory fees. The prospective return will be reduced by advisory fees and any other expenses incurred in the management of the account. Since composite inception, annualized net returns are 5.2% versus gross returns of 6.0% ending 12/31/2016. The Net Returns are calculated based upon the highest published fees. The net performance has been reduced by the amount of the highest published fee that may be charged to SGA clients, 0.75%, employing the U.S. Large Cap Growth equity strategy during the period under consideration. Actual fees charged to clients may vary depending on, among other things, the applicable fees schedule and portfolio size. SGA's fees are available upon request and also may be found in Part II of its Form ADV. SGA composite inception is 4/1/2000. The performance record presented for periods prior to July 1, 2003 occurred before to the inception of SGA, and represents the portable performance record established by two of SGA's founders (and investment committee members) Gordon Marchand and George Fraise while affiliated with a prior firm. Returns reflect the reinvestment of dividends, interest and other earnings. For interest and capital gains, SGA does not withhold taxes, for dividends SGA will withhold taxes as reported by the client's custodian. This information is supplemental & complements full disclosure presentation on composite performance found on the last pages of this document. It should not be assumed that future results will be reflective of past performance.

Median U.S. LCG Manager Tends to Outperform in Low Volatility Markets



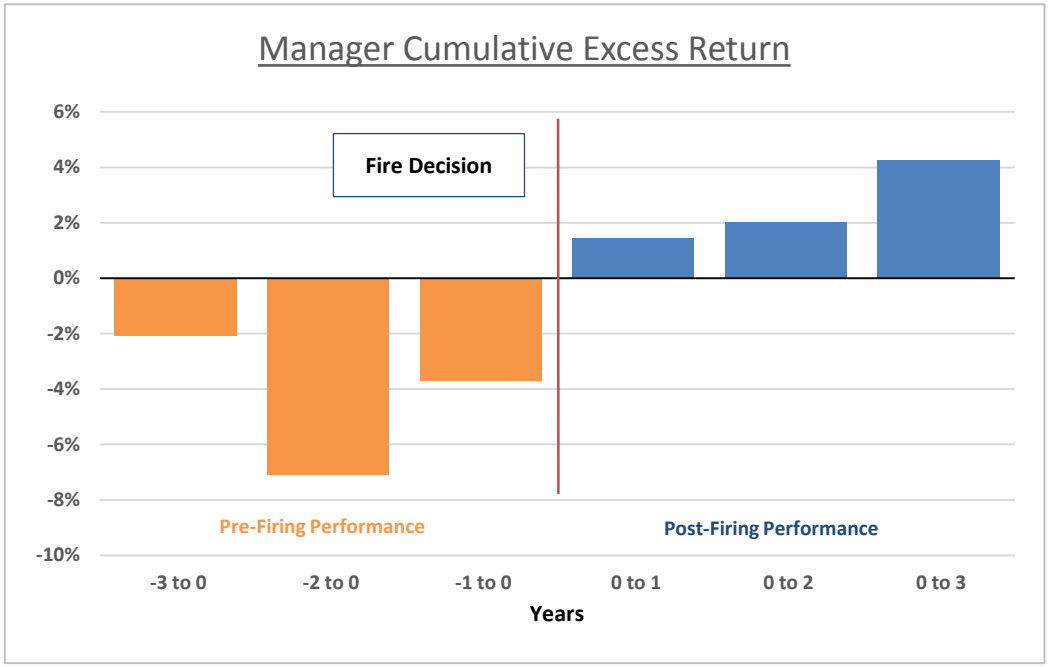
Source: eVestment Alliance, Russell Investments, SGA calculations. Rolling 3-Year Excess Return and Standard Deviation based on quarterly return observations from April 1st, 2000 through September 30th, 2016. This represents 55 rolling 3-Year observations over this period. Past performance is no guarantee of future results.

