



# Focused Growth International Equity Presentation

30 September 2022



# About WCM Investment Management as of 30 September 2022



## The Short Version...

- An independent asset management firm
- Located in Laguna Beach, California
- \$65.7 billion of assets under management<sup>1</sup>
- 82 staff members, 43 of whom are owners

<sup>1</sup>Includes model assets.

# Focused Growth International Equity Team

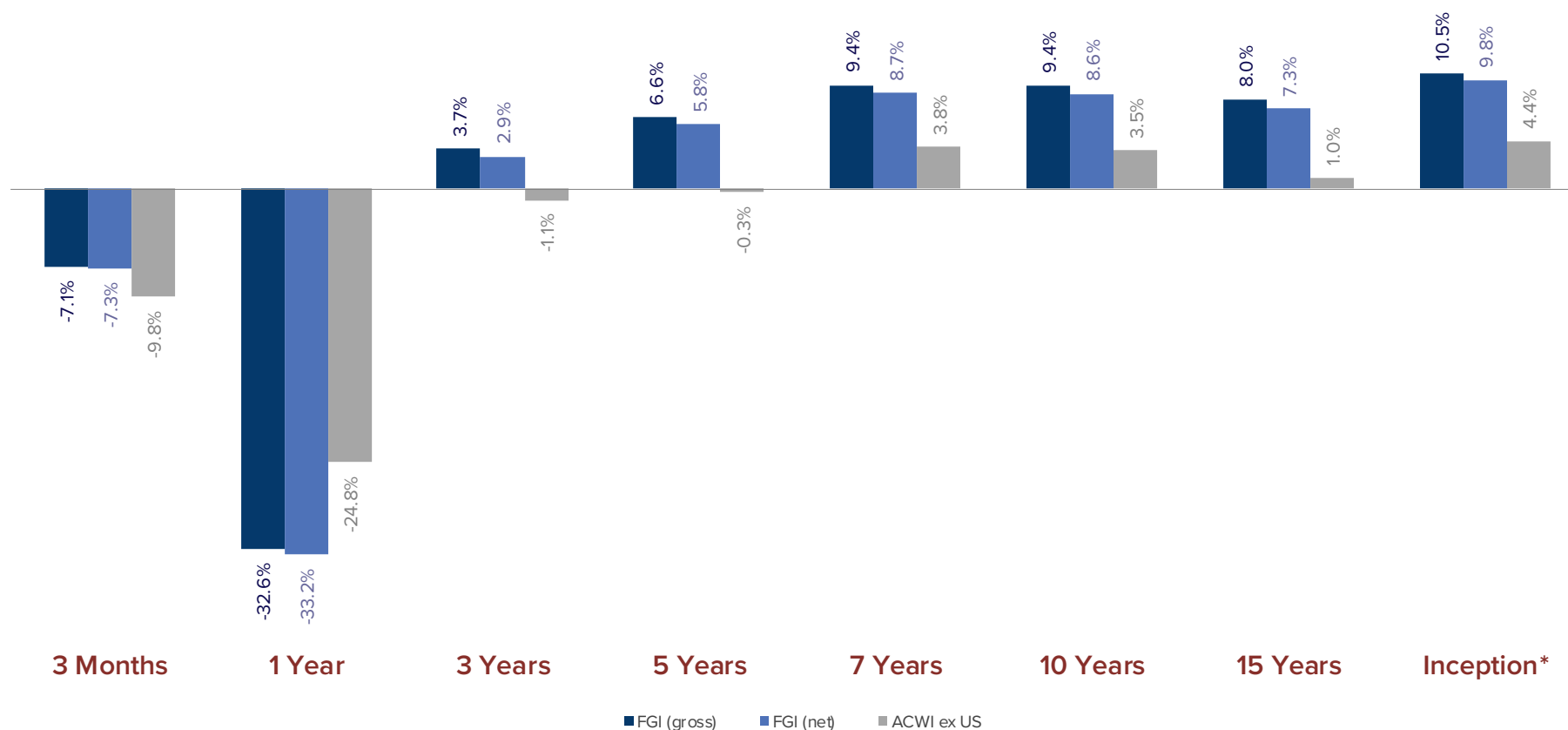


TEAM MEMBER	TITLE	INVESTMENT STRATEGY GROUP	YEARS IN BUSINESS
<b>Paul Black</b>	Portfolio Manager	✓	39
<b>Pete Hunkel</b>	Portfolio Manager	✓	24
<b>Mike Trigg</b>	Portfolio Manager	✓	22
<b>Sanjay Ayer</b>	Portfolio Manager	✓	19
<b>Jon Tringale</b>	Portfolio Manager	✓	14
<b>Mike Tian</b>	Business Analyst		16
<b>Yan Gao</b>	Business Analyst		14
<b>Greg Ise</b>	Business Analyst		21
<b>Tamara Manoukian</b>	Business Analyst		17
<b>Jung Ryu</b>	Business Analyst		17
<b>Ken Ryan</b>	Business Analyst		9
<b>Lakshman Venkitaraman</b>	Business Analyst		14
<b>Michael Hayward</b>	Business Analyst		13
<b>Dave Heng</b>	Business Analyst		6
<b>Ross Bendetson</b>	Business Analyst		4
<b>William “JB” Horner</b>	Business Culture Analyst		8
<b>Miles Bredenoord</b>	Special Projects Analyst		11
<b>Ryan Quinn</b>	Client Portfolio Manager		25
<b>Brian Huerta</b>	Client Portfolio Manager		25
<b>Daniel Wiechert</b>	Client Portfolio Manager		8
<b>Ryan Bracci</b>	Head Trader		22
<b>Ming Tran</b>	Trader		30
<b>Kelly Lengsfeld</b>	Trader		11
<b>Scott Lee</b>	Trader		17

