



# Managed Volatility

## GLOBAL MANAGED VOLATILITY EQUITY

SEPTEMBER 2021

Acadian Asset Management's Global Managed Volatility Equity strategy seeks to provide institutional clients with the opportunity to capture returns similar to that of a global equity index, but with significantly lower absolute volatility and superior downside protection over the long term. Limiting absolute risk has the potential to allow investors to compound wealth more efficiently and steadily than traditional capitalization-weighted indices.

**ASSETS UNDER MANAGEMENT**  
As of September 30  
Strategy: \$US  
**10.1 BILLION**

**PARAMETERS**  
*Anticipated, Typical Portfolio*

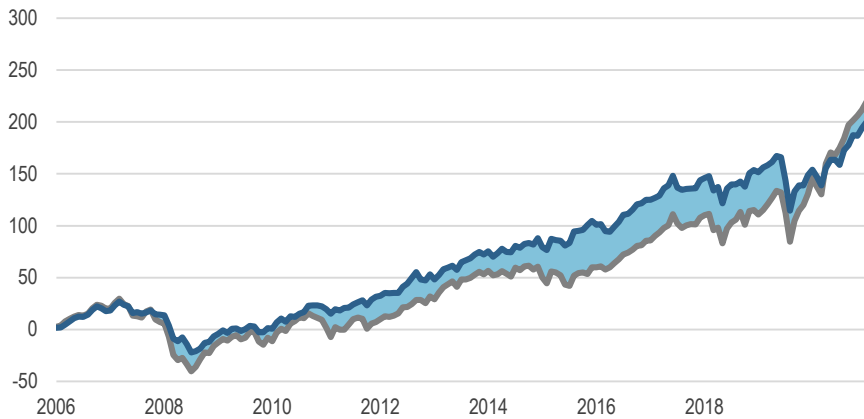
Volatility  
**65 - 80% OF BM**  
Max Position Size  
**1.50% OR BM**

Beta  
**0.60 - 0.75**  
Number of Holdings  
**100 - 800**

Composite    Benchmark\*\*    Active

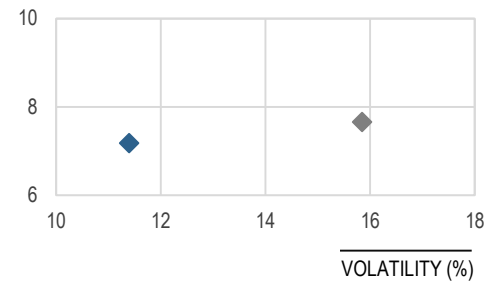
### COMPOSITE CUMULATIVE PERFORMANCE\*

NET RETURNS (%)



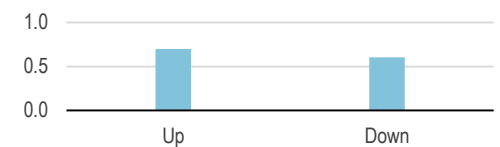
### SINCE INCEPTION RISK/RETURN\*

NET RETURNS (%)



### COMPOSITE CAPTURE RATIO\*

NET RETURNS (%)



### COMPOSITE PERFORMANCE\*

	COMPOSITE (GROSS)	COMPOSITE (NET)	MSCI WORLD (NET)	VALUE-ADDED (GROSS) VS. BENCHMARK
Performance Inception Aug 1, 2006				
Year-to-Date Return	8.8	8.5	13.0	-4.2
One Year Annualized Return	16.2	15.7	28.8	-12.6
Three Year Annualized Return	5.3	4.9	13.1	-7.8
Five Year Annualized Return	7.7	7.2	13.7	-6.0
Since-Inception Annualized Return	7.6	7.2	7.7	-0.1
Since Inception Annualized Standard Deviation and Active Risk	11.4	11.4	15.9	7.3
Since Inception Beta	0.7	0.7	1.0	
Since Inception Sharpe Ratio	0.6	0.5	0.4	
Since Inception Max Drawdown	-38.5%	-38.8%	-54.0%	

\*Returns that include the most recent month are preliminary. \*\*Benchmark: MSCI World (net). Acadian Asset Management LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future results. Past performance may differ significantly from future performance due to market volatility. The complete performance disclosure can be found in the composite performance disclosure page attached. The Three Month U.S. T-Bill is being used as the risk-free rate in the Sharpe Ratio calculation. Index Source: MSCI Copyright MSCI 2021. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

