



## **FORM ADV PART 2A**

### **The Brochure**

Sustainable Growth Advisers, LP

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This brochure provides information about the qualifications and business practices of Sustainable Growth Advisers, L.P. (“SGA”). If you have any questions about the contents of this brochure, please contact us at (203) 348-4742 or by e-mail at [firm@sgadvisers.com](mailto:firm@sgadvisers.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state authority.

Additional information about SGA is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

*Item 2 – Material Changes*

**This Brochure, dated March 27, 2024, provides a summary of new or updated material information since the annual update of the Brochure on March 29, 2022.**

1. Item 8 has been updated to disclose a change in one of the co-Portfolio Managers for the Global Portfolio and the Global Focused Portfolio. Effective as of July 1, 2022 Kishore Rao replaced Gordon Marchand as co-Portfolio Manager for the Global Portfolio and the Global Focused Portfolio. Effective as of July 1, 2022, Robert L. Rohn, Kishore Rao and Hrishikesh Gupta are co-Portfolio Managers for the Global Portfolio and the Global Focused Portfolio.

2. Item 8 has been updated to disclose a change in one of the co-Portfolio Managers for the U.S. Portfolio and the U.S. Focused Portfolio. Effective as of July 1, 2022 Hrishikesh Gupta replaced Gordon Marchand as co-Portfolio Manager for the U.S. Portfolio and the U.S. Focused Portfolio. Effective as of July 1, 2022, Robert L. Rohn, Kishore Rao and Hrishikesh Gupta are co-Portfolio Managers for the U.S. Portfolio and the U.S. Focused Portfolio.

3. Item 8 has been updated to disclose a change in one of the co-Portfolio Managers for the International Portfolio. Effective as of July 1, 2022 Kishore Rao replaced Gordon Marchand as co-Portfolio Manager for the International Portfolio. Effective as of July 1, 2022, Kishore Rao, Alexandra Lee and Tucker Brown are co-Portfolio Managers for the International Portfolio.

SGA's brochure may be requested by contacting Daniel Callaway, Chief Compliance Officer at [firm@sgadvisers.com](mailto:firm@sgadvisers.com).

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***Item 4: Advisory Business***

Sustainable Growth Advisers, LP (“SGA”) is an investment management firm specializing in large cap growth equities. SGA was formed in 2003 and is a registered investment advisor<sup>1</sup> under the Investment Advisers Act of 1940.

Virtus Partners, Inc., has a controlling 75% ownership interest in SGA with the remaining 25% ownership interest held by SGA’s individual limited partners. Virtus Partners, Inc., also has a 100% ownership interest in SGIA, LLC, the general partner for SGA. Virtus Partners, Inc., is 100% owned by Virtus Investment Partners, Inc. (“Virtus”), a US publicly traded company on the NASDAQ.

SGA is also registered as a portfolio manager in the Province of Ontario and passported into the Provinces of Alberta and Quebec, and SGA is an exempt fund manager in the Provinces of Ontario, Alberta and Quebec. SGA operates as an independent affiliate of Virtus.

SGA is retained by clients on a discretionary basis and authorized to determine and direct execution of portfolio transactions within the client’s specified investment objectives without consultation with its clients on a transaction-by-transaction basis. Specific investment objectives and/or restrictions within SGA’s large cap growth strategy are negotiated prior to execution of SGA’s Investment Advisory Agreement. SGA’s strategy seeks to preserve and grow capital by investing in predictable, sustainable, above-average growth companies whose earnings and cash flow growth can be sustained over a long period of time through pricing power, recurring revenues and global opportunity. There are approximately 100-120 companies that meet the characteristics that SGA looks for at any time and that have passed our rigorous fundamental research process. We call this group of companies our Qualified Company List (“Qualified List”). We then build client portfolios from the Qualified List by selecting those companies where SGA has the highest conviction in the current business quality fundamentals, forecast growth opportunity and valuation based on our proprietary cash flow based valuation discipline. Portfolios usually hold 25 to 35 companies diversified across multiple sectors and industries. We ensure the portfolio is prudently diversified by investing no more than 25% of the portfolio in any one industry, no more than 40% in any one sector and no more than 8% in any one company. The investment team utilizes a model portfolio template that serves as a guideline for investing new accounts. Each portfolio within the large cap growth strategy follows the same disciplined investment process and consequently, the holdings in each account are similar except where specific client guidelines and/or objectives may cause deviations. SGA offers U.S. Large Cap Growth (“U.S. Portfolio”), Global Growth (“Global Portfolio”), Emerging Markets Growth (“Emerging Markets Portfolio”), International Growth (“International Portfolio”) and Global Mid Cap Growth (“Global Mid Cap Portfolio”) portfolios, as well as, concentrated “Focused” portfolios of our best ideas for both U.S. and Global. The U.S.,

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<sup>1</sup> Registered Investment Advisor does not imply a certain level of skill or training.

Global and Emerging Markets portfolios represent the vast majority of our total assets under management.

SGA has the ability to construct specialty portfolios (portfolio variation strategies) built from the same Qualified List that is the product of our investment teams' collective fundamental research effort. The investment team manages portfolios as close to the model template as possible. When there is an investment action (defined as a change to any of SGA's model portfolio templates) securities are generally purchased and sold across all of the portfolio accounts, resulting in minimal dispersion across accounts. However, there may be some deviation depending on specific client restrictions or cash flows.

For its investment advisory services, SGA receives a percentage of assets under management, see Item 5: Fees and Calculation for further information. The firm uses unaffiliated broker-dealers to execute portfolio transactions and generally the client leaves broker selection to SGA, although occasionally a client may direct the use of a particular broker-dealer to execute portfolio transactions. SGA also provides investment advisory services through several unified managed account programs utilizing the large cap growth strategy as described above. SGA receives a portion of the unified managed account fee for this service.

SGA's total Assets under Advisement as of 12/31/2023 were \$26.499 billion; discretionary "regulatory" Assets under Management totaled \$23.947 billion and model/emulation "non-regulatory" assets under contract (advisement) totaled \$2.552 billion.

***Item 5: Fees and Calculation***

SGA's only source of revenue is its investment advisory fees.

**Fee Schedule**

**U.S. Portfolio**

0.75% on the first \$25 million  
0.50% on the next \$75 million  
0.35% over \$100 million  
\$10,000,000 minimum account size

**Global Portfolio**

0.85% on the first \$25 million  
0.65% on the next \$75 million  
0.50% over \$100 million  
\$10,000,000 minimum account size

Emerging Markets Portfolio

0.85% on the first \$25 million  
0.65% on the next \$75 million  
0.50% over \$100 million  
\$10,000,000 minimum account size

International Portfolio

0.85% on the first \$25 million  
0.65% on the next \$75 million  
0.50% over \$100 million  
\$10,000,000 minimum account size

U.S. Focused Portfolio

0.85% on the first \$25 million  
0.60% on the next \$75 million  
0.45% over \$100 million  
\$10,000,000 minimum account size

Global Focused Portfolio

0.85% on the first \$25 million  
0.65% on the next \$75 million  
0.50% over \$100 million  
\$10,000,000 minimum account size

Global Mid Cap Portfolio

0.85% on the first \$25 million  
0.65% on the next \$75 million  
0.50% over \$100 million  
\$10,000,000 minimum account size

SGA fees are negotiable. Fees are billed quarterly in arrears. SGA at its discretion may accept accounts less than the referenced \$10,000,000 minimum account size.

For more information regarding other portfolios available, including fee schedules, please contact SGA at [marketing@sgadvisers.com](mailto:marketing@sgadvisers.com).

SGA manages certain wrap program accounts which require advisory fee payment in advance. SGA accepts these advance payments for a period no longer than three months in advance.

The Investment Advisory contract may be terminated at any time upon written notice by either party. Fees will be pro-rated to date of termination.

SGA's client will incur other types of fees and expenses other than SGA's investment advisory fee such as custodian fees, brokerage commissions and other transaction costs.

Neither SGA nor any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

***Item 6: Performance Fees and Side-by-Side Management:***

Currently, SGA does not have any performance-based advisory fee accounts. All SGA accounts are charged fees based upon a percentage of assets under management.

***Item 7: Types of Clients***

Generally, SGA provides investment advisory services to:

- Investment Companies, Domestic and Foreign
- Corporate Pension Plans
- Public Pension Plans
- Taft-Hartley Plans
- Insurance Companies
- Endowments & Foundations
- Superannuation Fund Sponsors
- Sovereign Wealth Funds
- Healthcare Organizations
- High Net Worth Family Offices
- High Net Worth Individuals
- Unified Managed Account Platforms
- Collective Investment Trusts
- European based UCITS Vehicles
- Pooled Investment Trust (Australia)

Generally, minimum account size is \$10,000,000, however, SGA at its discretion may accept accounts less than \$10,000,000.

***Item 8: Methods of Analysis, Investment Strategies and Risk of Loss***

SGA has only one strategy – large and midcap growth equity - and offers investment management services through fundamental security analysis of exchange-listed securities, securities traded over-the-counter and foreign issuers. SGA's focus is on the successful implementation of our investment philosophy, to invest in predictable, sustainable, above-average growth companies. Our investment management team is committed to providing thorough fundamental bottom-up research, prudent management and continual evaluation of our portfolio holdings.

The first step of our investment process is a fundamental bottom-up identification of a select group of businesses that offer strong predictable, sustainable, earnings and cash-flow growth over our 3-5 year time horizon. Our experience has shown that specific characteristics increase the probability that a company will sustain above average rates of growth with low business risk over the long-term. We seek companies that have a high degree of pricing power, recurring revenue streams and global opportunity. We also pay close attention to a company's financial strength and the strength of its management team.

The second step involves diligent, proprietary, first-hand analysis of the quality and strength of each business, its financial health and its potential for sustained growth.

The third step of the process involves a disciplined approach in determining an appropriate price for each holding and guarding against valuation risk by focusing primarily on a company's cash flow available to shareholders.

