

SEE LAUS

ASSET MANAGEMENT

Impact Investing with Seelaus

Gender Equality Matters (“GEM”) Equity Strategy

Gender Equality Matters – The Case for Investing

Why GEM?

GEM offers investors a way to express the view that a high degree of gender diversity is closely correlated to long term health and performance of a company.

The GEM Strategy is an actively managed, proprietary portfolio of individual stocks carefully selected by Portfolio Management.



The Case for Investing

- GEM is an actively managed equity strategy focused on investing in companies that are both industry leaders within their sectors and in promoting gender diversity within their boards of directors and management teams.
- Investment Focus: Proprietary portfolio of individually chosen companies with a broad representation of economic sectors, Energy and Utility industries are excluded.
- Portfolio Impact: Equity investments in companies with approximately 30% female board representation and over 20% of senior management representation.
- Active Management: The portfolio is actively managed and reflects thorough analysis of fundamentals and female representation at the board and management levels.
- Portfolio: Ownership of securities in a separate portfolio.
- Double Impact: Seelaus Asset Management is committed to Impact Investing. By investing in an Impact Strategy at Seelaus, you are not only supporting a Women-Owned Business, you are supporting one who is committed to investing with purpose.

The Case for Diversity at Executive Levels

- 2018:** McKinsey & Co. global study of over 1,000 companies across 12 countries found that organizations in the top quartile of gender diversity among executive leadership teams were more likely to outperform on:
 - Profitability (measured by using average EBIT margins): 21%
 - Value Creation: 27%
- 2018:** Women represent 4.8% of all Fortune 500 CEOs.
- 2019:** Women represent 6.6% of all Fortune 500 CEOs, and 5% of CEO positions at S&P 500 companies
- 2020:** Citigroup names Jane Fraser CEO, the first Wall Street Bank to name a female CEO.

Gender and ethnic diversity are clearly correlated with profitability, but women and minorities remain underrepresented.

Likelihood of financial performance¹ above national industry median, %



¹Average earnings-before-interest-and-taxes (EBIT) margin, 2010–13 in Diversity Matters I and 2011–15 in Diversity Matters II.

²Results are statistically significant at p-value <0.10.

³Results are statistically significant at p-value <0.05.

McKinsey&Company

GEM – The Case for Diversity

Notable Quotable

“Having Diversity isn’t a trade-off to excellence, it’s a path to excellence.”

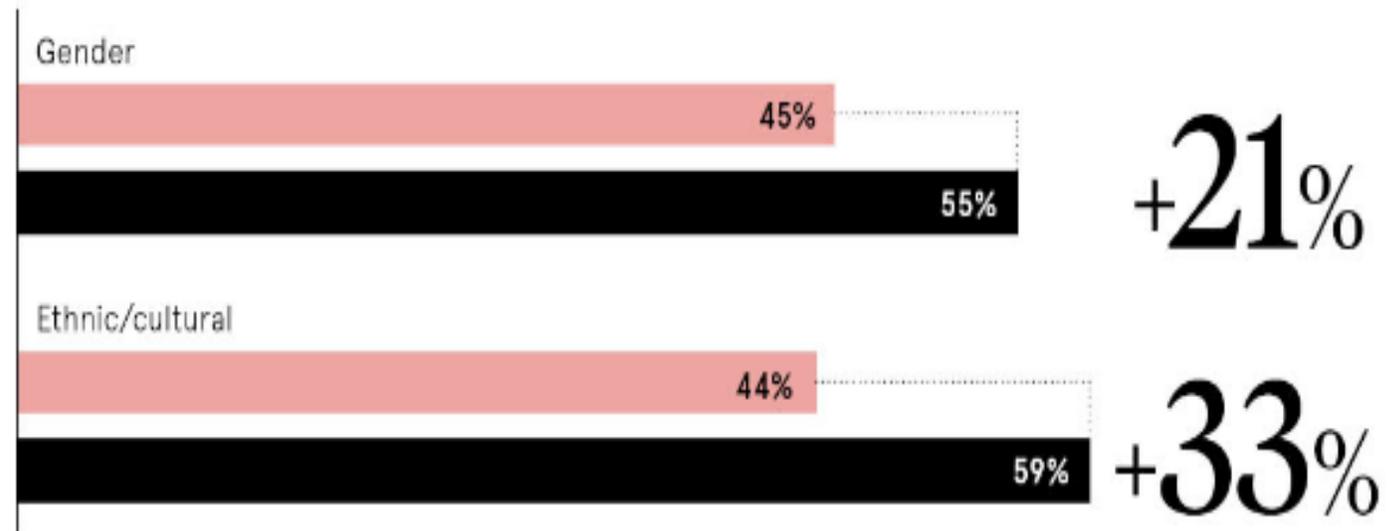
- Jane Fraser, Citigroup’s recently named CEO
(source: Bloomberg)