Realized Volatility of the Russell 1000 Growth



Source: FactSet, Russell Investments, SGA calculations. Rolling 3-Year standard deviation of returns based on monthly return observations from January 1st, 1979 through December 31st, 2016.

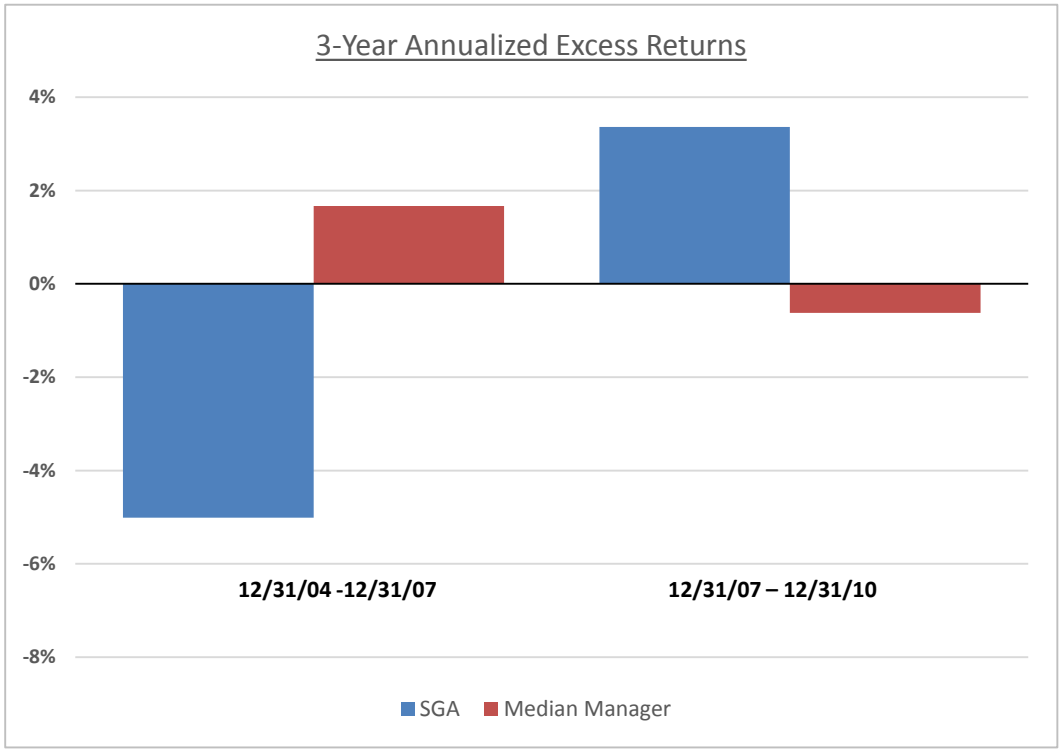
Managers Should Be Hired At Opportune Times



- *Investment managers that are fired for performance-related issues tend to outperform in subsequent periods*

Source: "Selection and Termination of Investment Management Firms by Plan Sponsors". 2008, Amit Goyal and Sunil Wahal. Data presented represent pre and post-firing performance for investment managers that were fired for performance related reasons for the period between 1994-2003. Sample includes 185 managers for the three-year period, 240 for the two-year period, and 257 for the one-year period.

SGA Historical Experience



Source: SGA and FactSet. SGA performance is for the U.S. Large Cap Growth Composite and Median Manager returns are from Investment Metrics U.S. Large Cap Growth Universe. Performance is gross of fees in excess of the Russell 1000 Growth Index. The performance figures shown do not reflect the deduction of investment advisory fees. The prospective return will be reduced by advisory fees and any other expenses incurred in the management of the account. SGA's fees are available upon request and also may be found in Part 2A of its Form ADV.

