

STRATEGY PROFILE

Non-U.S. Small Cap

FOURTH QUARTER 2018


SEEKS SUPERIOR TOTAL AND RISK-ADJUSTED RETURNS FROM A DIVERSIFIED PORTFOLIO OF NON-U.S. SMALL-CAP COMPANIES
AT A GLANCE

Our Non-U.S. Small Cap strategy pursues long-term capital appreciation by investing in growing, attractively valued non-U.S. companies with market capitalizations below \$5 billion. It offers investors access to under-researched companies with high return potential in growing segments of non-U.S. markets. The strategy aims to exploit inefficiencies in the asset class by selecting individual companies using our free-cash-flow valuation methodology. Our bottom-up security selection and risk management process leads to a portfolio of 100-125 stocks.

THE NON-U.S. SMALL CAP OPPORTUNITY

- Access to a diversified portfolio of companies with attractive return opportunities, with many small companies either focused on a product niche or a single local or regional economy
- Minimal research coverage, creating opportunities to discover promising but overlooked companies
- Higher dispersion of returns than other equity asset classes, providing greater scope for active managers to add value
- Strong diversifier for an overall portfolio
- Active management by an experienced investment team
- Risk management integrated with the investment process to minimize unintended risks and reduce volatility
- Record of strong relative and risk-adjusted returns since inception
- Cash-flow-oriented approach complements other managers within an overall asset allocation plan

EPOCH'S DISTINCT INVESTMENT PHILOSOPHY AND APPROACH

The bedrock of our philosophy is that the growth and applications of free cash flow represent the best predictor of long-term shareholder return. As a result, our security selection process is focused on free-cash-flow metrics and capital allocation as opposed to traditional accounting-based metrics

such as price-to-book and price-to-earnings.

We look for a consistent, straightforward ability to generate free cash flow and to allocate it effectively among internal reinvestment opportunities, acquisitions, dividends, share repurchases and debt pay downs. An essential factor is the evaluation of each company's management team to confirm their commitment to transparency and building shareholder value. The companies uncovered by this process have inherently less volatility due to their ability to generate cash flow.

The Non-U.S. Small Cap strategy incorporates qualitative and quantitative analysis to identify potential investments, taking into consideration factors that can lead to growing cash flow. Stocks are then subject to rigorous fundamental research. We develop an investment thesis as we assess the sources of the company's long-term value creation and management's ability to nurture it. We scrutinize management's track record of allocating capital, looking for those with the discipline to use free cash flow to maximize return on investment, thereby creating shareholder value. Once a stock has been purchased, we continually revisit our thesis and sell the stock if our price target is reached, our thesis changes or we see another investment with a better risk-reward profile.

While the portfolio is constructed from the bottom up, decisions are made with consideration of the macro context. Epoch's Investment Policy Group, composed of senior members of our different strategy groups, provides insight and guidance on the global market environment and macroeconomic and industry trends.

We analyze risk as part of the portfolio construction process to monitor portfolio volatility and better ensure the delivery of the strategy's goals. A senior member of the Quantitative Research and Risk Management team is a co-portfolio manager on every strategy managed by Epoch so that portfolio managers are aware of unintended biases and the effect individual securities may have on the portfolio. The portfolio is diversified across sectors and the sizes of individual positions are limited.

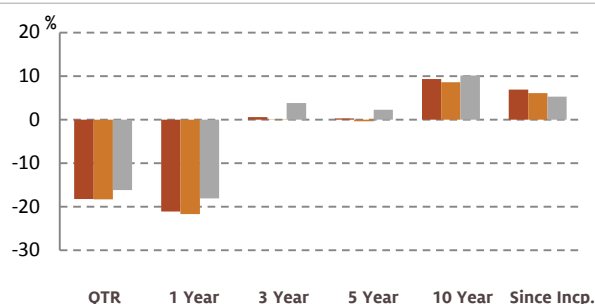
EXPERIENCED PORTFOLIO MANAGER TEAM

	Joined Epoch	Industry Experience
John Morgan	2012	24
Mike Welhoelter, CFA	2005	32
Wei Huang, CFA	2015	17
Supported by a team of analysts with an average of over 20 years experience		

RISK/RETURN PROFILE

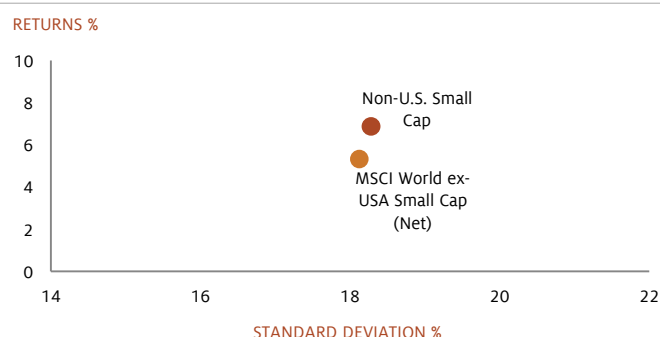
Annualized Excess Return		
vs. MSCI World ex-USA Small Cap (Net)		1.5%
Risk Metrics	Portfolio	MSCI World ex-USA Small (Net)
Standard Deviation	18.3	18.1
Sharpe Ratio	0.31	0.22

