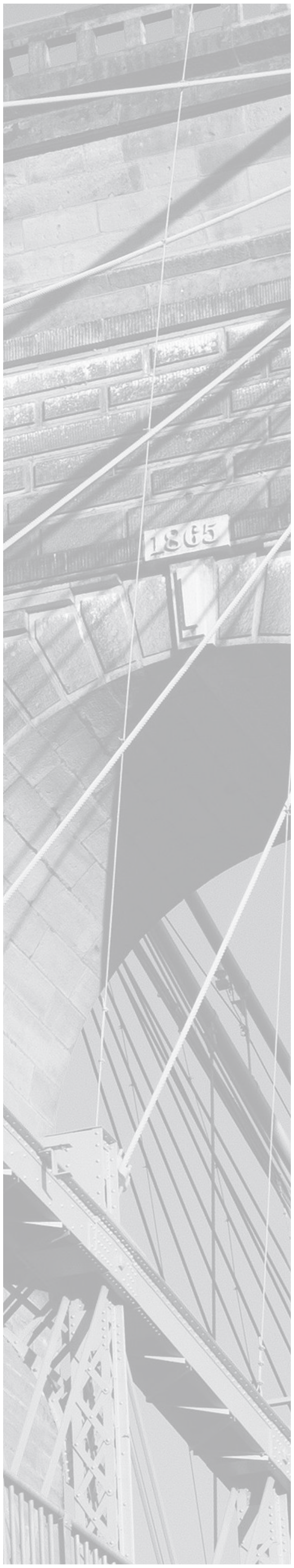
Renaissance Investment Management

Month Ending 11/30/2020

International Equity ADR
Intra-Quarter Commentary—November 2020



Entering the month of November, risk measures in the global equity markets were rising as COVID-19 cases multiplied both in the United States and in Europe. The uncertainty surrounding the U.S. elections also caused investor angst as market participants contemplated their portfolio positions under various political and virus-linked outcomes. However, encouraging vaccine news from Pfizer/BioNTech and Moderna, along with a more certain political picture following the U.S. elections, helped international equities record their strongest monthly gains in over a decade. In contrast to the year-to-date market leaders, vaccine news driven equities were at the forefront in November. This was most evident in the reversal of the performance of growth stocks and value stocks with value-tilted indices outpacing growth indices by a wide margin this month. However, value stocks still trail growth stocks on a year-to-date basis.

Value-themed strategies tend to outperform during the beginning of a new economic cycle, and while it can be agreed that global economies have suffered as a result of COVID-19, it remains too early to officially state that economic growth will catapult forward from here. Uncertainty remains in relation to unanswered geopolitical questions as well as with the pandemic. Will the U.S.-China trade war continue? What will come of the Brexit negotiations? How will Iran respond after the recent strike on a top Iranian scientist? Though market risks remain daunting, record stimulus measures, low interest rates and the will to get back to normalcy are all tailwinds to future economic growth.

Another potential tailwind for international investors going forward is continued weakness in the U.S. dollar against most major currencies, especially those in emerging markets. Following a

GEOGRAPHICAL EXPOSURE & PORTFOLIO CHANGES[1][2]

Region	Ending Weight[3]	Change from 10/31/2020	International Equity ADR Additions & (International Equity ADR Deletions)[4]
Asia/Pacific	42.5%	-1.0%	ICICI Bank
Western Europe	39.9%	+2.0%	Peugeot
North America	10.0%	-1.9%	(Manulife Financial)
Eastern Europe	2.7%	+0.4%	
Cash	1.9%	+0.6%	
Middle East & Africa	1.9%	-0.2%	
Central & South America	1.1%	+0.1%	
Developed Markets	66.5%	-0.9%	
Emerging Markets	31.6%	+0.3%	
Cash	1.9%	+0.6%	

[1] Based on a representative account of the strategy discussed. Portfolio characteristics (e.g., sector weights, valuation, growth rate) are based on a representative account that we believe is illustrative of the strategy. Characteristics and/or holdings may not be the same for all accounts invested in the strategy due to factors such as pending trades or account restrictions. Additions/Deletions reflect security transactions completed by the date stated on this presentation, and the securities mentioned may not be held by all accounts invested in the strategy.

[2] Renaissance determines an issuer's country classification based on company filings and data provided by third-party sources such as Bloomberg or FactSet. Renaissance considers an issuer to be located in an emerging market country if the issuer is domiciled or incorporated in an emerging market country (as defined by the iShares MSCI Emerging Markets ETF) or exhibits risk characteristics (e.g., economic, geopolitical and regulatory risks) similar to emerging market countries.

[3] Weights as of the end of the presentation period. Cumulative total weighting may not add up to 100% due to rounding of percentages to the nearest decimal place.

[4] Any securities referenced should not be considered a recommendation to purchase or sell a particular security. These securities may represent a portion or all of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. Non-performance based criteria have been used to select the securities listed. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold or recommended for this strategy. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. Portfolio holdings may not be current recommendations to buy or sell any security, and may no longer be held in the representative account. To request a complete list of portfolio holdings recommendations for the past year, the calculation methodology, or a list showing the contribution of every holding to the representative account's performance for the time period stated, please contact Renaissance at compliance@reninv.com.

