Non-US Strategy Commentary

4Q21

Southeastern Asset Management

	Annualized Total Return					
	4Q (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)
Non-US Strategy (Gross)	1.69	2.64	7.47	8.43	9.32	7.99
Non_US Strategy (Net)	1.48	1.83	6.62	7.56	8.40	6.91
MSCI EAFE	2.69	11.26	13.54	9.55	8.03	6.59
MSCI EAFE Value	1.17	10.89	7.82	5.34	5.81	5.59

*Since Inception 6/30/2002

The Non-US Strategy added 1.48% in the fourth quarter versus MSCI EAFE's return of 2.69%. For the full year, the portfolio returned 1.83%, while the MSCI EAFE returned 11.26%. As discussed in our third quarter letter, the frustrating performance for the year stems mostly from our exposure to overseas-listed China and Hong Kong. COVID lockdowns re-accelerated in the second half, and investor anxiety from several rounds of regulation in the Chinese technology, education, real estate and Macau gaming sectors created extreme volatility. Consumer Discretionary was by far the worst absolute and relative-performing sector, with most of the relative decline coming from our China-exposed businesses. Additionally, some of our consumer-leveraged companies, like Accor, that were looking healthy at mid-year have taken another leg down on the emergence of the new COVID variants. Although European-listed Lanxess and Millicom (which is actually a Latin American business, despite its Swedish listing) were absolute and relative detractors, our European businesses were collectively the top contributor for the year. The strongest performers were a mixture of companies we have known for a decade or more in Fairfax and EXOR and companies that are newer additions to the list of "prototypical Southeastern favorites"- great businesses that can grow for a long

Portfolio Characteristics

Price-to-Value	low-60s%
# of Holdings	22
% of Cash	7.4%
Portfolio Yield	1.6%

time, while generating significant cash and allocating it intelligently – in Richemont and Domino's Pizza Group PLC.

Unfortunately, two large macro headwinds overshadowed the solid, bottom-up fundamentals within our diversified portfolio of high-quality businesses with aligned management partners that are taking steps within their control to create and recognize value. The team has been busy, reviewing our top-down view on China and re-underwriting our businesses on a case-by-case basis in the wake of the current environment. We draw upon insights from our extensive network of regional and industry experts, current and former investee company management teams and boards, asset management peers and clients to help inform our qualitative view. Although we believe that much of the China and Hong Kong markets have been unduly punished, creating some compelling bottom-up opportunities, we recognize that the macro events of 2021 will likely create long-term headwinds for many of the businesses there. We reduced our overall allocation to the region this year (though it remains notably higher than the index) and increased our European exposure. In a challenging macro environment, we believe it is even more important to concentrate in your best ideas, where you truly know your businesses and the management teams at the helm. We believe that this year's detractors are poised to be strong drivers of absolute and relative outperformance from today's depressed levels, even as we recognize that it may not be a completely smooth road to recovery. Our remaining Chinese and Hong Kong businesses are run by owner operators that are actively taking steps to create value and get those values recognized in the market, and we are seeing a record amount of insider buying across the portfolio, highlighting the confidence of our management partners.

Performance Review

After a strong relative and absolute first half of the year, the portfolio gave up its initial gains in the second half, as China and Hong Kong were severely punished in the face of macro pressures and uncertainty. The MSCI Zhong Hua (ZH) index, a composite index comprising the MSCI China and Hong Kong indices, was down over 19% in 2021, underperforming its own 3- and 10-year average returns by approximately 26%, and falling short of the MSCI EAFE, MSCI World and the S&P 500 by a stunning 30.5%, 41% and 47.7% respectively, reflecting the deep pessimism of investors towards China and the extremely strong performance of developed markets. While US Big Tech – Microsoft, Apple and Alphabet – were among the three biggest contributors to the S&P 500 index's 2021 gains, Asian Big Tech conglomerates – Alibaba, Tencent and Softbank – were the three of the four largest detractors to the MSCI AC Asia Pacific's 2021 returns, driven primarily by tech regulation in China.

2021 has been an extraordinarily volatile year for capital markets in Greater China. US-China tensions, China property concerns, regulatory changes across the China education and technology sectors and Macau gaming license issues, on top of harsh COVID-induced border lockdowns, have all added to market volatility. The commentary from the 3Q letter detailing our interpretation of and response to these events remains pertinent.

