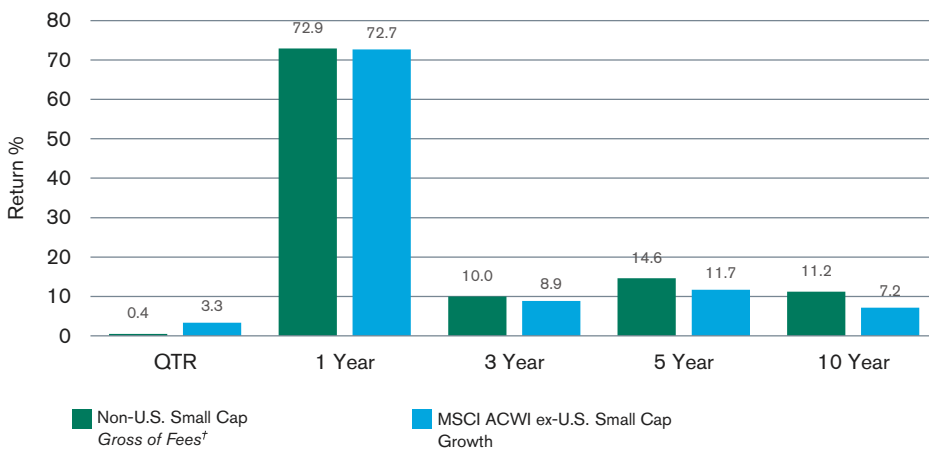


## Quarterly Review

## Composite Performance

Periods Ending 31 March 2021



Source: FactSet

Returns calculated in U.S. Dollars. The value of investments can fluctuate. Data assumes reinvestment of dividends and capital gains. Data reflects past performance. Past performance does not guarantee future results.

Periods greater than one year have been annualized.

## At a Glance

**Inception:** 1 August 2001**Benchmark:** MSCI ACWI ex-U.S. Small Cap Growth**AUM:** \$1.93 billion USD

## Portfolio Management Team

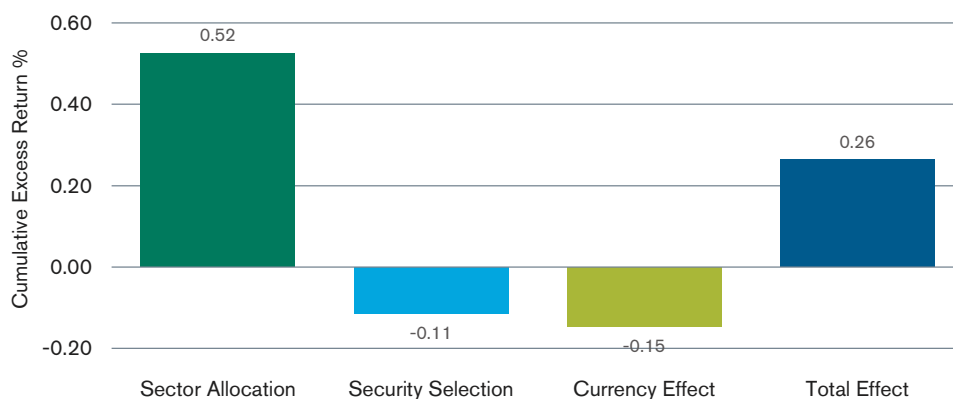
Name	Start Date	
	Industry	Firm
Trevor Gurwich	1992	1998
Federico Laffan	1990	2001
Pratik Patel	1998	2009

## Quarterly Top Relative Contributors and Detractors

Contributor	(%)	Detractor	(%)
Inmode Ltd	0.42	Daqo New Energy Corp	-0.38
TFI International Inc	0.37	Stillfront Group AB	-0.35
flatexDEGIRO AG	0.29	BHG Group AB	-0.34
Alchip Technologies Ltd	0.24	Kogan.com Ltd	-0.28
BE Semiconductor Industries NV	0.24	SK Materials Co Ltd	-0.25

## Attribution Analysis

One Year Ending 31 March 2021



Source: FactSet

## Investing With a Well-Defined Bottom-Up Growth Philosophy

We believe that accelerating, sustainable growth in revenues and earnings, driven by an inflection in business fundamentals, results in stock price outperformance.

- We focus on inflection points in companies' fundamentals because we believe markets are inefficient at identifying such points.
- Our process is designed to uncover stocks that outperform as earnings growth accelerates, market expectations rise and multiples expand.