# Seek to Outperform Benchmarks as of 30 September 2022



## ANNUALIZED RETURNS VS. ACWI EX US

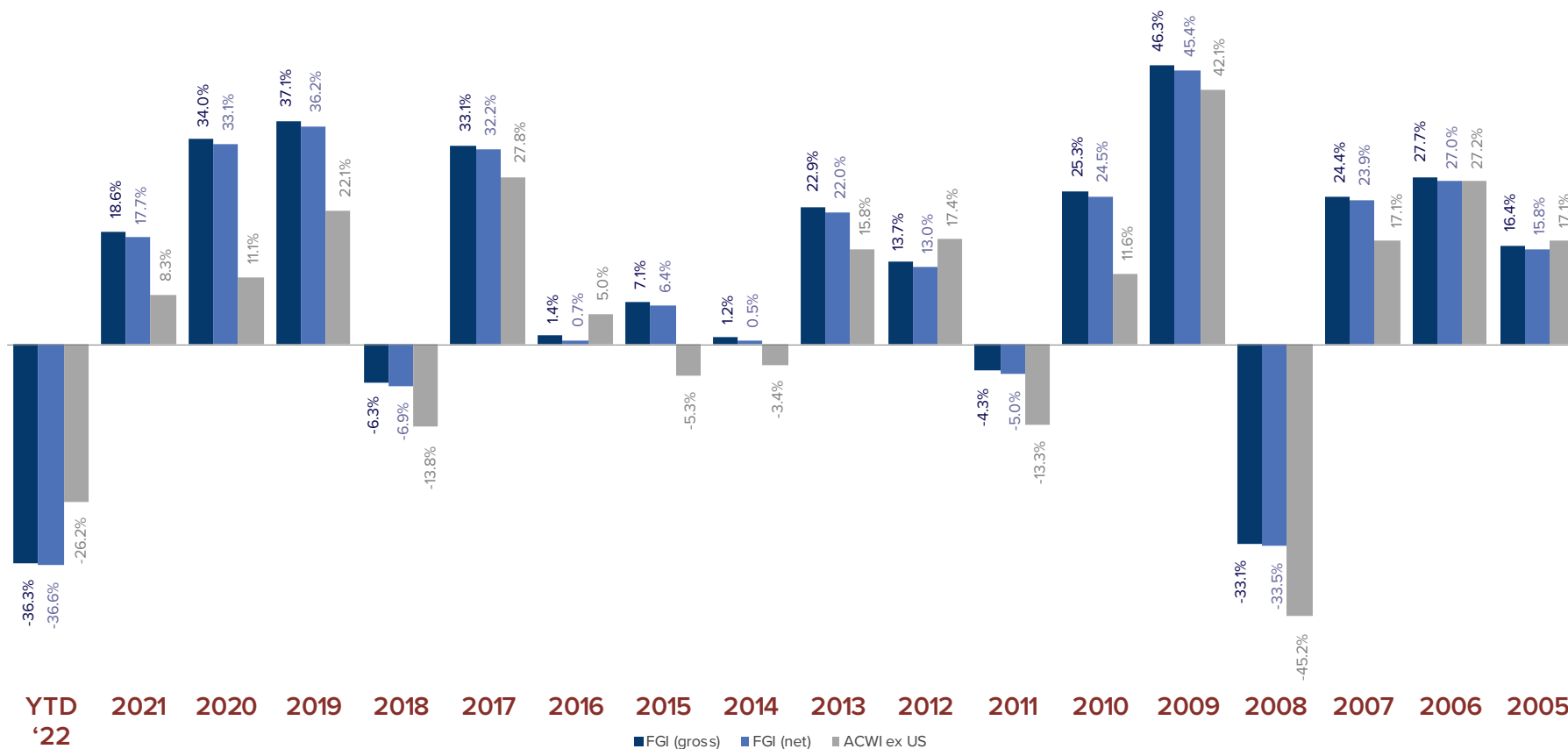


**Source:** Focused Growth International (FGI) Strategy Composite. \*Composite inception date: 30 Nov 2004. Returns presented are time-weighted and include the reinvestment of all income. The performance presented contains wrap fee and non-wrap accounts. Gross of fees returns for non-wrap accounts are presented before custodial fees, foreign withholding taxes on dividends, interest income, capital gains and management fees, and after all trading expenses. Net of fees performance for non-wrap accounts is calculated using actual management fees. For non-fee-paying accounts, the maximum annual management fee of 1% is applied by deducting 1/12th of 1% from the monthly account gross return to arrive at the account net return. Wrap fee accounts pay a fee based on a percentage of assets under management. In addition to brokerage commissions, this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. For wrap accounts, gross performance is reduced by the total wrap fee less the management fee and net of fees performance is reduced by the total wrap fee including the management fee. Past performance is not indicative of future results. See full disclosure at the end of the presentation. Periods greater than one year are annualized. The Morgan Stanley Capital International All-Country World Index excluding United States (ACWI ex US) is a free-float-adjusted, market-capitalization-weighted index designed to benchmark the performance of various global equity markets. For more information on MSCI indices, visit [msci.com](https://www.msci.com).

# Seek to Outperform Benchmarks as of 30 September 2022



## ANNUAL RETURNS VS. ACWI EX US



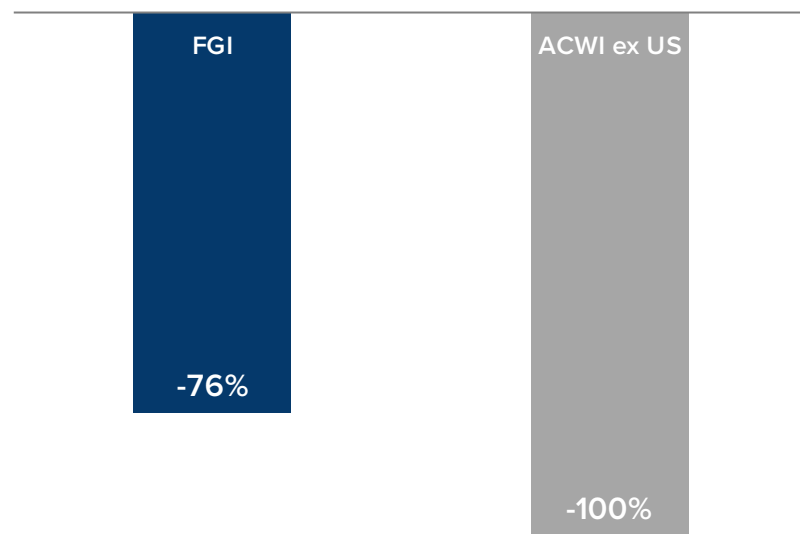
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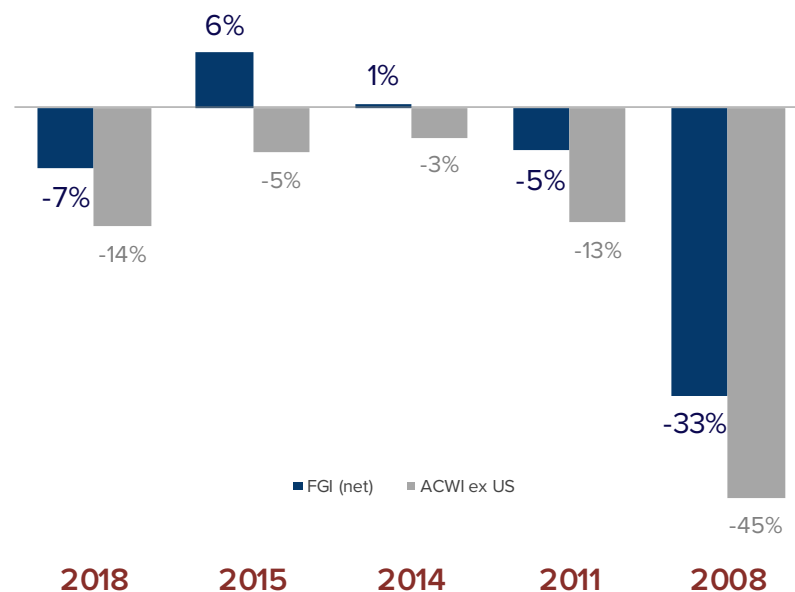
# Downside Protection as of 30 September 2022



## DOWNSIDE CAPTURE (SINCE INCEPTION\*)



## DOWNSIDE PROTECTION (ALL DOWN YEARS SINCE INCEPTION\*)



## MONTHLY RETURN DATA vs. MSCI ACWI ex US

Since Inception Total Months	214
MSCI ACWI ex US Total Down Months	89
<b>FGI Total Excess (bps) net of fees</b>	<b>11,268</b>
<b>Down Months Win Percentage</b>	<b>75%</b>

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# Key Points of Differentiation



## Selection Edge

- We are bottom-up stock pickers with a selection edge.

## Structural Advantages

- We build portfolios with meaningful structural advantages.

## High Conviction

- We manage high conviction portfolios.

## Buy and Manage

- We use a “buy-and-manage” approach with low turnover.



# WCM's Focused Investment Philosophy



MOATS	CULTURE	TAILWINDS	FOCUSED	VALUATION
Businesses with durable and growing competitive advantages.	Great people, empowered and engaged, define success.	Businesses benefiting from long-lasting global trends.	Only best ideas; outperform with controlled risk.	Owning great growth companies at fair prices contributes to margin of safety.



# Economic Moats (Competitive Advantages)



## MOATS

## CULTURE

## TAILWINDS

## FOCUSED

## VALUATION

- Economies of scale
- Intellectual property
- Best-in-class reputation
- Sticky relationships with customers
- Network effect
- Low-cost provider
- Legal or regulatory

MOATS

CULTURE

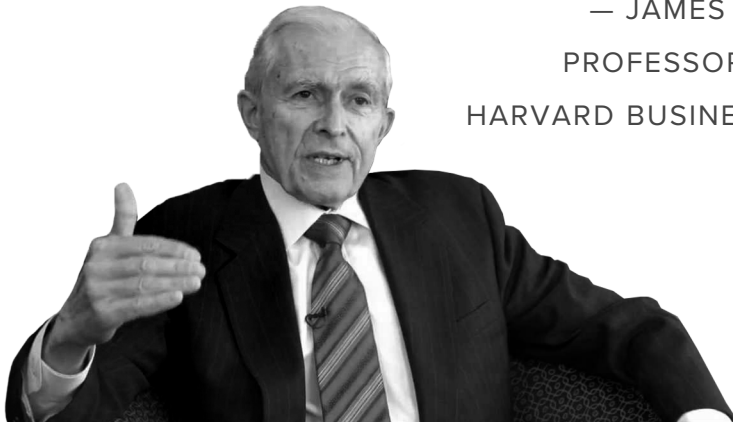
TAILWINDS

FOCUSED

VALUATION

“ *An organization’s culture can be its best competitive weapon. Effective cultures operate below competitors’ radar screens. They are hard to replicate without a wide-ranging set of changes in a competitor’s internal strategy. Best of all, in today’s interactive, interlinked, internet-driven competitive world, unlike information of a strategic nature, they can’t be hacked.* ”

— JAMES L. HESKETT,  
PROFESSOR EMERITUS,  
HARVARD BUSINESS SCHOOL



## First, One Must ‘Walk the Talk’

- Headquartered in Laguna Beach, CA
- Chief Culture Officer

## Second, Focused Culture Research

- Full-time Business Culture Analyst
- Formal collaboration with Dr. Heskett and other experts has led to a robust culture-assessment framework embedded within our research process

Source: [The Culture Cycle: How to Shape the Unseen Force that Transforms Performance](#), by James L. Heskett, Professor Emeritus, Harvard Business School, July 27, 2011.