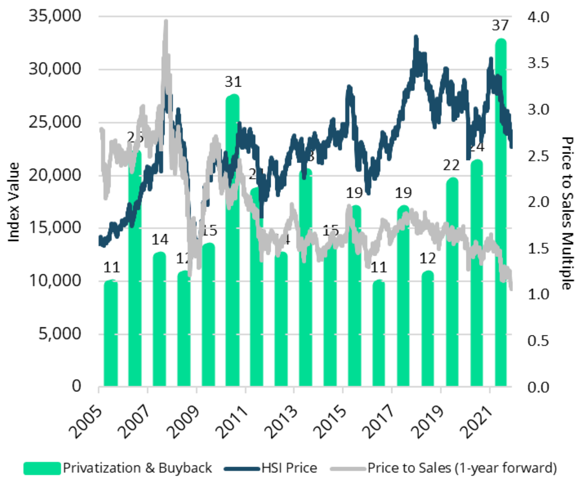
In the fourth quarter, we saw an easing of some areas of uncertainty, including the potential for Chinese securities regulation of overseas-listed variable interest entities (VIE), a structure that has allowed Chinese companies to skirt a formal prohibition on foreign investment in internet services. Fears that this structure could be deemed illegal, wiping out the value of foreign investors' holdings, were put to rest when the China Securities Regulatory Commission (CSRC) officially extended oversight of offshore listing to Chinese firms with VIE structures in late December.

Additionally, fears subsided over drastic regulation of gaming in Macau, including the potential revocation of gambling licenses (as discussed in detail in our third quarter letter), when the Macau government published its final report on the public consultation on the Macau license re-tendering on December 23. Although the report was merely a summary of public opinions gathered during the consultation period and not a final position by the government, it was positive in many respects. After the end of the quarter, Macau casino stocks rallied after authorities confirmed the revised gaming laws would involve minimal changes to the original gaming license terms and would maintain six casino licenses for up to 13 years, providing long-awaited clarity. While the industry remains depressed in the face of COVID-related lockdowns, Macau is poised to rebound quickly as pent-up demand is likely to fuel a rapid return as borders ultimately re-open. Melco International, the holding company for Macau casino operator Melco Resorts, stands to win doubly, as a rebound can help close the historically wide (and in our view unjustified) discount between holdco and the underlying operating business.

Our Hong Kong, Macau and other Chinese investments were affected to varying degrees by a resurgence of COVID-related lockdowns in the second half, as the Chinese government increased efforts to contain the Delta (and now Omicron) variant. Omicron's higher transmissibility and the lower efficacy of the local Sinovac vaccine will make it more difficult for China to maintain its "zero-COVID" strategy, exacting a greater toll on the economy, which is reflected in share prices. If Macau and Hong Kong conform to Beijing's zero-COVID strategy, their borders with each other could open faster, allowing more freedom of movement between Hong Kong, Macau and Mainland China and ultimately benefitting our investments in Hong Kong and Macau, particularly our investment in Melco. We are monitoring the situation closely.

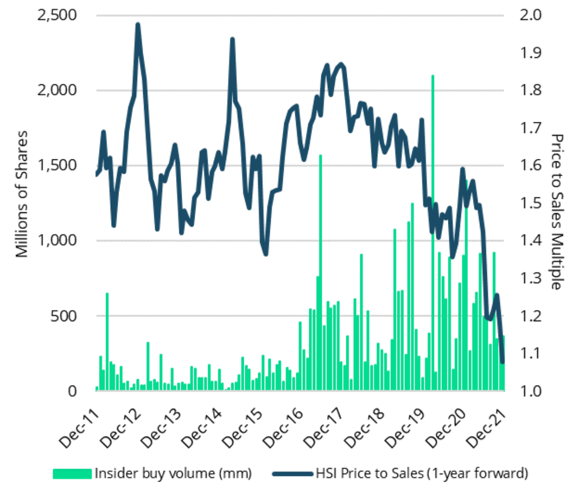
Supporting the case that China and Hong Kong offer compelling valuations, we have seen historically high levels of insider purchase activity across the region (and within our portfolio companies) in the last two years. At a time of elevated uncertainty and investor panic, it's always reassuring to see what insiders — who have better access to information and policymakers than outside shareholders, especially in a market like China where transparency is lower and volatility is higher — are doing with their money. Insiders in Hong Kong are taking advantage of the dislocation in prices by buying significant amounts of their own companies. The number of applications to the Hong Kong Securities and Futures Commission for privatization and buybacks has increased significantly as market valuations became more attractive. In the last two months of the year, there was over 3x more insider buying than selling volume in the Hong Kong stock exchange, surpassing the levels seen in February 2020, when COVID first broke out in China.

