

INTERNATIONAL EQUITY STRATEGY

as at 31 December 2023

We have a highly selective, concentrated approach to investing in companies that can deliver compound wealth creation over the long term, because we believe that it is companies that create wealth, not equity markets.

INVESTMENT APPROACH

Company focus

Unconstrained, rigorous in-house company research is based on our consistently applied philosophy and process. We only select those businesses which meet our stringent investment criteria.

Team approach

We invest as a team. Our long-tenured, experienced investment team challenges and debates all proposals.

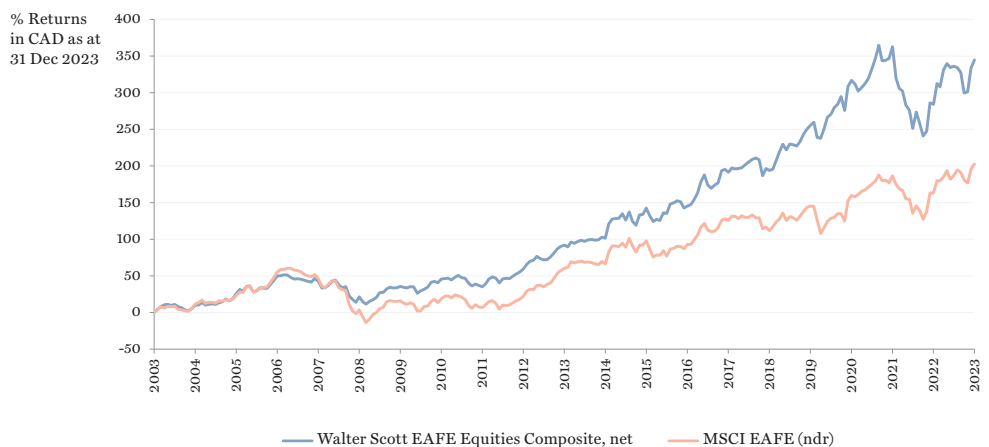
Long-term investment horizon

Our buy-and-hold approach is focused on sustainable growth. We invest for the long term in order to exploit the power of compound growth.

ESG integration

Analysis of environmental, social and governance factors is integrated into our investment process. We believe that good ESG practices and successful businesses typically go hand-in-hand.

20-YEAR CUMULATIVE PERFORMANCE



ANNUALISED PERFORMANCE

Returns in CAD % as at 31 December 2023	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	25 Years	30 Years
Walter Scott EAFE Equities Composite, net	15.7	2.2	8.6	8.8	9.0	7.7	6.4	7.1
MSCI EAFE (ndr)	15.1	5.2	7.4	6.6	7.4	5.7	3.8	5.2

CALENDAR YEAR PERFORMANCE

Returns in CAD % as at 31 December 2023	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Walter Scott EAFE Equities Composite, gross	16.6	-16.4	11.8	18.3	21.8	1.5	19.7	2.0	21.2	5.7
Walter Scott EAFE Equities Composite, net	15.7	-17.0	11.0	17.4	20.9	0.8	18.8	1.2	20.3	4.9
MSCI EAFE (ndr)	15.1	-8.2	10.3	5.9	15.8	-6.0	16.8	-2.5	19.0	3.7
Excess Returns (net vs index)	0.7	-8.7	0.7	11.4	5.1	6.8	2.0	3.7	1.4	1.3

Past performance is not a guide to future performance and returns may also increase or decrease as a result of currency fluctuations.

Source: Walter Scott (Strategy), MSCI (Index). Gross performance returns do not reflect the deduction of investment advisory fees which if applied would reduce returns but they do reflect the reinvestment of dividends and/or other earnings. Net performance returns reflect the deduction of a model management fee of 0.75% per annum and the reinvestment of dividends and/or other earnings. Please refer to the back page for further information. Walter Scott International Equities Composite is also known as the Walter Scott EAFE Equities Composite.

