



## RETURN CHARACTERISTICS: LONG TERM TRACK RECORD VS. COMMON STOCK

	1 Yr Ann. (%)	3 Yr Ann. (%)	5 Yr Ann. (%)	10 Yr Ann. (%)	Since Inception Ann. Return (%)
Global Balanced Convertible Institutional Composite (Gross)	33.19	13.23	11.78	8.92	7.91
Global Balanced Convertible Institutional Composite (Net)	32.42	12.51	11.06	8.27	7.38
Refinitiv Convertible Global Focus Index (USD Hedged)	21.85	10.6	8.37	6.37	5.21
MSCI World Index (in local currency)	37.86	14.62	14.56	11.93	7.91

*Inception date of the Global Balanced Convertible Institutional Composite was November 30, 2006. Past performance is not a guarantee of future results. Advent claims compliance with Global Investment Performance Standards (GIPS). Performance is as of May 31, 2021. Returns presented on a gross basis are substantially higher than on a net basis because gross returns do not reflect the deduction of investment advisory fees and other expenses that would be incurred by a client. Investment advisory fees have a compounding effect in reducing the value of a client portfolio over time. Past performance is not a guarantee of future results. Please see the "Disclosures" section at the end of this presentation.*

### OVERVIEW

Advent Capital Management, LLC was founded in 1995 and is a registered investment advisor with the SEC. Advent manages more than USD 11 billion in assets across several traditional, alternative, and closed-end fund strategies for corporations, public pension plans, insurance companies, foundations, endowments and high-net-worth individuals. Advent's proficiency in investing across the entire capital structure is driven by the strength of its fundamental, bottom-up credit and equity research. Advent's team is among the largest and most experienced in the industry with 20 seasoned investment professionals. The firm has been managing assets in traditional and alternative strategies for nearly 25 years. Advent is a signatory to the UN PRI.

### CONVERTIBLES ARE AN OVERLOOKED ASSET CLASS

Convertibles are an overlooked asset class despite outperforming broad equity and fixed income indices over time with lower volatility than equities. Convertibles are not a mainstream asset class, and are not often included in model portfolios of institutional consultants. Convertibles are not widely used in mutual funds, are rarely discussed in financial publications or electronic media, and do not typically trade on public exchanges. Yet the global convertible market (USD 702 billion) is large enough to enable specialized managers to run large diversified portfolios and to generate attractive risk adjusted and absolute returns.

The convertible market has also undergone a positive structural transformation, as liquidity, diversification and quality of issuers have increased significantly with the growth of the market. The majority (over 90%) of the market is comprised of large cap and mid cap issuers. In addition, the terms of convertible deals have also become more favorable for investors, as call protection has been extended and bond maturities have been shortened from 25-30 years to 4-7 years. Despite all of these positive changes, convertible securities continue to be an overlooked asset class and are thus a "think outside the box" investment solution.

### INVESTMENT PHILOSOPHY

The Strategy seeks equity-like returns by investing in a diversified portfolio of "theoretically cheap" balanced global convertible securities with attractive risk/reward profiles offering 75-85% of the underlying equity upside, while limiting the downside risk. Advent selects equity-like convertibles that have favorable credit and equity fundamentals as well as positive asymmetry, and it strives to invest in the most attractive convertibles regardless of geographic location.

### STRATEGY

The Strategy invests in global "balanced convertibles" that pass Advent's rigorous credit and equity fundamental analysis tests. In addition to convertible models, Advent relies on bottom-up, fundamental credit analysis. This differentiates Advent from those convertible investors who examine these securities strictly from a common stock standpoint, while placing less emphasis on the numerous nuances of the fixed income portion of the security. We utilize a credit based approach to identify attractive convertibles of companies with favorable credit and equity fundamentals. We believe that rigorous credit analysis, in addition to careful examination of equity fundamentals, will result in a portfolio that will produce superior returns over time.



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### Global Balanced Convertible Institutional Composite

Year	Total Return Gross of Fees %	Total Return Net of Fees %	Refinitiv Global Focus Index USD Hedged	Number of Portfolios	Dispersion %	Total Composite Assets End of Period (\$MM)	Total Firm Assets End of Period (\$MM)
2011	-8.74	-9.00	-4.58	≤ 5	N/A	196.8	5,537.9
2012	14.28	13.79	11.26	≤ 5	N/A	45.9	6,092.1
2013	21.39	20.68	13.03	≤ 5	N/A	197.9	7,591.3
2014	5.55	4.85	4.73	≤ 5	N/A	370.4	8,427.9
2015	4.10	3.42	3.83	≤ 5	N/A	389.9	8,563.3
2016	5.11	4.40	1.59	≤ 5	N/A	312.6	8,835.2
2017	11.97	11.25	6.00	≤ 5	N/A	251.2	9,350.1
2018	-4.97	-5.63	-3.01	≤ 5	N/A	199.1	8,479.6
2019	17.65	16.86	13.10	≤ 5	N/A	212.2	9,300.1
2020	27.03	26.24	22.84	≤ 5	N/A	253.97	10,940.3

\*Inception of the Global Balanced Convertible Institutional Composite was November 30, 2006

### Composite Characteristics:

1) Advent's Global Balanced Convertible Institutional Composite (Composite) consists of the following:

Inception of the Global Balanced Convertible Institutional Composite was November 30, 2006 and the creation of the composite was November 30, 2006.

