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March 2019

Notes on Aristotle Capital Management, LLC's meetings during their first visit to Australia.

Plus Capital is proud to represent Aristotle Capital Management, LLC ("Aristotle Capital") in Australia. We hosted Steve Borowski, President and Greg Padilla, co-Portfolio Manager of their Global and US equity strategies, to a series of meetings in Sydney & Melbourne with institutional investors and their advisors. As always, these Notes are intended to be the "next best thing to being there".

Given that it had been some time since Plus Capital had met with our former clients, other institutional investors and several asset consultants, we introduced Steve, Greg and Aristotle Capital by explaining how we had first met them over 18 months ago. At that time in late 2017, while we each liked what the other was doing, from Aristotle Capital's perspective the focus on committing to Australia was a 2019 priority. We confirmed that we were happy to wait as we believe that the Aristotle Capital process delivers something different to that which is currently available in the market and that we only want to represent people who we are proud to have our name associated with.

We believe the "something different" is the consistency of the returns Aristotle Capital has been able to deliver and the lack of correlation of excess returns with peer group and broader market indices - with the source of this difference able to be traced back to the pragmatic approach and way they source investment opportunities.

Steve would begin by explaining that Aristotle Capital is an employee owned global equity manager based in Los Angeles backed by an experienced management team who have worked together for well over twenty years. He described his role as being "involved in everything but investments" and that at the top of his list are the people and culture of the firm as these are its real assets. Central to this culture and their ability to attract and retain talented individuals is the broad ownership structure. There are over 30 equity owners of the firm including nearly all 17 members of the investment team.

Steve was asked, given their emphasis on the importance of having investment (as well as operational) team members being equity owners of the firm, how the system worked. He described that the existing owners effectively dilute their holdings as equity is awarded, rather than sold, to individuals as part of their total compensation. He reflected that even with the most recent hires out of business school, the award of equity was part of "the initial discussion".

By way of explaining the "something different" Greg pointed to the importance of the philosophy which underlies their process, that they are not so much just buying stocks, rather they are looking to buy a "piece of the business – for the long term" and so it is important that the company be in control of its own destiny. It is this mindset that reflects their ethos of *"private equity in public markets"* – that theirs is a concentrated portfolio, that they look at the whole business, and each purchase is made at a full weight position which is rarely trimmed or added to.

The research team are all analysts. Greg noted that for him and his co-portfolio manager Howard Gleicher, who also has the title of Chief Executive and Chief Investment Officer, their first priorities are as research analysts with the portfolio management function next. In this way there is a collegiate atmosphere within the one investment team who focuses upon their global coverage of sectors.

Greg described the investment process as a "three-legged stool" in that each facet was equally important.

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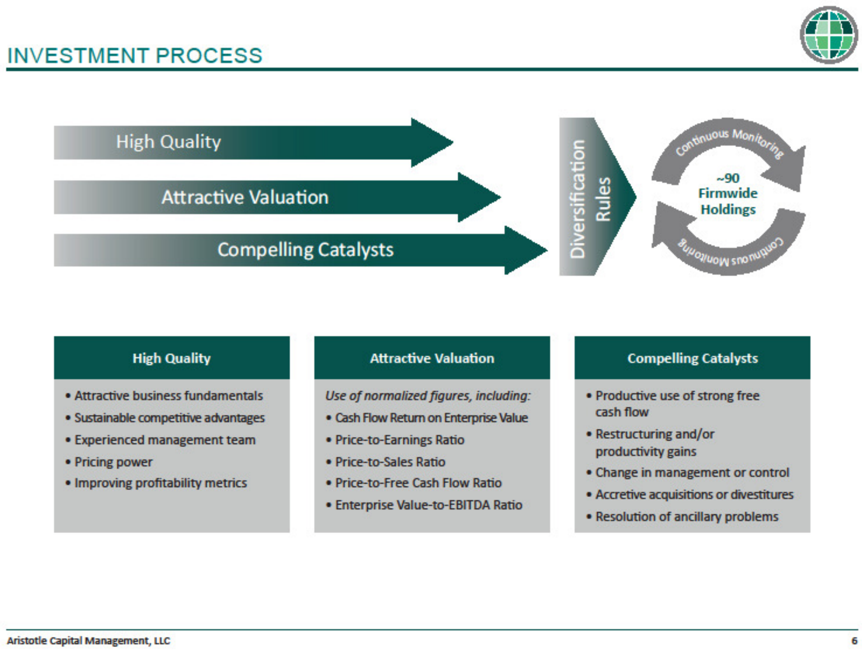