### Goal

Seeks to outperform the MSCI AC World ex-U.S. Small Cap Growth Index by 3% to 4% annualized over a market cycle.

### Risk Guidelines

Maximum position size: 3% active weight

Regional exposure: +/- 10% of benchmark weight

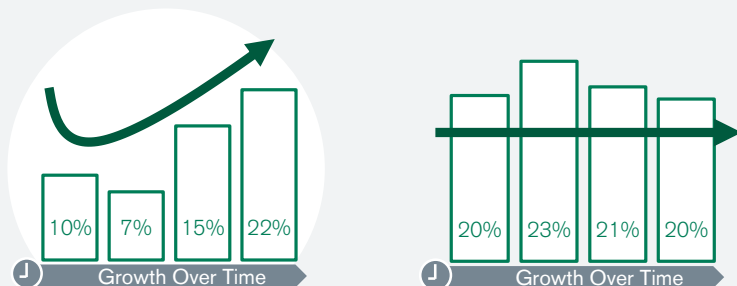
Sector exposure: +/- 10% of benchmark weight

Emerging markets exposure: +/- 10% of benchmark weight

Liquidity target: No more than 20% of average weekly trading volume

Expected tracking error: 6% to 8% versus benchmark

**We believe the direction of earnings growth is a more powerful predictor of stock price performance than the absolute level of growth.**



## Investment Process

### Investment Universe

- Market capitalization <\$5B
- Sufficient trading liquidity

### Idea Generation

1

- Identify companies exhibiting accelerating growth and improving fundamentals
- Fundamental information flow
  - Quantitative screens

2

### Fundamental Analysis

- Confirm acceleration is genuine and sustainable

3

### Portfolio Construction

- Focus portfolio on best ideas
- Monitor risk controls and guidelines

Portfolio

100 – 135 Companies

There are no guarantees that objectives or targets will be achieved. Risk management does not imply low risk.

## Portfolio Characteristics

Characteristics	Portfolio	Benchmark
Weighted Average Market Capitalization	\$3.4 B	\$2.2 B
Median Market Capitalization	\$2.6 B	\$0.7 B
P/E Ratio, Forecasted 1-Year	23.1 x	21.9 x
EPS Growth, Historical 1-Year	19.6%	10.4%
EPS Growth, Forecasted 1-Year	37.0%	30.3%
ROE, Historical 1-Year	13.5%	10.9%
% in Cash and Cash Equivalents	0.5%	0.0%
Turnover, 1-Year	137%	39%
Number of Holdings	126	2255

Source: FactSet

Forecasts are not a reliable indicator of future performance.

## Top 10 Holdings

Holding	Country	Industry	Assets (%)
China Yongda Automobiles Services Holdings Ltd	China	Specialty Retail	1.84
Intermediate Capital Group PLC	United Kingdom	Capital Markets	1.57
TFI International Inc	Canada	Road & Rail	1.55
Metso Outotec Oyj	Finland	Machinery	1.51
CAE Inc	Canada	Aerospace & Defense	1.38
Seven Group Holdings Ltd	Australia	Trading Companies & Distributors	1.35
Trelleborg AB	Sweden	Machinery	1.32
Electrocomponents PLC	United Kingdom	Trading Companies & Distributors	1.29
21Vianet Group Inc	China	IT Services	1.29
Airtac International Group	Taiwan	Machinery	1.24
<b>Total</b>			<b>14.34%</b>