Applications for Privatization and Buybacks



Source: Hong Kong Securities and Futures Commission; Bloomberg

Insider Buying vs. Hang Seng Price/Sales



Source: 2iQ Research; Bloomberg

Active insider buying in Hong Kong contrasts sharply with record levels of insider selling in the US, reflecting the high valuations of the US capital markets. While large insider sales have been well-publicized at market darlings Tesla, Facebook, Google and Microsoft, the trend is across the board. According to InsiderScore, insiders at US-listed companies sold $165 billion of stock in 2021, 2.4x the average since 2008. In 2021, US insiders sold 23x more than they bought.

While relative and absolute valuations make the region quantitatively attractive, as long-term, bottom-up fundamental investors, “cheap” is never enough for us. We are seeing some truly “table-pounding” bargains, supported by powerful insider purchasers, but this is balanced by some troublesome developments in these markets that will have long-lasting effects. Contacts across our network – and at times portfolio managers for the non-US strategy – are mixed in their outlook. Having an experienced team on the ground with expertise spanning the Asia Pacific time zone, working together with the broader global research team with over four decades of experience in multiple geographies and market environments, is a distinct advantage. We continue to evaluate our portfolio in real time to ensure we maintain the best margin of safety and long-term upside potential.

Contribution to Return

4Q Top Five

Company Name	Total Return (%)	Contribution to Return (%)
Richemont	45	1.94
Domino's Pizza Group (UK)	16	1.02
Fairfax Financial	17	0.72
EXOR	6	0.63
GRUMA	12	0.55

4Q Bottom Five

Company Name	Total Return (%)	Contribution to Return (%)
Millicom	-22	-1.06
Glanbia	-15	-0.99
Alibaba	-17	-0.65
Accor	-10	-0.48
LANXESS	-9	-0.42

YTD Top Five

Company Name	Total Return (%)	Contribution to Return (%)
Richemont	69	2.79
Domino's Pizza Group (UK)	47	2.20
Fairfax Financial	41	1.73
EXOR	11	1.19
CK Asset Holdings	19	0.57

YTD Bottom Five

Company Name	Total Return (%)	Contribution to Return (%)
Melco International	-37	-2.44
Alibaba	-47	-1.97
Millicom	-27	-1.47
Prosus	-22	-1.05
LANXESS	-19	-0.98

Richemont, the Swiss luxury goods company, was the top contributor for the fourth quarter and the full year. Under the leadership of CEO and owner operator Johann Rupert, Richemont has deftly navigated a volatile market over the last several years in the face of the Chinese crackdown on corruption and corporate giving, followed by political unrest in Hong Kong, one of the largest luxury watch markets, and most recently COVID. Against these challenges, management has always responded with a long-term value creative mindset, resulting in a stronger, more profitable, more dominant business today. Richemont has been a relative COVID winner in the luxury goods space, as the most iconic brands that are less reliant on current advertising or trends remained top of mind throughout the lockdown environment and continued to gain share disproportionately. Richemont's Cartier and Van Cleef & Arpels are two of the strongest brands in the market. Additionally, the benefits of a significant supply chain reorganization have become highly visible this year in the reported results, with profitability at the jewelry maisons expanding to all-time highs, driving an exponential step-up in free cash flow. Amid the macro pressures of the last several years, Richemont bought in the listed minority of Yoox Net-a-Porter (YNAP) in 2019, consolidating its losses, which optically made the group valuation look less attractive but actually brought control of their increasingly important online distribution channels fully in-house. Today, Richemont is working to create a non-majority owned luxury platform, which would result in the deconsolidation of the losses and highlight the latent value in this business. The company is currently in advanced discussions with Farfetch (and others) to take minority stakes in YNAP and convert the platform to Farfetch technology – something already being trialed in the Chinese JV. Given the power of the core Richemont brands and the structural drivers of branded jewelry and luxury goods more broadly, we continue to see strong growth prospects translating into mid-double-digit earnings per share (EPS) growth on a sustainable basis.