Portfolio decisions require the agreement of at least two of the three portfolio managers. Any member of the investment committee may initiate a discussion but the dedicated portfolio managers ultimately are responsible for all investment decisions. All of our accounts are managed in the same manner. Decisions to either sell a position or add a position to the portfolios are implemented uniformly for all managed accounts, subject to individual client guidelines or constraints.

SGA's focus is on proprietary bottom-up fundamental company research. The Firm's Investment Committee ("IC") is responsible for implementing our investment strategy. The IC consists of two Founding Principals (George P. Fraise and Robert L. Rohn), nine Research Principals (Tucker Brown, Alexandra Lee, Kishore Rao, Hrishikesh Gupta, Luying Wang, James Li, Julian Cochran, Jonathan Shaham and Courtney Owens), a Research Analyst (Peter Madej), and Client Portfolio Manager & Director of Client Services (Steve Skatrud). Robert L. Rohn, Kishore Rao and Hrishikesh Gupta are co-Portfolio Managers for the U.S. Portfolio and the U.S. Focused Portfolio. Robert L. Rohn, Kishore Rao and Hrishikesh Gupta are co-Portfolio Managers for the Global Portfolio and the Global Focused Portfolio. Kishore Rao, Hrishikesh Gupta and Robert L. Rohn are co-Portfolio Managers for the Emerging Markets Portfolio and the Global Mid Cap Portfolio. Kishore Rao, Alexandra Lee and Tucker Brown are co-Portfolio Managers for the International Portfolio. The co-Portfolio Managers and Research Principals represent the senior voting members of the IC responsible for primary and back-up research coverage of the companies comprising our Qualified List.

Qualitative, fundamental research drives our approach and each voting member of the Investment Committee is first and foremost a research analyst. Unlike many other firms where research and portfolio management are separate functions, the co-Portfolio Managers are also analysts with primary research coverage responsibilities. This structure ensures they are not one step removed from the research process but are rather an integral part of it.



We believe our research structure is unique. We have multiple layers of proprietary research behind every recommendation. By that we mean that we want multiple analysts to look at a company and “own” a particular recommendation. This minimizes the potential blind spots that can develop naturally in the course of the research function. Through our experience, we have learned that analysts can become too enamored with companies, managements, products and processes and can potentially lose some degree of their objectivity. To avoid this, we assign one primary analyst and a backup analyst to every company under coverage. The rest of the team acts as a third layer of research. This enables us to have multiple senior investment research professionals focused on a particular issue at any time.

At SGA, our investment concept is repeatedly tested through regular contact with senior management of portfolio and Qualified List companies. In addition, we continually test our thesis by consulting other industry sources such as competitors, distributors, and customers. Meetings with portfolio companies, candidate companies being considered for our Qualified List and competitors play a critical role in SGA’s due diligence prior to the stock selection process. SGA’s analysts pay close attention to company public filings and the associated footnotes in the corporate financial statements.

The companies we invest in share our focus on the long-term growth prospects of their businesses. SGA conducts first-hand fundamental analysis and supports the findings with the long-term financial models that we build using publicly available financial data and proprietary insight which we collect through our research. This action, building the income statement, balance sheet and cash flow projections for the business not only for the next year but for the next five to ten years, helps us understand the financial dynamics of the business and its long-term prospects. It also helps us test the predictability and sustainability of the business over the long-term. The financial projections and company models that we build help drive our valuation system.

This analysis is continually performed on the approximately 100-120 companies that make up our Qualified List. We then build a portfolio from the Qualified List based upon our conviction level in the current business quality fundamentals, forecast growth opportunity and valuation.

SGA also integrates ESG factors, including ESG risks and opportunities, into its investment process. SGA believes environmental, social and governance factors inherently impact a company’s brand equity, employee satisfaction, competitive position, financial performance and ultimately long-term shareholder value. SGA employs a proprietary ESG scoring system to compare ESG related risks and opportunities across our Qualified List. SGA supplements its primary bottom-up research with input from a third party ESG research and ratings services to help ensure it has identified the most salient ESG factors and analyzed them. It is important to note that SGA does not prioritize growth opportunities related to ESG above others. All investments are made with the objective of maximizing risk-adjusted financial returns to its clients. SGA does not place a premium on social returns, nor does SGA allocate its clients’ capital based on thematic or top-down views. Nevertheless, SGA’s consideration of ESG factors may

impact its analysis of a given investment, which may cause SGA to reach a different decision regarding that investment than if ESG factors had not been considered. As a result, the possibility exists that the consideration of ESG factors could cause SGA to forgo opportunities to purchase or sell securities when such opportunities might otherwise be advantageous.

The Investment Committee meets generally twice a week. Often, additional meetings are scheduled to review a particular topic or company of interest.

SGA is fully invested with only minimal cash, generally not in excess of 3%.

As with any investment, there is always an inherent risk of loss of capital, which the client should be prepared to bear. SGA does not guarantee (i) that client assets will not decline in value, (ii) any specific level of performance, (iii) the success of any investment strategy employed or investment decision made by the portfolio managers, or (iv) the success of the overall portfolio of client's assets. The value of client's assets may go down as well as up, and will be subject to various market, economic or business risks, as well as the risk that the investment recommendations and decisions made may not always be profitable or prove to have been wise. Past performance is not indicative of future results.

***Item 9: Disciplinary Information***

SGA is required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of SGA's advisory business or the integrity of SGA's management.

Neither SGA nor any employees of the firm have any legal or disciplinary events that are material to a client's or prospective client's evaluation of SGA's advisory business or the integrity of SGA's management.

***Item 10: Other Financial Industry Activities and Affiliations***

SGA has material relationships with certain affiliates, as described below. As noted in Item 4 above, SGA is a majority owned affiliate of Virtus Partners, Inc., which is a wholly owned subsidiary of Virtus Investment Partners, Inc. Virtus is a publicly traded company operating a multi-manager asset management business.

In the conduct of its business, SGA may use certain shared services of Virtus. These services include functions such as (i) payroll, employee benefits and human resource services, (ii) finance and accounting services, (iii) cybersecurity, information technology and communication services, and (iv) certain other shared corporate resources such as insurance, tax and legal services.

SGA has been engaged by affiliates, Virtus Fund Advisers LLC and Virtus Investment Advisers, Inc., to provide subadvisory investment management services with respect to certain open-end and/or closed-end funds as discussed below. Additional relationships of this nature may be entered into by SGA in the future. SGA's compensation for such arrangements is typically structured as a percentage of the overall management fee paid by the fund to the hiring affiliated investment adviser.

SGA is the sole sub-advisor to the following affiliated funds: (i) Virtus SGA Global Growth Fund, (ii) Virtus SGA Emerging Markets Equity Fund, (iii) Virtus SGA International Growth Fund, and (iv) Virtus SGA International Growth Series.

Approximately 16.7% of the Virtus SGA Global Growth Fund's portfolio constitutes shareholder investments by SGA's employees, family and friends. As of December 31, 2023, the fund's assets were \$123 million compared to SGA's total AUA for its global strategy of \$8.7 billion as of December 31, 2023. Therefore, SGA considers its affiliated investment in the global growth strategy to be immaterial.

Approximately 0.1% of the Virtus SGA Emerging Markets Equity Fund's portfolio constitutes shareholder investments by SGA's employees, family and friends. As of December 31, 2023, the fund's assets were \$889 million compared to SGA's total AUA for its emerging markets strategy of \$1.1 billion as of December 31, 2023. SGA considers its affiliated investment in the emerging markets strategy to be immaterial.

Approximately 3.4% of the Virtus SGA International Growth Fund's portfolio constitutes shareholder investments by SGA's employees, family and friends. As of December 31, 2023, the fund's assets were \$78.8 million compared to SGA's total AUA for its international strategy of \$338 million as of December 31, 2023. Therefore, SGA considers its affiliated investment in the international strategy at approximately 0.8% to be significant but not material.

Investments in funds sub-advised by SGA by any SGA employees or immediate family members require prior approval by either SGA's compliance team, a Founding Principal, or Chief Operating Officer.

In 2014 SGA launched two Collective Investment Trust ("CIT") Funds, SGA U.S. CIT and SGA Global CIT. The SGA U.S. CIT was never funded and in 2018 it was converted to SGA's international growth strategy and renamed as the SGA International Growth CIT. Effective as of January 1, 2019, the SGA Global CIT and SGA International CIT were renamed as the Sustainable Growth Advisers Global CIT and Sustainable Growth Advisers International CIT, respectively. For both CITs SGA serves as the Sub-Adviser, Virtus Fund Advisers, LLC serves as the Adviser, and SEI Trust Company serves as the Trustee, as named fiduciary under Section 402(a) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

In 2016 SGA launched the SGA Funds ICAV, an open ended Irish collective asset-management vehicle structured as an umbrella fund with segregated liability between

sub-funds and authorized under the laws of Ireland. On March 11, 2019, the SGA Funds ICAV was renamed Virtus Global Funds ICAV. BNY Mellon Trust Company (Ireland) Limited serves as the depository, and BNY Mellon Fund Services (Ireland) Designated Activity Company serves as the administrator for the Virtus Global Funds ICAV. SGA serves as the Investment Manager for the Virtus Global Funds ICAV. Three officers of SGA's majority owner, Virtus Investment Partners, Inc., serve as Directors of the Virtus Global Funds ICAV which appointments were approved by the Central Bank of Ireland.

Certain employees of VP Distributors LLC ("VPD"), (an affiliated limited purpose broker-dealer) promote the services of SGA as well as the products managed by SGA. When SGA pays a fee to VPD for the efforts of VPD's employees to promote SGA's services, VPD is an affiliated third-party promoter for SGA as discussed further in Item 14, below.

