

## STRATEGY DESCRIPTION & HIGHLIGHTS

Our International Small Cap Equity Strategy seeks to invest in companies exhibiting above-average profitability and earnings growth trading at reasonable valuations. Exposure to these companies is gained through the purchase of American Depository Receipts (ADRs) and U.S. listed shares of foreign companies. As a result, our clients have the opportunity to invest in companies in developed and emerging markets without the operational burdens inherent to owning ordinary shares. Our objective is to outperform comparable international stock indices over a full market cycle.

- *Efficient and cost effective method to achieve exposure to small cap international companies in both developed and emerging markets<sup>(1)</sup>.*
- *A consistent and disciplined investment style.*

## STRATEGY PERFORMANCE—Institutional Composite

	2Q2023	YTD 2023	1 Year	3 Years	5 Years	10 Years
Renaissance (Gross)	3.8%	15.5%	22.7%	19.6%	6.6%	7.9%
(Net)	3.8%	15.4%	22.5%	19.5%	6.2%	7.4%
Vanguard FTSE All-World ex-US Small Cap ETF <sup>(2)</sup>	2.0%	8.4%	10.1%	7.4%	1.8%	4.9%

Sources: Renaissance Research, Bloomberg, The Vanguard Group

### ANNUAL RETURNS— Institutional Composite

Year	International Small Cap Equity (Gross)	International Small Cap Equity (Net)	Vanguard FTSE All-World ex-US Small Cap ETF <sup>(2)</sup>
YTD 2023	15.5%	15.4%	8.4%
2022	-13.1	-13.2	-21.5
2021	29.1	29.0	13.1
2020	6.9	6.5	11.8
2019	19.0	18.2	21.4
2018	-16.2	-16.8	-18.5
2017	30.9	29.9	30.6
2016	6.4	5.7	4.3
2015	-1.3	-2.0	0.0
2014	-11.6	-12.0	-5.1
2013	48.3	48.1	16.6

Sources: Renaissance Research, Bloomberg, The Vanguard Group

### REGIONAL ALLOCATION<sup>(1)(3)</sup>

	International Small Cap Equity <sup>(4)</sup>	Vanguard FTSE All-World ex-US Small Cap ETF	Under/Overweight Percent <sup>(5)</sup>
Middle East & Africa	14.4%	2.6%	+11.7
North America	24.8%	17.0%	+7.8
Central & South America	8.8%	1.8%	+7.0
Cash	2.4%	0.0%	+2.4
Eastern Europe	0.0%	0.7%	-0.7
Western Europe	26.8%	31.7%	-4.8
Asia/Pacific	22.9%	46.2%	-23.3
Developed Markets	69.3%	68.4%	+0.9
Emerging Markets	28.3%	31.6%	-3.3
Cash	2.4%	0.0%	+2.4

Sources: Renaissance Research, FactSet, The Vanguard Group

### STATISTICS 6/30/2013–6/30/2023—Institutional Composite

	International Small Cap Equity (Gross)	International Small Cap Equity (Net)
Number of Holdings as of 6/30/2023 <sup>(4)</sup>	50	50
Best Quarter	25.1%	24.9%
Worst Quarter	-35.3%	-35.5%
5-Year Average Annual Turnover Rate <sup>(4)</sup>	35.2%	35.2%
Active Share as of 6/30/2023 <sup>(4)</sup>	98.7%	98.7%
Alpha <sup>(6)</sup>	2.97%	2.48%
Beta <sup>(6)</sup>	1.07	1.07
Sharpe Ratio <sup>(6)</sup>	0.33	0.30
Correlation <sup>(6)</sup>	0.95	0.95

Sources: Renaissance Research, FactSet, The Vanguard Group

<sup>(1)</sup> 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.

<sup>(2)</sup> Renaissance primary benchmark.

<sup>(3)</sup> 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.

<sup>(4)</sup> Based on a representative account of the strategy discussed and shown as supplemental information to the GIPS Report. Portfolio characteristics (e.g., sector weights, valuation, growth rate) are based on a representative account that we believe is illustrative of the strategy. All accounts in the strategy are invested identically in the same securities unless a client has imposed restrictions. Characteristics and/or holdings on a given date may vary due to pending trades.

<sup>(5)</sup> Percentages may not match the actual difference between the representative account and the benchmark due to rounding of percentages to the nearest decimal place.

<sup>(6)</sup> Composite statistics based on returns calculated quarterly versus the Vanguard FTSE All-World ex-US Small Cap ETF. The calculation methodology for each statistic is available upon request.

