

Cadence Capital Management LLC

Founded 1988
AUM \$2.9 billion
Headquarters Boston, MA

International Value

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: \$3.8 million

Investment Team



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



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

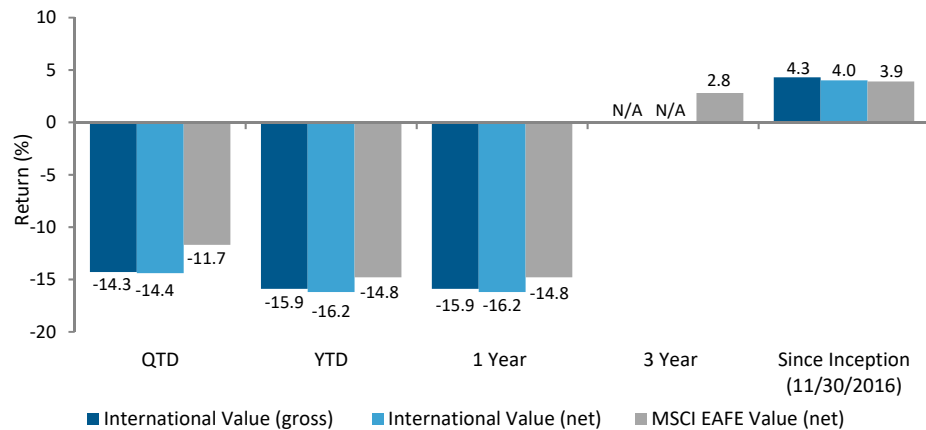


Austin M. Kairnes III
Portfolio Manager



Sophia H. Ru, CFA
Senior Analyst

Performance



Portfolio Characteristics

	International Value	MSCI EAFE Value
Total Number of Holdings	277	476
Wtd. Avg. Market Capitalization (\$B)	32.2	46.5
Dividend Yield	4.1	4.9
Price/Earnings Ratio (Last 12 Months)	9.1	10.3
Price/Book Ratio	0.8	1.0
Est. 3-5 Year EPS Growth	7.6	7.1
Return on Equity (%)	11.8	11.3
LT Debt/Capital	35.6	38.1

Economic Sectors

	International Value (%)	MSCI EAFE Value - Net (%)	Difference
Health Care	13.0	7.9	5.1
Industrials	13.9	9.5	4.5
Materials	9.9	7.5	2.4
Information Technology	2.4	2.0	0.4
Consumer Staples	3.3	3.0	0.3
Energy	9.8	9.7	0.1
Consumer Discretionary	9.4	9.6	-0.3
Real Estate	4.4	5.3	-0.9
Communication Services	6.4	7.3	-1.0
Utilities	5.1	6.3	-1.2
Financials	20.9	31.9	-11.0

Top 10 Holdings

	Weight (%)
Shire PLC	1.6
Novartis AG	1.6
Roche Holding Ltd	1.6
Sanofi	1.5
GlaxoSmithKline plc	1.5
Novo Nordisk A/S Class B	1.4
Swiss Re AG	1.3
Royal Dutch Shell Plc Class A	1.2
Royal Dutch Shell Plc Class B	1.2
BP p.l.c.	1.2
TOTAL	14.1

Top 10 Countries

	Portfolio Wt. (%)	Bmk. Wt. (%)
Japan	30.0	24.8
United Kingdom	14.8	22.5
France	12.6	9.9
Germany	9.0	8.5
Switzerland	8.7	4.7
Australia	3.8	7.2
Denmark	3.3	0.6
Sweden	3.2	2.3
Hong Kong	2.5	3.4
Netherlands	2.5	2.2
TOTAL	90.4	86.0

Past performance is no guarantee of future results. Gross performance returns are gross of fees and include the reinvestment of dividends and interest. Net performance returns are net of all management fees (maximum fee of 0.30%) and other expenses and include the reinvestment of dividends and other earnings. Portfolio information presented is as of 12/31/18, based on a representative account, and excludes cash. Economic sectors reflect the GICS sector definitions. Holdings listed were the top ten positions held in the portfolio at month-end, ranked by month-end market value. These holdings are subject to change and 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. Countries listed were the top ten country weights at month-end, ranked by month-end market value. All results are reported in USD. Please refer to the Disclosures on the next page for further information.

International Value

December 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 Value 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 Value Composite have an initial universe comprised of stocks within the MSCI EAFE index. The International Value Composite is a rules-based portfolio that is rebalanced periodically and typically holds between 150-350 securities. A value rating is determined for each security in the universe based on traditional valuation metrics such as price to earnings, price to book, etc. and top ranked securities are selected for inclusion in the portfolio.

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 in the International Value portfolio must pass liquidity and financial distress filters. 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 Value restricted accounts (e.g., "sin-free" accounts) are not included in this composite. The primary composite benchmark is the MSCI EAFE Value - Net Return index. On June 30, 2017, the primary composite benchmark was changed from the MSCI EAFE - Net Return index to the MSCI EAFE Value - Net Return index in order to provide a more relevant comparison to the composite's investment universe.

Benchmark Definition:

The MSCI EAFE Value - Net Return Index captures large and mid cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. The index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index. "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 September 30, 2018, Cadence had \$85,417,091 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

