

## OVERVIEW

Brown Capital Management strives to build investment programs that meet the needs of genuine long-term investors. Investment team members execute a time-tested process that seeks to position them as patient business owners, rather than short-term traders. They invest with the courage of their convictions, no matter the market environment.

## A METHODOICAL APPROACH TO INVESTING IN EXCEPTIONAL INTERNATIONAL SMALL COMPANIES

The investment team seeks to identify and invest in exceptional companies that save time, lives, money or headaches, or provide a compelling value proposition to consumers. The portfolio is comprised of 40-65 of these exceptional international small growth companies that have the potential to grow revenues and earnings significantly over a three-to-five-year evaluation horizon and beyond.

## BENCHMARK AGNOSTIC

Experience taught Brown Capital Management that managing to a benchmark can be a distraction and a threat to long-term results. Therefore, the portfolio's holdings and performance may vary significantly from common indexes over time. As a result, the firm's low turnover approach may be best suited to investors who maintain a long-term investment horizon.

## RISK MANAGEMENT

Managing risk occurs through portfolio diversification and, most important, an in-depth awareness of risk at a company level.

## SERVICE DETAILS

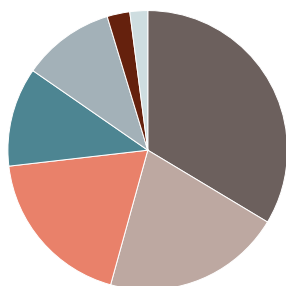
SERVICE INCEPTION DATE:	9/30/2013
COMPOSITE INCEPTION DATE:	12/31/13
STRATEGY ASSETS:	\$1,684.7 MILLION
MINIMUM INVESTMENT:	\$5 MILLION
HOLDINGS:	40-65
PRIMARY PERFORMANCE BENCHMARK:	MSCI ACWI EX US SMALL CAP INDEX
STANDARD FEE SCHEDULE:	1.00% ON ALL ASSETS

## SIGNIFICANT HOLDINGS\*

The Descartes Systems Group Inc	5.53%
Albioma	5.41%
Kinaxis, Inc.	5.16%
STRATEC SE	4.61%
M3 INC	3.92%
Nexus AG	3.86%
Evotec SE	3.75%
Kingdee International Software	3.73%
SimCorp AVS	3.45%
Abcam Plc	3.36%

\* % of total assets.

## PORTFOLIO COMPOSITION

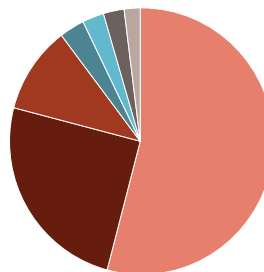


## PROPRIETARY CATEGORIES\*

Information/Knowledge Management	33.60%
Medical/Health Care	20.69%
Business Services	18.89%
Consumer Related	11.46%
Miscellaneous	10.67%
Cash & Equivalents	2.63%
Industrial Products & Systems	2.06%

\* % of total assets.

## COUNTRY COMPOSITION



## REGIONS\*

Europe	54.01%
Pacific	25.11%
North America	10.69%
Israel	3.08%
Cash & Equivalents	2.63%
Emerging Latin America	2.53%
Emerging Asia	1.94%

\* % of total assets.

## QUARTER END PERFORMANCE

As of 09/30/20	QTD	YTD	1 Year	Annualized				Since Inception*
				3 Years	5 Years	10 Years		
Net <sup>1</sup>	11.57%	21.41%	30.94%	18.29%	19.28%	N/A	16.89%	
MSCI ACWI Ex US Small Cap Index	10.61%	-3.34%	7.36%	1.32%	7.20%	N/A	4.35%	

\* Since inception performance is based on Composite Creation Date. Gross numbers are provided upon request.

Please refer to the attached Performance Presentation and Disclosures. It contains additional required disclosures and important information regarding calculation of performance data, including the general effect of fees on returns. Past performance is not a guarantee of future results.

## INTERNATIONAL INVESTMENT TEAM



[Daniel J. Boston](#)

Director and  
Portfolio Manager/  
Senior Analyst  
13 years industry  
experience



[Duncan J. Evered](#)

Managing Director  
Senior Portfolio Manager  
30 years industry  
experience



[Kabir Goyal, CFA](#)

Managing Director and  
Senior Portfolio Manager  
12 years industry  
experience



[Maurice L. Haywood, CFA](#)

Managing Director  
Senior Portfolio Manager  
32 years industry  
experience

## INVESTMENT ADVISOR

Brown Capital Management, LLC  
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The International Team oversees the International Equity Strategy, International Equity Fund, International Small Company Strategy, and the International Small Company Fund. Consistent with all Brown Capital teams, these tenured portfolio managers also serve as generalists in fulfilling their research duties. Clients benefit from the team's practical experience resulting from decades spent working through multiple market cycles. The team's first priority is to build the capital of clients, pursued primarily by investing in what we believe to be exceptional international small growth companies. Selection of these companies is based on their capacity to grow over a three-to-five-year evaluation horizon and beyond.

<sup>1</sup>Net of fees performance is calculated using actual management fees. The net return is reflective of actual fees and fees paid vary by client.

BCM is a registered investment advisor. More information about the advisor, including its investment strategies and objectives, can be obtained by visiting [www.browncapital.com](http://www.browncapital.com). A copy of BCM's disclosure statement (Part 2 of Form ADV) is available, without charge, upon request. Our Form ADV contains information regarding our Firm's business practices and the backgrounds of our key personnel. Please contact BCM at (800) 809-3863 if you would like to receive this information.