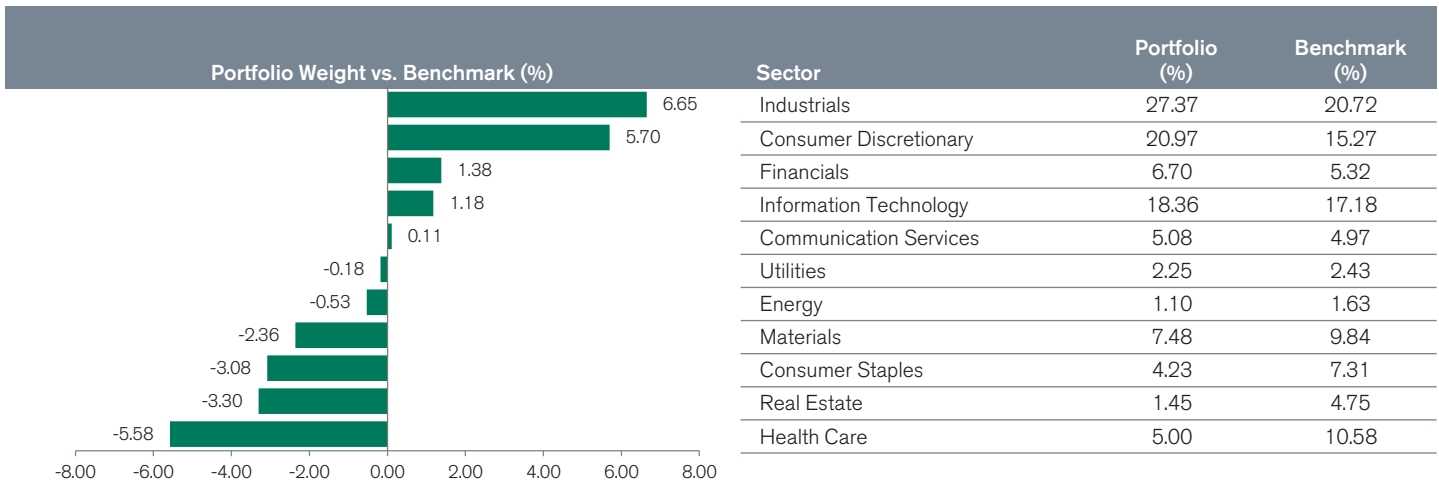
## Top 10 Overweights

Holding	Portfolio Weight (%)	Benchmark Weight (%)	Overweight (%)
China Yongda Automobiles Services Holdings Ltd	1.84	0.00	1.84
Intermediate Capital Group PLC	1.57	0.00	1.57
CAE Inc	1.38	0.00	1.38
Seven Group Holdings Ltd	1.35	0.00	1.35
TFI International Inc	1.55	0.23	1.32
21Vianet Group Inc	1.29	0.00	1.29
Airtac International Group	1.24	0.00	1.24
Trelleborg AB	1.32	0.11	1.21
Zeon Corp	1.19	0.00	1.19
Metso Outotec Oyj	1.51	0.35	1.16

Source: FactSet

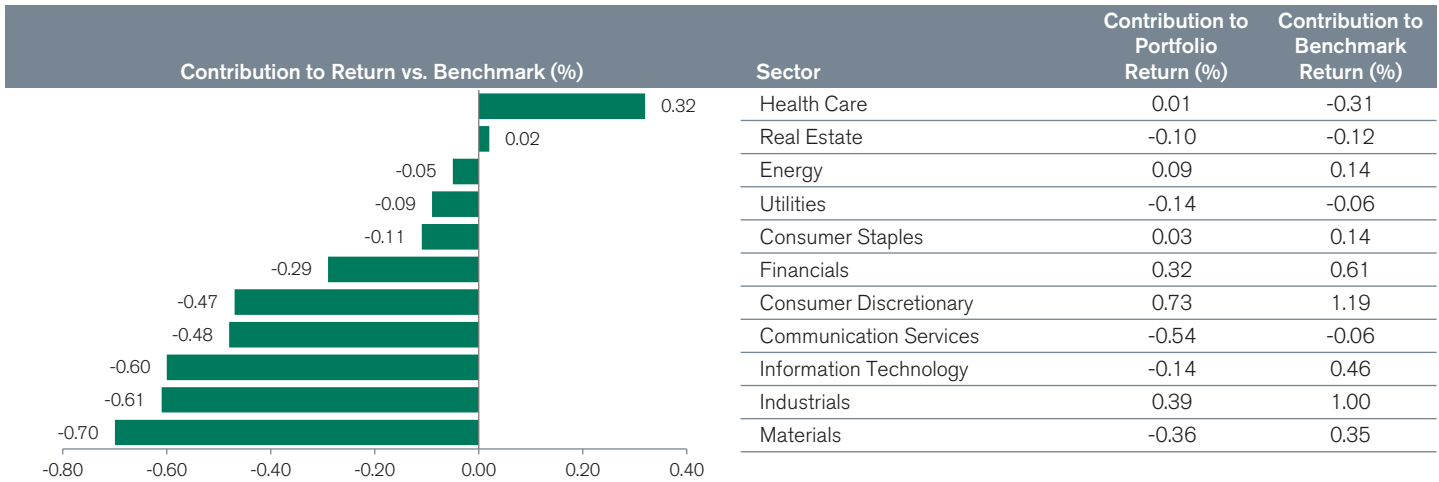
The holdings listed should not be considered recommendations to purchase or sell a particular security. Equity holdings are grouped to include common shares, depository receipts, rights and warrants issued by the same company. Portfolio holdings subject to change without notice.

