

Mondrian Investment Partners
International Equity: MSCI EAFE Benchmark

For the month of: **September** 2020

	* Annualized returns				
	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Mondrian	-4.25%	1.37%	-9.68%	-3.38%	2.79%
MSCI EAFE	-2.60%	4.80%	0.49%	0.62%	5.26%

Country Allocation Comparison					
<u>Over-weight</u>	<u>Mondrian</u>	<u>EAFE</u>	<u>Under-weight</u>	<u>Mondrian</u>	<u>EAFE</u>
UK	19.35%	13.30%	Australia	0.99%	6.57%
Hong Kong	6.21%	3.32%	Switzerland	5.90%	10.41%
Singapore	3.65%	1.04%	Netherlands	0.74%	4.36%

Performance Attribution & Strategy Comments

In another challenging month for value investors, portfolio returns lagged MSCI EAFE returns, but exceeded the value sub-index.

Country allocation slightly held back relative returns

The positive impact of the underweight position in the weak Australian equity market was more than offset by the overweight position in the weak Hong Kong equity market.

Stock selection held back relative returns

Strong stock selection in France was more than offset by stock selection in Japan and the UK.

Sector allocation held back relative returns

The overweight position in the weak energy sector weighed on relative returns. Stock selection within sectors also held back relative returns. Although the portfolio benefitted from strong stock selection in the IT sector, this was more than offset by stock selection in the financials and industrials sectors.

Currency allocation added to relative returns

The portfolio benefitted from the underweight position in the weak Australian dollar and the overweight position in the pegged Hong Kong dollar. This was only partially offset by weakness in the British pound which continued to be volatile amid ongoing Brexit negotiations.

Manager Style Summary

Mondrian (formerly Delaware International) employs a top-down/bottom-up approach, with focus on security selection. The firm identifies attractive investments based on their fundamental, long-term flow of income. Dividend yield and future growth prospects are critical to the decision making process. The portfolio is expected to be fairly concentrated (40-60 securities), with a value bias. As such, we can expect the portfolio characteristics to exhibit low P/B, low P/E and high dividend yield ratios relative to the market.

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Portfolio Guideline Compliance

September

2020

Portfolio Guideline:	Index	Mondrian	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		51		40	60	ok
B5. Normal Regional Exposures:						ok
United Kingdom		19%		0%	45%	ok
Europe ex U.K.		34%		0%	75%	ok
Japan		28%		0%	45%	ok
Pacific ex Japan		11%		0%	40%	ok
Non-Index Countries		5%		0%	20%	ok
Cash		2%		0%	5%	ok
Total		100%				
B6. Normal Portfolio Characteristics						
Capitalization	62,896.85	52,467.29	83%	25%	100%	ok
Price/Book Value	1.58	1.0	63%	50%	125%	ok
Price/Earnings (Trailing)	20.2	15.1	75%	50%	100%	ok
Price/Cash Flow	9.8	6.2	63%	50%	100%	ok
Dividend Yield	2.7	3.9	145%	100%	200%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Annual turnover		14%			40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Organizational/Personnel Changes

None.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value (\$m):	
Lost:	Number of Accounts:	1	Total Market Value (\$m):	\$ 99.8
	Reason(s):	Client's business unit closing and all asset managers therefore being terminated.		