

LOGAN INTERNATIONAL DIVIDEND ADR PORTFOLIO Q4 | 2020 REVIEW¹

MARKET ENVIRONMENT

While 2020 will go down as a year we all would like to forget, global equities surged in the fourth quarter, aided by positive vaccine developments and a fresh round of stimulus from policymakers. The quarterly highlight occurred on November 9th, when Pfizer announced that its Covid-19 vaccine was more than 90% effective. A week later, Moderna announced similar results, and by then investors could see light at the end of the tunnel and pushed stock prices higher. All major markets traded higher in the 4th quarter, and most increased by double-digit percentages.

The good news on the vaccine front stood in sharp contrast to subdued economic growth, as a second wave from the virus sent several countries back into lockdown. As a result, Morgan Stanley is now projecting sharp 2020 GDP declines in all major geographies, including -3.5% in the US, -7.2% in the Euro area, -11.4% in the UK, and -5.2% in Japan. To combat such weakness,

policymakers have provided a plethora of support programs to bridge the gap between now and when a vaccinated population returns to a sense of normalcy. Across the globe, fiscal stimulus programs are far more accommodative than stimulus efforts in the US. According to Cornerstone Macro, potential fiscal stimulus in Japan represents 54% of GDP versus just 19.6% in the US and 32% in the Eurozone. As a result, economists are expecting a healthy snapback in 2021. Morgan Stanley is forecasting 5.9% GDP growth in the US, 5% in the Euro area, 5.3% in the UK, and 2.4% in Japan.

International currency strength has been a dominant theme throughout 2020, and the fourth quarter was no different, providing a nice tailwind for international investors. The US Dollar weakened sharply versus the Japanese Yen (-2%), Euro (-4.4%), British Pound (-4.5%), Australian Dollar (-6.6%) and Swiss Franc (-4.1%). The Federal Reserve's intention to tolerate inflation above their previous target of 2% has been a weight on

the USD, and the aforementioned policy efforts have helped to strengthen foreign currencies.

In terms of notable international events, the UK's Brexit-related trade agreement with the European Union has been pushed to the back pages. However, the completed deal is significant on many fronts and removes a layer of uncertainty that has weighed on European financial markets. A "no deal" agreement would have been disastrous for the UK, as 43% of their exports go to the European Union. While EU fishing rights in UK waters were a final negotiating point, perhaps most importantly both sides agreed to include full transit rights, which will permit transport into and out of Northern Ireland.

Market strength was widespread across international markets in the fourth quarter, but the same cannot be said of the full year results. High dividend yielding strategies faced tremendous pressure, as we discussed in detail last quarter.

¹LOGAN INTERNATIONAL DIVIDEND ADR results discussed herein should be read in conjunction with the attached performance and disclosures

For the full year, the FTSE Developed ex USA index generated a solid return of 10.2%, whereas the S&P International Dividend ETF declined 5.1%, a remarkable disparity of over 1,500 basis points and a hefty headwind for the Logan International strategy.

PORTFOLIO REVIEW

Looking back at previous letters, the thesis we had laid out in support of value stocks, and in particular high dividend yield stocks, could be boiled down to one word: vaccine. We expected the Logan International strategy to respond favorably to the arrival of a vaccine, and the portfolio indeed did so. The strategy had its best month ever in November, and was up 14.7% for the quarter.

In terms of sector leadership, there were no surprises here, as the previously beaten down energy and financial sectors led the way, contributing the most to both relative and absolute performance. Materials also performed well and aided relative performance. At the other end of the spectrum, the sectors detracting the most from relative performance were health care, consumer discretionary, and technology.

Regarding energy stocks, oil prices increased 20% in the quarter, rising from \$42 per barrel (Brent price) to over \$52 at year-end, according to Bloomberg. Should an economic recovery begin to take shape in 2021, we believe the supply/demand imbalance will tighten and oil prices will push higher. Financial stocks had been weighed down by low, or in many cases negative, interest rates, as well as credit fears from high unemployment. We believe international banks have adapted their business model over the last several years to account for limited interest income by

increasing fee income, cutting costs, and embracing digital enhancements. Also, government support programs have kept loan losses to a minimum thus far.

During the quarter, we added just one new name to the portfolio, purchasing shares of a Japanese property and casualty insurer with a strong presence in the US. We also increased our position in two large European banks, as we continue to believe both are adequately capitalized and may have over-provisioned for loan losses. We trimmed shares of a large French industrial stock and a large German insurer following strong performance.

PORTFOLIO OUTLOOK

Looking forward, if the vaccines do what we hope and expect they will do, that should improve the quality of life generally around the globe. Pent up demand to travel, dine out, and resume social activities should be very supportive of the Logan International strategy. A strengthening economy should spur higher interest rates and firmer energy prices, thereby providing a nice tailwind for the portfolio's energy and financial stock holdings. We continue to view currency strength and accommodative fiscal and monetary policy as catalysts to further support international equities.