Performance-Based Fee Proposal

- SGA proposes a performance-based fee that consists of the following components:
  - Base fee of 0.10% per annum on all assets
  - 30% of gross of fee excess returns versus the Russell 1000 Growth Index measured over rolling 3-year periods
- Standard asset-based fee of 0.675% would not be paid unless SGA achieved +1.9% annual excess returns
- Fee capped at 1.35% per annum, which would only be reached if SGA achieved +4.2% annual excess returns

- SGA's standard fee schedule results in a 0.64% per annum fee based on a $45MM portfolio and a 0.57% per annum fee based upon a $90MM portfolio:
  - 0.75% on first $25MM
  - 0.50% on next $75MM
  - 0.35% on assets over $100MM

SGA would offer a flat fee of 0.50% per annum for this account

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Annual Full Disclosure Presentation – U.S. LCG

Period	Total Return				Number of Portfolios	Composite Dispersion	3 Year Standard Deviation			Total Assets in Composite at Period End (USD millions)***	Total Firm Assets at Period End (USD millions)
	Before Fees	After Fees	Russell 1000 Growth Index	S&P 500 Index			SGA Composite	Russell 1000 Growth Index	S&P 500 Index		
April 1 - Dec. 31, 2000	**3.27%**	**2.69%**	**-27.58%**	**-11.14%**	25	-				394	-
2001	**-5.17%**	**-5.88%**	**-20.42%**	**-11.89%**	25	0.7%				305	-
2002	**-14.71%**	**-15.36%**	**-27.88%**	**-22.10%**	26	2.0%				558	-
2003	**20.32%**	**19.43%**	**29.75%**	**28.68%**	Five or Fewer	N/A	14.17%	22.66%	18.07%	747	777
2004	**9.29%**	**8.48%**	**6.30%**	**10.88%**	6	0.1%	12.08%	15.45%	14.86%	1,408	1,460
2005	**3.42%**	**2.65%**	**5.26%**	**4.91%**	13	0.1%	9.04%	9.53%	9.04%	2,661	2,711
2006	**2.74%**	**1.97%**	**9.07%**	**15.79%**	15	0.1%	8.19%	8.31%	6.82%	3,467	3,512
2007	**4.88%**	**4.10%**	**11.81%**	**5.49%**	17	0.2%	8.48%	8.54%	7.68%	2,883	2,920
2008	**-34.21%**	**-34.72%**	**-38.44%**	**-37.00%**	16	0.3%	14.51%	16.40%	15.08%	1,324	1,360
2009	**46.25%**	**45.19%**	**37.21%**	**26.46%**	16	0.4%	18.19%	19.73%	19.63%	1,589	1,711
2010	**13.20%**	**12.36%**	**16.71%**	**15.06%**	19	0.3%	21.30%	22.11%	21.85%	1,508	1,600
2011	**4.85%**	**4.07%**	**2.64%**	**2.11%**	25	0.3%	17.85%	17.76%	18.71%	1,637	2,686
2012	**21.09%**	**20.20%**	**15.26%**	**16.00%**	41	0.3%	16.06%	15.66%	15.09%	2,819	4,278
2013	**27.97%**	**27.03%**	**33.48%**	**32.39%**	49	0.4%	11.91%	12.18%	11.94%	3,852	5,611
2014	**9.45%**	**8.63%**	**13.05%**	**13.69%**	49	0.3%	9.67%	9.59%	8.97%	3,627	5,332
2015	**9.38%**	**8.57%**	**5.67%**	**1.38%**	49*	0.3%	11.42%	10.70%	10.47%	4,033	5,318
2016	**1.80%**	**1.04%**	**7.08%**	**11.96%**	45	0.2%	12.24%	11.15%	10.59%	3,969	5,672
Since Inception (April 1, 2000)	**5.97%**	**5.18%**	**2.31%**	**4.44%**			**13.79%****	**16.86%****	**14.71%****		

N/A- Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.
* Previously disclosed as 70
** Since Inception Annualized Standard Deviation
*** SGA manages different variations of our large cap growth equity investment strategy. Total Assets in Composite include 100% of those assets managed to this strategy.