He pointed to the slide above and highlighted that "Valuation" was purposely in the middle and looked at after the "Quality" was first identified and understood. He stressed that there is no "screening out" to source potential candidates for inclusion in the portfolio; the starting point is to understand the business, what makes it unique and why it may be considered high quality.

The "Valuation" process considers not just the equity, but the entire enterprise: if it could be owned and operated for cash, what would the "cash on cash return" be in a normal year, and does that imply an attractive valuation for the equity?

Importantly, Greg described the "Catalysts" Aristotle Capital is looking for as "actions or events currently underway that management has control over". Catalysts are continuously monitored by Aristotle Capital to assess the impact on a company's intrinsic value. It is the evolution of catalysts that Aristotle Capital believes will propel a company to meet its full potential within the next three to five years, closing the valuation discount they see.

Greg was asked, when talking about new positions being added at a full weight, "how do you account fully for the additional risk that comes with investing in a less predictable (higher risk) business?"

He responded that this goes to their core skill set and is at the heart of their investment philosophy – the research and understanding of businesses. To "come through" their process a company must be of what they believe to be high Quality, its current price must represent Value and there must be Catalysts that will act to move the current price towards their estimate of intrinsic value. Should a company not meet all three ("Q-V-C") criteria, it will not be purchased. To the extent it meets their criteria they will buy the new company at a full weight – provided it represents a "more optimal" investment for the portfolio.

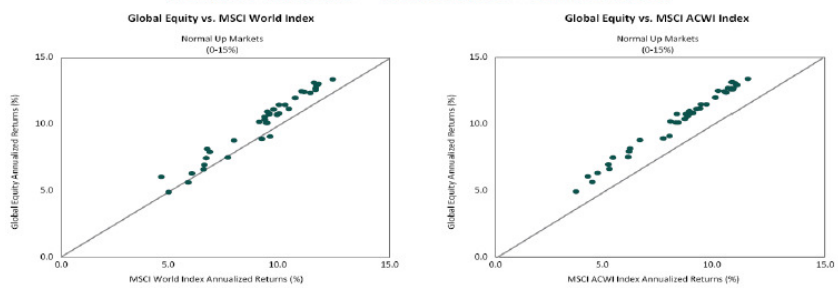
Clearly "more optimal" is subjective and encompasses numerous facets, with risk being one of them. In Aristotle Capital's view, risk at the company level is the permanent loss of capital; as mentioned above, Aristotle Capital seeks to mitigate this risk by remaining disciplined to the investment process. Risk at the portfolio level is lack of diversification. Diversification is not about how many different companies they own, diversification is about how different the companies they own are in the risks each entails. The understanding of these risks comes from the research process that educates the investment team as to, among other things, end-market exposures, regional exposures, balance sheet strength, business cyclicality, etc.

With regard to the "equal weight philosophy", the inherent risk of investing in a business or industry with a wider range of outcomes is not accounted for with a smaller position size, as each investment enters the portfolio at a full position of approximately 2% (given the current portfolio consists of 48 names). Rather, the additional risk is accounted for by demanding a higher required rate of return. For say a diversified global leader the required rate of return used to calculate intrinsic value might be approximately 6%, whereas for say a leading European regional bank it might be greater than 10%. In this return analysis, they are focused on cash flow; specifically, the normalized Cash Flow Return on Economic Value ("CFRoEV"). While Aristotle Capital's process starts with Quality, should a less predictable (higher risk) business meet the Quality and Catalyst criteria, but not their Valuation's higher required return hurdle, they will not invest until it does.