Certain employees of a related person of SGA, Virtus International Management, LLP ("Virtus International"), also promote the services of SGA as well as the products managed by SGA. Virtus International's representatives are permitted to introduce SGA's investment advisory services to institutional entities and sovereign wealth funds and other foreign official institutions within the United Kingdom and in other jurisdictions globally, to the extent permitted by the laws of each applicable jurisdiction. In the Asia-Pacific region, approved persons of Virtus Global Partners PTE. LTD ("Virtus Singapore") (UEN 201018015Z), which is authorized and regulated by the Monetary Authority of Singapore ("MAS"), are permitted to introduce the investment advisory services of SGA and certain of its affiliates to institutional entities, sovereign wealth funds, and other foreign official institutions. Certain employees of a related person of SGA, seconded to Virtus International Fund Management Limited ("VIFM") (Ref. No. C182357), which is authorized and regulated by the Central Bank of Ireland, carry out sales and marketing activity of certain Irish-domiciled UCITS funds to which SGA is the investment manager, to the extent permitted by applicable law.

Virtus Investment Partners International, Ltd., ("Virtus International"), an indirect wholly owned subsidiary of Virtus headquartered in London, England is a related person of SGA that promotes the services of SGA as well as the products managed by SGA. Virtus International representatives will, to the extent permitted by each applicable jurisdiction, be introducing SGA's investment advisory services to institutional entities, sovereign wealth funds and other foreign official institutions in certain European Economic Area member states and outside the European Economic Area. Representatives of Virtus International may also promote SGA's services and products managed by SGA. When SGA pays a fee to Virtus International for the efforts of Virtus International's employees to promote SGA's services, Virtus International is considered an endorser or solicitor for SGA as discussed further in Item 14 below.

In 2021 the Sustainable Growth Advisers Global Growth Fund was launched in Australia. In 2023 the fund underwent a name change to SGA Global Growth Fund. The fund is registered with the Australian Securities and Investment Commission. The Trust

Company (RE Services) Limited (a wholly owned subsidiary of Perpetual Limited, and a part of the Perpetual Group) is the Responsible Entity for the fund, and Apex Group Ltd., serves as the fund's custodian and administrator. SGA serves as the fund's investment manager. The fund is based on SGA's global growth strategy.

SGA currently manages four small proprietary accounts seeded by Firm capital and one small employee funded account that are variations of our portfolios managed according to the same large cap growth investment philosophy and built from our Qualified List. The Firm's four proprietary accounts have approximate market values ranging from \$102,000 to \$174,000, and the employee funded account has a market value of approximately \$152,000. These accounts were funded to incubate investment strategies inspired by conversations SGA has had with current and prospective clients. These accounts are managed and traded separately from client accounts and are not in the client account trade order. The Firm's proprietary accounts and the employee funded account are always traded after client accounts when there is trading in the same security. The Firm's proprietary accounts are not charged an investment advisory fee, however, the employee funded account is charged an investment advisory fee.

The following investment advisers, broker-dealers, commodity pool operators or commodity trading advisors are subsidiaries of Virtus and affiliates of SGA:

- Alphasimplex Group, LLC
- Ceredex Value Advisers, LLC
- Duff & Phelps Investment Management Co.
- Kayne Anderson Rudnick Investment Management, LLC
- NJF Investment Group, LLC
- SEIX CLO Management LLC
- SEIX CLO Management GP LLC
- Silvant Capital Management LLC
- Virtus Alternative Investment Advisers, Inc.
- Virtus ETF Advisers LLC
- Virtus Fixed Income Advisers LLC
- Virtus Fund Advisers, LLC
- Virtus Global Partners PTE, LTD
- Virtus Investment Advisers, Inc.
- Virtus International Fund Management Limited
- Virtus International Management LLP
- VP Distributors LLC
- Westchester Capital Management, LLC
- Westchester Capital Partners, LLC

SGA does not recommend or select other investment advisers for its clients.

**Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading**

SGA is an investment adviser registered with the Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended. SGA has adopted a Code of Ethics (“Code”) and Compliance Manual in accordance with Rule 204A-1 of the Investment Advisers Act of 1940. The Code of Ethics and Compliance Manual have been reasonably designed to prevent and detect any violations of security rules and regulations. SGA considers all employees “access” persons under the Code.

The Code of Ethics and Compliance Manual covers:

- Fiduciary duty to SGA’s clients
- Compliance with all Federal, State and local laws
- Reporting of Violations
- Insider Trading
- Personal Trading and reporting requirements
- Conflicts of Interest
- Outside Activities
- Confidentiality
- Employee Acknowledgement

The Code of Ethics and Compliance Manual do not attempt to serve as an exhaustive guide to every legal, regulatory and compliance requirement applicable to the types of activities in which SGA and its employees may be involved in the course of conducting the business of SGA. Rather, it is intended to summarize the principal legal, regulatory and compliance issues and set general policies and procedures governing the conduct of SGA’s business. The Code of Ethics and Compliance Manual policies and procedures are subject to modification and further development at the sole and absolute discretion of SGA at any time without prior notice. Each SGA employee is required to acknowledge in writing that he or she has received a copy of, has read and understands, and commits to comply with the Code of Ethics and Compliance Manual and its policies and procedures established by SGA.

SGA policy prohibits employees from purchasing any common stock securities or other equity-linked securities in order to prevent potential conflicts of interest that may arise from personal trading in securities that are held in, or may be considered for, client portfolios. Exceptions to this policy include permitting employees to acquire Virtus restricted stock 1) under the firm’s performance share program and/or, 2) upon a partner’s sale to Virtus of any ownership interests in the firm. Employees are permitted to sell equity securities or other equity-linked securities acquired prior to the implementation of this policy or as acquired as per above with the prior written approval of the compliance team, a Founding Principal, or Chief Operating Officer.

Transactions in Open-end Mutual Funds for which SGA acts as adviser or sub-advisor requires the prior approval of the compliance team, a Founding Principal, or Chief Operating Officer.

With the prior written approval of the compliance team, a Founding Principal, or Chief Operating Officer, SGA employees are permitted to open and maintain accounts with an unaffiliated investment advisor on condition they agree and certify in writing to renounce all discretion, decision making influence and/or investment control over such accounts.

Also exempt from this policy are four small proprietary accounts funded by the Firm and one employee funded account as referenced in Item 10 above. The Firm's four proprietary accounts have approximate market values ranging from \$102,000 to \$174,000, and the employee funded account has a market value of approximately \$152,000. These accounts are variations of our portfolios managed according to the same large cap growth investment philosophy and built from our Qualified List. In these few instances select employees or the Firm will be permitted to hold individual common stocks in separately managed accounts that will be managed directly by SGA. All such arrangements require prior written approval by the firm's compliance team, a Founding Principal, or Chief Operating Officer. The portfolios held in the Firm's name are considered proprietary accounts, and thus, SGA will not charge an investment advisory fee. The employee funded account is charged an investment advisory fee. These accounts are managed and traded separately from client accounts. The Firm's four proprietary accounts and the employee funded account are always traded after client accounts when there is trading in the same security.

To avoid conflicts of interest all personal trading by SGA employees and their immediate families in mutual funds for which SGA serves as either the adviser or sub-advisor, requires prior approval from either SGA's compliance team, a Founding Principal, or Chief Operating Officer.

All SGA employees and their immediate family are required to provide compliance with electronic access to their brokerage accounts or have duplicate copies of their broker/custodian statements sent directly to SGA's compliance team for review on a monthly basis.

As noted in Item 10 above, SGA is the sole sub-advisor to the following affiliated funds: (i) Virtus SGA Global Growth Fund, (ii) Virtus SGA Emerging Markets Equity Fund, (iii) Virtus SGA International Growth Fund, and (iv) Virtus SGA International Growth Series. Investments in these funds by any SGA employees or immediate family members require prior approval by either SGA's compliance team, a Founding Principal, or Chief Operating Officer.

To request a copy of SGA's Code of Ethics, please contact us in writing at 301 Tresser Boulevard, Suite 1310, Stamford, Connecticut 06901 or email at [firm@sgadvisers.com](mailto:firm@sgadvisers.com).

***Item 12: Brokerage Practices***

Generally, SGA is retained on a discretionary basis and authorized to determine and direct execution of portfolio transactions within the client's specified investment objectives without consultation with its client on a transaction-by-transaction basis. The firm prefers to select broker-dealers who will execute portfolio transactions and generally the client leaves that selection to SGA, although occasionally a client may direct the use of a particular broker-dealer to execute portfolio transactions. SGA's policy on allocating transactions among and between clients is to assure fair treatment of all clients in situations where two or more clients' accounts participate simultaneously in a buy or sell program involving the same security. The overriding principle to be followed is to be fair and reasonable to all clients based upon client investment objectives and policies, and to avoid the appearance of favoritism or discrimination among clients.

General considerations are:

*Single Investment Approach:* SGA manages all client portfolios according to the same growth equity investment philosophy but does have the ability to build customized portfolios from our approximately 100-120 company Qualified List based on the investment objectives of individual clients and prospects. The majority of our assets under management are currently classified as U.S. Large Cap Growth Equity and Global Large Cap Growth Equity but the firm also offers variations of our U.S. and Global strategies. Holdings for all client portfolios leverage the research efforts of the investment team and are selected from SGA's Qualified List of the most predictable, most sustainable, high-quality, strong growth companies globally. Share allocations are determined prior to executing buy/sell programs.

*Liquidity:* The firm's investment strategy focuses on investing in larger capitalization companies with global operations. As a result, trading orders are generally entered and completed on the same day. Trades that are not completed are pro-rated across all client accounts participating in that particular buy/sell program.

*Low Turnover:* Another natural byproduct of the firm's buy and hold investment approach is relatively low turnover (i.e. generally 35%-45% annually). The exact level of turnover, however, will vary with market conditions with it tending to increase in periods of higher market volatility when we can opportunistically use weakness in stock prices to upgrade quality and growth in the portfolio and declining in periods of lower market volatility.