Domino's Pizza Group PLC (DPG), the leading UK pizza delivery company, was another top contributor in the quarter and for the year. When we first invested in DPG in April 2019, we saw the opportunity to engage to help drive improvements in the company's governance and other ESG considerations. After two+ years of engagement and much heavy lifting, the company now has a top-notch management team led by CEO Dominic Paul and a fully replaced board of directors that is now best-in-class on all metrics of ability, diversity, ESG priorities, capital allocation and shareholder friendliness. A tangible example of the contrast between old leadership and new leadership is the December 2021 announcement of a new agreement between DPG and the franchisees, signaling an alignment of intent and a spirit of teamwork to pursue the significant opportunity in the UK pizza space. Despite a share price compounding at 28% per year over our ownership period, the investment remains attractively priced, as our appraisal has also compounded healthily. DPG today is a technology-led company with nearly all of its orders coming over the company app and website. They are still in the early days of more effectively harnessing this data and customer knowledge to drive further wallet penetration. Recognizing the high cash generation but minimal capital intensity of the business model, management and the board have committed to buying back stock whenever it is attractive – we estimate 2-4% of shares outstanding per year – on top of paying the 2% dividend. Robust organic growth on the back of the franchisee agreement will support like-for-like sales growing at mid-single digits and potentially up to double digits, with new store openings totaling another few percent per year in growth. Coupled with systematic shrinking of the share count, the result could be sustainable double-digit to mid-teens EPS growth and a share price well above today's level.

Fairfax, the Canadian insurance and investments conglomerate, was also a top performer in the quarter and the year. We tendered approximately 20% of our position into the $1 billion tender offer share repurchase just executed at $500 per share - a 10% premium to the pre-buyback trading price. The repurchase is funded by selling 10% of subsidiary OdysseyRe at nearly 2x book value to a Canadian pension plan. Fairfax retains control of OdysseyRe, while the pension plan will benefit from the steady earnings and attractive pricing in the insurance market. Fairfax was a superb – if volatile at times – investment through our initial investment period of 2000 to 2015, compounding at 15% per year. Since we invested again in 2017, it has been less satisfying, but shareholder-friendly actions like this sale and large repurchase indicate that Chair and CEO Prem Watsa has not lost his touch. This year, written premiums have grown well, and Watsa is intelligently delevering the balance sheet with the free cash flow (FCF). Fairfax's combined ratio was slightly unprofitable last quarter at 101%, due to Hurricane Ida and European flooding, but the underwriting is otherwise improving towards a normalized low-90s combined. Though Fairfax's investments portfolio did not outperform this year, Watsa made the good decision to end the company's costly hedging program. After appreciating significantly this year, Fairfax's 45% stake in digital insurance unicorn Digit is now worth 10% of the company's market capitalization. The stock should not continue to trade below book value with profitable underwriting, less debt and a growing investment portfolio. Watsa led a major repurchase effort this year to take advantage of the lingering P/V discount. We are actively engaged with the company on several ESG topics. We believe that management is best-in-class and think Fairfax's abysmal CCC rating by MSCI ESG should be higher. We have encouraged the company to improve its ratings agency engagement and to increase its environmental initiatives, including more transparent carbon footprint reporting and better incorporation of climate change risk assessment in the underwriting business.