## BUY DISCIPLINE<sup>(1)</sup>

### A Blend of Science and Art

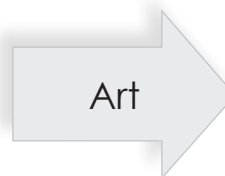
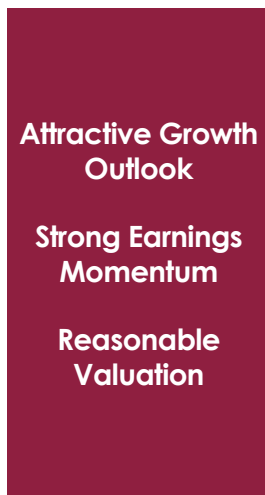
#### RENAISSANCE UNIVERSE



*Quantitative*

Score & Rank Companies  
Provides Consistency

#### HIGHEST RANKED OPPORTUNITIES



*Fundamental*

Qualitative Review  
Accounts for Nuances

#### CLIENT PORTFOLIO



## SELL DISCIPLINE<sup>(1)</sup>



*Stock rankings are used as a tool  
in our sell decision process.*

#### Characteristics of Sell-Ranked Stocks

- High Valuation
- Slowing Rates of Earnings Growth
- Negative Earnings Estimate Revisions

## RISK CONTROL

- Approximately 45-55 Positions
- Equal-Weighted Positions<sup>(2)</sup>
- 40% Maximum in Any Sector<sup>(2)</sup>
- Reviewed For Scaleback at Double-Weight<sup>(2)</sup>
- Factor Risk Assessment
- Geopolitical/Country Risk Analysis

<sup>(1)</sup>This is an overview of the investment process that guides our decision making. While stock rankings are used as a guide, the Portfolio Manager uses fundamental analysis to determine all buys and sells.  
<sup>(2)</sup>Based on Buylist target weight.

## SECTOR ALLOCATION

Sector	International Small Cap Equity <sup>(1)(2)(3)</sup>	Vanguard FTSE All-World ex-US Small Cap ETF <sup>(2)(3)</sup>	Under/Overweight % <sup>(4)</sup>
Communication Services	8.7%	3.2%	+5.5
Consumer Discretionary	16.2%	11.6%	+4.6
Consumer Staples	7.7%	4.4%	+3.3
Information Technology	17.7%	14.5%	+3.2
Cash	2.4%	0.0%	+2.4
Energy	6.9%	4.6%	+2.3
Industrials	19.8%	19.8%	0.0
Health Care	6.4%	6.7%	-2.0
Materials	9.8%	12.1%	-2.3
Utilities	0.0%	3.7%	-3.7
Financials	4.4%	10.6%	-6.2
Real Estate	0.0%	8.8%	-8.8

Sources: Renaissance Research, FactSet, The Vanguard Group

## Summary<sup>(1)(2)(3)(5)</sup>

Number of Countries	22
Developed Markets	69.3%
Emerging Markets	28.3%
Cash	2.4%

## Largest Country Weights<sup>(1)(2)</sup>

Canada	15.7%
Japan	13.2%
Israel	9.7%
United Kingdom	9.1%
Mexico	7.3%

## Market Cap Exposure<sup>(1)(2)(3)(6)</sup>

\$10 Billion +	0.0%
\$3 Billion - \$10 Billion	38.2%
\$1 Billion - \$3 Billion	54.1%
\$0 - \$1 Billion	7.7%

Sources: Renaissance Research, FactSet

## INTERNATIONAL SMALL CAP EQUITY HOLDINGS<sup>(1)(7)</sup>

### Austria

Wienerberger



### Hong Kong

Silicon Motion Technology, Yue Yuen Industrial



### Netherlands

Playa Hotels & Resorts



### Belgium

Euronav



### India

WNS Holdings



### Singapore

Kulicke & Soffa Industries



### Bermuda

Essent Group



### Indonesia

PT XL Axiata



### South Africa

Life Healthcare Group



### Brazil

Afy, Sendas Distribuidora



### Israel

Camtek, Perion Network, Sapiens International, Tower Semiconductor, Tremor International



### Taiwan

ChipMOS Technologies



### Canada

BRP, Celestica, Enerplus, Ero Copper, Methanex, North American Construction Group, Primo Water, Vermilion Energy



### Japan

Alps Alpine, Ebara, Fuji Electric, Nihon Kohden, SUMCO, Taiyo Yuden, TechnoPro Holdings, THK



### United Arab Emirates

Network International Holdings



### Colombia

Tecnoglass



### Luxembourg

Millicom International Cellular, Orion Engineered Carbons



### United Kingdom

Indivior, International Game Technology, MITIE Group, Nomad Foods



### France

Constellium, Société BIC



### Mexico

Coca-Cola FEMSA, Grupo Aeroportuario del Centro Norte, Volaris



### Uruguay

Arcos Dorados Holdings



Sources: Renaissance Research, FactSet

<sup>(1)</sup> Based on a representative account of the strategy discussed and shown as supplemental information to the GIPS Report. Portfolio characteristics (e.g., sector weights, valuation, growth rate) are based on a representative account that we believe is illustrative of the strategy. All accounts in the strategy are invested identically in the same securities unless a client has imposed restrictions. Characteristics and/or holdings on a given date may vary due to pending trades.