The philosophy's resultant low turnover (of around 15%) certainly helps in this regard and Greg pointed to the Aristotle Capital Global Equity strategy's track record as validation of their approach.

DISCIPLINED PROCESS DRIVES CONSISTENCY

Rolling Five Year Returns — November 1, 2010 - December 31, 2018



November 2010 - December 2018	Batting Average	%	Average Excess Return (%)	Minimum Excess Return (%)	Maximum Excess Return (%)
Outperformed MSCI World Index	35/39	90	0.9	-0.4	1.6
MSCI World 5 Yr Rolling Return <0%	0/0	0	0.0	0.0	0.0
MSCI World 5 Yr Rolling Return 0-15%	35/39	90	0.9	-0.4	1.6
MSCI World 5 Yr Rolling Return >15%	0/0	0	0.0	0.0	0.0
November 2010 - December 2018	**Batting Average**	**%**	**Average Excess Return (%)**	**Minimum Excess Return (%)**	**Maximum Excess Return (%)**
Outperformed MSCI ACWI Index	39/39	100	1.9	1.1	2.5
MSCI ACWI 5 Yr Rolling Return <0%	0/0	0	0.0	0.0	0.0
MSCI ACWI 5 Yr Rolling Return 0-15%	39/39	100	1.9	1.1	2.5
MSCI ACWI 5 Yr Rolling Return >15%	0/0	0	0.0	0.0	0.0

Source: eVestment
This information is for one-on-one use only and in response to a specific request. This information should not be distributed to other parties.
The above returns are gross of fees. Rolling 5-year returns graph calculated using monthly data. Market environment returns reflect average annualized returns for rolling 5-year periods within each market environment category. Overall batting average reflects the percentage of rolling 5-year periods in which the Global Equity Composite outperformed the MSCI World Index and MSCI ACWI Index. The Aristotle Global Equity Composite has an inception date of November 1, 2010. Past performance is not indicative of future results. Performance results for periods greater than one year have been annualized. Performance is preliminary pending final account reconciliation. Returns are presented gross of investment advisory fees and include the reinvestment of all income. Gross returns will be reduced by fees and other expenses that may be incurred in the management of the account. For example, a 0.5% annual fee deducted quarterly (0.125%) from an account with a ten-year annualized growth rate of 5.0% will produce a net result of 4.4%. Actual performance results will vary from this example. Please see important disclosures at the end of this document.

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In our view, the most compelling facets of Aristotle Capital's Global Equity track record are reflected in chart above and those that follow. The chart above represents their "batting average" with dots above the line representing relative outperformance during rolling five-year return periods during "Normal Up Markets" of 0%-15% for the MSCI World and MSCI ACWI Indices.

While outperformance of the broader market indices is one thing, to be of real value to an institutional investor's existing portfolio, we believe that Aristotle Capital will likely be considered in terms of how their inclusion will augment that portfolio. The correlation matrix below shows the correlation of excess returns versus a selection of peers.

UNCORRELATED EXCESS RETURN VS. PEER GROUP

As of December 31, 2018

Aristotle Global Equity has delivered an uncorrelated excess return stream against a highly respected peer group, which we believe reflects our differentiated approach to studying businesses

Aristotle Capital Global Equity Correlation Matrix vs. Peers : Excess Returns – Using MSCI World Index (Net)