EXOR, the European holding company of the Agnelli family, was another strong contributor in the quarter and for the full year on the back of multiple value-accretive corporate actions across the three largest components of EXOR's value (collectively comprising ~80% of our appraisal): Stellantis, CNH International and PartnerRe. Last year, EXOR transformed underlying holding Fiat Chrysler through a strategic merger with PSA Group of France, with the official combination into new company Stellantis completing in January 2021. Stellantis CEO Carlos Tavares came from PSA, where he was widely regarded as top in the global auto executive field. EXOR CEO and Chairman John Elkann serves as Chairman of Stellantis, bringing his capital allocation and strategic expertise to the operational brilliance of Tavares and team. As a result, Stellantis should be the third largest global auto original equipment manufacturer (OEM), unlocking economies of scale and supply chain efficiency and positioning the company to navigate the continuing industry evolution to electrification, increased autonomous capabilities and transportation as a service. In 2020, EXOR announced that the previously agreed deal to sell reinsurance company PartnerRe to French co-operative insurance company Covea had fallen through in the COVID lows. The news hit the share price hard, and EXOR was one of our worst 2020 performers. However, in late October 2021, EXOR announced a renewed deal to sell PartnerRe to Covea for $9 billion, over 40% of EXOR's current market value. This multiple of 1.4x adjusted tangible book value was nearly 10% higher than the value we had assumed for PartnerRe. While optically at the same price as the prior deal, the full value of the relationship is greater given the €1.5 billion of investments Covea agreed to make ($750 million in the investment arm of PartnerRe, which is run by EXOR for a fee, and $750 million in EXOR co-investments) after it broke the original 2020 deal. We expect EXOR to use proceeds from the deal to pay down holding company level debt, buy back $500 million in stock and retain significant firepower on the balance sheet to be used opportunistically. Given the track record of the EXOR team, we are confident this capital will create even more value when put to work. Finally, CNH Industrial completed the previously announced plan to split into two companies on January 1, 2022. The commercial vehicles business, Iveco Group, was spun out of the CNH agricultural business that comprises Case I.H., New Holland and Steyr. We believe that two focused companies traded separately will unlock more potential and value.

Melco International, the Macau casino and resort operator, was the top detractor for the year. Macau does not have a domestic market and heavily relies on cross-border tourism (primarily with mainland China), so the recovery remains dependent on the border reopening progress, which continues to get pushed back due to China's zero-COVID policy. As discussed above, the entire sector also took a beating when the Macau government announced its plans in September to kick off a 45-day consultation period for amendments to the gaming law in preparation for the license renewal process for Macau casino operators. Additionally, the intensified scrutiny on VIP junket business, culminating in the arrest of the founder of the biggest junket operator Suncity in the fourth quarter, further soured investor sentiment. As we saw in January 2022, the license renewal process is playing out roughly as expected, and there is nothing we have seen in the recently announced laws that warrant a material impact on the value. As for the VIP crackdown, this has been an ongoing theme since 2013 when Xi Jinping became the President of the PRC. Junket VIP represent a single digit % of Macau EBITDA and will not have material impact on the earnings power of the industry or at our holding in Melco. Our investment in Melco is underwritten by growth prospects of Mass Gaming demand. Mass-led recovery has been delayed due to severe border restrictions between China, Hong Kong and Macau, and we are confident that when restrictions are eased, we will see earnings and stock price recovery in short order. Our view is that the common prosperity has already occurred in Macau. The six concessionaires provide 40% of their revenue in taxes to the government. The Macau gaming industry contributes 70-80% of the government's tax revenue, over 55% of gross domestic product, and is the largest employer in Macau. Most Macanese are in a much better economic position due to the gaming industry, and we believe that the government would rather have gambling activity in a place they control, rather than occurring in other parts of southeast Asia. Post the sell down, we have seen insiders at two local operators buying shares, echoing our view that Macau shares are deeply undervalued and will be the major beneficiary of the re-opening.

Alibaba, the largest online retail platform in China, was a top detractor for the year and in the fourth quarter. Alibaba reported weak quarterly results and downgraded its sales outlook for the current fiscal year to 20-23% growth, down from original guidance of 29-32% growth. Macro headwinds, weak consumer sentiment, regulatory scrutiny and competitive forces are having a larger than expected impact on overall retail sales and Alibaba's market share. Notably, overall retail sales in China slowed down to a meager 5% growth in the September quarter. Slowing consumption, combined with stiff competition from new entrants in livestreaming e-commerce, have resulted in transitory deceleration in Alibaba's core e-commerce growth trajectory. Additionally, the company is accelerating strategic investments in new initiatives, including Community Group Buying (Taocaicai), Taobao Deals, Local Consumer Services and International e-commerce. These are future growth drivers but are depressing company's earnings today.