Sustainable Growth Advisers, LP ("SGA") was formed in 2003 and is a registered investment advisor under the Investment Advisers Act of 1940. SGA manages portfolios of publicly traded equity assets according to its "Large Cap Growth Equity" investment approach for pooled funds, institutions, trusts and private accounts. SGA is an independent investment management firm that is not affiliated with any parent organization. The SGA US Large Cap Growth Composite was created in July 2003. Effective February 1, 2015, SGA changed the name of this composite from Sustainable Growth Advisers, LP Client Composite to Sustainable Growth Advisers US Large Cap Growth Composite. The name change titles the composite more closely to the strategy it represents. The firm maintains a complete list and description of all composites, which is available upon request.

Sustainable Growth Advisers, LP claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sustainable Growth Advisers, LP has been independently verified for the periods July 1, 2003 - December 31, 2016.

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 SGA US Large Cap Growth composite has been examined for the periods July 1, 2003 - December 31, 2016. The verification and performance examination reports are available upon request.

Performance presented prior to July 1, 2003 occurred prior to the inception of the firm and the portability track record was examined by Ashland Partners & Company, LLP. See attached opinion letter.

SGA US Large Cap Growth Composite contains fee-paying large cap growth equity portfolios under full discretionary management of the firm. Except as described above with respect to portability, no alteration of the composite as presented here has occurred because of changes in firm personnel. For comparison purposes the composite is measured against the S&P 500 and Russell 1000 Growth indices.

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

The U.S. Dollar is the currency used to express performance. Results are presented gross and net of management fees and include the reinvestment of all income. The Net Returns are calculated based upon the highest published fees. The net performance has been calculated by reducing the gross performance by the amount of the highest published fee that may be charged to SGA clients, 0.75%, employing the U.S. Large Cap Growth strategy during the period under consideration. Actual fees charged to clients may vary depending on, among other things, the applicable fees schedule and portfolio size. SGA's fees are available upon request and also may be found in Part 2A of its Form ADV. For interest and capital gains, SGA does not withhold taxes. However, for dividends SGA will withhold taxes as reported by the client's custodian. Returns are calculated net of withholding taxes on dividends. The annual dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Past performance is not indicative of future results.

The standard investment management fee schedule for the firm is 0.75% on the first $25 million and 0.50% on the next $75 million and 0.35% over $100 million. Actual investment advisory fees incurred by clients used in the composite may vary from the standard fee schedule.

Ashland Partners & Company LLP

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Independent Accountant's Verification and Performance Examination Report

Mr. Gordon M. Marchand, CPA, CFA, CIC
Sustainable Growth Advisers, LP:

We have examined whether (1) Sustainable Growth Advisers, LP (the "Firm") has complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS® standards) on a firm-wide basis for the periods from July 1, 2003, to December 31, 2016, and (2) the Firm's policies and procedures are designed to calculate and present performance results in compliance with the GIPS standards as of December 31, 2016. We have also examined the accompanying performance presentation and Annual Disclosure Statement of the Firm's **SGA US Large Cap Growth Composite** for the periods from July 1, 2003, to December 31, 2016. The periods from April 1, 2000, to June 30, 2003, represent the performance record established by the Portfolio Management Team while affiliated with a prior firm. We have reviewed this performance record for compliance with the portability requirements of the GIPS standards. The Firm's management is responsible for compliance with the GIPS standards, the design of its policies and procedures and for the Quarterly Performance Presentation and Annual Disclosure Statement. Our responsibility is to express an opinion based on our examination.

Scope of Work

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Firm's compliance with the previously mentioned requirements; evaluating the design of the Firm's policies and procedures previously referred to; examining, on a test basis, evidence supporting the accompanying composite compliant presentation; and performing the procedures for a verification and performance examination required by the GIPS standards and such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

Opinion

In our opinion, in all material respects,

- the Firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from July 1, 2003, to December 31, 2016; and
- the Firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards as of December 31, 2016.