

## Great Lakes Advisors

231 South LaSalle St., 4th Floor  
Chicago, Illinois 60604

Style: US Large Cap  
Sub-Style: Blend  
Firm AUM: \$9.2 billion  
Firm Strategy AUM: \$18.6 million

Year Founded: 1981  
GIMA Status: Approved  
Firm Ownership: Wintrust Financial Corporation  
Professional-Staff: 62

## PRODUCT OVERVIEW

The SRL-Catholic strategy seeks to outperform the S&P 500 Index over time and incorporates the guidelines set forth by the United States Conference of Catholic Bishops. Utilizing Great Lakes' LargeCap and their Sustainable Responsible LargeCap investment process in conjunction with the industry participation flags of MSCI and the Environmental, Social and Corporate Governance (ESG) data of Asset4, they enhance their ability to provide a customized solution consistent with the values of the Catholic Church: Protecting Human Life, Promoting Human Dignity, Reducing Arms Production, Pursuing Economic Justice, Protecting the Environment, Encouraging Corporate Responsibility

## TARGET PORTFOLIO CHARACTERISTICS

Number of stock holdings:	70 to 85
Average dividend yield:	Similar to the S&P 500
P/E ratio:	Similar to the S&P 500
Cash level over market cycle:	0 to 2%
Risk (standard deviation):	Similar to the S&P 500
Average turnover rate:	60 to 120%
Use ADRs:	0 to 0%
Capitalization:	—

## PORTFOLIO'S EQUITY SECTOR WEIGHTINGS +

Sector	-----06/18----- Great Lakes	Index***	12/17 Great Lakes
Energy	4.20	0.00	2.74
Materials	3.80	0.00	7.62
Industrials	11.36	0.00	8.95
Consumer Discretionary	13.02	0.00	5.90
Consumer Staples	7.31	0.00	8.66
Health Care	8.89	0.00	9.33
Financials	13.10	0.00	19.67
Information Technology	36.49	0.00	22.03
Telecomm Services	0.00	0.00	4.85
Utilities	1.00	0.00	1.84
Miscellaneous	0.00	0.00	8.41
Real Estate/REITs	0.84	0.00	0.00
Cash/Cash Equivalents	0.00	0.00	0.00

## MANAGER'S INVESTMENT STRATEGY

- ☐ Top-down / portfolio structures based on economic trends  
☒ Bottom-up / portfolio structure based on individual securities

## PORTFOLIO STATISTICS

	-----06/18----- Great Lakes	Index***	12/17 Great Lakes
Number of stock holdings	77	—	83
Wtd avg dividend yield	1.6%	—	1.7%
Wtd avg P/E ratio <sup>1</sup>	19.89x	—	20.91x
Wtd avg portfolio beta	1.05	—	1.00
Mega capitalization +	0.0%	0.0%	58.5%
Large capitalization +	0.0%	0.0%	34.1%
Medium capitalization +	0.0%	0.0%	6.9%
Small capitalization +	0.0%	0.0%	0.5%
Micro capitalization +	0.0%	0.0%	0.0%

## PORTFOLIO'S TOP FIVE EQUITY HOLDINGS

	%
Microsoft Corp	5.8
Visa Inc	3.9
Home Depot Inc	3.9
Mastercard Incorporated CL A	3.6
HP Inc Com	3.0

## % PROCESS BASED ON

- 0 Asset allocation - cash vs. stock  
20 Industry or sector weighting  
80 Stock Selection

<sup>1</sup>The P/E used here is calculated by the harmonic mean.

<sup>+</sup>Total may not equal 100% due to rounding.

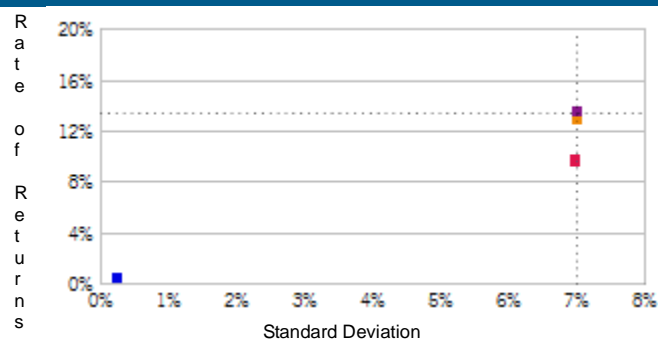
\*\*\*Index : S&P 500

**Past performance is no guarantee of future results.** This profile is not complete without the pages, which contain important notes, including disclosures about the composite, index descriptions and a glossary of terms. Information shown is as of June 30, 2018, unless otherwise noted. All data are subject to change.