Millicom (TIGO), the Latin American cable company, was one of the largest detractors in the fourth quarter and among the top detractors for the year. From the beginning of 2021 through November 12, Millicom's price was down slightly. At that point, we thought this to be somewhat unjustified since 2021 cash flow was up and was in line with projections, and free cash flow was being allocated mostly to grow the cable business in double digits in terms of subscribers and revenues. Through that point of the year, our appraisal for all of Millicom had grown at a healthy clip. Then on November 12, TIGO announced a very important strategic acquisition: buying in the half of its Guatemala business which Millicom didn't already own. It happened very quickly, and at a very attractive multiple; but because of the suddenness of the event, the TIGO balance sheet was not prepared for a cash-only purchase. So the company announced a debt deal for two-thirds of the purchase price and an equity rights offering for one-third. The rights offering can't happen until 2021 year-end financials are completed in the first quarter of 2022, and this has created a severe "overhang." There are plenty of bears on Millicom, on Latin America, on telecom, etc., who either don't buy or who have shorted Millicom. Among the Millicom bulls, in our small sample of contacts, they are waiting for the rights offering to add to positions. Additionally, tax-loss selling probably exacerbated the stock price weakness late in the quarter. We believe that the accretion to our appraisal and to FCF per share, and as well as the strategic benefit of fully owning and consolidating the Guatemala business, makes this a very wise allocation of capital for Millicom. Additionally, company operations, especially cable, continue to perform very well. But we are paying a steep short-term price since the announcement.

Prosus, a global consumer internet group, was a top detractor for the year. Tencent (which accounts for 85% of Prosus's NAV) has been impacted by slowing macro and China Tech regulatory headwinds. It reported relatively weak results in the third quarter, with revenues up 13% year-over-year (YOY) and adjusted operating profits up 7% YOY. Its online advertising business grew 5% YOY, much slower than 23% growth in prior quarter. The gaming business grew 7% YOY, which was better than the market feared, emphasizing its overseas growth potential and its efforts to control gaming by minors. Tencent's fintech and cloud businesses posted solid growth and strengthened their competitiveness. Tencent recently announced a partial stake sale and distribution in specie in some of its associate companies, including SEA Limited and JD.com to reduce the discount to its net asset value (NAV). Meanwhile, Prosus's global e-commerce portfolio reported strong results, with 53% growth in local currency driven by classifieds (+101%), food delivery (+86%), edtech (+51%) and payments (+44%). The IRR on these investments is more than 20%. The market is ascribing no value to this e-commerce portfolio (worth $49 billion per company disclosure), despite the company's proven ability to build and grow the business. Post the value-accretive voluntary exchange offer for Naspers N shares into Prosus N shares in August 2021, the discount to NAV further widened in contrast to our initial expectation, primarily driven by negative sentiment around China tech stocks and increased supply of Prosus shares. We believe the current level of discount is unwarranted given the solid growth prospects for Tencent and the global e-commerce portfolio. Management is focused on narrowing the discount to NAV and has bought back over $11.5 billion in shares in the last 18 months.

Portfolio Activity

Summary of Trade Activity in 4Q

New Purchases	Full Exits
Undisclosed	CK Asset
Undisclosed	

In the fourth quarter, we initiated two new European investments, which remain undisclosed as we continue to build out the positions. One is a German financial business, which is the low-cost operator in a structural growth market with significant room for market share gains and a management team that is heavily invested in the business. The second is an Italian company that we know well from existing and historical investments, and we had the rare opportunity to purchase the stock at a discount in the quarter. We completed the sale of CK Asset, which we had trimmed earlier in the year. We believe property development will remain challenging in Hong Kong and China. CK Asset's value growth had been disappointing over too long a period. Though still likely discounted versus a break-up value we do not see such a path as likely in this environment.

Southeastern Updates

The last two years have taught us to be more flexible to adjust to rapidly changing environmental factors and to allow for better work/life balance for our employees, while maintaining productivity levels and a connection to our central culture. We believe our established research network continues to provide us a clear competitive advantage.

We expanded our global research expertise and network with the addition of Will Allen, who joins in January 2022 as a Memphis-based Junior Analyst, and Julio Utrera, CFA, who joined this summer as a London-based Analyst. Will is a 2019 college graduate who brings experience at value investing firm International Value Advisors. Originally from Spain, Julio adds eight years' experience of investing with a value focus in public and private equity in Europe and developing markets, as well as ESG expertise. Julio holds his CFA Certificate in ESG Investing and served on the ESG Committee in his last role at T. Rowe Price International Equities, and he has already been a valuable addition to Southeastern's ESG committee.