**STRATEGY CHARACTERISTICS**

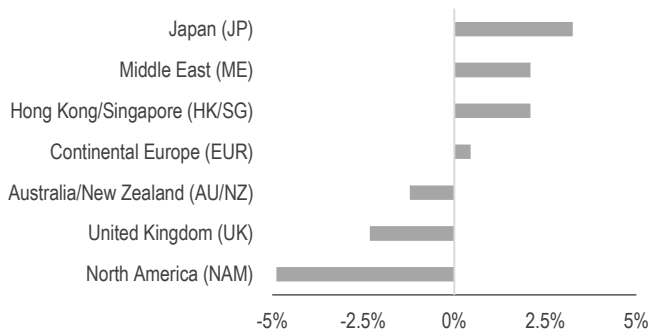
	GLOBAL MV EQUITY	MSCI WORLD
<b>VALUATION</b>		
Price/Earnings	17.9	22.8
Price/Book	3.0	3.2
Price/Sales	1.5	2.4
Price/Cash Earnings	10.6	14.2
Yield	2.2%	1.7%
<b>MARKET CAP</b>		
Large > \$50B	37.1%	66.6%
Med/Large \$20-\$50	28.6%	21.4%
Medium \$10-\$20	8.2%	8.5%
Med/Small \$3-\$10	18.1%	3.4%
Small < \$3	7.5%	0.0%
WEIGHTED AVERAGE (B)	115.8	386.4
MEDIAN (B)	2.0	19.6
ACTIVE SHARE OF PORTFOLIO (%)	85.2	

**TOP TEN HOLDINGS**

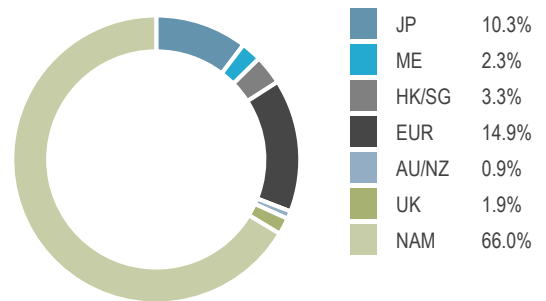
	% OF PORTFOLIO
COSTCO WHOLESALE CORP	1.5
ORACLE CORP	1.5
CISCO SYSTEMS INC CALIFORNIA	1.5
NIPPON TELEGRAPH & TELEPHONE CORP	1.5
GEORGE WESTON LTD	1.5
ALPHABET INC	1.4
JUNIPER NETWORKS INC	1.4
MOTOROLA SOLUTIONS INC	1.4
KDDI CORP	1.3
WALMART INC	1.3
NUMBER OF SECURITIES	438
% OF PORTFOLIO FOR TOP 20 CURRENT HOLDINGS	26.6
% OF NON-BENCHMARK PORTFOLIO HOLDINGS	21.9

**CURRENT POSITIONING - REGION**

ACTIVE

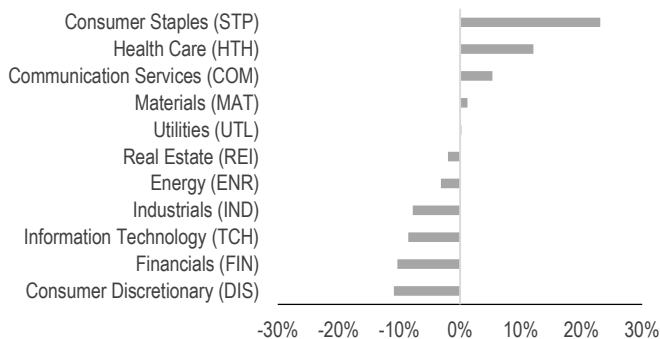


ABSOLUTE

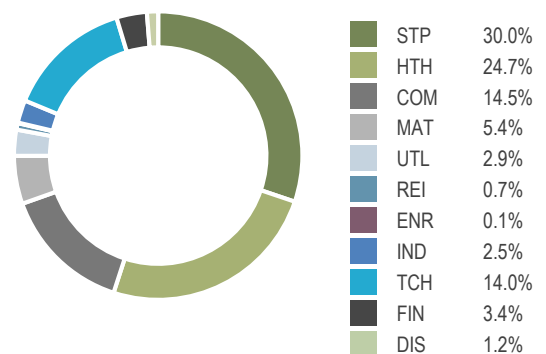


**CURRENT POSITIONING - SECTOR**

ACTIVE



ABSOLUTE



Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell individual securities. The data presented here is for a representative portfolio and is supplemental to the composite performance disclosure page attached. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future returns. Index Source: MSCI Copyright MSCI 2021. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