*Aggregation of Orders:* Where possible, orders will be aggregated and placed as a single order with a broker when it is determined that it is consistent with best price and execution and in the best interests of clients to do so. A number of client accounts have structural restrictions, such as operational or broker selection constraints, and must be traded separately from the aggregated order. SGA manages four small proprietary accounts with approximate market values ranging from \$102,000 to \$174,000, and an employee funded account has a market value of approximately \$152,000. These accounts



are variations of our portfolios managed according to the same large cap growth investment philosophy and built from our Qualified List. These portfolios are funded with Firm or employee capital. These accounts are managed and traded separately from client accounts. The proprietary and employee funded accounts always trade after client accounts when there is trading in the same security.

*Trade Order:* Due to client or regulatory restrictions, not all client orders can be aggregated. This situation is the norm on any given trading day and results from certain clients requiring or necessitating that orders be placed or directed through particular brokers or through their own trading desks.

When determining the sequence of client account trades we generally adhere to the following order: (i) “Primary Block” (accounts that do not have any brokerage restrictions or limitations); followed by (ii) “MiFID Block” (accounts subject to MiFID II research unbundling requirements that are traded with execution only broker-dealers); followed by (iii) a rotation between (a) “Directed Accounts” (includes accounts that have directed us to trade with a particular broker-dealer and discretionary wrap accounts) and (b) “Informed Model Accounts” (clients for whom we do not execute trades but provide changes to our model portfolio(s) and that SGA has visibility over the trading in the accounts on a same day basis); followed by (iv) “Uninformed Model Accounts” (clients for whom we do not execute trades but provide changes to our model portfolio(s) and that SGA does not have visibility over the trading in the accounts on a same day basis). In the unlikely event there are SGA proprietary account trades pending at the same time as client trades, the SGA proprietary account trades will always trade after pending client trades.

Although the foregoing sequence is our general practice we will sometimes aggregate “Primary Block”, “MiFID Block” and/or “Directed Accounts” where possible. This typically would occur when: (i) SGA utilizes execution only broker-dealers for the Primary Block, and in such instances the MiFID Block accounts will be aggregated with the Primary Block, or (ii) Directed Accounts that require only a certain percentage of trades be directed to a particular broker-dealer(s) - the balance of the (non-directed) trades will generally be aggregated with the Primary Block. Additionally, certain Model Account clients require that the model updates be delivered on certain predetermined/specified dates or times.

Due to the nature of how we sequence trading, the (ii) MiFID Block, (iii) (a) Directed Accounts, and (b) Informed Model Accounts, and (iv) Uninformed Model Accounts will experience delays in the execution of portfolio changes compared to the Primary Block accounts. Because the MiFID Block, Directed Accounts, Informed Model Accounts and Uninformed Model Accounts generally trade after the Primary Block accounts, it is possible they will not receive as favorable prices on securities trades as received by the Primary Block and other accounts that trade ahead of them or vice versa.

As referenced above, the European Union Markets in Financial Instruments Directive II (“MiFID II”) provides that investment advisers registered in the European Union may

receive investment research provided by third parties only if certain requirements are met. While SGA is not directly subject to MiFID II, we have a small number of clients in the European Union that adhere to MiFID II's requirements with respect to the unbundling of research. With respect to these clients SGA will utilize execution only broker-dealers that do not provide soft dollar or research benefits.

SGA considers the availability of research to be an important element in its ranking and selection of broker-dealers for client transactions. SGA obtains certain research products and services from broker-dealers using what is commonly referred to as "soft dollars", where specified values are assigned to the research and portions of client commissions on certain transactions are utilized to pay for such products or services. Additionally, SGA also directs commission transactions to broker-dealers who provide certain research services for which specific values are not assigned.

When using soft dollars to acquire research, SGA does so in a manner consistent with the "safe harbor" provided by Section 28(e) of the Securities and Exchange Act of 1934, as amended. Under the safe harbor, as it has been interpreted by the SEC, SGA may use soft dollars to pay for research, even when such research may also be available for cash, to the extent appropriate and permitted by law, when such research assists SGA in meeting clients' investment objectives, and in the performance of SGA's investment decision-making responsibilities on behalf of its clients.

The use of brokerage commissions to obtain research and research support benefits SGA by allowing SGA to (i) supplement and enhance its own research and analysis activities, (ii) receive the views and information of individuals and research staff of other securities firms, (iii) gain access to persons having special expertise on certain companies, industries, areas of the economy and market factors, and (iv) invitations to research meetings and conferences, as well as one-on-one meetings with companies of investment interest to SGA and the competitors of such companies. Subject to SGA's policies and procedures, SGA takes into account the value of permissible soft dollar benefits provided by a broker, as long as such consideration is not inconsistent with the objective of seeking best price and execution for client transactions, and clients may pay a higher commission to a broker in recognition of such soft dollar benefits than might otherwise be obtained in the absence of such considerations. The quality and value of the broker provided research is a significant determinant in SGA's selection of broker-dealers for client transactions.

The use of soft dollar benefits and other client transaction flow to obtain research creates a conflict of interest because a client's brokerage commissions pay for research products and services that do not exclusively benefit such client but benefits SGA and other clients of SGA. Certain soft dollar benefits practices benefit some clients more than others. We also use soft dollar research to benefit client accounts other than the client accounts that paid the soft dollar commissions.

By policy, SGA will not enter into any "soft dollar commitments", written or verbal, with any brokers. A soft dollar "commitment" is viewed by SGA as an obligation to trade.

SGA will not enter into any trading obligations, or commitments, as it views these commitments as contrary to the best interest of its clients.

SGA seeks to obtain best execution of the securities transactions on behalf of its clients. In selecting brokers to effect portfolio transactions for its clients, SGA considers such factors as the ability of the brokers to effect the transactions and, the brokers' facilities, reliability and financial responsibility. As previously discussed, the brokers' provision or payment (or rebate for payment) of the costs of brokerage or research or research support, which SGA considers to be of significant benefit to its clients, is an important factor in the selection of brokers for client transactions. SGA need not solicit competitive bids and does not have the obligation to seek the lowest available commission cost. Accordingly, if SGA determines in good faith that the commissions charged by a broker are reasonable in relation to the value of the brokerage and research or research support provided by such broker, its clients may pay commissions to such broker in an amount greater than the amount another broker might charge.

In a client directed brokerage arrangement, a client directs the investment adviser to execute some or all of the client's transactions with a particular broker-dealer, who may provide services or rebates to the client. SGA permits a client to request directed brokerage through the client's broker or custodian as indicated in the Client Contract or Agreement. However, with a directed brokerage arrangement SGA will not have the ability to negotiate commission rates with the broker, which may result in higher commission. Nor will SGA have the ability to aggregate client's purchase or sale orders with other SGA client's purchase or sale orders of the same securities. Therefore, the client will not receive volume discounts that other SGA clients may receive. Best execution may not be obtained and may result in less favorable net prices.

SGA may use "commission sharing arrangements" to obtain research. In a commission sharing arrangement, SGA may effect transactions, subject to best execution, through a broker and request that the broker allocate a portion of the commission or commission credits to a segregated research pool maintained by the broker. SGA may then direct such broker to pay for eligible products and services. Participating in commission sharing arrangements may enable SGA to: (i) strengthen its key brokerage relationships; (ii) consolidate payments for eligible research; and (iii) continue to receive a variety of high quality research while facilitating best execution in the trading process.

SGA has entered into a commission sharing arrangement with JonesTrading Institutional Services LLC. The research services under this arrangement is for corporate access, events and traditional research reports analyzing performance of a company or stock, company financial data and/or economic data as well as global forecast of economic trends.

For a list of service providers and a description of the services they provide to SGA, please contact us at [tradeops@sgadvisers.com](mailto:tradeops@sgadvisers.com). These service providers and the quality of the research they provide are part of the Best Execution Committees' reviews.

JonesTrading Institutional Services LLC will manage the research credits and make payments to the service providers upon written instructions from SGA.

Brokers sometimes suggest a level of business they would like to receive in return for the research and research support they provide. Actual brokerage business received by any broker may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all considerations described above. A broker is not excluded from receiving business because it has been identified as not providing research and products. However, SGA's Best Execution Committee does maintain an internal allocation procedure to identify those broker-dealers who have provided it with research support and the amount and quality of research they provided, and does endeavor to direct sufficient commissions to them to ensure the continued receipt of research SGA believes is useful. SGA's Best Execution Committee consist of all members of SGA's Investment Committee, SGA's Chief Operating Officer, Chief Compliance Officer and traders. Research and brokerage services furnished by a broker may be used in servicing all of SGA's accounts, and such services need not be used by SGA exclusively for the benefit of the specific account(s) for which SGA used such broker to effect transactions.

***Item 13: Review of Accounts***

SGA's Investment Committee, which includes the two Founding Principals, George P. Fraise and Robert L. Rohn, nine Research Principals, a Research Analyst and a Client Portfolio Manager/Director of Client Services, generally meets twice weekly. Robert L. Rohn, Kishore Rao and Hrishikesh Gupta are co-Portfolio Managers for the U.S. Portfolio and the U.S. Focused Portfolio. Robert L. Rohn, Kishore Rao and Hrishikesh Gupta are co-Portfolio Managers for the Global Portfolio and the Global Focused Portfolio. Kishore Rao, Hrishikesh Gupta and Robert L. Rohn are co-Portfolio Managers for the Emerging Markets Portfolio and the Global Mid Cap Portfolio. Kishore Rao, Alexandra Lee and Tucker Brown are co-Portfolio Managers for the International Portfolio. Included in their discussion is the review of all client account holdings and weightings along with any client restrictions. The Investment Committee discusses any action that should be taken based on current market conditions. All trading decisions for client accounts require the agreement of at least two of the three responsible co-Portfolio Managers.

All SGA client account holdings and transactions are reconciled to their respective custodial accounts on a monthly basis. Some client accounts are reconciled more often depending upon trading in those accounts. SGA's compliance team will periodically perform forensic review on monthly reconciliations. Proprietary accounts funded by Firm or employee capital are reviewed periodically by SGA's compliance team.

