WestEnd Advisors

Global Conservative Strategy

Q3 2019

Inception Date: 1/2015

Strategy Objective

The Global Conservative strategy primarily seeks capital preservation through asset class exposure and diversification, but also maintains an objective of capital appreciation through active allocations. The multi-asset class strategy combines high-conviction active management with the diversification of low-cost, passive ETFs.

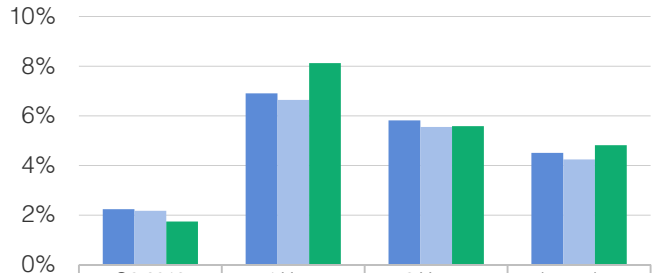
About WestEnd Advisors

WestEnd Advisors is owned by six partners, all of whom are active in the firm. Our ability to analyze economic indicators, and to know which merit attention, has served our clients well for over two decades. This top-down, macroeconomic-based investment approach was first employed in 1996 with our Large-Cap Core Equity strategy and is now applied across all of our investment offerings.

As of September 30, 2019, WestEnd Advisors' total firm assets under management and advisement were $5.5 billion.** We work in partnership with our clients and are committed to transparency, compliance, and sharing with investors what we know and learn. We are an employee-owned firm and have the independence to make decisions that are in the best interest of our clients.

Risk and Return Summary*

	Trailing 3 Years		Since Inception	
	Global Conservative	Benchmark	Global Conservative	Benchmark
Return	5.82%	5.58%	4.51%	4.82%
Standard Deviation	4.94%	5.17%	4.53%	4.70%
Alpha	0.49%	n/a	-0.02%	n/a
Beta	0.93	1.00	0.92	1.00
Sharpe Ratio	0.85	0.77	0.76	0.80
R-Squared	95.6%	n/a	91.3%	n/a
Tracking Error	1.09%	n/a	1.39%	n/a
Upside Capture	99.5%	100.0%	92.0%	100.0%
Downside Capture	89.1%	100.0%	89.9%	100.0%



	Q3 2019	1 Year	3 Years	Inception
Global Cons, Gross	2.24%	6.91%	5.82%	4.51%
Global Cons, Net	2.18%	6.64%	5.55%	4.24%
Benchmark	1.74%	8.13%	5.58%	4.82%

Source: IDC, WestEnd Advisors Returns for periods greater than one year are annualized.

The blended benchmark for the Global Conservative strategy is 35% MSCI ACWI (Net) and 65% Bloomberg Barclays U.S. Government/Credit Bond Index.

WestEnd Advisors claims compliance with the Global Investment Performance Standards (GIPS®)

Historical Returns

	Global Conservative Composite		
	Gross	Net	Benchmark
2019 YTD	11.38%	11.18%	12.18%
2018	-1.49%	-1.74%	-3.44%
2017	10.18%	9.90%	10.64%
2016	1.74%	1.47%	4.87%
2015	0.24%	0.00%	-0.51%

Portfolio Composition*

Number of holdings: Typically 8 to 17

Fixed-Income Exposure: 50% to 80%

- Non-Investment Grade: 0% to 15%

Equity Exposure: 20% to 50%

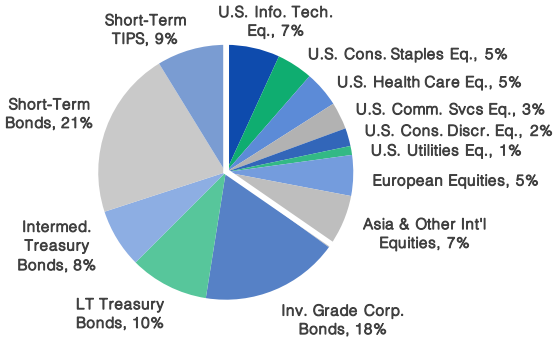
- U.S. Large-Cap: 8% to 35%
- U.S. Small/Mid-Cap: 0% to 8%
- International Equity: 3% to 30%

Target cash position: 2% to 5%

Annual turnover range: 17% to 74%†

† Based on 4 years ended 12/31/18

Model Portfolio Weights*



Current Holdings*

Fixed-Income Holdings: 65%

- iShares iBoxx $ Inv. Grade Corp. Bond ETF (LQD)
- iShares 0-5 Year TIPS Bond ETF (STIP)
- iShares 20+ Year Treasury Bond ETF (TLT)
- iShares 7-10 Year Treasury Bond ETF (IEF)
- SPDR Portfolio Short Term Corp. Bond ETF (SPSB)

U.S. Equity Holdings: 23%

- Communication Services SPDR ETF (XLC)
- Consumer Discretionary SPDR ETF (XLY)
- Consumer Staples SPDR ETF (XLP)
- Health Care SPDR ETF (XLV)
- Technology SPDR ETF (XLK)
- Utilities SPDR ETF (XLU)

International Equity Holdings: 12%

- iShares Core MSCI Europe ETF (IEUR)
- iShares MSCI AC Asia ex-Japan ETF (AAXJ)
- Vanguard FTSE All-World ex-US ETF (VEU)
- Vanguard FTSE Pacific ETF (VPL)

* Supplemental information based on the Global Conservative Composite gross-of-fees.