# Tailwinds (Thematic Strength)



MOATS

CULTURE

TAILWINDS

FOCUSED

VALUATION

- Demographics
- Software eating the world
- Electronification of everything
- E-commerce
- Automation
- Conspicuous consumption
- Health & wellness
- Emerging global middle class
- Digital payments

# Focused Portfolios Generally Outperform

as of 30 September 2022



MOATS

CULTURE

TAILWINDS

FOCUSED

VALUATION

We refuse to dilute our best ideas with inferior ones, so we invest in a focused fashion.

	ACWI ex US	EAFE	FGI
Typical Holdings	~2,300	~800	30–40
Weight in Top 10 Holdings (%)	10.81	14.96	36.87
Average Position Size (%)	0.04	0.13	2.73
Median Position Size (%)	0.02	0.06	2.79

**Source:** Focused Growth International (FGI) Strategy representative portfolio. Specific account holdings may vary due to size or other restrictions. The Morgan Stanley Capital International All-Country World Index excluding United States (ACWI ex US) and the Europe, Australasia, Far East (EAFE) Index are free-float-adjusted, market-capitalization-weighted indices designed to benchmark the performance of various global equity markets. For more information on MSCI indices, visit [msci.com](https://www.msci.com). For more information on MSCI indices, visit [msci.com](https://www.msci.com).

MOATS

CULTURE

TAILWINDS

FOCUSED

VALUATION

- Drives us to great growth companies at fair prices
- Contributes to margin of safety
- Helps with downside protection
- Not “buy and hold”; rather, “buy and manage”

# Step 1: Idea Generation



**Multi-disciplinary process combining thematic and company-specific influences**

**Personal experience informed by a well-defined template**

- Live, listen and learn
- Read, study and reflect
- Identify and consider the big ideas
- Follow respected thinkers and investment greats

**Pattern Recognition**

- Identify companies, regardless of industry and region, that have been in similar situations – “History may not repeat, but it rhymes.”
- This is most conducive to a generalist, go-anywhere approach



## Step 2: Quantitative Analysis



**Backward-looking screens help narrow non-U.S. universe**

### **Basic screen examples**

- Eliminate market cap below \$3.5 billion
- Eliminate non-growth industries

***Result: Only about 1,500 names***

### **Quality growth screen examples**

- High / rising returns on invested capital in excess of cost of capital
- Low / no debt
- High / rising margins
- History of sustainable growth

***End result: Only about 250 names for consideration***

# Step 3: Fundamental Analysis



## Protected by a growing economic moat?

- Strong competitive position
- Solid evidence of strengthening advantages

## Robust culture driven by visionary leadership?

- Culture is well-articulated, consistently applied
- Culture supports and sustains the moat

## Healthy tailwind?

- Clear and simple business model
- Understandable, high-quality, in-demand products / services
- Positioned for significant, long-term growth

## Attractive valuation?

- Multi-faceted, case-by-case approach to quantitative valuations
- Corroboration with alternate and/or heuristic valuation techniques

The Investment Strategy Group goes through a lengthy, arduous process involving both quantitative and qualitative comparisons. A new holding makes it into the portfolio only after intense debate regarding its relative merits in every important area.

# Step 4: Portfolio Construction



**Initial positions:** 2–5%

**Maximum position size:** ~10%

**Maximum industry exposure:** ~15%

**Exposure to at least:** 15 industries

**Maximum sector size:** ~35%

**Maximum emerging markets exposure:** ~35% by domicile

**Other construction factors:** currencies, regions, tailwinds, moat typologies

Proper risk controls also include quality of the investment, market capitalization of the company, trustworthiness of management, type and condition of the industry and adherence to a well-defined sell discipline.

# Step 5: Sell Discipline



IDEA  
GENERATION

QUANTITATIVE  
ANALYSIS

FUNDAMENTAL  
ANALYSIS

PORTFOLIO  
CONSTRUCTION

MONITORING &  
SELL DISCIPLINE

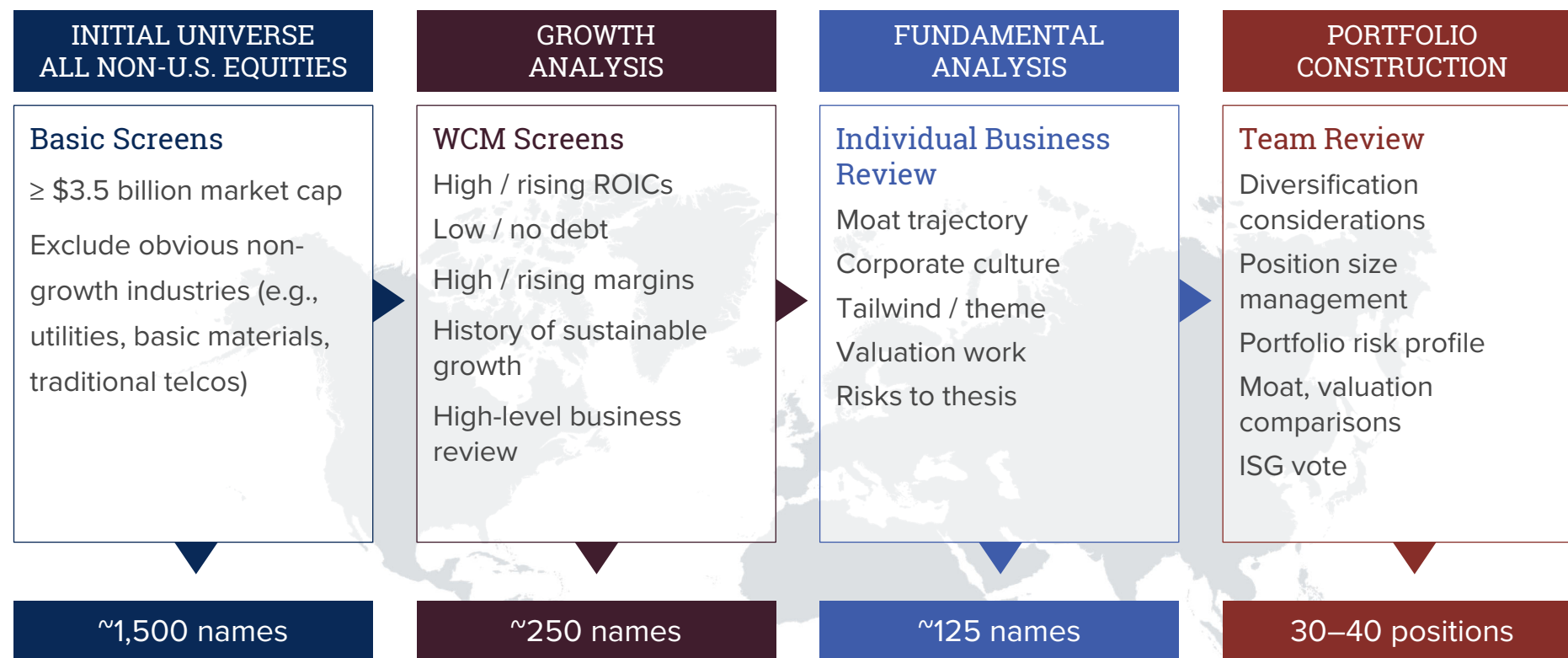
Moat is no longer expanding

More attractive company

Culture is challenged

Valuation is excessive

# Focused Investment Process Summary



# Portfolio Holdings as of 30 September 2022



Company Name	Purchase Date	Company Name	Purchase Date
Accenture plc	Apr 2016	Ferrari NV	Mar 2020
Adyen NV	Sep 2020	ICON plc	Apr 2015
AIA Group Limited	Jan 2017	Keyence Corporation	Aug 2015
Alcon, Inc.	May 2019	Lasertec Corp.	Apr 2021
Amadeus IT Group SA	Jun 2018	Li Ning Company Ltd.	Nov 2016
Aon plc	Jul 2020	Lonza Group AG	Jul 2020
ASM International N.V.	Mar 2022	Lululemon Athletica Inc.	Nov 2019
ASML Holding NV	Dec 2018	LVMH Moët Hennessy Louis Vuitton SE	Jan 2010
AstraZeneca plc	Jun 2022	Mettler-Toledo International Inc.	Jul 2018
Atlas Copco AB	Mar 2017	Nestle S.A.	Nov 2004
Atlassian Corp. Plc Class A	Sep 2021	Novo Nordisk A/S Class B	Dec 2021
Canadian Pacific Railway	Sep 2013	Pernod Ricard SA	Mar 2018
CSL Limited	Feb 2015	ResMed Inc.	Jan 2019
DSV Panalpina A/S	Mar 2019	Schneider Electric SE	Mar 2022
EPAM Systems, Inc.	Jun 2021	Shenzhou International Group Holdings Ltd.	Mar 2021
Evolution AB	Mar 2021	Sika AG	Dec 2017
Experian plc	Dec 2014	STERIS plc	Feb 2020
Ferguson Plc	Mar 2022	Waste Connections, Inc.	Sep 2022

**Source:** Focused Growth International (FGI) Strategy representative portfolio. The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.



