Todd Q1 2025 Global Intrinsic Value Equity Income Review

	1Q2025	1 Year	3 Years*	5 Years*	7 Years*	10 Years*
GIVEI (Gross)	8.67%	16.42%	10.09%	18.13%	7.81%	8.04%
(Net)	8.51%	15.73%	9.44%	17.43%	7.17%	7.40%
MSCI ACWI (Net)	-1.32%	7.15%	6.91%	15.18%	9.15%	8.84%
MSCI ACWI Value (Net)	4.77%	8.60%	6.59%	14.42%	6.75%	6.72%

** Annualized Total Returns. Please refer to the attached Performance Disclosure for further information.*

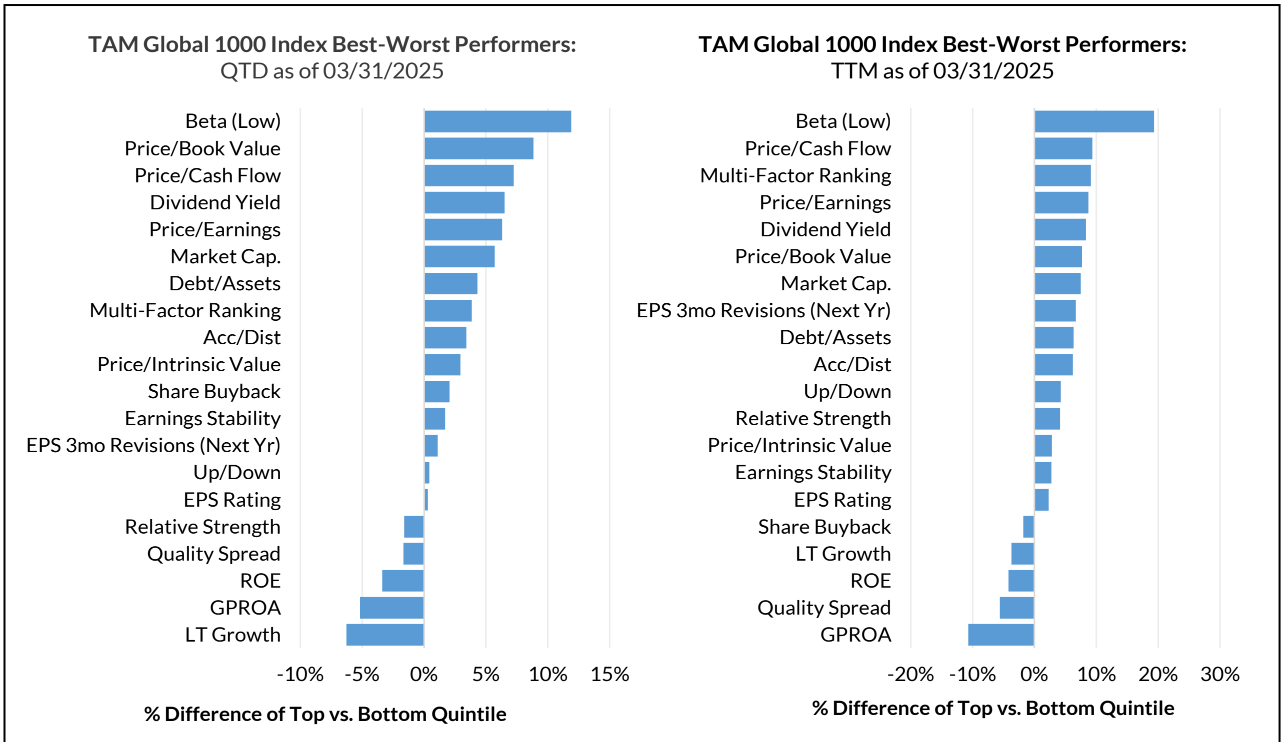
Our GIVEI strategy outperformed the MSCI ACWI (Net) index and outperformed the MSCI ACWI Value (Net) index for the quarter. Higher dividend yielding stocks were one of the best performing factors for the quarter which is the primary reason for the outperformance. The current yield on the strategy at the end of the quarter was 5.1% versus the ACWI yield of 1.9%

Cyclical leadership in international markets persisted through the first parts of the year before giving way in March (and the first week of April) as US trade policy took center stage with tariff announcements on April 2nd which were worse than most economists "worst-case-scenario". Despite this, international markets continue to outperform US markets year-to-date. The renewed interest in international equities has been a long time coming and stands in stark contrast to the sentiment at the beginning of the year which centered around "US Exceptionalism".