Correlation between diversity and performance

Percentage likelihood of above-average financial performance by diversity quartile*

◆ Fourth quartile ◆ First quartile



*Percentages are rounded to the nearest whole number; however, calculation of the differentials in quartile performance uses actual decimal values

McKinsey 2018

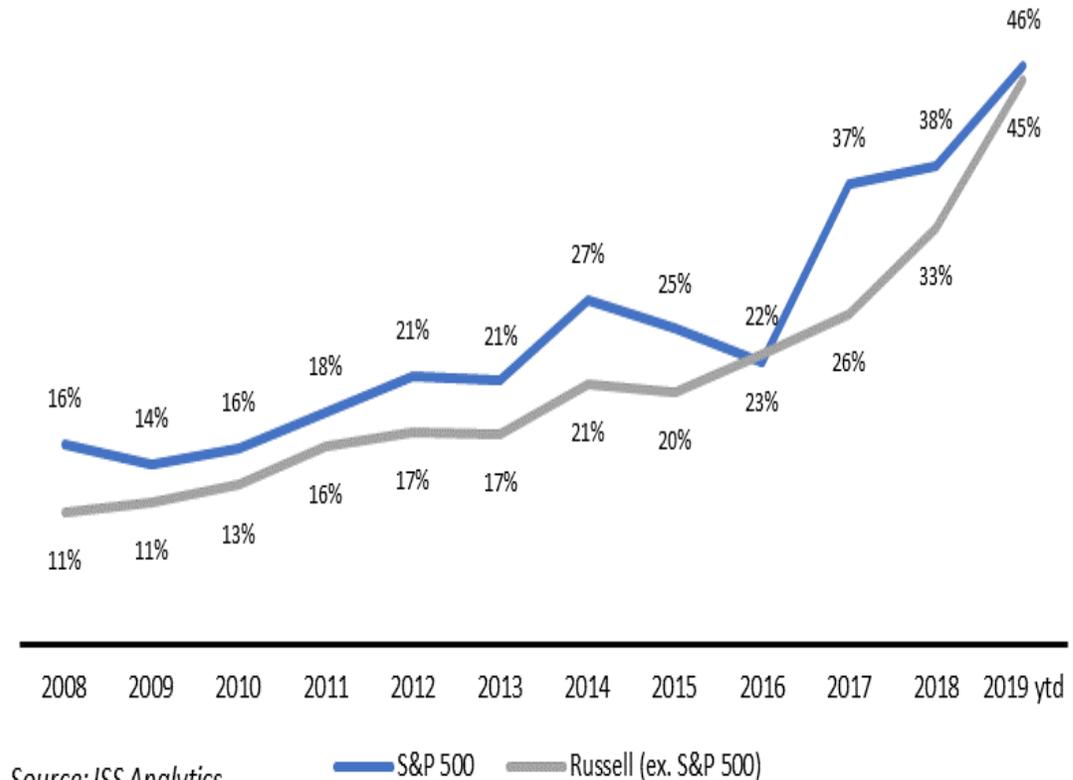
GEM – The Case for Diversity

The Case for Diversity at the Board Level

Numerous studies of gender diversity have shown that diverse boards are associated with:

- Higher Financial Returns
- Higher Firm Value
- Higher Profitability
- Lower Volatility
- **2019:** California state law passed requiring all locally headquartered public companies to have at least one female director by 2020.
- **2019 Milestone Moment:** No longer any companies in the S&P 500 with all-male boards of directors.

Unprecedented Proportion of New Directors are Women
percentage of new directorships filled by women