<sup>(2)</sup> Weights as of the end of the presentation period.

<sup>(3)</sup> Cumulative total weighting may not add up to 100% due to rounding of percentages to the nearest decimal place.

<sup>(4)</sup> Percentages may not match the actual difference between the representative account and the benchmark due to rounding of percentages to the nearest decimal place.

<sup>(5)</sup> 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.

<sup>(6)</sup> Based on the equity portion of the portfolio.

<sup>(7)</sup> Any securities referenced should not be considered a recommendation to purchase or sell a particular security. These securities represent all of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. To request a complete list of portfolio holdings recommendations for the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at [compliance@reninv.com](mailto:compliance@reninv.com).

## GICS® SECTOR INFORMATION

Sector Listing according to MSCI and S&P Dow Jones data: MSCI and S&P Dow Jones do not make any express or implied warranties or representations and shall have no liability whatsoever with respect to any GICS data contained herein.

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# GIPS Report Renaissance International Small Cap Equity Institutional Composite

Year	International Small Cap Equity Institutional Composite		Vanguard FTSE All World ex-US Small Cap ETF	Net Composite 3 Year Annualized Standard Deviation	Benchmark 3 Year Annualized Standard Deviation	Annual Asset Weighted Composite Dispersion	Number of Portfolios in Composite	As of Year End or Current Quarter				
	Gross-of-Fee Return	Net-of-Fee Return	Return	Deviation	Deviation		Market Value of Composite (Millions)	Market Value of Total Firm Strategy (Millions)**	Market Value of Firm's GIPS Assets (Millions)	Market Value of Firm's AUA (Millions)**	Market Value of Total Firm AUM (Millions)**	
2013	48.27%	48.13%	16.60%	19.51%	17.48%	0.56	7	\$0.9	\$27.9	\$2,767.7	\$1,190.3	\$3,958.0
2014	-11.58%	-11.95%	-5.06%	15.05%	13.75%	0.34	9	\$11.8	\$23.9	\$2,986.2	\$1,347.8	\$4,334.0
2015	-1.34%	-2.05%	-0.01%	14.06%	11.73%	0.28	9	\$11.4	\$23.9	\$2,703.8	\$1,534.0	\$4,237.8
2016	6.44%	5.66%	4.26%	12.91%	12.03%	0.14	10	\$12.8	\$25.7	\$1,762.0	\$2,688.1	\$4,448.1
2017	30.86%	29.93%	30.60%	11.77%	10.86%	NMF*	4	\$15.7	\$45.7	\$2,202.4	\$3,281.7	\$5,484.1
2018	-16.17%	-16.79%	-18.47%	13.55%	11.84%	NMF*	4	\$12.9	\$45.4	\$1,682.2	\$2,517.0	\$4,199.2
2019	19.04%	18.17%	21.36%	13.98%	11.88%	NMF*	4	\$14.9	\$59.9	\$883.1	\$2,656.5	\$3,539.6
2020	6.86%	6.47%	11.84%	24.95%	21.17%	NMF*	1	\$0.6	\$46.0	\$879.0	\$2,177.1	\$3,056.1
2021	29.13%	29.01%	13.07%	23.87%	20.05%	NMF*	1	\$0.8	\$90.6	\$977.0	\$2,128.6	\$3,105.6
2022	-13.12%	-13.20%	-21.47%	26.54%	23.19%	NMF*	2	\$0.8	\$139.5	\$845.4	\$1,743.4	\$2,588.8
<b>FINAL 12/31/2022</b>												

\* Not meaningful figure due to five or fewer accounts invested for the entire year.

\*\* Renaissance Total Strategy, Firm AUA, and Firm Assets Under Management include Non-Discretionary Assets (UMA Programs), for which Renaissance does not have trading authority. The Non-discretionary management of UMA Sponsor accounts consists of Renaissance providing the UMA Sponsor with changes to each participating Renaissance model portfolio on an ongoing basis.

Renaissance Investment Management (RIM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. RIM has been independently verified for the periods from January 1, 2006 through December 31, 2022.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite maintenance, as well as calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The International Small Cap Equity Institutional Composite has had a performance examination for the periods January 1, 2006 through December 31, 2022. The verification and performance examination reports are available upon request.