In last year's annual letter, we highlighted the importance of environmental, social and governance (ESG) factors – both in our research process and in how we run our business – and the steps we have taken to formalize our approach. In 2021, we published our first annual ESG Report, which we would encourage you to read to learn more about our approach. Over the last year, we have continued to make progress and set new goals in this rapidly developing area – we signed on as a supporter of the Task Force on Climate-Related Financial Disclosures (in addition to being a signatory to UNPRI and CA100+); the research team undertook external ESG training; we expanded our portfolio carbon footprint data monitoring and established a Southeastern-specific template for carbon footprint reporting; we committed to directly engaging with management teams on their carbon reporting and efforts to improve their environmental practices (with recent success from these efforts seen at DPG, Glanbia and EXOR, each of which set ambitious energy and emissions reductions goals, among others).

Another key area of focus has been fostering, cultivating and preserving a culture of diversity, equity and inclusion (DEI) at our firm, as well as engaging with our portfolio companies to better understand their approach to DEI and in some cases to push for increased diversity at a board and/or management level. As a small, lean firm with low employee turnover, we have looked for ways that we can partner with other organizations to help make a positive impact within our industry. In 2021, we partnered with the Notre Dame Institute for Global Investing via their Investment Management Access Program (IMAP – a program focused on improving diversity within the asset management industry) and Girls Who Invest (GWI – an organization that is helping transform the asset management industry by bringing more women into portfolio management and leadership).

In August 2021, we launched an exciting new initiative, Greenwood Pine Partners, a mission-driven, minority-owned investment management firm with initial funding from the Shelby County Retirement System in Tennessee. Greenwood Pine is 51% owned by Southeastern Senior Analyst and Principal Brandon Arrindell, who is African American and from Memphis. Brandon serves as both majority owner and portfolio manager for this US-focused, all-cap strategy employing Southeastern's long-term, concentrated, engaged approach. The goal of the structure and partnership with Shelby County is to produce strong risk-adjusted returns while also working to address the issue of minority underrepresentation in asset management. Where possible, Greenwood Pine seeks to partner with minority-owned, local service providers. Southeastern has pledged the proceeds derived from its 49% stake in the LLC to organizations that support under resourced communities.

Finally, we are always looking for ways to improve our communications with clients. Beginning next quarter, we will provide a Frequently Asked Questions-format podcast to allow you to hear directly from your portfolio managers. The audio format will have a transcript available and will be supported by a quarterly fund summary and a longer, more detailed annual letter at the end of the year. We will continue to highlight discussions with management teams and other ad hoc topics in the *Price to Value Podcast with Southeastern Asset Management*, with our newest episode coming in January, in which Staley Cates interviews Realogy CEO and President Ryan Schneider.

Outlook

The portfolio ended the year with 7.4% cash and a substantial list of on-deck opportunities. Despite recent underperformance, the high level of insider buying by locals, the vast underperformance of China and Hong Kong relative to other markets and the strong fundamentals of our high-quality businesses and aligned management partners give us significant confidence in our portfolio holdings. On the other hand, our top performers saw substantial value growth in the last year, meaning they remain attractively discounted with significant upside even after solid price appreciation in 2021. We believe the market trend of paying ever-higher multiples for revenue growth at the expense of profitability and reasonable multiples has led to a once-every-few-decades divergence in our portfolio vs. the index. This is most obvious in US markets, with valuations at elevated levels on nearly any metric. We believe that the US-dollar led, Federal Reserve-enabled, growth stock-leveraged, meme stock-fueled, speculative binge may have reached its peak. Monetary policy is now changing course, with the US Federal Reserve tapering bond purchases and signaling multiple rate hikes in 2022. Tech stocks are no longer outperforming, and the SPAC craze has begun to fizzle. As this trend turns, we feel strongly that non-US, non-USD, value-conscious, business quality-focused, owner-oriented investing in a concentrated, long-term manner is the place to be. We are confident that our concentrated portfolio comprising strong businesses, run by owner-operators, currently trading at high margins of safety will deliver significant outperformance in the years ahead.

See the following for important disclosures.