SGA's clients and/or their consultant, depending upon their requirements, will receive either quarterly or monthly account appraisals. Client account appraisals are produced from an internal Portfolio Management System. SGA suggests that client account

appraisals be used as guides and the positions should be verified to their custodial quarterly/monthly statements. SGA submits post quarterly, or more frequently if requested, advisory fee bills directly to each client and/or their consultant. Certain advisory fee bills are produced by an internal Portfolio Management System or other proprietary reporting systems. SGA urges its clients to review and verify all information contained in their billing statement.

***Item 14: Client Referrals and Other Compensation***

SGA does not receive any compensation other than its investment advisory fees. Nor does SGA compensate any employee, including the co-Portfolio Managers, for performance-based fee accounts. Currently, SGA does not have any performance-based advisory fee accounts.

However, as discussed in Item 10, SGA may provide services to certain of SGA's affiliates, and SGA may receive services from certain of its affiliates.

From time to time, SGA may retain outside vendors that provide consulting services and/or public relations services. For these services, SGA may pay an annual retainer or fee. In addition, SGA may pay for agreed upon travel expenses and periodic bonuses.

SGA does compensate its marketing and client service personnel for new business brought to the firm. Compensation is in the form of commissions which are a percentage of quarterly investment advisory fees received and vary from one client to another. Typically, commissions are tiered over a four year period with a trailing 1% of client fees for servicing a client relationship paid indefinitely for the duration of employment at SGA. Additionally, a portion of SGA's director of client services, SGA's director of business development, and certain other client portfolio managers' compensation may be paid by the firm based upon a percentage basis (1% of certain fees received) for servicing certain specified client accounts.

As discussed in Item 10, above, SGA has third-party promoter arrangements with VP Distributors, LLC ("VPD"), Virtus International Management, LLP ("Virtus International"), and Virtus Global Partners PTE. LTD ("Virtus Singapore"), each of which is an affiliate of SGA, whereby SGA may compensate those entities for referrals in certain circumstances. The compensation paid by SGA to VPD, Virtus International and Virtus Singapore for these referral arrangements generally is structured as being all or a portion of any variable compensation paid by the affiliate to its employee(s) relating to assets under management by SGA that were referred by such employee(s), and in some cases the compensation also includes a percentage of the affiliate's costs with respect to employment of the individual(s).

With respect to SGA's investment management of certain Irish-domiciled UCITS funds, SGA or any of its affiliates providing investment management to such UCITS funds, at its discretion and only where permitted by applicable law, can rebate, or cause to rebate, part or all of the investment management fees charged to any UCITS fund shareholder or

use part of such investment management fees to remunerate certain financial intermediaries of such UCITS funds for services provided to UCITS fund shareholders.

Additionally, SGA has entered into an agreement with Campion Capital Limited (“Campion”), an entity regulated by the Financial Conduct Authority in the United Kingdom and the Financial Services Board in South Africa. SGA and Campion entered into the agreement for the purpose of promoting, marketing and introducing SGA’s business to potential investors in international markets including Europe and South Africa. Pursuant to the agreement SGA will pay Campion on an ongoing basis a percentage of SGA’s annual management fee with respect to business introduced by Campion to SGA. Business that may be introduced by Campion to SGA includes: (i) funds in which SGA acts as the sub-investment manager such as the Irish Collective Asset-Managed Vehicle (ICAV), and (ii) segregated/separately managed accounts.

SGA has also entered into an agreement with Spektrum Fondsmæglerselskab A/S (“Spektrum”), an entity approved and supervised by The Danish Financial Supervisory Authority. SGA and Spektrum entered into the agreement for the purpose of promoting, marketing and introducing SGA’s business to potential investors exclusively in Denmark. Pursuant to the agreement SGA will pay Spektrum on an ongoing basis a percentage of SGA’s annual management fee with respect to business introduced by Spektrum to SGA. Business that may be introduced by Spektrum to SGA includes: (i) Denmark based funds in which SGA acts as sub-investment manager, and (ii) segregated/separately managed accounts.

***Item 15: Custody***

SGA does not have custody of any client funds or securities.

SGA does send quarterly account appraisals, monthly if needed, to all its clients and their Consultant(s), if requested. SGA’s appraisal should be used as a guide and SGA urges all its clients to compare their appraisals to statements received directly from their custodian. SGA does reconcile all its client’s account holdings to the client’s custodial statements at least monthly.

***Item 16: Investment Discretion***

SGA is retained on a discretionary basis and authorized to determine and direct execution of portfolio transactions within the client’s specified investment objectives without consultation with its client on a transaction-by-transaction basis. The firm uses broker-dealers to execute portfolio transactions and generally the client leaves the broker selection to SGA, although occasionally a client may direct the use of a particular broker-dealer to execute transactions.

Currently, SGA provides investment management services through a large/mid cap growth equity strategy. Certain clients will customarily place certain limitations or restrictions on their accounts, such as:

- Cash – percentage of maximum exposure
- Diversification of Holdings
- Industry Weighting Limits
- Sector Weighting Limits
- Non-US Issuers – percentage of maximum exposure
- Market Capitalization Guidelines

SGA does accept other customized limitations or restrictions for client accounts usually agreed upon during contract negotiations. Prospective clients provide SGA with the agreed upon list of Investment Guidelines usually at the same time the Investment Management Agreement is executed.

***Item 17: Voting Client Securities***

At a client's request SGA will accept authority to vote proxies for accounts in which SGA exercises investment discretion. Our authority to vote proxies of our clients is established by our investment advisory agreement or other written directives. SGA's proxy voting procedures are designed and implemented in a way that is reasonably expected to ensure that proxy matters are conducted in the best interest of the clients. The policy and procedures are updated as appropriate to take into account developments in the law, best practices in the industry, and refinements deemed appropriate by SGA. Material conflicts are resolved in the best interest of the clients or in accordance with specific client directives.

Clients that would like to discuss a particular proxy vote prior to SGA voting that proxy can contact SGA by phone (203) 348-4742 or e-mail at [firm@sgadvisers.com](mailto:firm@sgadvisers.com).

To receive a copy of SGA's Proxy Voting Policy and Procedures and for SGA clients that would like to receive information regarding the voting of proxies for the securities held in their account, please contact us by e-mail at [firm@sgadvisers.com](mailto:firm@sgadvisers.com) or in writing to Sustainable Growth Advisers at 301 Tresser Boulevard, Suite 1310, Stamford, Connecticut 06901.

***Item 18: Financial Information***

SGA's balance sheet disclosure is not required. Generally, SGA does not require payment of investment advisory fees from its clients in advance, nor does SGA custody client assets. However, SGA does manage certain wrap programs for which the wrap sponsor requires that SGA accept pre-payment of advisory fees. SGA accepts these pre-payments for a period of no more than three months in advance.

SGA has completed its financial audit of the firm for the year ending December 31, 2023. SGA has a strong highly liquid balance sheet, is without debt, and operates profitably. SGA has not been the subject of a bankruptcy proceeding at any time during its existence.

### **DISCLOSURES**

#### **Virtus Partners, Inc.**

Effective as of July 1, 2018, Virtus Partners, Inc., (“Virtus”) acquired a controlling 70% ownership interest in SGA with the remaining 30% ownership interest held by SGA’s individual limited partners. Pursuant to the transaction Virtus Partners, Inc., also acquired a 100% interest in SGIA, LLC, the general partner for SGA. Virtus Partners, Inc., is 100% owned by Virtus Investment Partners, Inc., a US publicly traded company on the NASDAQ. Since the closing the Virtus ownership interest has increased to 75% and the remaining 25% is held by SGA’s individual limited partners.

#### **SGIA, LLC**

Sustainable Growth Advisers, LP (SGA) is a limited partnership through which all investment management activities are conducted. SGIA, LLC is a Delaware limited liability company that serves as the General Partner to SGA and was formed to exercise management control over the business affairs of SGA. SGIA, LLC, which owns less than 1% of SGA, LP, is 100% owned by Virtus Partners, Inc. Virtus Partners, Inc., is 100% owned by Virtus Investment Partners, Inc., a US publicly traded company on the NASDAQ.

#### **Virtus Global Funds ICAV**

As noted in Item 10, three senior officers of SGA’s majority owner, Virtus Investment Partners, Inc., serve as Directors of the Virtus Global Funds ICAV which appointments were approved by the Central Bank of Ireland. SGA serves as sub-investment manager for Virtus Global Funds ICAV. Any actual or potential conflict of interest as to such arrangement has been fully disclosed in the Virtus Global Funds ICAV prospectus.



### **Trading Error Policies**

Sustainable Growth Advisers, LP (“SGA”) Trading Policy and Procedures are reasonably designed to ensure that trading errors do not occur. However, should a trade error occur in an SGA client account, SGA will undertake measures to correct the error in an expeditious manner. A “trade error” can be defined as a deviation from the applicable standard of care in the placement, execution, or settlement of a trade for a client account. Trade errors can include innocent errors and negligent acts, such as trades for the wrong account, purchases or sales of the wrong securities, purchases instead of sales, and trades executed on terms that are not consistent with the adviser’s intention.

Trading Error Policies:

All trading errors are to be reported immediately to the compliance team, Chief Operating Officer and the Founding Principals.

The Founding Principals will make the final determination of how to resolve the trading error.

SGA will bear the cost of correcting any error caused by SGA’s failure to place trades correctly including reimbursing the SGA client for direct losses. Any gain resulting from a trade error will generally accrue to the benefit of the SGA client, unless it violates client guidelines or legal restrictions.

Certain types of errors may require disclosure to SGA’s client and under certain circumstances SGA may need to obtain specific direction.

### **SGA Contingency and Disaster Recovery Plan**

The Business Continuity and Disaster Recovery plan (“BCDR”) outlines the immediate and long-term contingency planning and recovery process of SGA. The purpose of this BCDR is to provide specific guidelines the firm will follow in the event of a failure of any critical business capability.