NON-U.S. SMALL CAP RESULTS



	QTR	1 Year	3 Year	5 Year	10 Year	Since Incp.
Portfolio (Gross)	-18.2	-21.1	0.6	0.3	9.3	6.9
Portfolio (Net)	-18.3	-21.7	-0.1	-0.4	8.6	6.1
MSCI World ex-USA Small Cap (Net)	-16.2	-18.1	3.8	2.3	10.1	5.3

RISK/RETURN PROFILE



RISK AND ACTIVE METRICS

Portfolio vs.	Info. Ratio	Alpha	Beta	R ²	Active Share
MSCI World ex-USA Small Cap (Net)	0.38	1.62	0.98	0.95	92.8

CHARACTERISTICS

	Portfolio	MSCI World ex-USA Small Cap (Net)
Weighted Avg Mkt Cap (\$M)	2,181	2,232
Weighted Med Mkt Cap (\$M)	1,662	1,877
Number of Equity Positions	112	2,561
12 Month turnover	73%	

	Portfolio (Gross)	Portfolio (Net)	MSCI World ex-USA Small Cap (Net)
2018	-21.1	-21.7	-18.1
2017	32.5	31.5	31.0
2016	-2.5	-3.2	4.3
2015	10.9	10.2	5.5
2014	-10.2	-10.8	-5.4
2013	30.6	29.7	25.6
2012	20.6	19.8	17.5
2011	-20.2	-20.7	-15.8
2010	29.2	28.4	24.5
2009	48.1	46.8	50.8

PORTFOLIO COMPOSITION

5 LARGEST HOLDINGS

	Portfolio %
PATRIZIA Immobilien AG	1.5
Clinigen Group Plc	1.5
WH Smith PLC	1.4
Burford Capital Limited	1.4
Tecan Group AG	1.4
Total	7.3

5 LARGEST COUNTRY WEIGHTS

	Portfolio %	MSCI World ex-USA Small %
Japan	31.2	28.8
United Kingdom	13.5	16.6
Canada	7.3	8.4
France	6.5	3.0
Germany	5.6	5.2
Total	64.1	62.0

SECTOR WEIGHTS

	Portfolio %	MSCI World ex-USA Small %
Industrials	23.6	20.5
Consumer Discretionary	14.2	12.5
Financials	12.9	11.3
Real Estate	9.9	12.0
Information Technology	9.0	8.7
Health Care	8.1	7.2
Materials	6.0	10.0
Consumer Staples	3.9	6.6
Energy	3.7	3.6
Utilities	2.5	2.8
Communication Services	2.2	4.5
Cash	4.1	0.0
Total	100.0	100.0

ADDITIONAL INFORMATION

Composite Inception	January 31, 2005
Strategy Assets	\$426 million
Availability	Minimum
Separate Account	\$50 million

All data as of 12/31/2018 unless otherwise noted. Source: FactSet Research Systems, Inc.; MSCI Inc. Totals may not add due to rounding. Excess return is the difference between annualized return since inception for Epoch Non-U.S. Small Cap Composite Gross and the MSCI World ex-USA Small Cap Index (Net). Since Inception – January 31, 2005. Performance for the most recent quarter is preliminary and subject to change. The risk statistics are shown for informational purposes only and are not indicative of future results. Past performance is no guarantee of future results. Valuations are computed and performance is reported in U.S. dollars. Composite returns are presented gross and net of management fees and include the reinvestment of all income. Gross-of-fees returns are presented before management fees but after all trading expenses. Net performance reflects the gross-of-fees return reduced by the investment management fee and performance-based fee (where applicable) incurred. Effective 1/2008, net performance is calculated by deducting the actual investment management fee incurred by each portfolio in the composite. Prior to 1/2008, net-of-fee returns reflect the deduction of the highest annual management fee, calculated on a monthly basis. Returns include the effect of foreign currency exchange rates. The statements expressed herein are informed opinions, are as of the date noted, and are subject to change at any time based on market or other conditions. International investments involve special risks including currency fluctuation, long liquidity and different accounting methods and economical and political systems. Securities of smaller companies tend to be more volatile and less liquid than that of large companies. Information about indices allows for the comparison of an investment strategy's results to that of a widely recognized broad market index. There is no representation that such index is an appropriate benchmark for such comparison. Results for an index do not reflect trading commissions and costs. Index volatility may be materially different from a strategy's volatility and portfolio holdings may differ significantly from the securities comprising an index. This information is intended to highlight issues and not to be comprehensive or to provide advice only. Any reproduction, modification, distribution, transmission or republication of the information, in part or in full, is prohibited.