## FEE SCHEDULE

## SEPARATE &amp; COMMINGLED

- 40 bps on First \$50 Million
- 30 bps on Next \$50 Million
- 25 bps Thereafter

## MINIMUM INVESTMENT

- Separate: \$50 Million
- Commingled: \$1 Million

## ANNUAL PERFORMANCE DISCLOSURE – GLOBAL MANAGED VOLATILITY EQUITY

	Composite Return (%) Gross-of-Fees	Composite Return (%) Net-of-Fees	Benchmark Return (%)	Secondary Benchmark Return (%)	Dispersion of Returns Within Composite (%)	Three-Year ex-Post Standard Deviation of Absolute Gross Returns			Number of Portfolios in Composite	Assets In Composite (\$MMs)	Total Firm Assets Under Management (\$MMs)
						Composite	Benchmark	Secondary Benchmark			
2011	7.5	7.0	-5.5	7.3	0.8	12.6	20.2	13.3	7	1,248	42,200
2012	12.4	12.0	15.8	8.1	0.7	9.3	16.7	9.1	12	3,070	51,903
2013	19.8	19.3	26.7	18.6	0.9	8.6	13.5	8.5	14	5,338	65,153
2014	8.8	8.4	4.9	11.4	0.7	8.3	10.2	8.3	22	7,946	70,339
2015	6.6	6.1	-0.9	5.2	0.7	9.2	10.8	8.9	24	8,737	66,834
2016	7.7	7.3	7.5	7.5	0.7	8.5	10.9	8.5	24	8,851	74,174
2017	20.5	20.0	22.4	17.3	0.8	7.8	10.2	7.9	30	11,640	96,765
2018	-6.9	-7.2	-8.7	-2.0	0.5	8.8	10.4	8.4	31	11,864	85,338
2019	21.1	20.6	27.7	23.2	0.7	8.8	11.1	7.6	30	12,709	101,232
2020	-1.0	-1.4	15.9	2.6	0.6	14.2	18.3	12.5	29	10,941	107,229

Performance Inception: August 1, 2006. This composite was created on: September 1, 2006. All figures stated in USD.

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**Methodology:** Returns are net of foreign withholding taxes on dividends, interest, and capital gains. Since January 1, 2010 Acadian's methodology was augmented to produce a more accurate gross return figure by eliminating modest cash flows such as securities lending income and custodial fees which are regarded as independent of the investment management process; the reinvestment of all income and trading expenses continue to be included. Monthly composite results are asset-weighted by beginning-of-month asset values of member portfolios which are geometrically linked to arrive at the annual composite return. Net-of-fee performance is calculated on a monthly basis by deducting a model management fee equal to 1/12 of the highest annual management fee listed in the standard fee schedule for accounts shown below. The standard fee schedule for accounts managed with this product is 0.4% on the first \$50 million, 0.3% on the next \$50 million, and 0.25% thereafter. The standard management fee schedule and total expense ratio for the Acadian Global Managed Volatility Equity Fund, which is included in the composite, are 0.40% on all assets and 0.47%, respectively. The standard management fee schedule and total expense ratio for the Acadian Global Managed Volatility Fund, which is included in the composite, are 0.40% on all assets and 0.44%, respectively. Management fees may vary according to the range of services provided, investment performance, and the amount of assets under management. Constituent portfolios are included from the first full month after inception to the present or the last full month prior to cessation of the client relationship with the firm. For example, an account that opened January 15, 2019 will be included beginning February 1, 2019. An account that terminated February 12, 2019 will be included through January 31, 2019. Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.

**Dispersion and Standard Deviation:** Acadian's broad definitions are mainly the product of a highly customized process that may result in modest differences with regards to portfolio characteristics among constituents. All accounts managed with directly comparable investment objectives are included, though it's possible for members to utilize slightly different benchmarks in optimization and reporting. Although at times dispersion among constituents may be high, the long-term forecast for each portfolio is consistent with the overall composite. The 'Dispersion' statistic presented above uses gross of fee returns and is an annual, asset-weighted standard deviation calculation performed only on those portfolios who have been members for the entire calendar year. These figures are not applicable if there is only one portfolio in the composite for the full year. Thirty-six months are required to calculate the 'Three Year ex-Post Standard Deviation' statistic. These figures are not applicable if thirty-six months of composite returns are not available.

**Composite Description:** This composite invests globally in developed and opportunistic emerging equity markets. The strategy aspires to provide market-like returns with less-than-market volatility. Complete lists of the firm's composite descriptions, limited distribution pooled fund descriptions, and broad distribution funds are available upon request.

**Benchmark Description:** The primary benchmark for the composite is MSCI World (net of dividend withholding taxes). The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The secondary benchmark is MSCI World Minimum Volatility (net of dividend withholding taxes) for purposes of additional comparison. The MSCI World Minimum Volatility Index is calculated by optimizing the MSCI World index to produce an index with the least volatility for a given set of constraints and to ensure index replicability and investability.

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<sup>1</sup>Ashland Partners verified Acadian's GIPS Compliance claim through March 31, 2017. ACA Compliance Group acquired Ashland's GIPS Verification unit and provided subsequent verifications.

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