Source: Renaissance Research, FactSet

CONTRIBUTORS TO RETURN[1][2]

Ticker	Company Name	Average Weight[3]	Contribution to Return
TOP FIVE CONTRIBUTORS—INTERNATIONAL EQUITY ADR			
AER	AerCap Holdings	1.96%	0.73%
ACSAY	ACS	1.99%	0.62%
GELYY	Geely Automobile	1.88%	0.58%
NTOIY	Neste	2.05%	0.58%
ALIZY	Allianz	1.89%	0.55%
BOTTOM FIVE CONTRIBUTORS—INTERNATIONAL EQUITY ADR			
BABA	Alibaba	2.46%	-0.39%
KL	Kirkland Lake Gold	1.79%	-0.18%
TCEHY	Tencent Holdings	1.94%	-0.08%
IBN	ICICI Bank	0.71%	-0.08%
JAZZ	Jazz Pharmaceuticals	1.88%	-0.03%

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(2) The securities listed should not be considered a recommendation to purchase or sell a particular security. These securities represent the top five and bottom five contributors by weight to the performance of a representative account in this strategy as of the date stated and are intended for informational purposes only. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold or recommended for this strategy. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. Portfolio holdings may not be current recommendations to buy or sell a security and may no longer be held in the representative account. To request a complete list of portfolio holdings recommendations for the past year, the calculation methodology, or a list showing the contribution of every holding to the representative account's performance for the time period stated, please contact Renaissance at compliance@reninv.com.
(3) Average weights over the presentation period.

Source: Renaissance Research, FactSet

safe-haven move higher in March due to COVID-19 risks, the trade-weighted U.S. Dollar Index has since weakened by roughly 10% and was again a laggard in November. This has provided much needed relief to countries that utilize U.S. dollar-denominated funding. Especially strong currency movements this month were centered in the emerging markets, with the Brazilian real, Colombian peso, Mexican peso and the Russian ruble all stronger against the greenback.

Developed market equity indices performed better on average for the month compared to emerging market indices. European countries, such as Spain and France, rebounded as lockdowns began to slow the spread of COVID-19. Aided by the strength of their currencies against the U.S. dollar and a rise in commodity prices, emerging market countries, including Brazil and Russia, posted strong returns. Global commodity prices rebounded in November as a result of reopening optimism following the positive vaccine news, with Brent oil prices up 31% and copper prices gaining 15%.

Although portfolio returns were positive for the month, they trailed our benchmark. As with the overall stock market, our emerging market holdings lagged our developed market stocks in November. Japan contributed the most to portfolio returns, while India detracted the most. From a sector perspective, Information Technology stocks added the most value while our Utilities stocks contributed the least to performance.

Our top contributing stock for the month was global aircraft lessor, **AerCap** (Netherlands), which gained on reopening optimism as airline travel is expected to return to normal when vaccines are readily available. Construction and engineering company **ACS** (Spain) rallied after posting third-quarter financial results that showed improved quarter-over-quarter trends in its construction

unit, as work returned to normal after lockdowns were lifted. **Alibaba** (China) performed poorly during the month, as Chinese government officials blocked the planned initial public offering of its Ant Group subsidiary. Although **Kirkland Lake Gold** (Canada) posted impressive third-quarter results on strong production growth, it was a poor performer due to a 6% decline in the global gold price as the bullion's safe-haven benefit subsided along with waning market risk.

If one thing is certain as we exit the year, market volatility will continue. For many of our portfolio holdings, third-quarter earnings reports improved compared to the previous quarter, offering hope that the worst is behind us. Additional positives, including low interest rates and continued monetary and fiscal stimulus, lead us to be more optimistic as we move into 2021 despite heightened geopolitical risks and rising COVID-19 cases, which remain concerning for all investors. During this trying time, we continue to focus on finding companies that exhibit a positive growth outlook and trade at reasonable valuations.

DISCLOSURES

The opinions stated in this presentation are those of Renaissance as of 11/30/2020 and are subject to change at any time due to changes in market or economic conditions.

STOCK REFERENCES

If securities are referenced, they should not be considered a recommendation to purchase or sell a particular security. These securities may represent a portion or all of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. Nonperformance-based criteria have been used to select the securities listed. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold or recommended for this strategy. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. Portfolio holdings may not be current recommendations to buy or sell any security, and may no longer be held in the representative account. To request a complete list of portfolio holdings recommendations for the past year, the calculation methodology or a list showing the contribution of every holding to the representative account's performance for the time period stated, please contact Renaissance at compliance@reninv.com.

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The value of an investment may fall as well as rise. Please note that different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will either be suitable or profitable for a client or prospective client's investment portfolio. Investor principal is not guaranteed and investors may not receive the full amount of their investment at the time of sale if asset values have fallen. No assurance can be given that an investor will not lose invested capital. Consultants supplied with these performance results are advised to use this data in accordance with SEC guidelines. The actual performance achieved by a client portfolio may be affected by a variety of factors, including the initial balance of the account, the timing and amount of any additions to or withdrawals from the portfolio, changes made to the account to reflect the specific investment needs or preferences of the client, durations and timing of participation as a RIM client, and a client portfolio's risk tolerance, investment objectives, and investment time horizon. All investments carry a certain degree of risk, including the loss of principal and are not guaranteed by the U.S. government.

REFERENCED INDICES

(Indices are unmanaged and are not available for direct investment.)

iShares MSCI Emerging Markets ETF—The iShares MSCI Emerging Markets ETF seeks to track the investment results of an index composed of large- and mid-capitalization emerging market equities.

GICS® SECTOR INFORMATION

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