Goals and Objectives:

The BCDR goal is to provide uninterrupted service to our clients or to minimize the downtime should a system or vendor failure occur. The BCDR has been developed to meet the following objectives:

- Provide for immediate, accurate and measured response to emergency situations;
- Minimize the impact upon the safety and wellbeing of firm personnel;
- Protect against the loss or damage to organizational assets, records and information;

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- Provide our clients with alternative site processing with a minimum of inconvenience.

Risk assessment, disaster prevention, and disaster avoidance are critical components of SGA's contingency planning process. The implementation of our BCDR should help to ensure all data processing systems, data communications facilities, information, data and business functions can be restored in a secure and timely manner. Restoration must be accomplished in a time frame consistent with legal, regulatory and business requirements while maintaining information integrity. To receive a copy of the BCDR contact us by either e-mail at [firm@sgadvisers.com](mailto:firm@sgadvisers.com) or write to Sustainable Growth Advisers, LP 301 Tresser Boulevard, Suite1310, Stamford, Connecticut 06901.



## **Sustainable Growth Advisers, LP**

301 Tresser Boulevard, Suite 1310,  
Stamford, Connecticut 06901

Telephone Number: (203) 348-4742  
Fax Number: (203) 348-4732

Website Address: [www.sgadvisers.com](http://www.sgadvisers.com)

Date: MARCH 27, 2024

### **Part 2B of Form ADV: Brochure Supplement**

This brochure supplement provides information about the qualifications and business practices of Sustainable Growth Advisers, L.P. ("SGA"). If you have any questions about the contents of this brochure, please contact us at 203-348-4742 or [dcallaway@sgadvisers.com](mailto:dcallaway@sgadvisers.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Sustainable Growth Advisers, L.P. is available on the Securities and Exchange Commission ("SEC") website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

***Item 1: Cover Page:***

**Robert Lawrence Rohn, Founding Principal & Co-Portfolio Manager**  
**Sustainable Growth Advisers, LP**  
**301 Tresser Boulevard, Suite 1310**  
**Stamford, CT 06901**  
**Tel. 203-348-4742**

Date of Supplement: March 27, 2024

This brochure supplement provides information about Robert Lawrence Rohn that supplements the Sustainable Growth Advisers, L.P. brochure. You should have received a copy of that brochure. Please contact Daniel Callaway, CCO and General Counsel at 203-348-4742 or [dcallaway@sgadvisers.com](mailto:dcallaway@sgadvisers.com) if you did not receive Sustainable Growth Advisers, L.P.'s brochure or if you have any questions about the content of this supplement.

Additional information about Robert Lawrence Rohn is available on the Securities and Exchange Commission ("SEC") website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Educational Background & Business Experience:**

*Name:* Robert Lawrence Rohn

*Title:* Founding Principal & Co-Portfolio Manager

*Year of Birth:* 1961

*Education:*

Dartmouth College, B.A. 1983

Harvard Business School, M.B.A. 1988

*Business Background:*

Sustainable Growth Advisers, LP  
Principal, 11/03 – Present

W. P. Stewart & Co., Inc.  
Chairman of the Management Committee, 1992 – 11/03

**Item 3: Disciplinary Information**

Mr. Rohn has no criminal, civil or regulatory disciplinary information to report.

**Item 4: Other Business Activities**

- A. Mr. Rohn is not actively engaged in any *investment-related* business or occupation nor is Mr. Rohn registered, nor does Mr. Rohn have an application to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), nor an associated person of an FCM, CPO, or CTA.
- B. Mr. Rohn does not receive any commissions, bonus, or other compensation based on the sale of securities or other investment products, including distribution or service (“trail”) fees from the sale of mutual funds.

However, as a Principal owner of SGA Mr. Rohn has a financial interest in Virtus SGA Global Growth Fund, and the Virtus SGA Emerging Markets Equity Fund, as investment advisor and investor.

***Item 5: Other Compensation:***

Mr. Rohn does not receive any other compensation or economic benefit for providing advisory services to non-clients of SGA. Mr. Rohn's compensation includes a base salary, and as an equity owner of SGA a percentage of the firm's profits, and the opportunity to share in the firm's profitability through a performance share program through which participants have an additional opportunity to benefit for their contributions to client performance.

***Item 6: Supervision:***

SGA manages all its client accounts to a model portfolio.

SGA's Investment Committee is responsible for implementing our investment strategy. The Investment Committee consists of our two Founding Principals (George P. Fraise, and Robert L. Rohn), nine Research Principals (Tucker Brown, Alexandra Lee, Kishore Rao, Hrishikesh Gupta, Luying Wang, James Li, Julian Cochran, Courtney Owens and Jonathan Shaham), a Research Analyst (Peter Madej) and a Client Portfolio Manager & Director of Client Services (Steve Skatrud).

Robert L. Rohn, Kishore Rao and Hrishikesh Gupta are co-Portfolio Managers for the Global Portfolio and Global Focused Portfolio. Robert L. Rohn, Kishore Rao and Hrishikesh Gupta are co-Portfolio Managers for the U.S. Portfolio and U.S. Focused Portfolio. Kishore Rao, Hrishikesh Gupta and Robert L. Rohn are co-Portfolio Managers for the Emerging Markets Portfolio and the Mid Cap Global Portfolio. Kishore Rao, Alexandra Lee and Tucker Brown are co-Portfolio Managers for the International Portfolio.

Portfolio decisions are made by consensus of at least two of the three co-Portfolio Managers dedicated to covering a portfolio. Any member of the Investment Committee may initiate a discussion but the dedicated co-Portfolio Managers ultimately are responsible for all investment decisions.

Mr. Rohn's investment advice is monitored by Founding Principal, George Fraise, and Research Principal, Kishore Rao. Both Mr. Fraise and Mr. Rao can be contacted at (203) 348-4742. Alternatively, you may contact SGA's Chief Compliance Officer, Daniel Callaway at (203) 348-4742.

*Item 1: Cover Page:*

**Kishore Rao, Principal & Co-Portfolio Manager**  
**Sustainable Growth Advisers, LP**  
**301 Tresser Boulevard, Suite 1310**  
**Stamford, CT 06901**  
**Tel. 203-348-4742**

Date of Supplement: March 27, 2024

This brochure supplement provides information about Kishore Rao that supplements the Sustainable Growth Advisers, L.P. brochure. You should have received a copy of that brochure. Please contact Daniel Callaway, CCO and General Counsel at 203-348-4742 or [dcallaway@sgadvisers.com](mailto:dcallaway@sgadvisers.com) if you did not receive Sustainable Growth Advisers, L.P.'s brochure or if you have any questions about the content of this supplement.

Additional information about Kishore Rao is available on the Securities and Exchange Commission ("SEC") website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Educational Background & Business Experience:**

Name: Kishore Rao

Title: Principal & Co-Portfolio Manager

Year of Birth: 1969

Education:

Carnegie Mellon University, B.S. 1991  
Harvard Business School, M.B.A. 1996

Business Background:

Sustainable Growth Advisers, LP  
Principal, 09/04 – Present

Trident Capital  
Investment Team, 06/01- 08/04

Independent Consultant (to internet companies including Trident Capital portfolio companies), 01/00 - 05/01

Street Events (a division of CCBN)  
Founder and General Manager, 08/98 – 12/99

D. E. Shaw & Co.  
Business Development, 07/97 – 07/98

Tiger Management  
Investment Analyst, 07/96 – 05/97

Wellington Management  
Investment Analyst, 06/95 – 08/95

Braxton Associates  
Strategy Consultant, 09/91 – 08/94

**Item 3: Disciplinary Information**

Mr. Rao has no criminal, civil or regulatory disciplinary information to report.



***Item 4: Other Business Activities***

- A. Mr. Rao is not actively engaged in any other *investment-related* business or occupation nor is Mr. Rao registered, nor does Mr. Rao have an application to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), nor an associated person of an FCM, CPO, or CTA. Mr. Rao does serve as an independent Director of Evergreen Climate Innovations, an Illinois based non-profit organization that provides seed investments to early-stage startups in climate technologies.
- B. Mr. Rao does not receive any commissions, bonus, or other compensation based on the sale of securities or other investment products, including distribution or service (“trail”) fees from the sale of mutual funds.

However, as a Principal owner of SGA Mr. Rao has a financial interest in the Virtus SGA Global Growth Fund, Virtus SGA Emerging Markets Equity Fund and the Virtus SGA International Growth Fund as investment advisor and/or investor.

***Item 5: Other Compensation:***

Mr. Rao does not receive any other compensation or economic benefit for providing advisory services to non-clients of SGA. Mr. Rao’s compensation includes a base salary, and as an equity owner of SGA a percentage of the firm’s profits, and the opportunity to share in the firm’s profitability through a performance share program through which participants have an additional opportunity to benefit for their contributions to client performance.

***Item 6: Supervision:***

SGA manages all its client accounts to a model portfolio.

SGA’s Investment Committee is responsible for implementing our investment strategy. The Investment Committee consists of our two Founding Principals (George P. Fraise, and Robert L. Rohn), nine Research Principals (Tucker Brown, Alexandra Lee, Kishore Rao, Hrishikesh Gupta, Luying Wang, James Li, Julian Cochran, Courtney Owens and Jonathan Shaham), a Research Analyst (Peter Madej) and a Client Portfolio Manager & Director of Client Services (Steve Skatrud).

Robert L. Rohn, Kishore Rao and Hrishikesh Gupta are co-Portfolio Managers for the Global Portfolio and Global Focused Portfolio. Robert L. Rohn, Kishore Rao and Hrishikesh Gupta are co-Portfolio Managers for the U.S. Portfolio and U.S.