GEM – The Case for Diversity

Notable Quotable

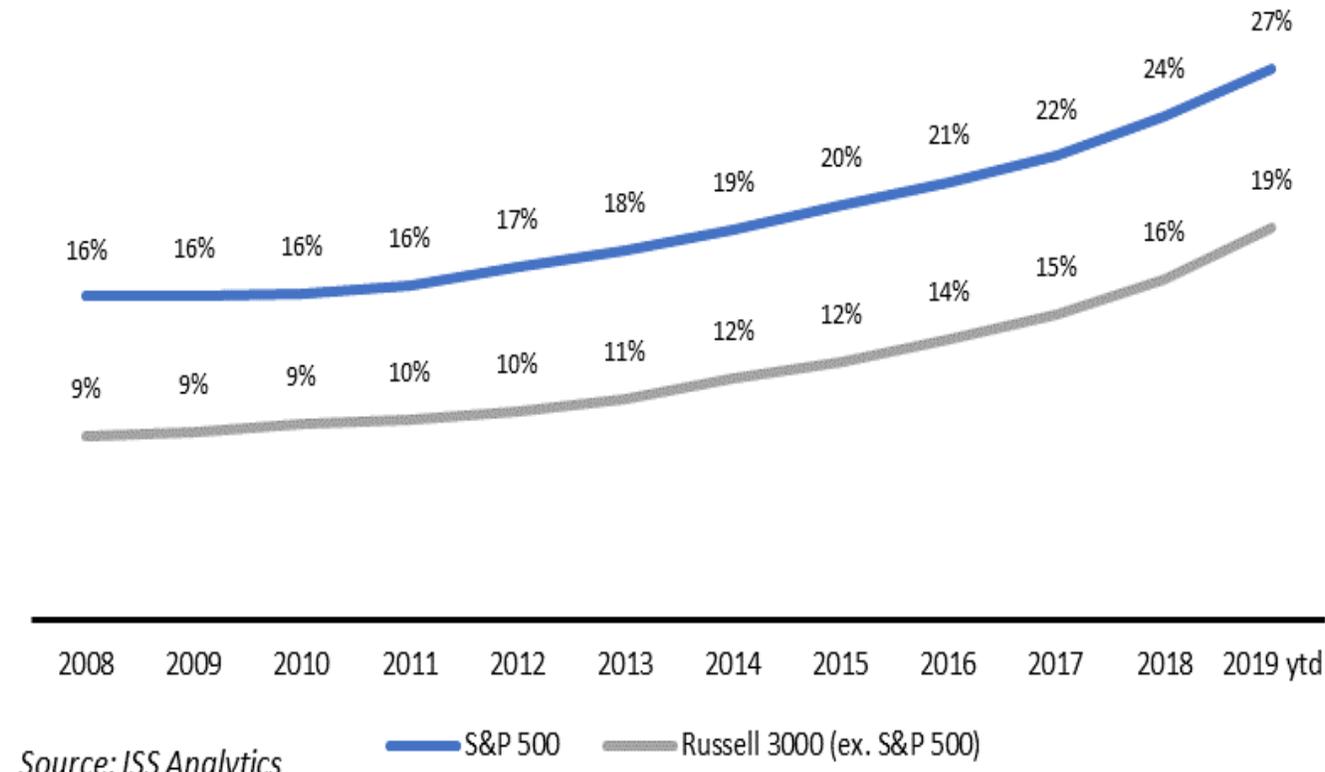
“Women belong in all places where decisions are being made. It shouldn’t be that women are the exception.”

- Ruth Bader Ginsburg,
Supreme Court Justice
from 1993-2020
(source: USA Today 2009)



Percentage of Board Seats Held by Women Reaches All-Time High

percentage of directorships held by women



The Case for Seelaus Asset Management

Manager selection is more important than ever in this unique and uncertain market. Investors with Seelaus Asset Management benefit from the following:

The Seelaus Asset Difference

- Tailored Portfolios, meeting bespoke needs
- Strong platform fit for retail and institutional clients
- Deep bench of experience across asset classes from equities to fixed income
- Hands on, high touch experience
- Transparent fee structure
- Direct access to the investment team

A Mission Driven Firm

- **Illustrating the opportunity for women in finance:** As a WBE firm, Seelaus is committed to advancing the role of women in finance and providing opportunities both internally and externally.
- **Advancing the role of all diversity categories:** The firm is an active sponsor of several NJ and national community organizations, many with a focus on women. Its support includes both monetary contributions and hands on involvement by our employees.
- **Double Impact:** Seelaus Asset Management is committed to ESG and Impact Investing. By investing in an Impact Strategy at SAM you are not only supporting a diversity manager, you are supporting one who is committed to investing with purpose.

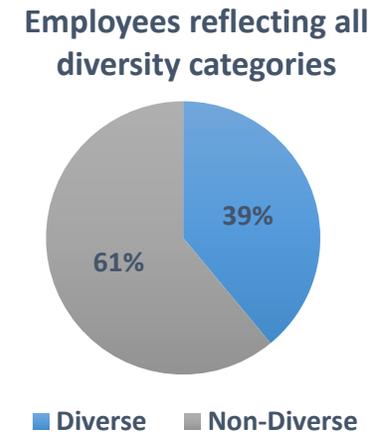
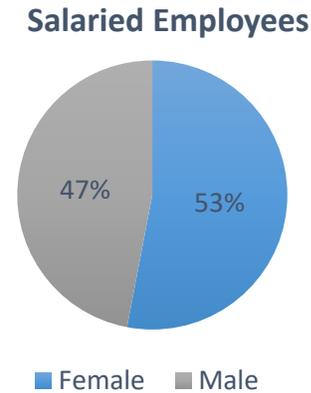
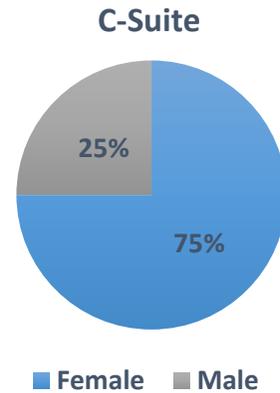
Our Mission: Our Workforce

R. Seelaus & Co. is committed to advancing the role of women in finance and providing opportunities both internally and externally.