MANAGER'S INVESTMENT PROCESS	RISK CONSIDERATIONS	PORTFOLIO'S ALLOCATION HISTORY (%) *				
<ul style="list-style-type: none"><li>• Bottom-up systematic stock selection process evaluates stocks by three independent analyses, each of which is designed to provide a unique evaluation perspective: Broad Universe, Style Specific, Sector Specific</li><li>• Evaluation perspective includes a balance proven set of investment criteria: growth, value, quality, technical and sentiment characteristics</li><li>• Incorporates positive and negative ESG and Catholic Values into the portfolio construction process</li><li>• Stocks ranking in the top 20% are considered for purchase. Stocks with ESG rankings in the bottom 20% of their industry are eliminated from consideration as are stocks whose practices are contrary to Catholic values as determined by the US Catholic Conference of Bishops.</li><li>• Portfolios are optimized to focus risk on stock selection and look to have a Catholic Values rating and an ESG rating 15-20% greater than the ESG rating for the S&amp;P 500 index.</li></ul>	<p>Investing in securities entails risks, including: Equity portfolios are subject to the basic stock market risk that a particular security, or securities in general, may decrease in value. Equity securities' prices may fluctuate in response to specific situations for each company, industry, market conditions and general economic environment. Companies paying dividends can reduce or cut payouts at any time. Strategies that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than portfolios that diversify among a broad range of sectors. Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations. Value investing does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected.</p>		06/18	03/18	12/17	09/17
		U.S. Stocks	98	98	99	99
		Cash/Cash Equivalents	2	2	1	0

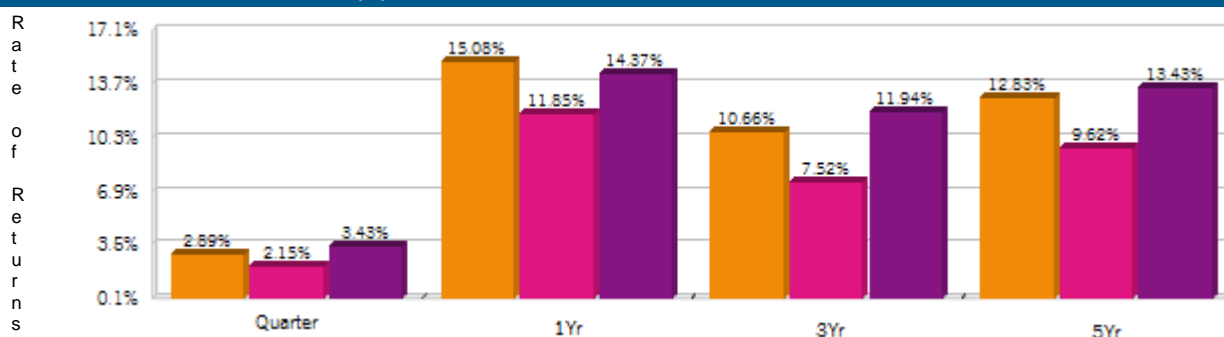
See important notes and disclosures pages for a discussion of the sources of the performance data used to calculate the performance results and related analyses shown above.

## RISK/RETURN ANALYSIS - 5 YEARS ENDING 06/30/18



	STD	ROR
Great Lakes (Gross)	7.03	12.83
Great Lakes (Net)	6.99	9.62
S&P 500	7.02	13.43
90-Day T-Bills	0.26	0.39

