

Cadence Capital Management LLC

Founded 1988
AUM \$4.3 billion
Headquarters Boston, MA

International Momentum

Factor-focused beta exposure designed to capture risk premia in the world's more efficient equity markets.

- Active investment management resources applied where they provide benefit
- Systematic execution — designed to deliver the benefits of passive management
- Disciplined rebalancing
- Efficiently accommodates movement of capital
- Complementary to active management, index funds and other betas
- Lower overall costs than traditional active management

AUM/Strategy: \$4.6 million

Investment Team



J. Paul Dokas, CFA
Senior Portfolio Manager, Managing Director



Robert E. Ginsberg, CFA
Senior Portfolio Manager, Managing Director

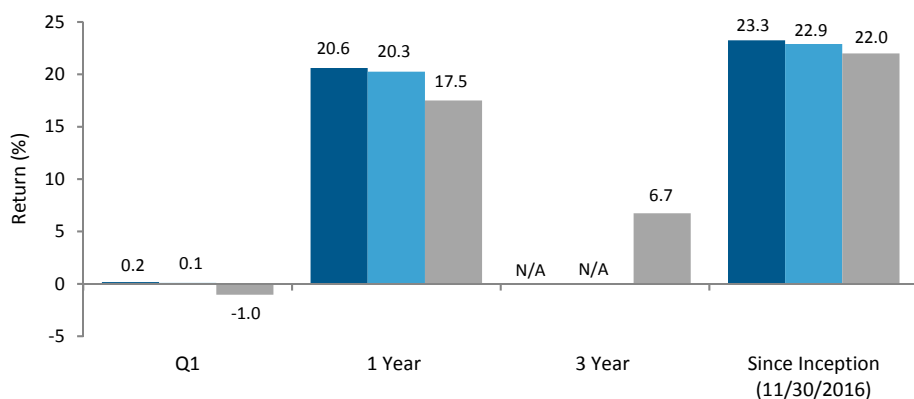


Austin M. Kairnes III
Portfolio Manager



Sophia H. Ru, CFA
Senior Analyst

Performance



■ International Momentum (gross) ■ International Momentum (net) ■ MSCI EAFE Growth - Net Return

Portfolio Characteristics

	Int'l Dividend Yield	MSCI EAFE Growth
Total Number of Holdings	304	540
Wtd. Avg. Market Capitalization (\$B)	31.7	42.9
Dividend Yield	2.08	2.15
Price/Earnings Ratio (Last 12 Months)	17.2	19.7
Price/Book Ratio	1.5	1.6
Est. 3-5 Year EPS Growth	13.7	13.6
Return on Equity (%)	17.3	18.0
LT Debt/Capital	27.2	30.2

Economic Sectors

	Int'l Momentum (%)	MSCI EAFE Growth - Net Return (%)	Difference
Information Technology	19.3	11.5	7.7
Financials	13.4	7.9	5.5
Consumer Discretionary	16.6	13.7	2.9
Real Estate	4.5	1.9	2.6
Industrials	20.3	19.1	1.2
Telecommunication Services	1.8	1.2	0.6
Energy	1.5	1.5	0.0
Utilities	0.0	1.4	-1.4
Materials	7.6	9.9	-2.3
Health Care	6.4	13.3	-7.0
Consumer Staples	8.6	18.4	-9.8

Top 10 Holdings

	Weight (%)
ASML Holding NV	2.2
LVMH Moet Hennessy Louis	2.1
AIA Group Limited	2.0
Diageo plc	1.9
Keyence Corporation	1.8
Sony Corporation	1.8
Allianz SE	1.6
Nintendo Co., Ltd.	1.5
CSL Limited	1.5
SAP SE	1.5
Total	17.9

Top 10 Countries

	Portfolio Wt. (%)	Bmk. Wt. (%)
Japan	34.8	24.7
United Kingdom	9.3	14.6
Germany	9.1	10.3
France	9.0	11.0
Hong Kong	5.8	3.5
Australia	5.3	6.9
Netherlands	5.0	4.6
Sweden	3.8	3.6
Switzerland	3.7	8.6
Singapore	3.1	1.5
Total	88.9	89.2