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Focused Portfolio. Kishore Rao, Hrishikesh Gupta and Robert L. Rohn are co-Portfolio Managers for the Emerging Markets Portfolio and the Mid Cap Global Portfolio. Kishore Rao, Alexandra Lee and Tucker Brown are co-Portfolio Managers for the International Portfolio.

Portfolio decisions are made by consensus of at least two of the three co-Portfolio Managers dedicated to covering a portfolio. Any member of the Investment Committee may initiate a discussion but the dedicated co-Portfolio Managers ultimately are responsible for all investment decisions.

Mr. Rao's investment advice is monitored by the Founding Principals, George Fraise and Robert Rohn. Mr. Fraise and Mr. Rohn can be contacted at (203) 348-4742. Alternatively, you may contact SGA's Chief Compliance Officer, Daniel Callaway at (203) 348-4742.

***Item 1: Cover Page:***

**Hrishikesh Gupta, Principal & Co-Portfolio Manager**  
**Sustainable Growth Advisers, LP**  
**301 Tresser Boulevard, Suite 1310**  
**Stamford, CT 06901**  
**Tel. 203-348-4742**

Date of Supplement: March 27, 2024

This brochure supplement provides information about Hrishikesh Gupta that supplements the Sustainable Growth Advisers, L.P. brochure. You should have received a copy of that brochure. Please contact Daniel Callaway, CCO and General Counsel at 203-348-4742 or [dcallaway@sgadvisers.com](mailto:dcallaway@sgadvisers.com) if you did not receive Sustainable Growth Advisers, L.P.'s brochure or if you have any questions about the content of this supplement.

Additional information about Hrishikesh Gupta is available on the Securities and Exchange Commission ("SEC") website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Educational Background & Business Experience:**

Name: Hrishikesh Gupta

Title: Principal & Co-Portfolio Manager

Year of Birth: 1980

Education:

Indian Institute of Technology (IIT) Bombay, B.Tech. Computer Science 2002

University of California San Diego, MS Computer Science 2004

NYU Stern School of Business, M.B.A. 2009

Business Background:

Sustainable Growth Advisers, LP  
Principal, 01/14 – Present

MDR Capital  
Senior Analyst, 04/11 - 12/13

Iridian Asset Management  
Associate Managing Director, 06/09 – 12/10

Bank of America Merrill Lynch  
Investment Banking Associate, 06/08 – 08/08

Amazon.com  
Product and Program Manager, 07/04 – 08/07

Qualcomm Inc.  
Interim Engineer Intern, 07/03 – 09/03

**Item 3: Disciplinary Information**

Mr. Gupta has no criminal, civil or regulatory disciplinary information to report.

**Item 4: Other Business Activities**

- A. Mr. Gupta is not actively engaged in any other *investment-related* business or occupation nor is Mr. Gupta registered, nor does Mr. Gupta have an application to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), nor an associated person of an FCM, CPO, or CTA.

- B. Mr. Gupta does not receive any commissions, bonus, or other compensation based on the sale of securities or other investment products, including distribution or service (“trail”) fees from the sale of mutual funds.

However, as a Principal owner of SGA Mr. Gupta has a financial interest in the Virtus SGA Global Growth Fund, and the Virtus SGA Emerging Markets Growth Fund as investment advisor and investor.

***Item 5: Other Compensation:***

Mr. Gupta does not receive any other compensation or economic benefit for providing advisory services to non-clients of SGA. Mr. Gupta’s compensation includes a base salary, and as an equity owner of SGA a percentage of the firm’s profits, and the opportunity to share in the firm’s profitability through a performance share program through which participants have an additional opportunity to benefit for their contributions to client performance.

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## FACTS WHAT DOES SUSTAINABLE GROWTH ADVISERS LP DO WITH YOUR PERSONAL INFORMATION?

<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
<b>What?</b>	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>■ Social Security number and investment experience</li> <li>■ Account balances and assets</li> <li>■ Risk tolerance and transaction history</li> </ul>
<b>How?</b>	All financial companies need to share customer’s personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customer’s personal information; the reasons Sustainable Growth Advisers LP (“SGA”) chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does SGA share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	<b>Yes</b>	<b>No</b>
<b>For our marketing purposes—</b> to offer our products and services to you	<b>Yes</b>	<b>No</b>
<b>For joint marketing with other financial companies</b>	<b>No</b>	<b>We do not share</b>
<b>For our affiliates’ everyday business purposes—</b> information about your transactions and experiences	<b>Yes</b>	<b>No</b>
<b>For our affiliates’ everyday business purposes—</b> information about your creditworthiness	<b>No</b>	<b>We do not share</b>
<b>For our affiliates to market to you</b>	<b>No</b>	<b>We do not share</b>
<b>For nonaffiliates to market to you</b>	<b>No</b>	<b>We do not share</b>

<b>Questions?</b>	Call 203-348-4742, Email: <a href="mailto:firm@sgadvisers.com">firm@sgadvisers.com</a> or go to <a href="http://www.sgadvisers.com">www.sgadvisers.com</a>
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Who we are	
Who is providing this notice?	Sustainable Growth Advisers LP (“SGA”)
What we do	
How does SGA protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does SGA collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>■ Open an account or give us your contact information</li> <li>■ Seek advice about your investments</li> <li>■ Enter into an investment advisory contract</li> <li>■ Tell us about your investments or portfolio</li> </ul>
Why can’t I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>■ Sharing for affiliates’ everyday business purposes—information about your creditworthiness</li> <li>■ Affiliates from using your information to market to you</li> <li>■ Sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>■ Our affiliates include companies such as: Alphasimplex Group, LLC, Ceredex Value Advisors LLC; Duff &amp; Phelps Investment Management Co.; Kayne Anderson Rudnick Investment Management, LLC; NFJ Investment Group LLC; SEIX CLO Management LLC; SEIX CLO Management GP LLC; Silvant Capital Management LLC; Westchester Capital Management, LLC; Westchester Capital Partners, LLC; Virtus Alternative Investment Advisers, Inc.; Virtus ETF Advisers, LLC; Virtus Fixed Income Advisers, LLC; Virtus Fund Advisers, LLC; Virtus Fund Services, LLC; Virtus Global Partners PTE. Ltd.; Virtus Investment Advisers, Inc.; Virtus International Fund Management Limited; Virtus International Management LLP; Virtus Investment Partners, Inc.; Virtus Investment Partners International Ltd.; Virtus Partners, Inc.; Virtus Shared Services, LLC; and VP Distributors, LLC.</li> </ul>
<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>■ SGA does not share with non-affiliates so they can market to you.</li> </ul>
<b>Joint marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>■ SGA does not jointly market.</li> </ul>



### For California Residents Only

In addition to our Privacy Policy, the below notice is provided solely to certain **California residents** who are clients of SGA. To the extent that the California Consumer Privacy Act (“CCPA”), as amended by CPRA applies, you have the right to know what personal information we intend to collect or have collected about you and why. For clients of SGA, this information is provided in our **Privacy Notice**, above.

The CCPA also provides you the right to request access to specific pieces of information we have collected from you. You have the right to request correction of inaccurate information that we maintain about you. You also can request that we delete personal information about you. You can contact our Compliance Department at 203-348-4742, Email: [firm@sgadvisers.com](mailto:firm@sgadvisers.com), or go to [www.sgadvisers.com](http://www.sgadvisers.com) if you wish to make any of these requests. It is important to note, however, that the CCPA does not apply to all businesses, nor does it apply to personal information maintained by financial services firms that is covered under certain exemptions described in the CCPA, and as such, the CCPA will typically not apply to SGA’s customers.

If we do not delete certain items of personal information because we have a legal right or obligation to retain that information, we will notify you of that. Further, if we do not delete certain items of personal information because we have a legal right or obligation to retain that data, we will delete that information at such later time that we no longer have a legal right or obligation to retain that information upon such a request.

At this time we do not sell personal data or share personal data for purposes of cross-context advertising. We are not required under CCPA to provide information to you about our collection of your personal information or our sale or disclosure of personal information about you more than twice within a 12-month period. Additionally, we are permitted to refuse to honor unfounded or excessive repetitive requests to us or charge a reasonable administrative fee for honoring those requests, and in either case, will notify you of any such decision. We will not discriminate against you for making a rights requests under California law. You have the right to appeal any decision regarding your rights and can do that by contacting us as described above.

# **SUSTAINABLE GROWTH ADVISERS LP**

## **Proxy Voting Policies and Procedures**

Amendment Dated April 8, 2020

### **5.2.8 Proxy Voting Policies and Procedures**

Sustainable Growth recognizes that the act of managing assets of clients consisting of equity securities can include the voting of proxies related to such equity securities. Each client can either: (i) delegate the power to vote proxies to the adviser; or (ii) retain the authority to vote his or her proxy. Where a client has delegated the power to vote proxies in his or her account, Sustainable Growth will vote the proxies in a manner that is in the best interests of the client. When Sustainable Growth has such responsibility, it will follow the Proxy Voting Policies and Procedures.

Sustainable Growth when administering the voting of proxies will comply with "Commission Guidance Regarding Proxy Voting Responsibilities of Investment Advisers" (August 29, 2019). Sustainable Growth may also take into consideration proxy voting guidance of other regulators including the EU, UK, Canadian and Australia regulatory authorities (as applicable).

#### **5.2.8.1 Proxy Voting**

##### **5.2.8.1.1 Proxy Voting Responsibility**

At the inception of each investment adviser-client relationship, Sustainable Growth shall require the client to indicate whether the client or Sustainable Growth is responsible for voting proxies in one or more of the following documents:

- Client's investment advisory contract; or
- Separate agreement between client and Sustainable Growth authorizing Sustainable Growth to vote client's proxies.

##### **5.2.8.1.2 Client Responsibility to Vote Proxies**

If Sustainable Growth receives proxies related to a client's securities and Sustainable Growth is not responsible for voting such proxies, Sustainable Growth shall make arrangements with the client and/or client's custodian or take such other steps to ensure that the client timely receives such proxies.