The Composite represents accounts for clients that met the definition of Qualified Institutional Investor (QIB).

Please note that as of December 31, 2014, Advent had two separately managed accounts, which are QIBs, and two sleeves of Advent's closed end funds.

Accounts in the composite invest in USD and non-USD denominated balanced convertible securities that seek to participate in 75-85% of the equity upside and only 50% of the downside.

- As of 12/31/11, the 3-year ex-post standard deviation for the Global Balanced Convertible Institutional Composite was 11.97%. The Refinitiv Global Focus Index 3-year ex-post standard deviation as of the same date was 8.36%
- As of 12/31/12, the 3-year ex-post standard deviation for the Global Balanced Convertible Institutional Composite was 10.62%. The Refinitiv Global Focus Index 3-year ex-post standard deviation as of the same date was 7.72%
- As of 12/31/13, the 3-year ex-post standard deviation for the Global Balanced Convertible Institutional Composite was 9.45%. The Refinitiv Global Focus Index 3-year ex-post standard deviation as of the same date was 6.82%
- As of 12/31/14, the 3-year ex-post standard deviation for the Global Balanced Convertible Institutional Composite was 6.98%. The Refinitiv Global Focus Index 3-year ex-post standard deviation as of the same date was 5.19%
- As of 12/31/15, the 3-year ex-post standard deviation for the Global Balanced Convertible Institutional Composite was 7.30%. The Refinitiv Global Focus Index 3-year ex-post standard deviation as of the same date was 5.52%
- As of 12/31/16, the 3-year ex-post standard deviation for the Global Balanced Convertible Institutional Composite was 7.60%. The Refinitiv Global Focus Index 3-year ex-post standard deviation as of the same date was 5.94%
- As of 12/31/17, the 3-year ex-post standard deviation for the Global Balanced Convertible Institutional Composite was 7.16%. The Refinitiv Global Focus Index 3-year ex-post standard deviation as of the same date was 5.56%
- As of 12/31/18, the 3-year ex-post standard deviation for the Global Balanced Convertible Institutional Composite was 6.70%. The Refinitiv Global Focus Index 3-year ex-post standard deviation as of the same date was 4.75%
- As of 12/31/19, the 3-year ex-post standard deviation for the Global Balanced Convertible Institutional Composite was 6.70%. The Refinitiv Global Focus Index 3-year ex-post standard deviation as of the same date was 5.03%
- As of 12/31/20, the 3-year ex-post standard deviation for the Global Balanced Convertible Institutional Composite was 12.02%. The Refinitiv Global Focus Index 3-year ex-post standard deviation as of the same date was 9.67%

2) The following is the criteria for inclusion in the Composite:

- All accounts must have had an initial account value of at least \$10,000,000.
- The Composite will be composed of all accounts that meet the criteria to invest in Rule 144A securities.

3) The following pertains to performance results:

- All performance is presented in U.S. Dollars Hedged.
- Returns are presented both gross of fees and net of actual management fees paid by the Advent accounts but not expenses paid by the clients. Global Balanced Convertible Institutional A model fee of 0.65% is used to show net returns for the two sleeves of Advent's closed end funds. The Global Balanced Convertible Institutional advertised fee schedule is 0.90% on the first 25 million, 0.75% on the next 25 million, 0.60% on the next 50 million, and 0.50% on over 100 million. The management fees are described in Part 2 Advent's Form ADV. Returns presented on a gross basis are substantially higher than returns presented on a net basis because gross returns do not reflect the deduction of investment advisory fees and other expenses that would be incurred by a client. Investment advisory fees have a compounding effect in reducing the value of a client portfolio over time.
- Past performance is not necessarily indicative of future results.

4) Benchmark Information:

- The Composite benchmark is the Refinitiv Global Focus Index (USD Hedged). From inception until December 31, 2017, the composite benchmark was the ICE BofA Global 300 Convertible Index (USD Hedged). Beginning January 1, 2018, the reference index for the composite changed to the Refinitiv Global Focus Index (USD Hedged) for all historical periods, following an extensive study of the ongoing appropriateness of the ICE BofA Global 300 Convertible Index (USD Hedged). Inception of the composite is November 30, 2006.
- The Refinitiv Global Focus Index is comprised of Global USD and non-USD Convertible Securities and is a rule-driven index with a goal to create an unbiased proxy for the broader global convertible securities market.
- Benchmark returns are not covered by the report of the independent verifiers.

### Calculation Methodology:

Dispersion is not presented for periods less than one year or when there are five or fewer portfolios included in the composite for the full annual period.



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