International Momentum

March 31, 2018

Factor Focused Beta Portfolios

		US	International Developed	EM	Global
Growth	Momentum		★		
	Quality				
Value	Value				
	Yield				

Factor Focused Beta Strategies

Comprehensive — A suite of complementary factor-based and rules-driven beta portfolios; low correlation

Factor-focused — Designed to isolate and capture specific risk premia while avoiding the concentration risks of capitalization-based indexing

Versatile — Designed to work in stand-alone allocations or bundled as part of an investor's customized solution

Cost Effective — Lower fee and execution costs than traditional active management approaches

Disclosures

Past performance is no guarantee of future results. Cadence Capital Management LLC, is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Registration of an investment advisor is not meant to denote any form of recommendation or endorsement by the SEC or state securities regulators, and does not imply a certain level of skill or training. Cadence manages domestic equities for institutional investors using a conservative growth investment philosophy. Cadence manages domestic and international equities for institutional investors using rules-based strategies with periodic rebalancing. Cadence also acts as sub-advisor for several mutual funds. In November 2010, Cadence acquired a long/short domestic equity hedge fund and a long-only SMIDCap fund. Since March 31, 2014 these assets have been included in the definition of the firm for the purposes of GIPS presentations and verifications. Effective April 1, 2016, the SMIDCap fund has been closed, and Cadence consolidated the assets of the two private funds. Effective September 1, 2017, the hedge fund has been closed. The Cadence Composites are constructed of similarly managed, unconstrained, discretionary accounts in accordance with industry calculation standards. New accounts are included in their first full calendar month of operation. Performance is based on time-weighted, total returns including resigned accounts. Performance results reflect the reinvestment of dividends and other earnings. Valuations and returns are computed and stated in US dollars on a trade date basis. To obtain the calculation methodology and a list of each holding's contribution to the overall account's performance during the measurement period, contact Petra Stenta at (617) 624-3500.

Composite Characteristics:

The International Momentum Composite was created in December 2016 and has an inception date of November 30, 2016. A complete list and description of all firm composites is available upon request. Accounts in the International Momentum Composite have an initial universe comprised of stocks within the MSCI EAFE index. The International Momentum Composite is a rules-based portfolio that is rebalanced periodically and typically holds between 200-350 securities. Stocks in the International Momentum portfolio must exhibit relatively strong fundamental and price performance

Cadence Capital Management LLC claims compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of Cadence's composites and/or a presentation that adheres to the GIPS standards, contact Ms. Petra Stenta at (617) 624-3500.

Stocks must also pass liquidity screens. Holdings in the International Momentum Composite will have modified capitalization-based security weights. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. International Momentum restricted accounts (e.g., "sin-free" accounts) are not included in this composite. The primary composite benchmark is the MSCI EAFE Growth – Net Return index. On June 30, 2017, the primary composite benchmark was changed from the MSCI EAFE – Net Return index to the MSCI EAFE Growth – Net Return index in order to provide a more relevant comparison to the composite's investment universe.

Benchmark Definition:

The MSCI EAFE Growth – Net Return Index captures large and mid cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend. "Net Return" is defined as not including withholding taxes and international fees. The benchmark returns are not covered by the report of independent verifiers.

The volatility of the index may be materially different from that of the composite. You cannot invest directly in an index. Index results assume the re-investment of all dividends and capital gains. In addition, client's holdings will differ significantly from the securities that comprise the index. The benchmark returns are not covered by the report of independent verifiers.

Total Firm Assets does not include assets in any account where Cadence does not execute trades on behalf of the account. These assets are sometimes referred to as "Advisory-Only Assets." As of December 31, 2017, Cadence had \$80,570,859 of Advisory-Only Assets. This information is supplemental to the fully-compliant presentation.



Cadence Capital Management LLC

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Affiliate of Pacific Life Insurance Company