While quarterly developments were optimistic, we note that many challenges lay ahead. There is still an economic bridge to cross until most people are vaccinated. In addition, the effectiveness of the vaccines still remains to be determined, if for no other reason than there may be a reluctance by many people to take it.

We are encouraged by a more favorable economic backdrop but also cognizant of investor angst and high emotions following a turbulent year. As a result, we will remain disciplined in our investment process which emphasizes strong balance sheets, strong cash flows, and relatively high dividend yields. At December 31, 2020, the Logan International portfolio sold at 16.9x P/E on 2021 earnings and had an average dividend yield of 4.6%. In a period where overall stock market valuations are escalating

markedly, we take comfort in the portfolio's valuation levels.

Thank you for your continued confidence and investment in Logan International. As always, please call or email us if you have any questions.

COUNTRY	QUARTER RETURN IN US DOLLARS	1 YEAR RETURN IN US DOLLARS
AUSTRALIA	22.9%	8.7%
CANADA	13.9%	5.3%
FRANCE	20.4%	4.1%
GERMANY	11.5%	11.6%
ITALY	22.4%	1.8%
JAPAN	15.3%	14.5%
NETHERLANDS	18.4%	24.2%
SWITZERLAND	8.2%	11.6%
U.K.	18.8%	-7.5%
	16.9%	-10.5%

Source: MSCI

Investing internationally carries additional risks such as differences in financial reporting, currency exchange risk, as well as economic and political risk unique to the specific country. This may result in greater share price volatility. Shares, when sold, may be worth more or less than their original cost.

The FTSE Developed All Cap ex US Index is a market-capitalization weighted index representing the performance of large, mid and small cap companies in Developed markets excluding the USA. The index is derived from the FTSE Global Equity Index Series (GEIS), which captures 98% of the world's investable market capitalization. Exchange Traded Funds (ETF's) are sold by prospectus. Please consider the investment objectives, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other information about the investment company, can be obtained from the Fund Company or your financial professional. Be sure to read the prospectus carefully before deciding whether to invest.

This material represents an assessment of the market and economic environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. Forward-looking statements are subject to certain risks and uncertainties. Actual results, performance, or achievements may differ materially from those expressed or implied. Information is based on data gathered from what we

believe are reliable sources. It is not guaranteed as to accuracy, does not purport to be complete and is not intended to be used as a primary basis for investment decisions. It should also not be construed as advice meeting the particular investment needs of any investor. Past performance does not guarantee future results.

**TEN LARGEST
PORTFOLIO HOLDINGS**

	% OF PORTFOLIO
Novartis AG	3.4%
Siemens AG	3.2%
BASF SE	3.1%
Total SE	3.0%
Sanofi	3.0%
ABB Ltd.	3.0%
Royal Dutch Shell Plc Class B	3.0%
Toyota Motor Corp.	2.8%
Allianz SE	2.8%
Canadian Imperial Bank of Commerce	2.7%

**LONG-TERM
TRACK RECORD**

	TOTAL RETURN NET OF FEES	TOTAL RETURN GROSS OF FEES	FTSE DEVELOPED X US
QTD	13.7%	13.8%	17.0%
YTD	-3.3%	-3.1%	10.3%
3 Year	0.4%	0.7%	5.1%
5 Year	5.0%	5.4%	8.7%
10 Year	5.6%	5.3%	6.0%
Since Inception [†]	3.0%	3.4%	3.9%

Annualized Returns (as of 12/31/2020). Time period greater than YTD is annualized.

[†]Inception of (12/31/2006)

Reference performance disclosure

LOGAN AUM+AUA

Strategy AUM	\$59M
Strategy AUA	\$70M
Firm AUA	\$1,312M
Firm AUM	\$2,240M
Total Firm AUM+AUA	\$3,552M
Numbers are subject to rounding differences	
AUA has a one month data lag	

Past performance does not guarantee future results. The holding identified do not represent all of the securities purchased, sold or recommended for advisory clients. The views expressed are those of Logan Capital. Any securities, sectors or industries discussed should not be perceived as investment recommendations; any security discussed may no longer be held in an account's portfolio. It should not be assumed that investment in any of the securities, sectors or industries listed were or will prove to be profitable. Sector or industry weights of any specific account can vary based on investment restrictions applicable to that account. The securities discussed do not represent an account's entire portfolio and in aggregate may only represent a small percentage of an account's portfolio holdings.

