

Investment Strategy

- Bottom up stock picking strategy, based on company interviews/fieldwork and fundamental research/analysis.
- We seek to identify exceptional companies able to sustain consistent earnings growth through economic cycles.
- The strategy seeks to outperform the market by selectively buying and holding stocks over the mid-to-long term, typically three to five years. Consequently, the turnover of our portfolio is low.
- We do not invest in stocks for purposes of managing risk against benchmarks.
- Stable earnings volatility of our holdings allows us to build a concentrated portfolio of 20-30 names.

Strategy Facts

Inception Date: October 1, 2011

Advisor: Clearbrook Investment Consulting

Sub-Advisor: Mitsubishi UFJ Trust and Banking Corporation

Net Assets as of 03/31/2023: \$563.8M USD

Management Fee: 0.75%

Benchmark: TOPIX Total Return Index

Portfolio Characteristics

	Japan Focus Growth*	TOPIX Total Return Index
Number of Holdings	30	2,160
Wtd. Avg. Mkt. Cap. (\$)	31.3B	38.0B
P/E	22.89	18.06
P/B	3.22	2.27
ROE %	12.82	10.53
Dividend Yield %	1.66	2.55

*Based on representative portfolio

All data as of 03/31/2023 unless noted

Contact Information

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Clearbrook Investment Consulting

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Performance (%) USD as of (03/31/2023)

Composite	1 Mon*	3 Mon*	6 Mon*	YTD*	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr	Since Incept
Focus Growth Gross	6.62	5.46	12.63	5.46	-8.49	3.62	0.63	5.12	8.43	7.59
Focus Growth Net	6.55	5.26	12.21	5.26	-9.18	2.85	-0.12	4.34	7.63	6.79
TOPIX Total Return Index	4.09	6.28	20.39	6.28	-3.50	7.55	1.04	5.75	5.51	6.08
Excess Return (Gross-TOPIX)	2.53	-0.83	-7.77	-0.83	-4.99	-3.93	-0.41	-0.63	2.92	1.50

*Returns for periods under one year are not annualized.

Performance data quoted represents past performance; past performance does not guarantee future results. Gross returns are presented before management and custodial fees, but after all trading expenses and reflect the investment of dividends and other income. Net returns are net of investment management fees in effect for the respective time period and are derived using the maximum highest published rate. Fees charged are at the discretion of HighMark. The strategy does not invest in an index. The strategy uses the (TOPIX) Total Return Index as a benchmark only. Performance may be attributable to profits from IPO securities. IPO securities have no trading history and the prices may be volatile. There is no guarantee this level of performance will be repeated. Japanese issuers and underwriters prioritize allocations of IPO securities to domestic investors; therefore, overseas investors (not based in Japan) may have less access to small and mid-cap IPO securities allocations than a domestic investor. The investment return and principal value of an investment will change so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the strategy may be lower or higher than the performance quoted. Composite data is calculated in JPY and converted to USD using the WM/Reuters Closing Spot Rates 4pm London close. The TOPIX is also converted from JPY to USD using the same exchange rate source.

Market and Strategy Commentary Q1: Jan-Mar (Net)

Japan Markets:

- Japanese equities advanced for the quarter, with the TOPIX Total Return Index returning +6.28% USD.
- Japanese equities rose in January (+5.95%), led by the taming US wage growth, the Bank of Japan's decision to maintain its monetary policy, and expectations for an economic reopening after the zero-COVID policy shift in China.
- The equity market declined in February (-3.63%). Although stronger-than-expected US jobs report and CPI data weighed on Japanese stocks, the Japanese yen appreciation and anticipation of the economic reopening in China supported the equity market. Although the market gained in the local currency basis, the performance turned negative because of the weaker yen in US dollar basis.
- The equity market gained in March (+4.09%). After a sharp rally early in the month due to the improvement in China's PMI and a cyclical recovery in semiconductors, Japanese shares plunged amid increasing worries over the bankruptcy of US regional banks and Credit Suisse, a Swiss bank. In the latter half of the month, Japanese equities rebounded as financial system concerns receded due to the prompt move by the financial authorities to protect deposits and provide liquidity to financial institutions.

MUFG Japan Focus Growth Strategy:

- The Japan Focus Growth Strategy returned +5.26% USD for the quarter, underperforming the index by 1.02%.
- A notable positive contributor to the portfolio was Tokyo Electron, Ltd, a leading global manufacturer of semiconductor and FPD production equipment. The share price rallied amid heightened expectations for a turnaround in semiconductor's downward cycle, the upward revision of the full-year FY3/23 guidance in February, reflecting a reduced impact of export restrictions on China.
- Another positive contributor was Nissin Foods Holdings Co., Ltd., one of the world's largest manufacturers of instant noodle and processed food products. The share price was supported by the robust Q3 FY3/23 (Apr-Dec) earnings results due to strong sales in the international market and an upward revision of their full-year guidance released in February.
- The largest detractor was Shionogi & Co., Ltd., a leading pharmaceutical manufacturer with a particular focus on proprietary new drugs. Although an upward revision of their full-year earnings guidance announced in late January exceeded market expectations, concerns over sales sustainability of their corona treatment drugs pushed the share price down.
- Tokio Marine Holdings, Inc., one of the world's largest and globally diversified insurance groups, also contributed negatively. The share price declined amid worries over the deterioration in investment income due to overseas financial instability and declining interest rates despite stable quarterly earnings.