MSCI EAFE is used as a comparative index for this strategy for illustrative purposes. The strategy does not aim to replicate the composition or performance of the comparative index.

Walter Scott claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

STRATEGY OVERVIEW

The International Equity strategy aims to provide investors with a favourable real rate of return over the long term by investing in a portfolio of leading companies located outside of the US. Stocks are selected through fundamental, in-house company analysis.

The portfolio will typically consist of 40-60 world-class companies we consider capable of generating superior real returns over the long-term. These will be companies which we believe demonstrate exceptional and durable growth, profitability and balance sheet characteristics.

Our unconstrained approach typically leads to portfolios that bear little or no resemblance to any stock market index.

C\$108.7bn firm wide AUM
C\$40.2bn international equity strategy AUM
Composite inception date: 30 June 1985

PORTFOLIO CHARACTERISTICS

	Portfolio
Number of Securities	51
Operating Margin	15.7%
ROE	14.3%
Net Debt to Equity*	33%
P/E Ratio	25.9x
Dividend Yield**	1.9%
Active Share	79%
Portfolio Turnover (Typical Annual Range)†	5%-15%

Source: Walter Scott, FactSet & MSCI. Portfolio Characteristics are subject to change and are based on a Walter Scott EAFE Equity representative portfolio as at 31/12/23.

*Net Debt to Equity figure excludes securities from the financial sector.












**Calculated, based on MSCI definition, using current holdings and reflecting the deduction of a model fee of 0.75% per annum (see Fees section for more detail).

†Based on the last 10 calendar years of representative portfolio turnover.








TOP TEN STOCKS

Stock	% of portfolio
Novo Nordisk	4.1
Shin-Etsu	3.7
LVMH	3.4
ASML	3.4
Keyence	3.3
Taiwan Semiconductor	3.3
Alimentation Couche-Tard	3.1
Air Liquide	3.0
Daikin	3.0
L'Oréal	2.9

SECTOR

Industrials	22.2%	
Healthcare	20.1%	
Information technology	17.7%	
Consumer discretionary	13.7%	
Consumer staples	9.5%	
Materials	6.7%	
Financials	3.1%	
Real estate	2.6%	
Energy	1.8%	
Utilities	1.0%	
Liquidity	1.5%	

REGION

Europe ex UK	50.6%	
Japan	22.3%	
Asia Pacific ex Japan	9.8%	
UK	7.3%	
Canada	5.2%	
Emerging Markets	3.3%	
Liquidity	1.5%	

Source: Walter Scott, EAFE Equity representative portfolio as at 31/12/23 used to demonstrate Top Ten Stocks, Sector and Region information. The representative portfolio adheres to the same investment approach as the Walter Scott EAFE Equity Strategy. All holdings are subject to change. Information is historical and may not reflect current or future portfolio's. Percentages may not equal 100% due to rounding.

This information should not be considered a recommendation to purchase or sell any security. The data shown should not be relied upon as a complete listing of the strategy's holdings as information on particular holdings may be withheld. There is no assurance that any securities shown will remain in a portfolio at the time you receive this factsheet or that securities sold have not been repurchased. It should not be assumed that the holdings listed were or will prove to be profitable or that the investment decisions Walter Scott makes in the future will be profitable or will equal the investment performance illustrated.

CONTACT

tel: +44 (0)131 225 1357 - clientservice@walterscott.com - www.walterscott.com

FIRM DEFINITION

Walter Scott & Partners Limited (“Walter Scott”) is an investment management firm authorised and regulated in the United Kingdom by the Financial Conduct Authority in the conduct of investment business. Walter Scott is a non-bank subsidiary and 100% owned by The Bank of New York Mellon Corporation. All operations are based in Edinburgh, Scotland with a client service presence in the United States. Walter Scott is responsible for portfolios managed on behalf of pension plans, endowments and similar institutional investors.

EXPLANATORY NOTES

To receive a list of composite descriptions of Walter Scott and/or GIPS® reports, please email clientservice@walterscott.com or contact the Client Management team using the telephone number or address shown at the end of this document.