## AVERAGE ANNUAL TOTAL RETURN (%) - PERIODS ENDING 06/30/18

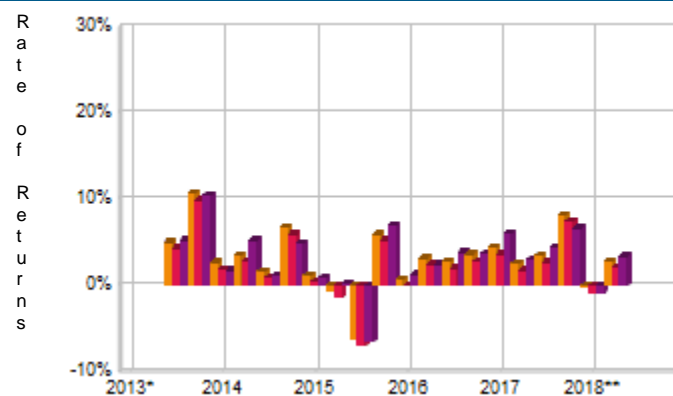


## INVESTMENT RESULTS

	Annual Rates of Return (%)						5 Year - Ending 06/30/18	
	2012*	2013	2014	2015	2016	2017	Annual	Std. Dev.
Great Lakes (Gross)	1.17	36.56	15.44	-0.09	10.72	19.81	12.83	7.03
Great Lakes (Net)	0.44	32.81	12.11	-2.93	7.48	16.42	9.62	6.99
S&P 500	-0.38	32.41	13.69	1.41	11.96	21.83	13.43	7.02

\*12/01/2012-12/31/2012

## RISK VOLATILITY (%)



\*07/01/13-12/31/13

\*\*01/01/18-06/30/18

	Number Of	Up Qtrs.	Down Qtrs.
Great Lakes (Gross)	17	3	3
Great Lakes (Net)	16	4	4
S&P 500	18	2	2

## PORTFOLIO'S QUARTERLY RETURNS (%)

	Quarter1		Quarter2		Quarter3		Quarter4	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
2012							1.17	0.44
2013	13.46	12.69	3.51	2.77	5.05	4.33	10.69	9.92
2014	2.71	1.94	3.57	2.81	1.65	0.91	6.76	6.00
2015	1.25	0.49	-0.71	-1.44	-6.22	-6.89	5.97	5.25
2016	0.76	-0.01	3.21	2.46	2.77	2.05	3.60	2.82
2017	4.38	3.63	2.53	1.79	3.46	2.71	8.21	7.45
2018	-0.10	-0.79	2.89	2.15				

Related

Select UMA

PORTFOLIO'S RISK STATISTICS - ENDING 06/30/18 <sup>1 2</sup>	PERIODS	
	3 Year	5 Year
Standard Deviation	7.05%	7.03%
Standard Deviation of Primary Benchmark	7.36%	7.02%
Sharpe Ratio	1.42	1.77
Sharpe Ratio of Primary Benchmark	1.54	1.86
Alpha	-0.35%	-0.04%
Beta	0.92	0.96
Downside Risk	1.62%	1.52%
R-Squared	0.93	0.92
Tracking Error	1.87%	1.98%
Information Ratio	-0.68	-0.30

PORTFOLIO DIVERSIFICATION - R<sup>2</sup>(INCEPTION THROUGH 12/14)+

	R <sup>2</sup>
Great Lakes vs. S&P 500	0.92

+Statistics are calculated using gross of fee performance only.

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- S&P 500 was used as the primary benchmark and the 90-Day T-Bills Index as the risk-free benchmark.

## IMPORTANT NOTES AND DISCLOSURES

## COMPOSITE DISCLOSURES

**Past performance is no guarantee of future results. Actual individual account results may differ from the performance shown in this profile. There is no guarantee that this investment strategy will work under all market conditions. Do not use this profile as the sole basis for your investment decisions.**

Performance results in this profile are calculated assuming reinvestment of dividends and income. Returns for more than one year are annualized and based on quarterly data. Returns for periods of less than a calendar year show the total return for the period and are not annualized.

**Sources of Performance Results and Other Data:** The performance data and certain other information for this strategy (including the data on page 1 of this profile) reflect the investment manager's results in managing Morgan Stanley program accounts, or the investment manager's results in managing accounts and investment products, in the same or a substantially similar investment discipline. (For periods through June 2012, the Fiduciary Services program operated through two channels - Morgan Stanley channel and the Smith Barney channel - and any performance and other data relating to Fiduciary Services accounts shown here for these periods is calculated using accounts in only one of the these channels.) This information for the investment manager is presented solely to provide information about accounts that were managed according to investment objectives and strategies the same or substantially similar to the corresponding investment discipline in the Select UMA program. Although the Fiduciary Services and Select UMA programs are both Morgan Stanley managed account programs, the performance results and other features of similar investment disciplines in the two programs may differ due to investment and operational differences. For example, the individual investment disciplines in the Select UMA accounts may contain fewer securities, which would lead to a more concentrated portfolio. The automatic rebalancing, wash sale loss and tax-harvesting features of the Select UMA program, which are not available in Fiduciary Services, also could cause differences in performance. Accordingly, the performance of the accounts in the Fiduciary Services program is not, and may differ significantly from, the performance of the accounts in the Select UMA program and should not be considered indicative of or a substitute for Select UMA performance. Similarly, performance results of the investment manager's composites may differ from those of Select UMA accounts managed in the same or a substantially similar investment discipline.