##### **5.2.8.1.3 Firm Responsibility to Vote Proxies**

Unless the power to vote proxies for a client is reserved to that client (or in the case of an employee benefit plan, the plan's trustee or other fiduciaries), Sustainable Growth is responsible for voting the proxies related to that account. When exercising its authority to vote proxies, Sustainable Growth shall:

- satisfy its duties of care and loyalty to each client with respect to voting that client's proxies;
- conduct a reasonable investigation into matters on which the Sustainable Growth votes;
- consider whether voting all of its clients' shares the same and/or in accordance with a uniform voting policy would be in the best interest of each of its clients, including the potential effect of the vote on the value of a client's investments that have different investment objectives;
- make the determination with respect to each proxy vote that its vote or recommendation is in the best interest of the client; and
- not place its own interests ahead of the interests of any client with respect to any proxy vote or recommendation.

##### **5.2.8.1.4 Proxy Voting Responsibility Monitoring**

The Portfolio Manager shall maintain records identifying those clients where Sustainable Growth exercises proxy voting authority and those clients where Sustainable Growth does not have such authority.

#### **5.2.8.2 Retaining Third Party Proxy Advisory Firms**

Sustainable Growth may retain a third-party company ("Third Party Proxy Advisory Firm") to provide it with research and recommendations with voting client proxies only after Sustainable Growth:

- Obtains and reviews the proxy voting policies and procedures of the Third Party Proxy Advisory Firm (or summaries of such policies and procedures), and finds them acceptable and in the best interests of its clients;
- Determines that the Third Party Proxy Advisory Firm has the capacity and competency to analyze proxy issues;
- Considers the following:
  - the adequacy and quality of the Third Party Proxy Advisory Firm's staffing, personnel, and technology;
  - how the Third Party Proxy Advisory Firm incorporates appropriate input in formulating its methodologies and construction of issuer peer groups;
  - where relevant, how the Third Party Proxy Advisory Firm, in constructing peer groups, takes into account the unique characteristics regarding the issuer, to the extent available, such as the issuer's size; its governance structure; its industry and any particular practices unique to that industry; its history; and its financial position;
  - the extent to which the Third Party Proxy Advisory Proxy Firm has adequately disclosed its methodologies in formulating voting recommendations;
  - the nature of any third-party information sources that the Third Party Proxy Advisory Firm uses as a basis for its voting recommendations; and
  - how the Third Party Proxy Advisory Firm would expect to engage with issuers and third parties;
- Obtains sufficient information from the Third Party Proxy Advisory Firm initially and on an ongoing basis to conclude that the Third Party Proxy Advisory Firm is independent and can make recommendations in an impartial manner;
- Requires the Third Party Proxy Advisory Firm to disclose any relevant facts concerning the Firm's relationships with issuers of publicly traded securities that are the subject of the proxy, such as the amount of compensation the Third Party Proxy Advisory Firm receives from such issuers;
- Obtains representations from the Third Party Proxy Advisory Firm that it faced no conflict of interest with respect to recommendations or votes and that it will promptly inform Sustainable Growth if there is a conflict of interest; and
- Obtains representations from the Third Party Proxy Advisory Firm that no member of its staff providing services to issuers of publicly traded companies play a role in the preparation of its analyses or vote on proxy issues.

#### **5.2.8.3 Third Party Proxy Advisory Firm Advice**

In the event Sustainable Growth retains a Third-Party Proxy Advisory Firm to assist it in voting proxies received from issuers, Sustainable Growth shall:

- vote proxies in a manner that is in the best interest of its clients;
- exercise its independent judgment when deciding how to vote a proxy, while taking into account any recommendations from the Third-Party Proxy Advisory Firm;
- periodically review:
  - the internal guidelines published by the Third-Party Proxy Advisory Firm to ensure the firm is following its guidelines, including how such firm addresses conflicts of interest;
  - reports prepared by the Third-Party Proxy Advisory Firm for accuracy;
  - the Third-Party Proxy Advisory Firm's efforts to correct any identified material deficiencies in the Third-Party Proxy Advisory Firm's analysis;
- periodically review the Third Party Proxy Advisory Firm's disclosure to Sustainable Growth regarding the sources of information and methodologies used in formulating voting recommendations or executing voting instructions;

- request the Third Party Proxy Advisory Firm to notify Sustainable Growth regarding business changes it considers relevant (*e.g.*, with respect to the Third Party Proxy Advisory Firm's capacity and competency to provide independent proxy voting advice or carry out voting instructions);
- inquire whether the Third Party Proxy Advisory Firm appropriately updates its methodologies, guidelines, and voting recommendations on an ongoing basis, including in response to feedback from issuers and their shareholders; and
- periodically review how Sustainable Growth has voted client proxies and compare to the recommendations of the Third-Party Proxy Advisory Firm and, if applicable, investigate high correlations between its votes and Third Party Proxy Advisory Firm recommendations (which may suggest "rote" reliance on proxy advisory firms).

### **5.2.8.3 Proxy Voting Guidelines**

Sustainable Growth shall vote proxies related to securities held by any client in a manner solely in the best interests of the client. Sustainable Growth shall consider only those factors that relate to the client's investment, including how its vote will economically impact and affect the value of the client's investment. Proxy votes will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, and maintain or increase the rights of shareholders. Proxy votes will be cast against proposals having the opposite effect. In voting on each and every issue, Sustainable Growth shall vote in a prudent and diligent fashion and only after a careful evaluation of the issue presented on the ballot.

Prior to electing to follow any specific guidelines, Sustainable Growth will:

- Determine the impact of following such guidelines on all clients, including whether the guidelines would be more appropriate for one group of clients and not for others;
- Identify any direct or indirect benefits that might flow to Sustainable Growth as a result of choosing one guideline over other guidelines;
- Address any conflicts of interest raised by the selection of such guidelines by following the Proxy Voting Conflicts of Interest section of these Procedures; and
- Refrain from using such guidelines if it provides an advantage to one group of clients while disadvantaging or otherwise not being in the best interest of any of the remaining clients.

Sustainable Growth has adopted the following specific voting guidelines:

#### **5.2.8.3.1 Corporate Governance**

Unless exceptional circumstances exist, Sustainable Growth will vote against proposals that make it more difficult to replace Board members, including proposals to:

- Stagger the Board
- Overweight management on the Board
- Introduce cumulative voting
- Introduce unequal voting rights
- Create super majority voting
- Establish pre-emptive rights

#### **5.2.8.3.2 Takeovers**

Sustainable Growth will vote against proposals that make it more difficult for a company to be taken over by outsiders, and in favor of proposals that attempt to do the opposite.

#### **5.2.8.3.3 Capital Structure**

Sustainable Growth will vote against proposals to move the company to another jurisdiction less favorable to shareholders' interests, or to restructure classes of stock in such a way as to benefit one class of shareholders at the expense of another, such as dual classes (A and B shares) of stock.

#### **5.2.8.3.4 Outside Directors**

Sustainable Growth will vote against any proposal to allow the Chief Executive Officer of a company to appoint outside directors, and in favor of any proposal to eliminate this ability.

#### **5.2.8.3.5 Social & Environmental Considerations**

Sustainable Growth takes into consideration environmental, social and governance issues both in its investment process and proxy voting. Sustainable Growth will generally support standards-based ESG proposals that enhance long-term shareholder value while aligning the interests of an issuer with those of society at large. In particular, Sustainable Growth will focus on proxy proposals seeking greater transparency and adherence to internationally recognized standards and principals.

In determining how to vote Sustainable Growth will analyze and consider the following:

- Whether the proposal is well framed and reasonable
- Whether the proposal (if adopted) would have either a positive/negative impact on the issuer's short or long term share value
- The percentage of sales, assets and/or earnings affected
- Whether the issuer has already appropriately or adequately addressed the matter(s) at issue
- The issuer's analysis and recommendation on the proposal
- The issuer's past practices with respect to the proposal (ie., past controversies, fines, litigation with respect to any such environmental and/or social practices)
- How other companies have addressed similar issues and proposals
- Other risk factors including economic and reputational risks that may impact the issuer's business

#### **5.2.8.4 Proxy Voting Conflicts of Interest**

Sustainable Growth recognizes that conflicts between itself and clients may arise in voting the proxies of issuers of equity securities and that these conflicts must be addressed. The designated Investment Committee member is responsible for identifying potential conflicts of interest in regard to the proxy voting process. Where appropriate, Sustainable Growth will use one of the following methods to resolve such conflicts, provided such method results in a decision to vote the proxies that is based on the clients' best interest and is not the product of the conflict:

1. provide the client with sufficient information regarding the shareholder vote and Sustainable Growth's potential conflict to the client and obtain the client's consent before voting;
2. vote securities based on a pre-determined voting policy;
3. vote client securities based upon the recommendations of a Third-Party Proxy Advisory that itself does not have a conflict of interest; or
4. request the client to engage another party to determine how the proxies should be voted.

#### **Third Party Proxy Advisory Firm**

If Sustainable Growth utilizes a Third Party Proxy Advisory Firm, Sustainable Growth will review such firm's policies and procedures regarding how it identifies and addresses conflicts of interest.

#### **5.2.8.5 Proxy Voting Review**

Sustainable Growth periodically will review the votes cast for clients.

Sustainable Growth will test whether its casting of votes on behalf of clients is consistently following its voting policies and procedures including:

- sampling proxy votes that relate to proposals that may require more issuer-specific analysis (*e.g.*, mergers and acquisition transactions, dissolutions, conversions, or consolidations); and
- sampling proxy votes to determine whether they were consistent with its voting policies and procedures and in its client's best interest.

#### Third-Party Proxy Advisory Firm Voting

If Sustainable Growth retains a Third-Party Proxy Advisory Firm to provide voting recommendations, Sustainable Growth will periodically evaluate whether the Third-Party Proxy Advisory Firm's voting recommendations are consistent with its voting policies and procedures and in the client's best interest.