The specific details of US trade policy are likely to be different by the time this note hits the press, so we'll keep it high level. Confidence in US policy is being challenged as decades of status quo arrangements (trade, security, etc.) are being reformed. Look no further than the bond and forex markets, where the US Dollar and Treasuries have both seen weakness. Time will tell whether this was driven by foreigners selling US assets or the unwind of a large, levered bet, but it certainly got the administration's attention. While there may be offsetting measures enacted later this year, this marks a huge sea change on the policy front as the US becomes much more restrictive after years of aggressive stimulus. And as the Trump administration attempts to pick up the proverbial "can" that has been kicked down the road for decades as it relates to trade, debt and government largess, international economies are starting to become much more accommodative. The German election feels like it was ages ago, but the enormous fiscal package and lifting of their "debt brake" in March is emblematic of the much more pro-growth stance Europe and other international economies are taking to revive their economies. Trade policy is ruling the day right now, but the shift from Europe to take a more proactive approach to their economic growth engine is a big deal that could have a lasting impact on markets.

In a highly volatile market being driven by news flow, it's always interesting to ask yourself what has and hasn't changed. We have the benefit of viewing this volatility through our investment discipline which demands a focus on fundamentals as well as cyclical and secular growth drivers. Cyclical risks have unquestionably risen as sentiment, which was already on shaky footing, is being challenged. The capital spending cycle that we've talked so much about is becoming more entrenched as the US retreats from various multilateral arrangements and Europe and Asia pursue more fiscally oriented growth policies. This deglobalization movement is leading to a necessary ramp in capital spending to resurrect manufacturing bases which had been outsourced to the far east for decades, driving investment into the industrial bases of various economies. It remains to be seen if April 2nd (and the days that followed) was the point of maximum pain on global trade and volatility could stay elevated. Earnings, employment and progress on trade negotiations all bear close watching.

Factor Performance[1]



Source: Bloomberg, William O'Neill + Co. and Todd Asset Management

Value factors continued to exert their leadership in global markets by a fair amount during the first quarter with each Price ratio (P/E, P/B, P/S and P/CF) and Dividend Yield ranking at the top of the list. As is usually the case with this strategy, performance versus the index depends extensively on how this factor is rewarded during the quarter. This quarter was no different.

Performance Attribution

The outperformance in the first quarter was driven evenly by both sector and stock selection. Sector selection in Technology, Energy and Financials and stock selection in Consumer Staples, Communication and Technology were the main drivers of our outperformance in the quarter. From a regional perspective, stock selection in the US, Europe & Middle East and United Kingdom accounted for most of our outperformance during the quarter. Stock selection in Canada and our underweight in Emerging Markets detracted from our performance.

We are overweight Financials, Energy and Consumer Staples. We also remain underweight Consumer Discretionary, Industrials and Technology. Among regions, we are overweight Europe and Canada. We are underweight Emerging Markets and Japan. Given the global focus of this strategy, we find ample opportunity for income outside of traditional high yielding US sectors (i.e. Consumer Staples, Utilities, REITs, etc.).

Our top five contributors to performance during the quarter were Orange, Philip Morris, Alianz, Lenovo and IBM. Orange benefited from robust financial results and the trend in AI computing. Philip Morris continues to see improvements in profitability from smoke free alternative products. Allianz reported record operating results with strength across all product lines. Lenovo had excellent quarterly results while also providing AI leadership and innovation. IBM experienced strong earnings and momentum in the quarter while developing a partnership with Amazon Web Services.

Our worst five detractors from performance during the quarter were Bank of Nova Scotia, Citizens Financial, Dow Chemical, Sun Life and Oneok. Bank of Novia Scotia was affected by a one time impairment charge related to the sale of a division. Citizens Financial weakness was due to a combination of macroeconomic uncertainties, asset quality concerns as well as profit margin pressures. Dow Chemical had margin pressure along with higher costs due to weak demand in key end markets. Sun Life experienced macroeconomic uncertainty's due to trade tensions, disappointing earnings along with one time charges. Oneok declined due to a combination of company specific financial concerns around increased leverage and cash flow concerns as well as broader market headwinds.

We are always available via email or phone and welcome your calls. If you have any questions, please feel free to contact any of us for further information.

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Jack White, CFA
Jack Holden, CFA
Shaun Siers, CFA

04/21/25
MSCI ACWI (Net) – 431.98
MSCI ACWI Value (Net) –357.16

Refer to Performance Disclosure on the following page for more information on the performance numbers presented. These notes are an integral part of this letter and should not be reproduced or duplicated without these notes.

1. The TAM Global 1000 index is a combination of the 500 largest US listed international companies by market cap and the S&P 500. This list is used for factor analysis where the index is ranked/sorted by a certain factor then divided into quintiles. Returns are then calculated on a monthly basis for each quintile.

TODD ASSET MANAGEMENT LLC
GLOBAL INTRINSIC VALUE EQUITY INCOME COMPOSITE DISCLOSURE

Past performance does not provide any guarantee of future performance, and one should not rely on the Composite or any security's performance as an indication of future performance. Investment return and principal value of an investment will fluctuate so that the value of the account may be worth more or less than the original invested cost. There is no guarantee that this investment strategy will work under all market conditions.