### Sector Allocation



Source: FactSet

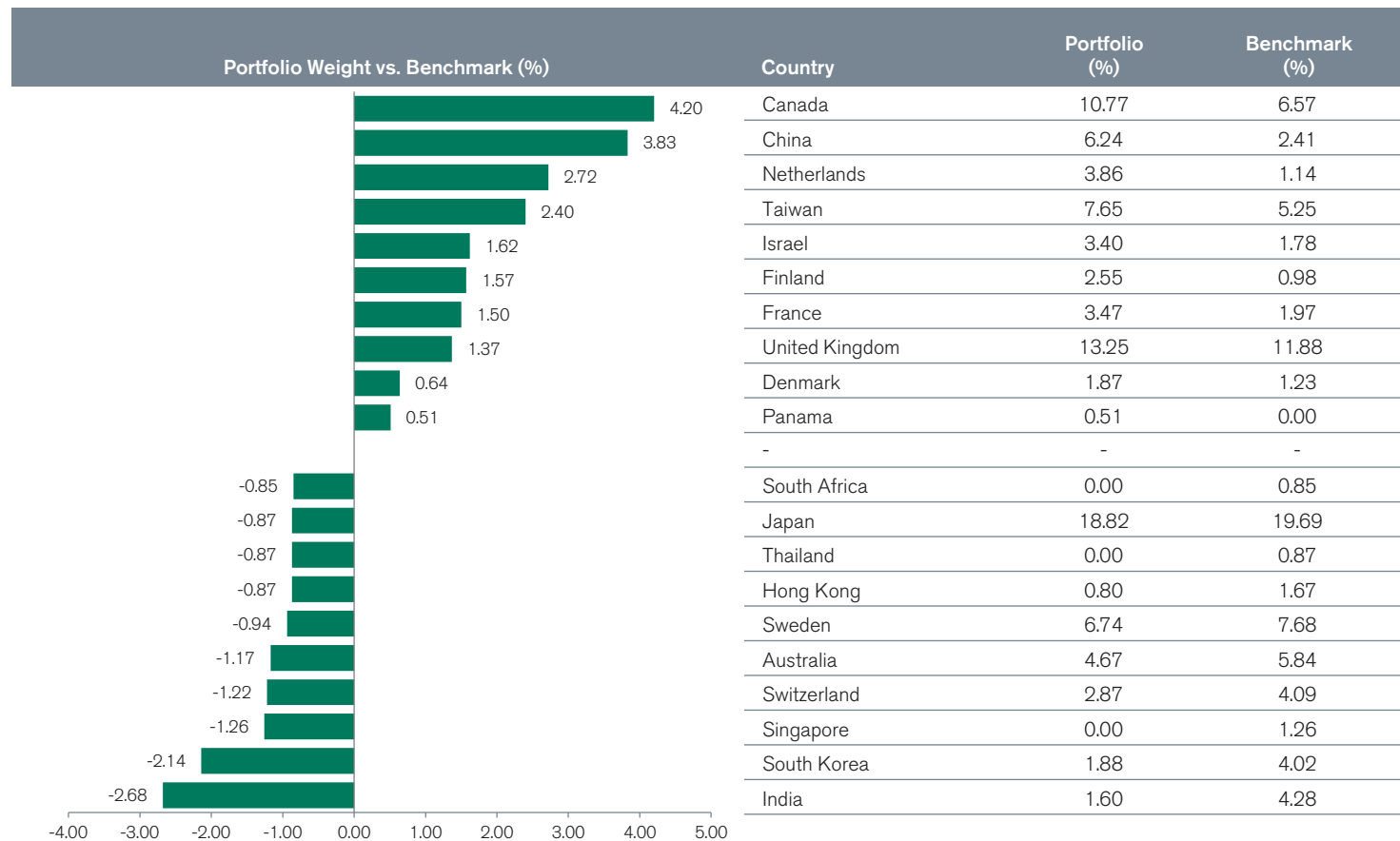
### Quarterly Sector Performance



Source: FactSet

When shown, "Diversified" includes portfolio holdings that cannot be attributed to a specific GICS sector.

