



### Company overview

Tradewinds Global Investors, LLC (Tradewinds) is a specialist global equities manager based in Los Angeles. Tradewinds manages over \$24.6 billion (as at 30 September 2009) in assets across an array of actively managed strategies on behalf of a client base that consists of institutional, high net worth and managed accounts. Tradewinds is an independently managed subsidiary of Nuveen Investments, an investment management firm established in 1898. On 13 November 2007, Nuveen Investments was acquired by investors led by Madison Dearborn Partners, LLC (MDP), which is a private equity firm based in Chicago.

Tradewinds specialises in discovering attractively valued investment opportunities around the globe. Tradewinds searches the world's developed and emerging markets in a quest to identify undervalued companies and profit from market anomalies. It seeks to be opportunistic by exploiting disparities between investor perception and the underlying industry or company fundamentals. By relying on its own primary research, taking a long-term view and following its best ideas, it aims to consistently create value for investors.

### Investment philosophy and style

Tradewinds identifies investment opportunities in inefficiently priced assets across the world's capital markets through a disciplined, analytical, research-intensive process.

At Tradewinds the objective is exceedingly clear. It aims to preserve and create client wealth, on an absolute and relative basis, by seeking to deliver superior risk-adjusted returns through a value-oriented, bottom-up approach to stock selection and portfolio management.

The investment team's focus is to build an impressive track record of consistent, long-term performance by finding companies whose securities are undervalued in the world's developed and emerging markets. Tradewinds seeks companies that trade at attractive absolute valuations, possess sustainable competitive advantages and offer favourable risk/reward.

Tradewinds' global analysts constantly monitor where the world's best investment opportunities are most likely to arise. They focus on change in regions, countries and industries because they believe change generates opportunities.

Tradewinds assesses whether a company meets specific value-oriented quantitative parameters across a range of metrics, including price/book, price/sales and price/cash flow. Qualitative analysis produces an understanding of franchise quality, corporate strategy, operating and industry fundamentals, competitive advantage and financial strength. It also identifies strategic catalysts like management change, company restructuring and industry consolidation.

Tradewinds pursues these opportunities through an intensive, collaborative investment process focused on maximising return within risk control guidelines.

### Investment process

Diversified portfolio across securities, sectors and countries

Tradewinds' disciplined investment professionals select securities by conducting rigorous, independent, bottom-up fundamental analysis. It applies fundamental valuation metrics, while analysts also focus on qualitative factors such as economic comparative advantage. Tradewinds' process is distinguished by deep specialisation, fundamental analysis and transparency.

- 1. Attractive valuation** – Tradewinds applies a corporate finance perspective that emphasises absolute valuation in addition to extensive cash flow and balance sheet analysis.
- 2. Franchise quality** – Tradewinds employs rigorous bottom-up research to select securities that it believes to be undervalued and have the potential for appreciation based on strong fundamentals, including a company's franchise quality and competitive position in its industry.
- 3. Favourable risk/reward** – Tradewinds strives to manage risk by combining diversification, intensive research and the constant evaluation of the relationship between risk and reward for each security owned.

## The investment team

Tradewinds has a high quality and experienced investment team harnessing creative and independent thought.

Tradewinds utilises a team approach to research and portfolio management with all 15 members of the investment team involved in the research process, with investment professionals having an average of 12 years experience. All analysts are global sector specialists and have extensive experience in researching across borders.

Tradewinds' team is multicultural and multinational, bringing together a highly diverse set of perspectives. As a group, they speak multiple languages and have resided in more than a dozen countries throughout Europe, Latin America and Asia. Tradewinds has in-depth experience across a range of industries. By bringing together many different areas of expertise, its team can better understand the drivers of comparative advantage across borders.

The senior management team has years of experience in managing complex institutional global equities mandates.

Tradewinds' portfolio managers and global sector research analysts have honed their approach to investing through years of industry experience. Tradewinds' service professionals are seasoned investment experts with longstanding client relationships.

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