COMPOSITE DESCRIPTION

This composite includes all global ex USA portfolios that are predominantly invested in large and mid-cap equities. Portfolios within the composite typically hold 40 to 60 stocks.

FEES

Net of management fee composite returns are calculated by deducting a model fee from the gross return. Actual management fees may differ from the model fees used and performance-based fees may result in higher fees than model fees applied. The model fee rate is higher than the 10-year average actual composite fee rate as at 31 December 2022. The model rate deducted is equivalent to the highest fee rate that would be charged to the intended audience. For further details of fee rates see Part II of Form ADV.

PORTFOLIO CHARACTERISTIC DEFINITIONS

Please contact us on clientservice@walterscott.com for further information on the methodologies used in the

calculation of the portfolio characteristics shown.

BENCHMARK DEFINITION

MSCI EAFE: a global equity benchmark that represents large and mid-cap equity performance across developed markets countries excluding North America. It is not directly exposed to emerging markets. Further information can be found at www.msci.com.

KEY INVESTMENT RISKS

Equities are subject to market, market sector, market liquidity, issuer, and investment style risks, to varying degrees. **Small and mid-sized company stocks** tend to be more volatile and less liquid than larger company stocks as these companies are less established and have more volatile earnings histories. Investing in **foreign denominated and/or domiciled securities** involves special risks, including changes in currency exchange rates, political, economic, and social instability, limited company information, differing auditing and legal standards, and less market liquidity. These risks generally are greater with emerging market countries.

Investment return and principal value of an investment will fluctuate, so that when an investment is sold, the amount returned may be less than that originally invested.

IMPORTANT REGULATORY INFORMATION

This information is for institutional investors only. This is a financial promotion. The factsheet is provided for general information only and should not be construed as investment advice or a recommendation. This information does not represent and must not be construed as an offer or a solicitation of an offer to buy or sell securities, commodities and/ or any other financial instruments or products. **This document may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised.**

Walter Scott & Partners Limited (Walter Scott) is authorised and regulated in the **United Kingdom** by the Financial Conduct Authority. Walter Scott is also registered as an investment adviser in the **US** with the Securities and Exchange Commission (SEC). Securities offered in the **US** by BNY Mellon Securities Corporation (BNYMSC), a registered broker-dealer. Investment advisory products offered in the **US** through BNYMSC employees acting in their capacity as associated investment adviser representatives of BNYMSC.

Walter Scott is registered in **Canada** as an Exempt Market Dealer (EMD) (through which it offers certain investment vehicles on a private placement basis) in all Canadian provinces and is also availing itself of the International Adviser Exemption (IAE) in these same provinces with the exception of Prince Edward Island. Each of the EMD registration and the IAE are in compliance with National Instrument 31-103, Registration Requirements, Exemptions and Ongoing Registrant Obligations.

In **Australia**, this material is provided on the basis that you are a wholesale client as defined within s761G of the Corporations Act 2001. Walter Scott is registered as a foreign company under the Corporations Act 2001. It is exempt from the requirement to hold an Australian Financial Services License under the Corporations Act 2001 in respect of these services provided to Australian wholesale clients.

In **South Africa**, Walter Scott is registered as a Foreign Financial Services Provider with the Financial Sector Conduct Authority. FSP No. 9725.

Calls to Walter Scott & Partners Limited may be recorded in line with applicable laws and regulations and for training and monitoring purposes.

WALTER SCOTT & PARTNERS LIMITED, ONE CHARLOTTE SQUARE, EDINBURGH EH2 4DR

TEL: +44 (0)131 225 1357 · FAX: +44 (0)131 225 7997

WWW.WALTERSCOTT.COM

Registered in Scotland 93685. Registered Office as above. Authorised and regulated by the Financial Conduct Authority. FCA Head Office: 12 Endeavour Square, London E20 1JN · www.fca.org.uk