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MUFG Japan Focus Growth Strategy

About the Portfolio (as of 03/31/2023)

Returns Based Statistics vs TOPIX Total Return Index

	One Yr	Three Yr	Five Yr	Ten Yr
Excess Return	-4.99	-3.93	-0.41	2.92
Beta	0.94	1.04	1.01	0.94
Information Ratio	-0.83	-0.43	-0.05	0.34
Sharpe Ratio*	-0.42	0.19	0.04	0.54
Tracking Error %	6.04	9.20	8.61	8.65
Std. Dev. (Portfolio) %	20.09	18.92	17.68	15.64
Std. Dev. (Benchmark) %	20.46	15.98	15.35	13.84

* Sharpe Ratio: the risk free rate is not used in the calculation. The calculation shown here represents Portfolio Return divided by Portfolio Standard Deviation.

Sector Diversification (%)

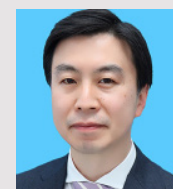
	Japan Focus Growth*	TOPIX Total Return
Health Care	21.19	23.76
Industrials	19.62	8.71
Information Technology	19.19	13.59
Consumer Staples	15.07	7.49
Consumer Discretionary	10.36	18.18
Financials	5.95	5.96
Real Estate	4.62	10.48
Materials	2.91	1.87
Communication Services	0.00	7.89
Utilities	0.00	1.24
Energy	0.00	0.83
Cash & Cash Equivalents	1.09	-

*Based on Representative Portfolio

Our Japan Focus Growth Investment Team



Shinichiro Hyogo
Lead Fund Manager
25 years experience



Kosuke Tsuchida
Senior Fund Manager
21 years experience



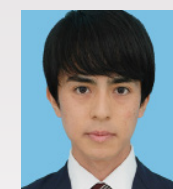
Shinichi Okada
Analyst
35 years experience



Yuichi Yokoyama
Analyst
7 years experience



Yusuke Michiwaki
Strategy Manager/
Analyst
11 years experience



Satoshi Tanaka
Analyst
7 years experience

*Clearbrook Investment Consulting is the investment advisor to the MUFG Japan Focus Growth Strategy.

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Mitsubishi UFJ Trust and Banking Corporation (MUTB) claims compliance with the Global Investment Performance Standards (GIPS®). A complete list of firm composites and performance can be requested from Natasha Koprivica at nkoprivica@clbrk.com or 857.919.1048. Performance numbers have been provided by MUTB and have not been verified by Clearbrook Investment Consulting.

Please see the GIPS® Compliant Performance Report for further explanation. The comparative benchmark is the TOPIX Total Return Index. TOPIX is a free-float adjusted market capitalization-weighted index that is calculated based on all the domestic common stocks listed on the TSE First Section. TOPIX shows the measure of current market capitalization assuming that market capitalization as of the base date (January 4, 1968) is 100 points. **One cannot invest directly in an index.** **Beta:** systematic risk of a composite; represents sensitivity to the benchmark. **Excess Return (Gross):** amount that gross returns exceed relative benchmark return. **Information Ratio:** ratio of expected return to risk, as measured by standard deviation. **Price to Book (P/B):** ratio of stock price to book value. **Price to Earnings (P/E):** ratio of stock price to earnings. **Return on Equity (ROE):** net income divided by equity. **Standard Deviation:** measures dispersion of a set of data from its mean. **Tracking Error:** measures the active risk of the composite and the annualized standard deviation of the excess returns between the composite and its benchmark. **Weighted Average Market Cap:** total value of all outstanding shares weighted by market capitalization.

*Clearbrook Investment Consulting, LLC ("CIC") is an SEC-registered investment adviser. CIC primarily provides pensions consulting and family office advisory services for a wide variety of for-profit and nonprofit organizations. All strategy, assets under management and performance data described above refer to professional advisory services which CIC has engaged MUTB to act as subadvisor for the MUFG Japan Focus Growth Strategy. Fees charged are at the discretion of CIC; investment advisory fees are described in CIC's Form ADV Part 2, which is available upon request. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. A complete list of all recommendations in the MUFG Japan Focus Growth Strategy, within the past year are available free of charge by contacting CIC. Actual securities held in any individual account will vary and are subject to change. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. A complete list of all recommendations in the MUFG Japan Focus Growth Strategy, within the past year are available free of charge by contacting Clearbrook. Actual securities held in any individual account will vary and are subject to change.