Past performance is not indicative of future results. It should not be assumed that any of the recommendations or characteristics discussed here will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable. BCM reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs.

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# INTERNATIONAL SMALL COMPANY COMPOSITE

## Disclosure Requirements

### International Small Company Strategy

AS OF DECEMBER 31, 2019

Year	Net of Fees Total Return Composite*	Gross of Fees Total Return Composite*	Gross of Fees Total Return ACWI Ex-US Small Cap Index	Gross of Fees Equal Weighted Standard Deviation	Gross Composite Annualized Ex-Post Standard Deviation ***	MSCI ACWI Ex-US Small Cap Index Annualized Ex-Post Standard Deviation	# of Accts.	Composite Assets (\$ Millions)	Total Firm Year-End Assets (\$ Millions)
2014	10.72%	10.98%	-3.69%	N.A.**	N.A.**	N.A.**	<5	\$57	\$6,682
2015	15.84%	16.26%	2.95%	N.A.**	N.A.**	N.A.**	<5	\$78	\$7,350
2016	2.61%	3.02%	4.29%	0.55%	12.37%	12.15%	5	\$81	\$8,060
2017	42.24%	42.80%	32.12%	1.63%	11.83%	11.54%	6	\$138	\$9,702
2018	-1.52%	-1.01%	-17.89%	0.70%	15.20%	12.36%	7	\$279	\$9,744
2019	28.09%	29.14%	22.93%	1.32%	14.36%	11.60%	8	\$1,075	\$13,049

\*Past performance is not indicative of future returns.

\*\*N.A.—Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire period or for partial year periods.

\*\*\*3-year annualized standard deviation is not presented because the composite does not yet have 36 monthly returns.

### Compliance Statement

Brown Capital Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Brown Capital Management has been independently verified for the periods January 1, 1993 through September 30, 2019.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The International Small Company Composite has been examined for the period December 31, 2013 through September 30, 2019. The verification and performance examination reports are available upon request.

### The Firm

BCM is defined as an independent investment management firm established in 1983 that is not affiliated with any parent organization and is registered under the Investment Advisers Act of 1940. BCM manages a variety of equity and balanced accounts for domestic and international institutional clients. The firm's list of composite descriptions, as well as information regarding the firm's policies for valuing portfolios, calculating performance, and preparing compliant presentations, are available upon request.

### Composite

The International Small Company Composite represents the performance of fee-paying investors where BCM has sole investment authority. The composite seeks long-term capital appreciation through investing in equity securities. Revenues, of \$500 million or less at initial purchase rather than market capitalization is used to define smallness. The majority of the portfolio has a market capitalization of less than \$5 billion. No alterations of the composite have occurred because of changes in personnel, or for other reasons at any time. There has been no selectivity of account results for any period. Data for all accounts has been continuous from each account's first full quarter of management through the last full month of management prior to cessation of the account. Investors should be cognizant of the fact that while, there is the potential of gains, there is also the potential of losses. Composite creation date is December 31, 2013, and reflects activity of current managers.



## Disclosure Requirements International Small Company Strategy

AS OF DECEMBER 31, 2019

### Benchmark

The composite is measured against the MSCI ACWI Ex-US Small Cap Index. The MSCI ACWI Ex-US Small Cap Index for numerous regions and countries across Developed, Emerging, and Frontier Markets. The index includes over 6,400 securities across Developed and Emerging Markets and approximately \$4.4 trillion in free float market capitalization; 4,400 of these small caps are outside the U.S. The index targets approximately 14% of the free-float adjusted market cap in each market.

### Methodology

The composite is reported in U.S. dollars. BCM has adopted a Valuation of Securities policy which requires that all client portfolios and investments reflect current, fair, and accurate market valuations. For month end pricing, BCM's policy is to use 4:00 p.m. prices for equity securities, where such is available. BCM utilizes, to the fullest extent possible, recognized and independent pricing services and/or qualified custodians for timely valuation information for advisory client securities. Whenever valuation information for specific, illiquid, foreign, private or other investments is not available through pricing services, the Director of Portfolio and Mutual Fund Administration will work with the trader(s) and Portfolio Manager(s) to obtain and document price information from two independent sources if available, whether it be a broker-dealer, bank, pricing service, or other source. Any errors in pricing or valuations are to be resolved as promptly as possible, preferably upon a same day or next day basis, with re-pricing information obtained, reviewed, and approved by the CCO/Director of Portfolio and Mutual Fund Administration.

Securities without market valuation information (e.g., illiquid securities, or other such situations) are to be reviewed and priced by the Director of Portfolio and Mutual Fund Administration, in conjunction with an appropriate Portfolio Manager and trader in good faith to reflect the security's fair and current market value. Through regular monthly reconciliation with custodian banks, any significant irregularities in prices will be detected and corrected before market values are finalized and performance calculation is done.

### Fees

Investment advisory fees are:  
1.00% of all assets

Gross performance figures are presented (a) gross of investment management fees and custodial fees, (b) net of trading expenses, withholding tax, and other fees and reflect the reinvestment of interest, capital gains, and dividends. Net performance figures are presented net of withholdings taxes and all management fees, trading expenses, and other fees. Net of fees performance is calculated using actual management fees. The net return is reflective of actual fees and fees paid vary by client.

### Internal Dispersion

Internal dispersion is calculated using the equal weighted standard deviation of annual gross-of-fees returns of those portfolios that were included in the composite for the entire year. For those years when less than five portfolios were included in the composite for the full year, no dispersion measure is presented.

### Ex-Post Standard Deviation

The 3-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period and is not presented for periods where 36 months of composite performance is not available.