# Top Ten Portfolio Holdings

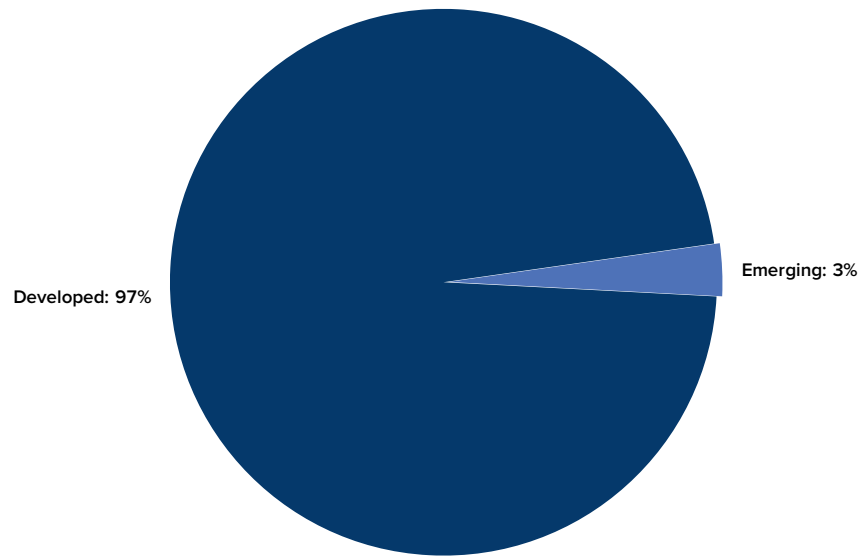
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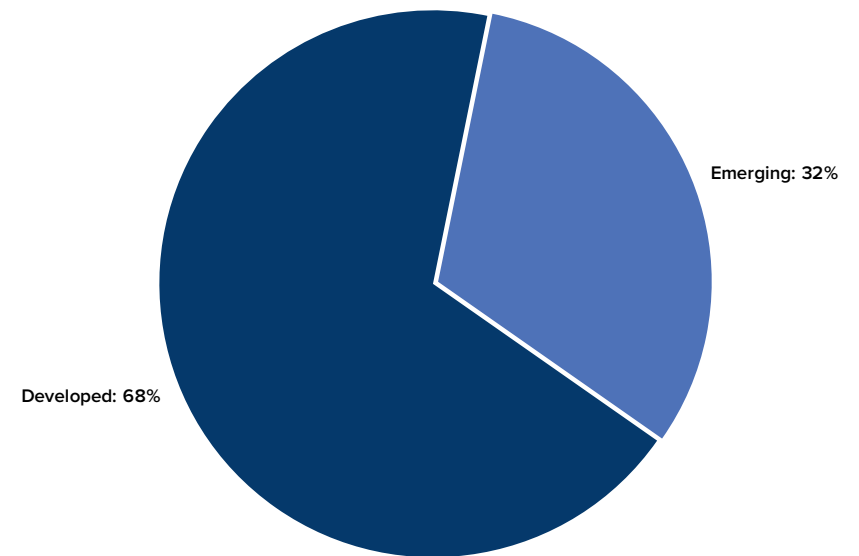
Name	Industry	Weight
Canadian Pacific Railway	Road & Rail	4.9
Aon plc	Insurance	3.9
Novo-Nordisk A/S	Pharmaceuticals	3.8
LVMH Moët Hennessy Louis Vuitton SE	Textiles Apparel & Luxury Goods	3.7
Accenture plc	IT Services	3.6
ResMed Inc.	Health Care Equipment & Supplies	3.5
Ferrari NV	Automobiles	3.4
EPAM Systems, Inc.	IT Services	3.4
Experian plc	Professional Services	3.3
AIA Group Limited	Insurance	3.3

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# Diversification: Markets as of 30 September 2022



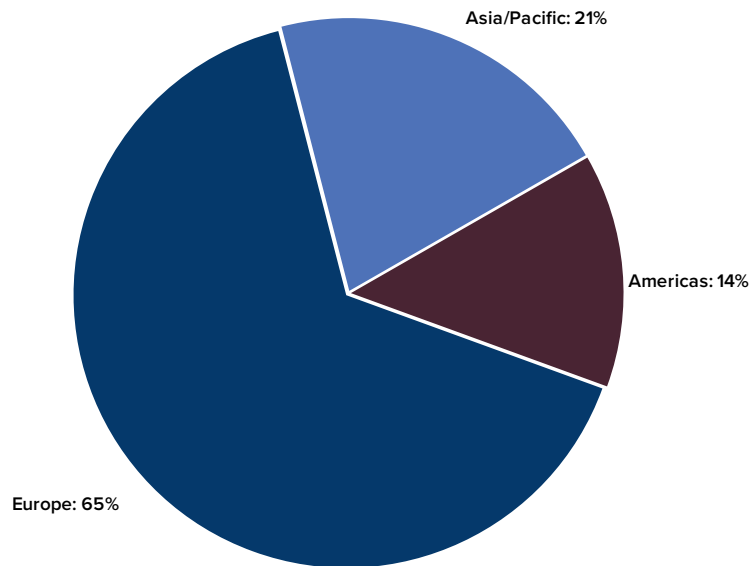
BY DOMICILE



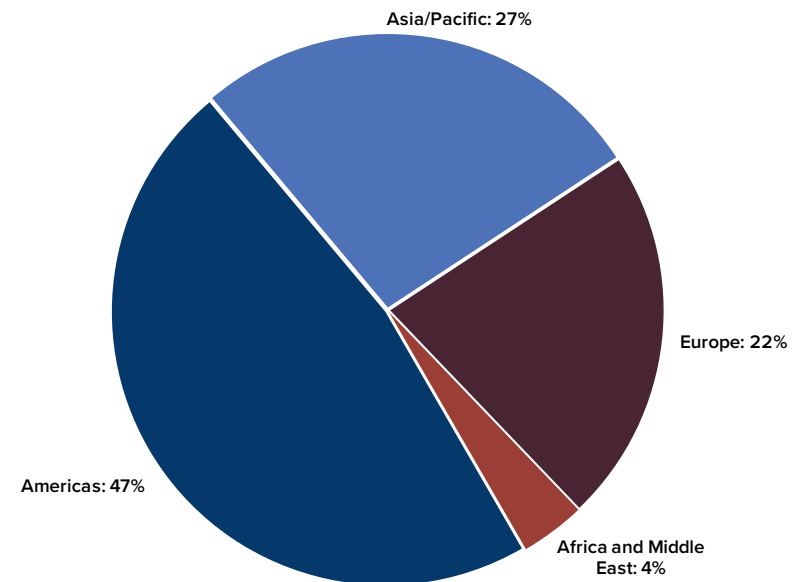
BY REVENUE

**Source:** Focused Growth International (FGI) Strategy representative portfolio. Specific account holdings may vary due to size or other restrictions.