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**Firm Definition:** The Renaissance Group LLC, which does business as Renaissance Investment Management (RIM), is a registered investment advisor established in 1978, with an office in Covington, KY. RIM is an affiliate of Affiliated Managers Group based in West Palm Beach, FL. RIM manages equity, tactical, balanced, and fixed income assets for a variety of clients including high net worth, institutional and sub-advisory relationships. A list of all composite descriptions is available upon request.

**Composite Composition:** The International Small Cap Equity Institutional Composite (inception date: 11/1/2005) portfolios consist of approximately 45-55 equities exhibiting a combination of strong earnings growth, reasonable valuation, rising earnings expectations and profitability. As of July 1, 2023, the initial universe begins with all American Depositary Receipts (ADRs) and U.S. listed shares of foreign corporations with a market capitalization between \$100 million and \$4 billion, previously the upper limit \$3 billion. The International Small Cap Equity Institutional Composite, created on November 1, 2005, includes all fee-paying, non-wrap International Small Cap Equity accounts. As of January 1, 2021, the composite was redefined to also include tax managed accounts which were previously excluded. The composite does not include non-fee-paying managed accounts. RIM will add new fully discretionary portfolios to the composite at the first full month under management. RIM will exclude terminated portfolios from the composite after the last full month they were under management. Composite dispersion is measured using an asset-weighted standard deviation of gross returns of the portfolios.

**Calculation of Performance Returns:** Performance is calculated using total returns. Monthly composite performance is asset-weighted using beginning-of-period values. Rates of return are time-weighted with geometric linking of monthly returns. Valuations and returns are computed and stated in U.S. dollars. Account performance is based on total assets in the account, including cash and cash equivalents. Performance is actual performance.

RIM has chosen to present performance both gross- and net-of-fees. The gross-of-fee performance returns are presented before the deduction of management and custodial fees but after the deduction of all trading expenses. Net performance is reported after the deduction of all trading costs and actual RIM management fees. These gross- and net-of-fee investment results for the Renaissance International Small Cap Equity Institutional Composite include reinvestment of dividends and other earnings. Clients' returns will be reduced by the advisory fee and any other expenses that may be incurred in the management of the client's investment advisory account. For example, if the gross annualized return of an account over a five-year period were 5.0%, deducting one twelfth of an annual advisory fee of 90 basis points each month on the ending monthly account balance would produce a cumulative net return of 22.7%. The cumulative gross return at 5.0% per annum over a five-year period would be 28.3%. A \$1 million starting portfolio would thus have an ending net market value of \$1,227,096, \$56,262 less than the gross return ending value of \$1,283,359. There is no minimum asset size for inclusion in the composite. RIM uses trade date accounting and income is accrued. Actual performance may differ from returns, depending on the size of the account, brokerage commissions, investment guidelines and/or restrictions, inception date and other factors. After-tax results will vary from

the returns presented herein for those accounts that are subject to taxation. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

**Standard Deviation:** The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. According to the GIPS Standards, this is not required for periods prior to 2011.

**Investment Management Fees:** RIM's fees are based on account size. The standard RIM fee schedule for the International Small Cap Equity Strategy for direct-managed accounts is as follows: All amounts – 1.00%. Investment advisory fees are described in Part 2A of RIM's Form ADV.

**Benchmark:** RIM compares its composite returns to the Vanguard FTSE All-World ex-US Small-Cap ETF which seeks to track the performance of a benchmark index that measures the investment return of stocks of international small-cap companies. Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce performance. Market performance is based upon the midpoint of the bid/ask spread at 4:00 p.m. Eastern time (when NAV is normally determined for most ETFs) and does not represent the performance you would receive if you traded shares at other times. The ETF performance has not been examined. This benchmark is shown for comparison purposes only. We are not trying to explicitly manage to this benchmark. This benchmark represents holdings whose characteristics may differ from the composite portfolios; however, it tends to represent the investment environment existing during the time periods shown. The holdings of the client portfolios in our composites may differ significantly from the securities that comprise the index shown. Renaissance changed the benchmark (from the MSCI All World Country ex USA Small Cap Index) retroactively as of 6/30/2020. The index has been selected to represent what RIM believes to be an appropriate benchmark with which to compare the composite performance.

**Other:** Performance data quoted in any Renaissance presentation represents historically achieved results and is no guarantee of future performance. Future investments may be made under materially different economic conditions, in different securities and using different investment strategies and these differences may have a significant effect on the results portrayed. Each of these material market or economic conditions may or may not be repeated. Therefore, there may be sharp differences between the performance shown and the actual performance results achieved by any particular client. 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 appropriate 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, duration, 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 not guaranteed by the U.S. government.

**Risks of International Small Cap Equity Strategy:** International Small Cap Equity Institutional Composite returns may show a high level of variability. In addition to market risk, the majority of any additional risk in these portfolios is related to specific stock selection, and RIM will have significant exposure to individual securities.

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