Firm	Strategy	3 Year	5 Year	Since Inception[1]
Artisan Partners Limited Partnership	Artisan Global Opportunities	0.31	0.12	0.14
Artisan Partners Limited Partnership	Artisan Global Value	0.02	0.13	-0.04
Baillie Gifford & Co	Long Term Global Growth	0.28	0.17	0.16
Black Creek Investment Management Inc.	Black Creek Global Equity	0.31	0.29	0.14
Causeway Capital Management LLC	Causeway Global Value Equity	-0.24	-0.10	-0.02
Dodge & Cox	Dodge & Cox Global Equity	-0.08	0.03	-0.02
Epoch Investment Partners, Inc.	Epoch Global Equity Shareholder Yield	0.07	-0.10	-0.12
Fiera Capital Corporation	Fiera Capital Global Equity	0.46	0.25	0.17
Generation Investment Management LLP	Global Equity	0.40	0.30	0.13
Harding Loevner LP	Global Equity	0.46	0.34	0.30
Harris Associates L.P.	Global	-0.07	0.17	0.15
Hexavest Inc.	Hexavest Global Equity	0.08	-0.05	-0.04
Longview Partners (Guernsey) Limited	Longview Partners - Equity Total Return	-0.11	-0.10	-0.09
Magellan Asset Management	Magellan Global Equity Strategy	-0.20	-0.08	-0.11
MFS Investment Management	MFS Global Equity	0.31	0.21	0.14
Morgan Stanley Investment Management	Global Franchise	0.02	-0.07	-0.06
Orbis Investments	Orbis Global Equity	0.11	0.22	0.14
Sands Capital Management, LLC	Global Growth	0.42	0.27	0.27
Veritas Asset Management LLP	Veritas Global Focus Fund	-0.05	-0.13	-0.16
Walter Scott & Partners Limited	Global Strategy	0.51	0.30	0.30

Source: eVestment
[1]The Aristotle Global Equity Composite has an inception date of November 1, 2010. Returns are presented gross of investment advisory fees and include the reinvestment of all income. Performance is preliminary pending final account reconciliation. Gross returns will be reduced by fees and other expenses that may be incurred in the management of the account. For example, a 0.5% annual fee deducted quarterly (0.125%) from an account with a ten-year annualized growth rate of 5.0% will produce a net result of 4.4%. Actual performance results will vary from this example. The MSCI net indices are total return indices that reinvest dividends after the deduction of withholding taxes using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. Please see important disclosures at the end of this document.

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Similarly, we believe the correlation matrix of excess returns versus various Factor Indices indicates how Aristotle Capital's return stream is not easily replicated using "smart beta" tools.

UNCORRELATED EXCESS RETURN VS. FACTOR INDICES

As of December 31, 2018

We believe our view of "quality" and our use of "normalized financials" are two of the key differentiators that create a unique return stream that can be difficult to replicate with smart beta indices.

Aristotle Capital Global Equity Correlation Matrix vs. Factor Indices: Excess Returns – Using MSCI World Index (Net)

MSCI Index Factors	3 Years	5 Years	Since Inception[1]
MSCI World Quality (Net)	-0.01	-0.19	-0.15
MSCI World Value (Net)	-0.16	-0.09	-0.13
MSCI World Growth (Net)	0.17	0.10	0.13
MSCI World High Dividend Yield (Net)	0.08	-0.04	-0.10
MSCI World Minimum Volatility (Net)	0.24	-0.03	-0.05
MSCI World Momentum (Net)	0.31	0.16	0.11

Source: eVestment
[1]The Aristotle Global Equity Composite has an inception date of November 1, 2010. Returns are presented gross of investment advisory fees and include the reinvestment of all income. Performance is preliminary pending final account reconciliation. Gross returns will be reduced by fees and other expenses that may be incurred in the management of the account. For example, a 0.5% annual fee deducted quarterly (0.125%) from an account with a ten-year annualized growth rate of 5.0% will produce a net result of 4.4%. Actual performance results will vary from this example. The MSCI net indices are total return indices that reinvest dividends after the deduction of withholding taxes using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. Please see important disclosures at the end of this document.

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Plus Capital looks forward to hosting Aristotle Capital again in early October 2019 to a further series of meetings in Australia with institutional investors and their advisors.

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The MSCI World Index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance in 23 developed market countries. The MSCI World Index includes the following countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States. The MSCI ACWI 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 Index consists of 46 country indices comprising 23 developed markets, including Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States; and 23 emerging markets, including Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, the Philippines, Poland, Russia, Qatar, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. The volatility (beta) of the account may be greater or less than that of the benchmarks. It is not possible to invest directly in these indices.

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