# Diversification: Regions as of 30 September 2022



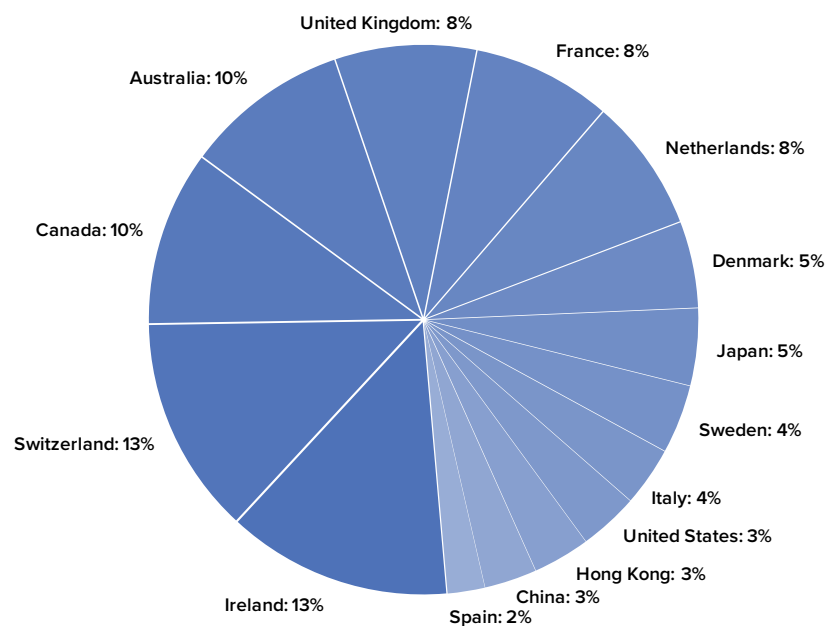
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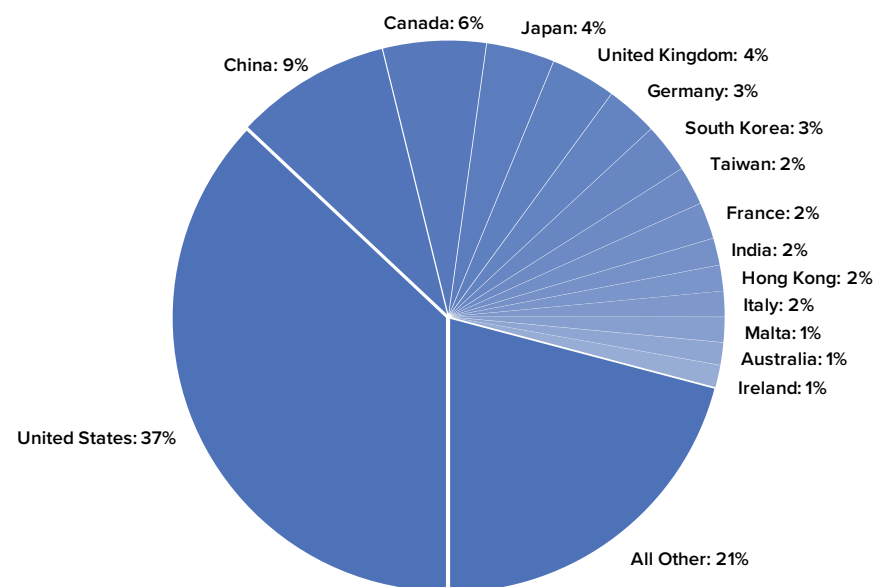
BY REVENUE

Source: Focused Growth International (FGI) Strategy representative portfolio. Specific account holdings may vary due to size or other restrictions.

# Diversification: Countries as of 30 September 2022



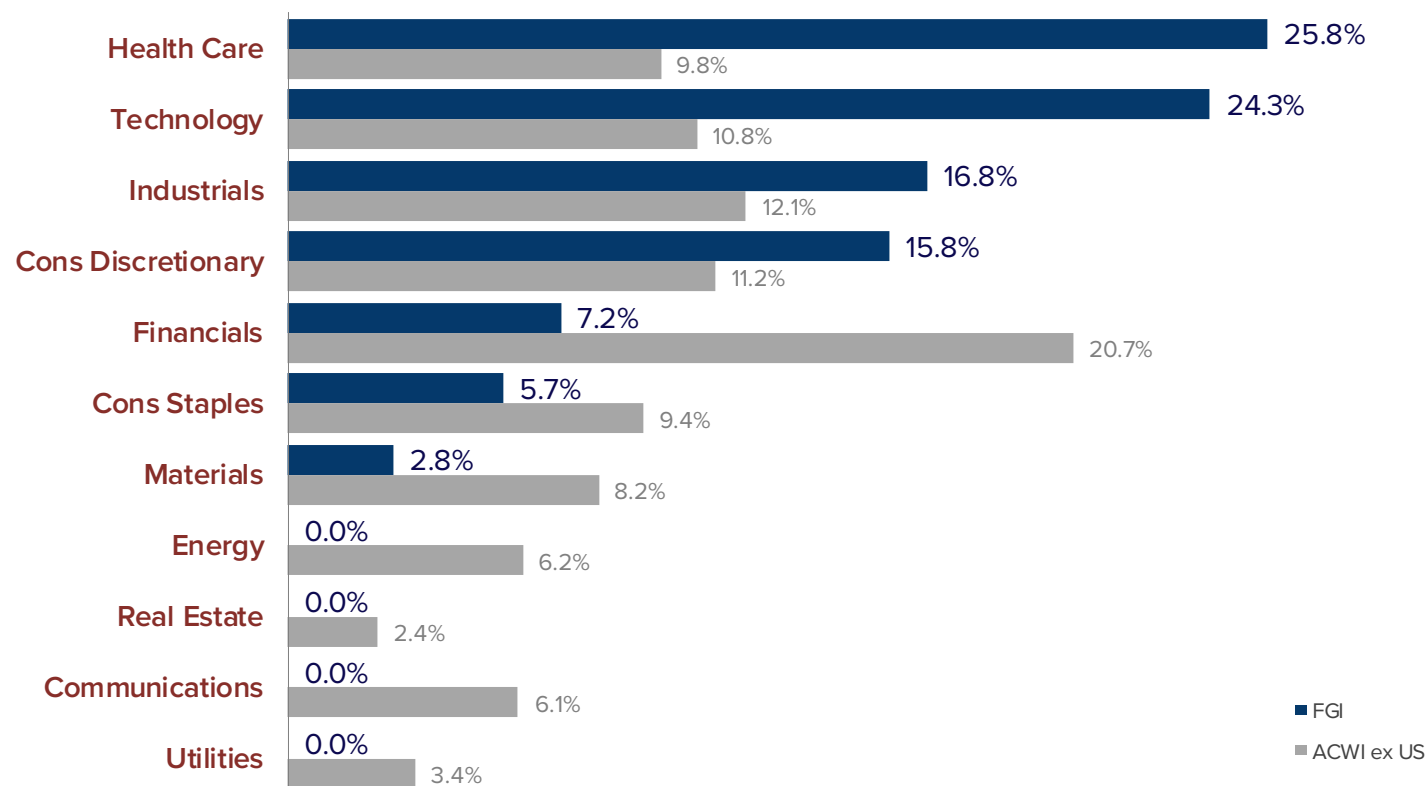
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BY REVENUE

Source: Focused Growth International (FGI) Strategy representative portfolio. Specific account holdings may vary due to size or other restrictions.

# Diversification: Sector as of 30 September 2022



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# Portfolio Characteristics as of 30 September 2022



	FGI	ACWI ex US
P/E (trailing)	30.2	10.9
P/E (forward)	24.8	10.6
Return on Equity %	25.1	17.5
5-Year EPS Growth (trailing) %	16.4	10.6
Net Debt / EBITDA*	0.9	1.0
Wt. Avg. Market Cap (\$ bil)	77.9	70.2
Median Market Cap (\$ bil)	35.3	7.4
Active Share %	91.2	0.0

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# Seek to Outperform Benchmarks as of 30 September 2022



Trailing Period Performance (%)	Annualized Rates							
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years	15 Years	Inception*
Focused Growth International ( <i>gross of fees</i> )	-7.1	-32.6	3.7	6.6	9.4	9.4	8.0	10.5
Focused Growth International ( <i>net of fees</i> )	-7.3	-33.2	2.9	5.8	8.7	8.6	7.3	9.8
ACWI ex US	-9.8	-24.8	-1.1	-0.3	3.8	3.5	1.0	4.4
EAFE	-9.3	-24.7	-1.4	-0.4	3.3	4.2	1.1	4.0

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# Seek to Outperform Benchmarks as of 30 September 2022



	FGI <i>gross</i>	FGI <i>net</i>	ACWI ex US	EAFE
Q-1	-0.6	-0.8	0.3	-0.1
Q-2	3.9	3.9	0.0	-0.8
Q-3	5.1	5.0	11.8	10.4
Q-4	7.3	7.0	4.4	4.1
<b>2005</b>	<b>16.4</b>	<b>15.8</b>	<b>17.1</b>	<b>14.0</b>
Q-1	6.9	6.8	9.8	9.5
Q-2	0.0	-0.1	0.2	0.9
Q-3	9.5	9.3	4.0	4.0
Q-4	9.0	8.9	11.2	10.4
<b>2006</b>	<b>27.7</b>	<b>27.0</b>	<b>27.2</b>	<b>26.9</b>
Q-1	3.1	3.0	3.8	4.1
Q-2	8.5	8.4	8.4	6.7
Q-3	8.9	8.8	4.7	2.2
Q-4	2.1	2.0	-0.6	-1.7
<b>2007</b>	<b>24.4</b>	<b>23.9</b>	<b>17.1</b>	<b>11.6</b>
Q-1	-4.1	-4.2	-9.1	-8.8
Q-2	-2.2	-2.4	-0.9	-1.9
Q-3	-13.5	-13.7	-21.8	-20.5
Q-4	-17.4	-17.6	-22.3	-19.9
<b>2008</b>	<b>-33.1</b>	<b>-33.5</b>	<b>-45.2</b>	<b>-43.1</b>
Q-1	-3.1	-3.3	-10.6	-13.9
Q-2	19.4	19.2	27.9	25.8
Q-3	19.1	18.9	19.8	19.5
Q-4	6.2	6.1	3.8	2.2
<b>2009</b>	<b>46.3</b>	<b>45.4</b>	<b>42.1</b>	<b>32.5</b>