### Country Allocation: Top 10 Over/Underweights



Source: FactSet

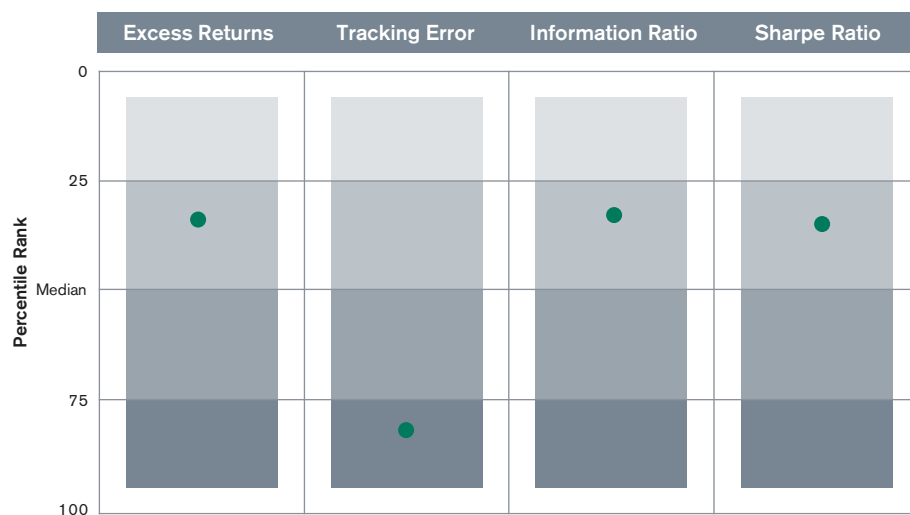
### Quarterly Top Relative Contributors and Detractors by Country

Contributor	(%)	Detractor	(%)
Israel	0.71	China	-0.82
Canada	0.40	India	-0.65
Netherlands	0.23	Sweden	-0.63
Taiwan	0.19	Australia	-0.62
France	0.14	Hong Kong	-0.45

Source: FactSet

### Risk-Adjusted Performance

Three-Year Risk-Adjusted Performance vs. eVestment ACWI ex-US Small Cap Equity vs. MSCI ACWI ex-U.S. Small Cap Growth, Citigroup 3-Month T-Bill



● American Century Investments Non-U.S. Small Cap

	Excess Returns	Tracking Error	Information Ratio	Sharpe Ratio
<b>Manager</b>	1.13	4.16	0.27	0.40
<b>Percentile Rank</b>	34	82	33	35
<b>Median</b>	-1.43	5.91	-0.33	0.30

Source: eVestment Analytics  
 Excess returns are gross of fees.  
 Number of products in the universe was 59.

## Quarterly Commentary

### Portfolio Review

**Small-cap stocks gained, outpacing large caps.** Small caps continued to lead the recovery as equity market leadership broadened and the global recovery strengthened. In this environment, U.S. small caps outpaced non-U.S. names.

**Rising growth expectations boosted cyclicals.** The broadening of equity market leadership from COVID-19 beneficiaries to include economic cyclicals continued to gain momentum in tandem with U.S. vaccination distribution. Demand for energy and industrial metals, such as copper, has been supportive of stock prices for companies in those sectors. In contrast, returns for secular growers were muted.

**Transportation equipment maker weighed on performance.** Randon SA Implementos e Participacoes declined amid deteriorating economic conditions and higher interest rates in Brazil, despite accelerating sales data.

**Polysilicon manufacturer for the solar energy industry weighed on performance.** Following a period of strong outperformance, the shares of Daqo New Energy retreated despite strong pricing and demand.

**Vaccine optimism boosted health care name.** Expectations that widespread vaccine distribution will increase demand for put-off elective procedures helped medical technology company Inmode, which supports minimally invasive surgeries.

**We added to beneficiaries of the reopening story but continued to maintain a balanced portfolio.** While we continued to identify opportunities in companies positioned to benefit from global recovery, we remain balanced between reopening names and beneficiaries of long-term changes in behavior.

### Key Contributors

**Inmode.** This medical technology company provides minimally invasive solutions for cosmetic and other surgeries. The stock rose on anticipation that greater vaccine availability will help unleash pent-up demand for elective medical procedures delayed by the pandemic. The company also reported better-than-expected revenue and earnings growth.

**TFI International.** Transportation and logistics company TFI announced its acquisition of UPS Freight, and the news was well received by the market. TFI has a proven track record of integrating acquisitions, and we believe there is significant scope for margin improvement as it benefited from strong cyclical growth.