Specific stocks discussed are included to help demonstrate the investment process or, as a review of the Composite's results; and are not intended as recommendations of said securities and carry no implications about past or future performance. All or some of the specific stocks mentioned may have been purchased or sold by accounts within the Composite during the period, or since the period, and may be purchased or sold in the future. The compilation of information contained herein reflects the views and opinions of TAM financial professionals at the time of creation which may change at any time without prior notification. There is no guarantee that any forward-looking opinions will occur.

Todd Asset Management LLC ("TAM") is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The performance presented represents a Composite of fully discretionary accounts invested in a diversified portfolio of attractively valued domestic and international equity securities with a goal to seek dividend income along with growth of that income and capital appreciation. The international securities are internationally domiciled, US traded equity securities.

Todd Asset Management LLC, formerly Todd-Veredus Asset Management LLC began operations on June 1, 1998 as Veredus Asset Management LLC (VAM). Effective May 1, 2009, VAM combined with Todd Investment Advisors, Inc. (TIA). TIA (and its predecessors) was founded in 1967 by Bosworth M. Todd. Upon the combination of VAM and TIA in 2009, Veredus Asset Management LLC changed its name to Todd-Veredus Asset Management LLC (TVAM). On February 28, 2013, after a change in ownership involving some VAM unitholders, TVAM changed its name to Todd Asset Management LLC. The firm continues to offer the same strategies managed by individuals using the process founded under TIA.

The Global Intrinsic Value Equity Income Composite contains fully discretionary, taxable, and tax-exempt accounts that use the MSCI ACWI Index as the benchmark. The Composite does not include accounts with social restrictions. All fee-paying, fully discretionary portfolios under our management are included in a Composite. Accounts are eligible for inclusion in the Composite at the beginning of the first calendar quarter after the month of initial funding and upon being fully invested.

TAM claims compliance with the Global Investment Performance Standards (GIPS®). The Firm has been independently verified for the periods January 1, 2008 through December 31, 2024. VAM was verified for the period July 1, 1989 through December 31, 2007 by a previous verifier. TIA's compliance with the GIPS® standards has been verified for the period January 1, 1993 through April 30, 2009. The Global Intrinsic Value Equity Income Composite has been examined for the periods January 1, 2011 through December 31, 2024. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To receive additional information regarding TAM, including a GIPS Composite Report for the strategy presented, contact Monica Slyter at 1-888-544-8633, or write Todd Asset Management LLC, 101 South Fifth Street, Suite 3100, Louisville, Kentucky 40202, or mslyter@toddasset.com.

The performance information is presented on a trade date basis, both gross and net of management fees, net of transaction costs and includes the reinvestment of all income. Net of fee performance was calculated using the applicable annual management fee schedule of 0.60% applied monthly. Actual investment advisory fees incurred by clients may vary. The currency used to calculate and express performance is U.S. dollars. All cash reserves and equivalents have been included in the performance.

The Composite performance has been compared to the following benchmark. The index is unmanaged, and not available for direct investment; it includes reinvestment of dividends; it does not reflect management fees or transaction costs. The volatility of the index and a client account will not be the same.

MSCI ACWI (net) Index is a float-adjusted market capitalization index that is designed to measure the equity market performance of developed and emerging markets. The net index considers the impact of tax withholdings on dividend income.

MSCI ACWI Value (net) Index is a float-adjusted index of securities exhibiting overall value style characteristics across both developed and emerging markets. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. The net index considers the impact of tax withholdings on dividend income.

Risks - Investments involve varying degrees of risk, and there can be no assurance that this product is suitable or profitable for your investment portfolio. The GIVEI product is designed for long-term investors looking for dividend yield who are willing to accept short-term market price fluctuations. There are general and market risks involved in this product. There is no guarantee that the companies invested in will declare dividends in the future, or that the dividends declared will remain at current levels or increase over time. As a global product, risks of ownership in a foreign security (ADR, or similar securities) include political instability, confiscation of property, reduced legal protection, market liquidity, and adverse changes in currency exchange rates. Investing in emerging market securities can magnify these risks due to their smaller economies. This strategy may result in a portfolio with concentration in economic sectors, as sector diversification is not part of the strategy guidelines. There are times the overall market may not favor value-style investing, and/or stocks with higher dividends, and it is possible the intrinsic value of the underlying stocks may never be realized.

At acceptance, TAM will provide all clients with a copy of our current Form ADV, Part 2A ("Disclosure Brochure"), Form ADV Part 2Bs, which are the Brochure Supplements for each advisory person supporting a particular client, and, if an individual investor, the Form ADV Part 3 (client Relationship Summary or Form CRS). You may also obtain a copy of these disclosures on the SEC website at http://adviserinfo.sec.gov.