	FGI <i>gross</i>	FGI <i>net</i>	ACWI ex US	EAFE
Q-1	9.1	9.0	1.7	0.9
Q-2	-8.4	-8.4	-12.3	-13.7
Q-3	19.4	19.0	16.7	16.5
Q-4	5.1	4.9	7.3	6.7
<b>2010</b>	<b>25.3</b>	<b>24.5</b>	<b>11.6</b>	<b>8.2</b>
Q-1	3.4	3.3	3.5	3.4
Q-2	3.3	3.1	0.6	1.8
Q-3	-17.7	-17.9	-19.8	-19.0
Q-4	8.8	8.6	3.8	3.4
<b>2011</b>	<b>-4.3</b>	<b>-5.0</b>	<b>-13.3</b>	<b>-11.7</b>
Q-1	11.8	11.7	11.3	11.0
Q-2	-7.4	-7.6	-7.4	-6.9
Q-3	4.9	4.7	7.5	7.0
Q-4	4.7	4.6	5.9	6.6
<b>2012</b>	<b>13.7</b>	<b>13.0</b>	<b>17.4</b>	<b>17.9</b>
Q-1	7.3	7.1	3.3	5.2
Q-2	-0.5	-0.7	-2.9	-0.7
Q-3	8.4	8.2	10.2	11.6
Q-4	6.2	6.1	4.8	5.7
<b>2013</b>	<b>22.9</b>	<b>22.0</b>	<b>15.8</b>	<b>23.3</b>
Q-1	1.4	1.2	0.6	0.8
Q-2	3.4	3.2	5.2	4.3
Q-3	-3.8	-4.0	-5.2	-5.8
Q-4	0.4	0.2	-3.8	-3.5
<b>2014</b>	<b>1.2</b>	<b>0.5</b>	<b>-3.4</b>	<b>-4.5</b>

	FGI <i>gross</i>	FGI <i>net</i>	ACWI ex US	EAFE
Q-1	5.3	5.1	3.6	5.0
Q-2	1.1	1.0	0.7	0.8
Q-3	-5.9	-6.1	-12.1	-10.2
Q-4	6.9	6.8	3.3	4.7
<b>2015</b>	<b>7.1</b>	<b>6.4</b>	<b>-5.3</b>	<b>-0.4</b>
Q-1	0.5	0.3	-0.3	-2.9
Q-2	2.9	2.7	-0.4	-1.2
Q-3	5.2	5.0	7.0	6.5
Q-4	-6.7	-6.9	-1.2	-0.7
<b>2016</b>	<b>1.4</b>	<b>0.7</b>	<b>5.0</b>	<b>1.5</b>
Q-1	10.9	10.7	8.0	7.4
Q-2	8.6	8.4	6.0	6.4
Q-3	4.6	4.4	6.3	5.5
Q-4	5.6	5.5	5.1	4.3
<b>2017</b>	<b>33.1</b>	<b>32.2</b>	<b>27.8</b>	<b>25.6</b>
Q-1	1.6	1.4	-1.1	-1.4
Q-2	1.6	1.4	-2.4	-1.0
Q-3	3.3	3.2	0.8	1.4
Q-4	-12.2	-12.3	-11.4	-12.5
<b>2018</b>	<b>-6.3</b>	<b>-6.9</b>	<b>-13.8</b>	<b>-13.4</b>
Q-1	13.1	13.0	10.4	10.1
Q-2	10.3	10.1	3.2	4.0
Q-3	-0.1	-0.3	-1.7	-1.0
Q-4	10.0	9.8	9.0	8.2
<b>2019</b>	<b>37.1</b>	<b>36.2</b>	<b>22.1</b>	<b>22.7</b>

	FGI <i>gross</i>	FGI <i>net</i>	ACWI ex US	EAFE
Q-1	-16.4	-16.5	-23.3	-22.7
Q-2	25.3	25.1	16.3	15.1
Q-3	9.0	8.9	6.4	4.9
Q-4	17.3	17.1	17.1	16.1
<b>2020</b>	<b>34.0</b>	<b>33.1</b>	<b>11.1</b>	<b>8.3</b>
Q-1	0.4	0.2	3.6	3.6
Q-2	11.0	10.8	5.6	5.4
Q-3	0.7	0.5	-2.9	-0.4
Q-4	5.7	5.5	1.9	2.7
<b>2021</b>	<b>18.6</b>	<b>17.7</b>	<b>8.3</b>	<b>11.8</b>
Q-1	-16.6	-16.8	-5.3	-5.8
Q-2	-17.7	-17.9	-13.5	-14.3
Q-3	-7.1	-7.3	-9.8	-9.3
Q-4				
<b>2022</b>	<b>-36.3</b>	<b>-36.6</b>	<b>-26.2</b>	<b>-26.8</b>

**Source:** Focused Growth International (FGI) Strategy Composite. \*Composite inception date: 30 Nov 2004. Returns presented are time-weighted and include the reinvestment of all income. The performance presented contains wrap fee and non-wrap accounts. Gross of fees returns for non-wrap accounts are presented before custodial fees, foreign withholding taxes on dividends, interest income, capital gains and management fees, and after all trading expenses. Net of fees performance for non-wrap accounts is calculated using actual management fees. For non-fee-paying accounts, the maximum annual management fee of 1% is applied by deducting 1/12th of 1% from the monthly account gross return to arrive at the account net return. Wrap fee accounts pay a fee based on a percentage of assets under management. In addition to brokerage commissions, this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. For wrap accounts, gross performance is reduced by the total wrap fee less the management fee and net of fees performance is reduced by the total wrap fee including the management fee. Past performance is not indicative of future results. See full disclosure at the end of the presentation. The Morgan Stanley Capital International All-Country World Index excluding United States (ACWI ex US) is a free-float-adjusted, market-capitalization-weighted index designed to benchmark the performance of various global equity markets. For more information on MSCI indices, visit [msci.com](https://www.msci.com).

# Why Choose WCM Investment Management?



**WCM is motivated by a spirit of broad-based employee ownership**

**Our investment strategy is driven by timeless principles:**

- Economic moats
- Culture
- Tailwinds
- Focused
- Valuation
- Temperament

**Risk control is systematic and built into every aspect of the process:**

- High-quality, large, non-U.S. businesses
- Competitive advantages
- Reasonable valuation
- Portfolio diversification guidelines
- Well-defined sell discipline

# How to Contact Us



## WCM Investment Management

281 Brooks Street

Laguna Beach, CA 92651

Telephone: 949.380.0200

[www.wcminvest.com](http://www.wcminvest.com)



# Investment Professionals



## **Sanjay Ayer, Portfolio Manager**

Sanjay joined WCM in 2007; his primary responsibilities are portfolio management and equity research for our global, fundamental growth strategies. Since he began his investment career in 2002, Sanjay's experience includes positions as Equity Analyst at Morningstar, Inc. (Chicago), and at J. & W. Seligman & Co. (New York). Sanjay graduated Phi Beta Kappa from Johns Hopkins University (Maryland) with a B.A. in Economics, and a B.S. in Applied Mathematics.

## **Paul Black, Portfolio Manager, CEO**

Paul joined WCM in 1989; his primary responsibility is portfolio management for our global, fundamental growth strategies. Since the start of his investment career in 1983, Paul's experience includes positions as Portfolio Manager with Wells Fargo Private Banking Group, and at Bank of America. Paul earned his B.S. in Finance from California State University, San Diego.

## **Pete Hunkel, Portfolio Manager**

Pete has been working with WCM since 2001; his primary responsibilities are portfolio management and equity research for our global, fundamental growth strategies. Since he began his investment career in 1998, Pete's experience includes positions as Portfolio Analyst, Templeton Private Client Group, and as Managing Director at Centurion Alliance. He earned his B.A. (with honors) in Communications from San Jose State University (California), and his J.D. at the Monterey College of Law (California).

## **Mike Trigg, Portfolio Manager, President**

Mike joined WCM in 2006; his primary responsibilities are portfolio management and equity research for our global, fundamental growth strategies. Since he began his investment career in 2000, Mike's experience includes positions as Equity Analyst at Morningstar, Inc. (Chicago) where he produced the Model Growth Portfolio (a live portfolio and newsletter), and as Analyst at the Motley Fool, the online investment service. He earned his B.S. (with honors) in Finance from Saint Louis University (Missouri).

## **Jon Tringale, Portfolio Manager**

Jon joined WCM in 2015; his primary responsibility is portfolio management for our global, fundamental growth strategies. Since he began his investment career in 2008, Jon's experience includes positions as an Analyst, on the trading floor with Wedbush Securities, and as Vice President at Gerson Lehrman Group. Jon earned his B.S. (cum laude) in Finance from San Jose State University (California).