**Related Performance:**

The Disciplined Equity Sustainable Responsible LargeCap Catholic Composite includes all discretionary, fee-paying accounts patterned after the Great Lakes' Sustainable Responsible LargeCap (SRL) strategy. The SRL strategy integrates environmental, social and governance (ESG) ratings for individual companies with Great Lakes Advisors' proprietary return forecasts based on a blend of fundamental, technical and sentiment measures, which seeks to outperform the S&P 500 Index ("S&P 500") over time through superior stock selection while maintaining risk characteristics that are similar to the benchmark. The composite was created in December 2012. Accounts within this composite do not employ leverage. All cash reserves and equivalents are included in returns. Returns are time weighted and include reinvestment of dividends, income and gains. The value of assets is expressed in U.S. dollars. All holdings available upon request. Performance prior to October 1, 2013 occurred at Advanced Investment Partners prior to being acquired by Great Lakes Advisors. Additionally, market commentary is available on the firm's website at: [www.greatlakesadvisors.com](http://www.greatlakesadvisors.com) or upon request.

**Morgan Stanley Performance:**

The composite consists of 15 account(s) with a market value of **\$4.5 million** as of **06/30/2018**. In this profile, the performance from January 1, 2017, consists of the performance of all single style Select UMA accounts managed by the investment manager in this strategy, subject to any other limitations stated in this profile. Performance composites calculated by Morgan Stanley include all fee-paying portfolios with no investment restrictions. New accounts are included beginning with the second full calendar month of performance. Terminated accounts are removed in the month in which they terminate (but prior performance of terminated accounts is retained). Performance is calculated on a total return basis and by asset weighting the individual portfolio returns using the beginning of period values.

**Gross Performance:** Great Lakes' gross results do not reflect a deduction of any investment advisory fees or program fees, charged by Great Lakes or Morgan Stanley, but are net of commissions charged on securities transactions.

**Net Performance for all Periods:** Net performance results reflect a deduction of 0.7275% quarterly. This consists of three components: 0.625% maximum quarterly MS Advisory Fee and 0.0175% maximum quarterly Program Overlay Fee (which, together cover the services provided by Morgan Stanley), plus 0.085% quarterly SMA Manager Fees (being the fee currently charged by Great Lakes to new clients for managing their assets in the Select UMA program). The SMA Manager Fees may differ from manager to manager, and managers may change their fee to new clients from time to time. If you select this manager for your account, check the SMA Manager Fees specified in the written client agreement, in case these have changed since you received this profile. Historical net fees reflect the Advisory Fee Schedule as of March 31, 2014.

Morgan Stanley program fees are usually deducted quarterly, and have a compounding effect on performance. The Morgan Stanley program fee, which differs among programs and clients, is described in the applicable Morgan Stanley ADV brochure, which is available at [www.morganstanley.com/ADV](http://www.morganstanley.com/ADV) or on request from your Financial Advisor or Private Wealth Advisor.

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**Focus List, Approved List, and Watch Status:**

Global Investment Manager Analysis ("GIMA") uses two methods to evaluate investment products in applicable advisory programs. In general, strategies that have passed a more thorough evaluation may be placed on the "Focus List", while strategies that have passed through a different and less comprehensive evaluation process may be placed on the "Approved List". Sometimes an investment product may be evaluated using the Focus List process but then placed on the Approved List instead of the Focus List.

Investment products may move from the Focus List to the Approved List, or vice versa. GIMA may also determine that an investment product no longer meets the criteria under either evaluation process and will no longer be recommended in investment advisory programs (in which case the investment product is given a "Not Approved" status).