Performance Disclosure

LID

Logan Capital Management, Inc.
Performance Results: International Dividend ADR Composite
December 31, 2006 through December 31, 2020

Year	Total Return Net of Fees	Total Return Gross of Fees	FTSE Developed x US	Number of Accounts	Composite Dispersion Gross of Fees	Composite 3-Yr Gross Std Dev	FTSE Developed x US 3-Yr Gross Std Dev	Composite 3- Yr Gross Sharpe Ratio	Assets in Composite (\$millions)	% of Firm Assets	Firm Assets (\$millions)
2020	-3.3%	-3.1%	10.3%	11	N.M.	17.6%	18.2%	0.0	\$3	0.2%	\$2,240
2019	21.0%	21.4%	22.0%	14	0.1%	10.8%	10.8%	0.6	\$27	1.3%	\$2,050
2018	-13.6%	-13.2%	-13.8%	11	0.4%	10.5%	11.3%	0.2	\$22	1.6%	\$1,431
2017	20.2%	20.6%	25.0%	16	0.4%	9.7%	11.9%	0.8	\$7	0.4%	\$1,590
2016	5.1%	5.5%	1.0%	16	0.3%	10.8%	12.5%	0.0	\$23	1.7%	\$1,401
2015	-1.4%	-1.0%	-0.8%	17	0.2%	11.3%	12.5%	0.5	\$19	1.4%	\$1,398
2014	-2.7%	-2.5%	-4.9%	14	0.2%	11.7%	13.0%	1.0	\$18	1.0%	\$1,816
2013	20.1%	20.4%	22.8%	11	0.4%	14.0%	16.3%	0.9	\$14	0.7%	\$2,061
2012	19.3%	19.6%	17.3%	9	0.6%	17.8%	19.4%	0.3	\$10	0.5%	\$1,932
2011	-2.1%	-1.8%	-12.1%	10	0.2%	20.4%	22.4%	0.4	\$8	0.4%	\$1,873

Annualized Returns (12/31/2020)

Year	Total Return Net of Fees	Total Return Gross of Fees	FTSE Developed x US
YTD	-3.3%	-3.1%	10.3%
3 Year	0.4%	0.7%	5.1%
5 Year	5.0%	5.4%	8.7%
10 Year	5.6%	5.3%	6.0%
Since Inception [†]	3.0%	3.4%	3.9%

[†]Inception 12/31/2006

N.M. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Performance Disclosure



Logan International Dividend ADR Composite contains fully discretionary large cap international equity accounts, measured against the FTSE Developed x US benchmark. You cannot invest directly in an index. The FTSE Developed ex US Index is part of a range of indexes designed to help US investors benchmark their international investments. The index comprises Large (85%) and Mid (15%) cap stocks providing coverage of Developed markets (24 countries) excluding the US. The index is derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalization. This benchmark is used for comparative purposes only and generally reflects the risk and investment style of the composite. The sharpe ratio is included to help investors understand the return of an investment compared to its risk. The ratio is the average return earned in excess of the risk-free rate (90 Day U.S. TBill) per unit of volatility or total risk.

The strategy invests in 35-45 large and established international, dividend-paying companies that are primarily located in developed countries and have American Depository Receipts ("ADR's"). Portfolios are diversified across seven to eleven sectors and at least ten countries. Up to 15% of the portfolio may be invested in non-EAFE countries. Turnover is typically under 35% annually. Only accounts paying commission fees are included. There is no minimum account size.

Logan Capital Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Logan Capital Management, Inc. has been independently verified for the periods April 1, 1994 through December 31, 2019. A copy of the verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedure 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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Logan Capital Management, Inc. is a privately owned Pennsylvania-based investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Registration as an investment adviser does not imply a certain level of skill or training. The verbal and written communications of an investment adviser provide you with information you need to determine whether to hire or retain the adviser. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees, net of all withholding tax and includes the reinvestment of all income. Gross of fee returns, have, however, been reduced by all actual trading expenses. Net of fee returns are calculated net of actual investment management fees & actual trading expenses. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The investment management fee schedule for non-wrap accounts is as follows: 75 basis points on the first \$10 million, 65 basis points on the next \$15 million, 60 basis points on the next \$25 million and 50 basis points on the next \$50 million. Fees for accounts with over \$100 million in assets are negotiable. Minimum fee is \$37,500. Actual investment advisory fees incurred by clients may vary.

The Logan International Dividend ADR Composite was created November 30, 2013. On 09/25/19, Logan Capital hired Managing Director Bill Fitzpatrick, CFA to assist in portfolio management of the International Dividend ADR strategy. On 12/31/19, Managing Director Marvin Kline, CFA retired as portfolio manager of the International Dividend ADR strategy. On 03/31/20, the benchmark for the Logan International Dividend ADR Composite was reviewed and replaced to provide greater transparency and accuracy into the holdings. As a result, the composite benchmark was changed from the MSCI EAFE Index (which excludes all of North America) to the FTSE Developed x US benchmark.