**flatexDEGIRO.** This online brokerage company has reported strong trading volumes and customer growth, aided by its expanded market reach. We believe that it is well positioned to gain new customers, and it faces limited pressure on its trading commissions. It may also benefit from further acquisition activity.

### Key Detractors

**Daqo New Energy.** This company supplies materials used in solar energy production. The stock declined after a period of outperformance, as investors took profits on stocks with ties to renewable energy. In our view, this low-cost producer of polysilicon is positioned to benefit from capacity expansions, strong demand and an improving pricing.

**Stillfront Group.** This owner of digital gaming studios experienced strong business trends during the lockdowns. The stock declined along with other pandemic beneficiaries as investors anticipated a return to normal. In our view, the company is well positioned in the gaming industry, and we believe its earnings growth may benefit from acquisitions.

**BHG Group.** This online furniture retailer was a beneficiary of home-focused spending trends in 2020. It gave back some of these gains in the first quarter, as investors sold stocks that benefited from the stay-at-home period. Investors also reacted negatively to its planned acquisition of IP Agency, an online company focused on sports and leisure.

### Notable Trades

**21Vianet Group.** We initiated an investment in this large internet and data center services company in China. We believe it is well positioned to benefit from healthy data center demand, supported by growth in cloud computing. The company's utilization rates are also improving.

**Parex Resources.** We initiated a position in this Canada-based oil and gas exploration company. We believe the company is positioned to outperform its peers due to expanding production capacity, a strong balance sheet, healthy free cash flow generation and its low cost of production.

**Samhallsbyggnadsbolaget i Norden.** We exited our position in this defensive Sweden-based residential real estate company. While the company's fundamentals remain intact, we identified other companies that are earlier in their earnings growth cycle and offer better growth prospects.

**Nabtesco.** We liquidated our holdings in this engineering company, which specializes in the production of gearboxes and robotics. We sold the stock to help fund investments that we believe offer more compelling risk/reward profiles.

### **Positioning for the Future**

The portfolio continues to invest in companies where we believe fundamentals are strong and improving but share price performance does not fully reflect these factors. Our process is based on individual security selection, but broad themes have emerged.

**Increasing consumer activity supports door openers.** We are finding opportunities in consumer discretionary names benefiting from a pickup in mobility and consumer spending, including examples in travel and leisure, internet retailers, automotive components makers and durable goods.

**Industrials remains a prominent position.** Holdings continue to benefit from renewed economic expansion as countries reopen. We own select machinery companies and building products companies, which are gaining on increases in production and construction.

**We see opportunities in information technology as economies recover.** Secular trends, such as 5G network rollout, online penetration, cloud-based services and software as a service are ongoing. Holdings include attractive names in the IT services and semiconductors industries.

**Non-U.S. small caps continue to lead during the market recovery relative to large caps.** We have observed small caps' outperformance during the market upturn since the worst of the pandemic. Signs of improvement and acceleration in multiple countries is further supported by substantial fiscal stimulus measures.

**Small-cap valuations appear attractive relative to large caps.** We believe the outlook for earnings growth in small caps is supportive, based on 2021 market consensus expectations. Earnings growth should be supported by economic recovery, cost reductions during the downturn and the potential for M&A.



## Available Vehicles

Separate Account	Available in U.S. and certain non-U.S. countries
Collective Investment Fund	Available only in U.S.
International Opportunities Fund	
I Share Class - ACIOX	Available only in U.S.
Investor Share Class - AIOIX	Available only in U.S.
A Share Class - AIVOX	Available only in U.S.
C Share Class - AIOCX	Available only in U.S.
R Share Class - AIORX	Available only in U.S.

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Sector weights, portfolio characteristics and holdings are of a representative account in the composite. Holdings are current as of the date indicated, are subject to change and may not reflect the portfolio's current holdings. Portfolio construction guidelines document operational policies and not necessarily investment restrictions imposed on management of the strategy. Material presented has been derived from industry sources considered to be reliable, but their accuracy and completeness cannot be guaranteed. Opinions expressed are those of the portfolio investment team and are no guarantee of the future performance of any American Century Investments® portfolio. Nothing in this document should be construed as offering investment advice. Please note that this is for informational purposes only and does not take into account whether an investment is suitable or appropriate for a specific investor.

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To receive a complete list of composite descriptions and/or a GIPS® compliant presentation, contact:

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