# Investment Professionals



## Mike Tian, Business Analyst

Mike joined WCM in 2012; his primary responsibilities are portfolio management and equity research for our global, fundamental growth strategies. Since the start of his investment career in 2006, Mike's experience includes a position as Senior Equity Analyst / Equity Strategist at Morningstar, Inc. (Chicago), where he produced the *Morningstar Opportunistic Investor* (a live portfolio and newsletter), and was instrumental in the development of Morningstar's economic moat trend methodology. He earned his B.S. in Finance from the University of Illinois at Urbana-Champaign.

## Yan Gao, Business Analyst

Yan joined WCM in 2014; her primary responsibilities are portfolio management and equity research for our global, fundamental growth strategies. Since she began her investment career in 2008, Yan's experience includes positions as Manager Research Associate at Wilshire Associates (Santa Monica, CA), as Fixed Income Investment Manager at Industrial & Commercial Bank of China (Beijing) in China, and as trainee in the UBS Graduate Training Program in Switzerland and Germany. She earned her B.A. and M.A. in Finance from the School of Finance at Renmin University of China (Beijing), and her M.B.A. from the University of California, Irvine.

## Greg Ise, Business Analyst

Greg joined WCM in 2014; his primary responsibilities are portfolio management and equity research for our global, fundamental growth strategies. Since the start of his investment career in 2001, Greg's experience includes positions as Senior International Research Analyst at Rainier Investment Management (Seattle), as Vice President / Analyst at Allianz Global Investors (San Diego), as Research Analyst at San Francisco-based hedge fund Osmium Partners, and as Investment Banking Analyst at UBS in New York. Greg earned a B.S. (with honors) in Business Administration from the University of Kansas, and an M.B.A. from the University of California, Berkeley.

## Tamara Manoukian, Business Analyst

Tamara joined WCM in 2017; her primary responsibilities are portfolio management and equity research for our global, fundamental growth strategies. Since the start of her investment career in 2005, Tamara's experience includes positions as Associate Portfolio Manager / Equity Research Analyst at Thornburg Investment Management in Santa Fe, NM, and as Investment Analyst at Boston-based hedge fund Greenwood Investments. Tamara earned a B.S. (cum laude) in Business Administration (Finance concentration) from Boston University School of Management (Massachusetts).

## Jung Ryu, Business Analyst

Jung joined WCM in 2018; his primary responsibility is equity research for our global, fundamental growth strategies. Since the start of his investment career in 2005, Jung's experience includes positions as Research Analyst with OrbiMed Advisors (New York), and as an associate on the health care team at J.P. Morgan Investment Banking. Jung earned his B.A. in Economics from Dickinson College (Pennsylvania).

## Ken Ryan, Business Analyst

Ken joined WCM in 2018; his primary responsibility is equity research for our global, fundamental growth strategies. Since the start of his investment career in 2013, Ken's experience includes positions as Senior Equity Research Associate at Dodge & Cox Investment Management (San Francisco), and as Equity Research Associate at Credit Suisse (New York). He earned a B.S. (with honors) in Business Administration (Finance and Management concentration) from Georgetown University (Washington, D.C.).

## Lakshman Venkitaraman, Business Analyst

Lakshman joined WCM in 2019; his primary responsibility is equity research for our global, fundamental growth strategies. Since the start of his investment career in 2008, Lakshman's experience includes positions as Research Analyst at Harding Loevner (New Jersey), and as Equity Analyst at Cupps Capital Management (Chicago). Lakshman earned his B.E. in Electronics Engineering from the University of Mumbai (India), his M.S. in Electrical and Computer Engineering from the University of Texas at Austin, and his M.B.A. (with high honors) from the University of Chicago (Illinois) – Booth School of Business.

## Michael Hayward, Business Analyst

Michael joined WCM in 2020; his primary responsibilities are portfolio management and equity research for our global, fundamental growth strategies. Since the start of his investment career in 2009, Michael's experience includes positions as Portfolio Manager / Equity Research Analyst at Investec Asset Management (London), as Equity Research Analyst at RMB Asset Management (Johannesburg), and as Actuarial Consultant at Deloitte. He earned a BSc in Statistics, and a BSc in Actuarial Science (with honors), from the University of the Witwatersrand (Johannesburg).



# Investment Professionals



## **Dave Heng, Business Analyst**

Dave joined WCM in 2022; his primary responsibility is equity research for our global, fundamental growth strategies. Since the start of his investment career in 2016, Dave's experience includes position as Senior Investment Analyst at Somerset Capital Management (Singapore), and as Investment Analyst at SeaTown Holdings (Singapore). He graduated with honors from Nanyang Technological University (Singapore), earning a B.S. in Accountancy.

## **Ross Bendetson, Business Analyst**

Ross joined WCM in 2022; his primary responsibility is equity research for our global, fundamental growth strategies. Since the start of his investment career in 2018, Ross' experience includes a position as Equity Analyst on Blackrock's US Growth Team, where he focused on small/midcap growth investing. Ross graduated Phi Beta Kappa from Tufts University (Massachusetts) with a B.A. in Economics.

## **William "J.B." Horner, Business Culture Analyst**

William joined WCM in 2014; his primary responsibility is the development and implementation of WCM's corporate culture research framework. Since the start of his investment career in 2014, William's experience includes positions as Trading Associate, Portfolio Associate, and Research Associate at WCM Investment Management, before his promotion to Business Culture Analyst in 2016. William earned his B.B.A. in Economics from the University of San Diego (California) and his M.A. in Clinical Psychology from Columbia University (New York).

## **Miles Bredenoord, Special Projects Analyst**

Miles joined WCM in 2019; his primary responsibility is data-centric projects to augment the research process for our global, fundamental growth strategies. Since the start of his investment career in 2011, Miles' experience includes positions as Portfolio Strategist at OppenheimerFunds, as Research Associate at Jefferies Group, LLC (New York), and multiple positions with FactSet in the USA and Australia. Miles earned a B.A. in Economics from the University of California, Berkeley.

## **Ryan Quinn, Client Portfolio Manager**

Ryan joined WCM in 2019; his primary responsibility is communicating the firm's investment thinking while servicing investment consultants and institutional clients. Since he began his investment career in 1997, Ryan's experience includes positions on the NYSE-floor with Merrill Lynch, Bear Stearns, and Deutsche Bank, as investment consultant at Monticello Associates (Denver) and Canterbury Consulting (Newport Beach), and as CPM with Alternative Investment Management (New York). Ryan earned his B.A. in History from Colgate University (New York), and his M.B.A. / M.S.F. from the University of Denver (Colorado) – Daniels College of Business.

## **Brian Huerta, Client Portfolio Manager**

Brian joined WCM in 2020; his primary responsibility is communicating the firm's investment thinking while servicing investment consultants and institutional clients. Since he began his investment career in 1997, Brian worked as Managing Director for Bank of America Merrill Lynch, overseeing the firm's institutional relationships for the Western region. Brian earned his B.S. in Business Administration from the University of Southern California.

## **Daniel Wiechert, Client Portfolio Manager**

Daniel joined WCM in 2017; his primary responsibility is communicating the firm's investment thinking while servicing investment consultants and institutional clients. Since he began his career in 2011, Daniel's experience includes a role as Client Portfolio Associate at WCM, Portfolio Associate at WCM, a position as Cash Management Associate at TD Ameritrade, and Marketing & Licensing Assistant at ABKCO Music & Records. Daniel earned his B.A. in Social Sciences from the University of Southern California and his M.A. in Music Business from New York University.

# Professionals



## **Duff Daniels, Portfolio Specialist**

Duff joined WCM in 2001; he is responsible for developing and servicing client relationships with investment consultants, EB plan sponsors, endowments, foundations, and family offices. Since he began his investment career in 1991, Duff's experience includes portfolio and relationship management roles with Van Deventer & Hoch Investment Counsel, and with Bank of America Private Bank. Duff earned his B.A. in English from Santa Clara University (California).

## **Matt MacArthur, Portfolio Specialist**

Matt has been working with WCM since 2001; he is responsible for developing and servicing client relationships with investment consultants, endowments, foundations, family offices, and other institutions. Since he began his investment career in 1988, Matt's experience includes a position with Templeton Private Client Group, followed by his time as Managing Director at the formerly WCM-affiliated firm, Centurion Alliance. Matt attended the University of Arizona, earned his B.A. from The Master's College (California), and also completed the Certified Investment Management Analyst (CIMA) program at the Wharton School (University of Pennsylvania).