** Total firm assets under management and advisement include $4.8 billion of assets in Unified Managed Account (UMA) programs for which WestEnd provides model portfolios but has no discretion to effect trades and no supervisory responsibility over the assets in the program. This number has been derived from the most recent information provided by each of the participating UMA programs and may not be current as of the date stated above. This information is included as supplemental information only.

Footnotes and Disclosures

WestEnd Advisors is an SEC-registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The firm is an independent investment management firm, 100% owned by its active principals. WestEnd manages both equity and fixed-income assets for individuals and institutional clients.

WestEnd Advisors' Global Conservative Composite includes all discretionary accounts invested in the Global Conservative model except for portfolios that participate in a wrap-fee program. The Global Conservative Composite creation date is December 31, 2014, and the investment strategy has been consistent since creation. WestEnd Advisors' Global Conservative Composite is invested in large, mid, and small-cap U.S. equities, international equities, U.S. fixed-income, and other assets, all through the use of exchange-traded funds, and/or high-grade money market instruments. Returns were achieved without the use of options, derivatives, or leverage of any kind. Results are calculated daily using the aggregate method, use trade date valuations, and include cash as well as the reinvestment of dividends, interest income, and other earnings, if applicable. Portfolio returns are weighted using beginning of period values plus weighted cash flows. Portfolios and composites are valued daily and are denominated in U.S. dollars only.

The performance shown is based on WestEnd Advisors' Global Conservative Composite which includes all fully discretionary accounts invested in the Global Conservative model except for Wrap-Fee (Wrap) and Unified Managed Account (UMA) accounts. While the accounts in the Global Conservative Composite are invested according to the same model as Wrap and UMA accounts, performance may differ between the Global Conservative Composite and Wrap and UMA accounts due to a variety of factors, including but not limited to: fees assessed by Wrap and UMA sponsors (e.g. wrap fees), Wrap and UMA sponsor- and client-imposed investment restrictions, and WestEnd Advisors' lack of trading discretion over UMA accounts.

Net-of-fee performance results are presented after investment management fees paid to WestEnd Advisors, as well as after brokerage or other commissions actually paid by clients in the management of their investment advisory account, but exclude any deductions for custodial fees. The current management fee schedule, as described in WestEnd Advisors' SEC Form ADV Part 2, is as follows: 1.00% for accounts valued at $100,000 to $4,999,999; 0.90% for accounts valued at $5,000,000 to $9,999,999; 0.75% for accounts valued at $10,000,000 to $24,999,999; 0.65% for accounts valued at $25,000,000 to $49,999,999; and 0.50% for accounts valued over $50,000,000. Fees are negotiable where circumstances warrant.

Past performance is not indicative of future results. It should not be assumed that recommendations made in the future will be profitable. The information contained herein is not intended to be an offer to provide investment advisory services. Such an offer may only be made if accompanied by WestEnd Advisors' SEC Form ADV Part 2.

The MSCI ACWI (Net) Index, Bloomberg Barclays U.S. Government/Credit Index, and Global Conservative benchmark are used for comparative purposes only. The MSCI ACWI (Net) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 46 country indexes comprising 23 developed and 23 emerging market country indexes. The total return of the MSCI ACWI (Net) Index is calculated using net dividends. Net total return reflects the reinvestment of dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. The Bloomberg Barclays U.S. Government/Credit Index measures performance of U.S. dollar denominated U.S. Treasuries, government-related, and investment-grade U.S. corporate securities that have a remaining maturity of greater than or equal to 1 year. In addition, the securities have $250 million or more of outstanding face value, must be fixed-rate, and non-convertible. The Global Conservative benchmark is composed of 35% of the MSCI ACWI (Net) Index and 65% of the Bloomberg Barclays U.S. Government/Credit Index; is shown to reflect the investments in equity and fixed-income securities; and is rebalanced monthly. Benchmark returns are not covered by the report of independent verifiers.

The dispersion of annual returns is measured by the standard deviation of the asset-weighted portfolio returns represented within the composite for the full year. Dispersion is calculated based on gross returns and is not shown when there are five or fewer portfolios, as the calculation is not statistically meaningful.

A complete list and description of all WestEnd Advisors' composites, as well as a presentation that complies with the requirements of Global Investment Performance Standards (GIPS®), may be obtained by phone (888-500-9025) or email (info@westendadvisors.com). Additional information regarding policies for valuing portfolios, calculating performance, and preparing compliant presentations is available upon request.

Attribution Analysis is relative to the Global Conservative benchmark and was current as of the quarter specified in this presentation. A complete attribution report is available upon request.

Any portfolio characteristics, including position sizes and sector allocations, among others, are generally averages and are for illustrative purposes only and do not reflect the investments of an actual portfolio unless otherwise noted. The investment guidelines of an actual portfolio may permit or restrict investments that are materially different in size, nature, and risk from those shown. The investment processes, research processes, or risk processes shown herein are for informational purposes to demonstrate an overview of the process. Such processes may differ by product, client mandate, or market conditions. Portfolios that are concentrated in a specific sector or industry may be subject to a higher degree of market risk than a portfolio whose investments are more diversified.

Holdings, Sector Weightings, and Portfolio Characteristics were current as of the date specified in this presentation. The listing of particular securities should not be considered a recommendation to purchase or sell these securities. While these securities were among WestEnd Advisors' Global Conservative holdings at the time this material was assembled, holdings will change over time. There can be no assurance that the securities remain in the portfolio or that other securities have not been purchased. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities presently in the portfolio. Individual clients' portfolios may vary. Upon request, WestEnd Advisors will provide a list of all recommendations for the prior year. As of September 30, 2019, WestEnd Advisors had $132 thousand of assets in the Global Conservative Composite. This information is included as supplemental information only.

October 2019