Southeastern Asset Management can be found in our ADV Part 2, available at www.southeasternasset.com. Statements regarding securities are not recommendations to buy or sell the securities discussed. The statements and opinions expressed are those of the author and are as of the date of this report. Holdings identified do not represent all of the securities purchased, sold, or recommended for advisory clients. Current and future holdings are subject to risk and past performance does not guarantee future results. Strategy information is based on a sample account at December 31, 2021. Portfolio makeup and performance will vary on many factors, including client guidelines and market conditions.

P/V ("price-to-value") is a calculation that compares the prices of the stocks in a portfolio to Southeastern's appraisal of their intrinsic values. The ratio represents a single data point about a strategy and should not be construed as something more. P/V does not guarantee future results, and we caution investors not to give this calculation undue weight.

"Margin of Safety" is a reference to the difference between a stock's market price and Southeastern's calculated appraisal value. It is not a guarantee of investment performance or returns.

SOUTHEASTERN ASSET MANAGEMENT, INC.
INSTITUTIONAL NON-U.S. EQUITY COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (USD) (millions)	Composite Assets (USD) (millions)	Number of Accounts	MSCI EAFE (with net dividends)	Annual Performance Results Composite Gross	Annual Performance Results Composite Net	Composite Dispersion	Composite 3-Yr Annualized EX-Post Standard Deviation	Benchmark 3-Yr Annualized EX-Post Standard Deviation
2020	10,270	465	5	7.8%	2.0%	1.2%	1.8%	22.7%	17.9%
2019	12,481	451	5	22.0%	18.6%	17.6%	1.3%	13.4%	10.8%
2018	13,881	386	5	-13.8%	-5.7%	-6.4%	0.8%	13.1%	11.2%
2017	18,203	453	5	25.0%	28.0%	27.0%	1.9%	15.1%	11.8%
2016	19,302	354	5	1.0%	13.4%	12.5%	1.3%	15.4%	12.5%
2015	20,315	298	5	-0.8%	-4.0%	-4.8%	2.0%	14.0%	12.5%
2014	30,542	313	5	-4.9%	-7.5%	-8.2%	1.3%	13.9%	13.0%
2013	34,914	325	<5	22.8%	30.0%	28.8%	na1	16.5%	16.3%
2012	31,752	281	<5	17.3%	24.2%	22.8%	na1	18.4%	19.3%
2011	31,485	455	6	-12.1%	-19.3%	-20.1%	0.6%	20.9%	22.4%

na1 - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Institutional Non-US Equity Composite - Portfolios included in this composite contain not only companies headquartered outside of the U.S., but also U.S. domiciled companies with more than half of revenues, profits, or appraised value derived from non-U.S. locations. These portfolios normally contain 18-22 securities. Country and industry weightings and market cap size are a by-product of bottom-up investment decisions. Cash is a by-product of a lack of investment opportunities that meet Southeastern's criteria. The benchmark used for comparison is the MSCI EAFE Index with net dividends.

Southeastern Asset Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Southeastern Asset Management, Inc. has been independently verified for the periods January 1, 2001 through December 31, 2020. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Institutional Non U.S. Equity Composite has had a performance examination for the periods July 1, 2002 through December 31, 2020. The verification and performance examination reports are available upon request.

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Southeastern is an independent investment management firm that is not affiliated with any parent organization. Southeastern invests primarily in equities.

Results are based on fully discretionary portfolios under management that are managed without regard to tax considerations. Past performance is not indicative of future results.

A list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds are available upon request.

The U.S. dollar is the currency used to express performance. Returns are presented gross and net of management and performance fees and include the reinvestment of income. Dividends are recorded either gross or net of foreign withholding taxes based on the treatment of these taxes by the accounts' custodian. Net of fee performance is calculated using actual management and performance fees. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the portfolios in the composite the entire year. Composite dispersion and 3 year annualized ex-post standard deviation are reported using gross returns. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The investment management fee schedule for accounts with a market value less than $100 million is 1.0% on the first $50 million and 0.875% on the next $50 million. The fee schedule for accounts with a market value exceeding $100 million is 0.75% on all assets. Actual investment advisory fees incurred by clients may vary.

The Institutional Non-U.S. Equity Composite was created on July 1, 2011. The inception date for this composite is June 30, 2002.