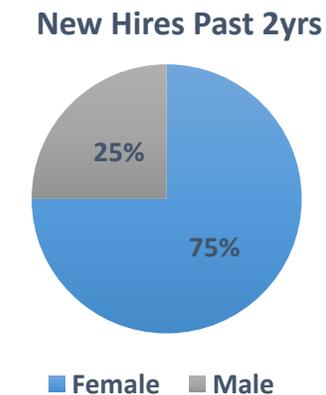
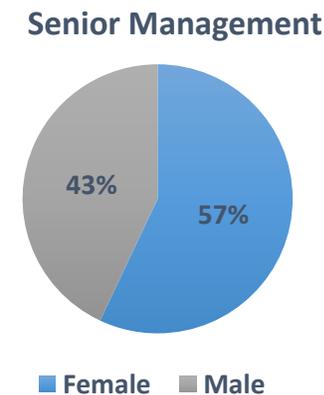
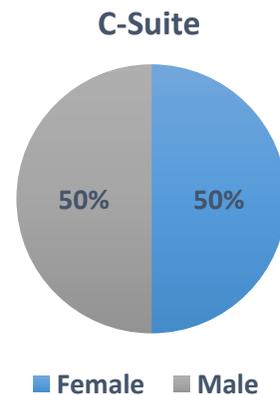
In 2019, 31% of the C-Suite across financial firms consisted of women¹ and only 21.9% of senior leadership roles within financial services firms were held by women².

At Seelaus, 75% of our C-Suite consists of women, including our CEO, CCO, and CFO.

R. Seelaus & Co., Inc. Workforce



Seelaus Asset Management, LLC Workforce



¹ <https://www.kornferry.com/insights/articles/women-in-leadership-2019-statistics>

² <https://www.catalyst.org/research/women-in-financial-services/#:~:text=Globally%2C%20women%20represented%2012%25%20of,mid%2Dcap%20firms%20in%202018.&text=In%202019%2C%20women's%20global%20share,service%20firms%20was%20only%2023%25.&text=Among%20these%20firms%3A,women%20in%20noninvestment%20leadership%20positions.>

Our Mission: Internal Efforts

Identifying the Need/Impact:

- *2.5% of all Hedge Fund Managers are women*
- *9% of all Mutual Fund Managers are women*
- *Bella Research Group/The Knight Foundation 2018 Study of the Asset Management Industry findings: women owned 4.6% of hedge funds. Looking at the asset management industry as a whole firms majority-owned by women/minorities managed .9% of the industry's assets. Including firms with 9-25% percent ownership the share rose modestly to 1.3%.*

Creating a flexible work environment to allow our employees to find their optimal work/life balance

- The firm's goal is to provide flexibility to help accommodate the work/life balance that can be so difficult to strike through arrangements such as part time, flexible work hours, work from home, and job-share roles.

Provide an On-Ramp for Women into Finance

- The firm actively seeks out female candidates for open positions to ensure parity in the applicant pool in addition to encouraging women to return to the work force after having taken time out.

Building a pipeline through Seelaus' summer internship program for female high school and college students

- **Illustrating the opportunity for women in finance:** The program equips them with the knowledge, skills, and confidence to pursue a successful finance career.
- **Creating a positive support network:** One of the main limitations driving gender inequality in the workplace is the lack of female mentors providing guidance towards achieving higher level roles. Seelaus provides a space for young women to access and meet female role models.

Seelaus – An Advocate for Women and the Community

- As a WBE, Seelaus Asset Management LLC, along with its parent company R. Seelaus & Co., Inc., is committed to advancing the role of women in finance. This includes providing an on-ramp for women back into the workforce as well as flexibility to provide part-time and work-from-home schedules.
- Through the summer internship program for female high school and college students, Seelaus provides a space for young women to access and meet female role models to help create a positive support network.
- In response to COVID-19, Seelaus has made contributions to several area front line organizations including the Visiting Nurses Association, St. Barnabas Hospital, Overlook Medical Center and Morristown Medical Center.
- In support of the groundswell of voices clamoring for change, Seelaus stands with all diversity firms and has committed to supporting the NAACP Legal Defense Fund and Color of Change.
- Seelaus is an active sponsor of several local and national community organizations. This includes monetary support as well as hands on involvement by our employees.
 - ❖ Annual mentorship of Girls on the Run teams, including firm sponsorship of and participation in program events.
 - ❖ Annual firmwide volunteer outing to the Community Food Bank of New Jersey.



Seelaus Asset Management Key Disclosures

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The minimum account value for GEM strategy accounts is \$100,000.

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