## **Bill Orke, Portfolio Specialist**

Bill joined WCM in 2002; he is responsible for developing and servicing client relationships with investment consultants, EB plan sponsors, non-profits, and other institutions. Since the start of his investment career in 1985, Bill's experience includes positions as Portfolio Analyst at Dain Bosworth, Director of Investment Consulting at Roney & Company, and Portfolio Specialist and Portfolio Manager at Steward Capital Management. Bill earned his B.A. in Economics from the University of Minnesota.

## **John Karl, Portfolio Specialist**

John joined WCM in 2010; he is responsible for developing and servicing client relationships in the plan sponsor and pension consultant communities. Since the start of his investment career in 1985, John's experience includes senior management roles at Westridge Capital Management, Avondale Partners, Wells Capital Management and Strong Capital Management. John earned his B.S. in Business from Truman State University (Missouri).

## **Rick DeMuesy, Portfolio Specialist**

Rick joined WCM in 2012; he is responsible for developing and servicing client relationships with EB plan sponsors, investment consultants, endowments, and foundations. His three decades of experience include a position as Vice President, Western U.S. with Hachette Filipacchi Media/Hearst Magazines, as well as other positions in business and consumer media, publishing, multi-platform communications, and sales and marketing management. Rick earned his B.S. degree in Marketing from the University of Findlay (Ohio).

## **Andrew Buchanan, Portfolio Specialist**

Andrew joined WCM in 2021; he is responsible for developing and servicing client relationships with investment consultants, endowments, foundations, and other institutions. Since he began his investment career in 2000, Andrew has served in a variety of capacities at Bank of America and Morgan Stanley, most recently spending time as Senior Managing Regional Director at Natixis Investment Managers. Prior to his career in finance, Andrew honorably served ten years as a U.S. Navy SEAL, where he was a combat-decorated veteran. He earned his B.A. in Communications from National University (California) and his M.B.A. from University of Southern California.

## **Catie O'Connell, Portfolio Specialist**

Catie joined WCM in 2022; she is responsible for developing and servicing client relationships in the institutional plan sponsor community including endowments, foundations, corporations and public pension plans. Since she began her investment career in 2009, Catie served in various roles at Natixis Investment Managers, most recently as a Vice President of Institutional Services. She earned her B.A. in Communications from Boston College.

# Focused Growth International (FGI) Strategy GIPS Composite Report

as of 30 September 2022



	Total Firm	Total Product	Composite Assets				Annual Performance Results				Risk Metrics	
Year End	Assets <sup>1</sup> (\$mil)	Assets <sup>1</sup> (\$mil)	Assets <sup>1</sup> (\$mil)	% of Non-Fee-Paying Accounts	% of Wrap Accounts	Number of Accounts	Composite Gross %	Composite Net %	MSCI ACWI ex US	Composite Dispersion	Comp. 3 Yr Ann. St. Dev.	Bench. 3 Yr Ann. St. Dev.
YTD '22	55,282	37,428	27,047	0	0	54	(36.27)	(36.64)	(26.18)	N.A.	21.06	18.20
2021	93,301	67,663	46,073	0	0	49	18.60	17.69	8.29	0.17	15.13	16.77
2020	71,987	54,225	38,528	0	0	53	34.03	33.13	11.13	0.33	16.37	17.92
2019	42,770	35,225	25,066	0	0	55	37.14	36.19	22.13	0.33	10.70	11.33
2018	26,963	22,792	15,179	0	0	50	(6.35)	(6.94)	(13.78)	0.17	11.31	11.40
2017	23,110	19,843	14,270	0	0	50	33.06	32.25	27.77	0.36	11.36	11.88
2016	14,042	12,152	9,150	0	0	166	1.37	0.73	5.01	0.40	11.68	12.53
2015	11,662	9,964	7,657	0	0	168	7.10	6.39	(5.25)	0.43	11.48	12.13
2014	6,082	4,530	2,709	0	0	101	1.21	0.53	(3.44)	0.40	10.50	12.78
2013	3,848	2,676	1,700	0	0	92	22.87	21.96	15.78	0.52	14.33	16.20
2012	2,040	1,307	1,079	0	7	110	13.72	13.00	17.39	0.54	16.13	19.22

N.A. – Information is not statistically meaningful other than for full calendar years.

<sup>1</sup> Assets figures on this page present GIPS®-eligible assets and do not include model assets. Assets figures elsewhere in this document may include model assets.

The Focused Growth International (FGI) Strategy Composite contains fully discretionary FGI equity accounts. WCM seeks to invest in companies in traditional growth industries with high or rising returns on invested capital in excess of cost of capital, low or no debt, high or rising margins, and a history of sustainable growth. These companies should then have a dominant tailwind, a growing economic moat, a robust culture driven by a visionary leadership, and have an attractive valuation. The inception date for the composite is 30 Nov 2004. For comparison purposes, the composite is measured against the MSCI All-Country World Index ex-United States (ACWI ex US). In presentations shown prior to 31 Dec 2013, the composite was compared against the MSCI Europe, Australasia & Far East (EAFE) index. The benchmark was changed to more appropriately reflect the developed and emerging markets exposure of the composite. Additional information regarding the prior benchmark is available upon request. The minimum account size for this composite is \$1 million in equities. Prior to 1 Jan 2010 the minimum account size was \$100 thousand in equities.

As of 1 Jan 2017 the composite was redefined to only include accounts eligible to invest in issuers' ordinary shares. Previously, the composite also included accounts that restricted investments to US-denominated securities. The composite was redefined to reflect the larger opportunity set available to our ORD-eligible accounts.

WCM is an equity portfolio investment manager, registered with the U.S. Securities and Exchange Commission and is defined as an independent investment management firm that is not affiliated with any parent organization. Total Product Assets are defined to include all client assets managed to the Focused Growth International style. The firm maintains a complete list of pooled fund descriptions for limited distribution pooled funds, as well as a description of all composites, which are available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. The composite contains wrap fee accounts. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Due to the nature of wrap accounts, the composite was defined as of 1 Jan 2013 to only include non-wrap, commission-paying accounts. The percentage of wrap accounts in the composite is shown in the table above. For earlier periods no longer shown in the table above, this information is available upon request.

For comparison purposes, performance is presented gross of foreign withholding taxes on dividends, interest income, and capital gains for the composite and the benchmark (ACWI ex US). As of 1 Jan 2008, accounts experiencing cash flows equal to or greater than 20% of their value are temporarily removed from the composite during the month in which the cash flows occur. Accounts rejoin the composite the following month. In instances where assets are being transferred into or out of an account, the account will not be removed from the composite, even if the flow is equal to or greater than 20% of the account value, if the complete transfer (all assets) matches the account's strategy / model on the day of transfer.

Prior to 1 Jan 2008, accounts experiencing cash flows equal to or greater than 10% of their value were temporarily removed from the composite during the month in which the cash flows occur. Additional information regarding the treatment of significant cash flows is available upon request. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns presented are time-weighted and include the reinvestment of all income. The performance presented contains wrap fee and non-wrap accounts. Gross of fees returns for non-wrap accounts are presented before custodial fees, foreign with-holding taxes on dividends, interest income, capital gains and management fees, and after all trading expenses. Net of fees performance for non-wrap accounts is calculated using actual management fees. Net of fee performance, therefore, may vary due to the timing of the management fees paid. For non-fee-paying accounts, the maximum annual management fee of 1% is applied by deducting 1/12th of 1% from the monthly account gross return to arrive at the account net return. In presentations shown prior to September 30, 2022, net of fee performance for non-fee-paying accounts had no management fee applied. To comply with the SEC Marketing Rule, net of fee performance was restated for non-fee-paying accounts to apply a model fee. Wrap fee accounts pay a fee based on a percentage of assets under management. In addition to brokerage commissions, this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. For wrap accounts, gross performance is reduced by the total wrap fee less the management fee and net of fees performance is reduced by the total wrap fee including the management fee. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year using each account's respective gross of fee annual returns. 3-year annualized standard deviation is calculated based on gross returns. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Key material risks include the risks that stock prices will decline and that the composite will underperform its benchmark.

The management fee schedule is as follows: 1.00% on all assets. Limited distribution pooled funds are included in this composite. The management fee for the pooled fund is 1.00% on all assets, and administration expenses are 0.05%. Fees are negotiable.

The Focused Growth International (FGI) Strategy Composite was created 30 Nov 2004. Performance presented prior to 20 Jun 2007 occurred while the Portfolio Manager was affiliated with a prior firm and the Portfolio Manager was the only individual responsible for selecting the securities to buy and sell. WCM Investment Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. WCM Investment Management has been independently verified for the periods January 1, 2017 through December 31, 2020 by ACA Group, Performance Services Division and January 1, 1993 through December 31, 2016 by Ashland Partners & Company LLP. A copy of the verification report is available upon request.

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 and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

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