Todd Q2 2021 Global Intrinsic Value Equity Income Review

	2Q 2021	YTD	1 Year	3 Years*	5 Years*	7 Years*	10 Years*
GIVEI (Gross)	3.5%	15.6%	39.3%	5.7%	7.9%	5.2%	8.4%
(Net)	3.4%	15.3%	38.5%	5.1%	7.3%	4.6%	7.8%
MSCI ACWI (Net)	7.4%	12.3%	39.3%	14.6%	14.6%	9.8%	9.9%
MSCI ACWI Value (Net)	4.8%	14.1%	38.4%	8.4%	9.8%	5.6%	7.0%

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

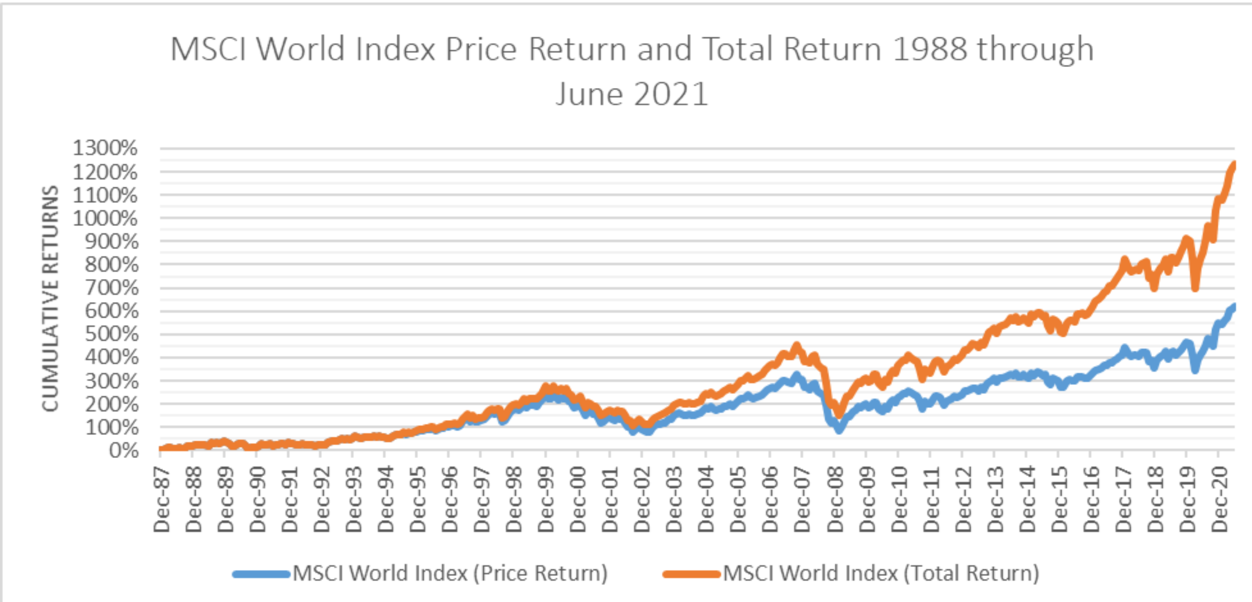
<u>Performance Review</u>

Market leadership reversed in the second quarter with the areas that had led since the initial vaccine announcements in November of 2020 (mainly Cyclicals and Value) giving way to the more Defensive and Growth oriented parts of the market. This led the GIVEI (gross) strategy to underperform the MSCI ACWI by around -3.9% during the quarter and the MSCI ACWI Value by -1.3%.

In a broad sense, there were a number of positive developments in the second quarter. Global Covid cases peaked in April and went on to decline by about half through mid-June. Earnings came in well ahead of consensus expectations which lifted full year estimates by another +8% during the quarter. All of this pushed the ACWI ex-US to new all-time highs in early-June (it's first in over 13 years). Despite this, concerns over the spread of the Delta variant brought the reopening trade into question in recent weeks. Outbreaks and extended lockdowns in several countries in May and June led to risk off positioning. German bond yields, which looked like they were working their way out of negative territory through the first part of the quarter, moved lower as concerns around the Delta variant weighed on global reopening expectations. This sentiment carried over to most markets with the US Dollar strengthening and most commodities consolidating or correcting over the past few months. Brent crude oil was an outlier here, continuing to make new post-pandemic highs as OPEC failed to agree to new production levels. Outside of Covid-related news, the Chinese government continued to roll out regulatory changes that targeted a number of large consumer-facing services companies. These headwinds weighed on our strategy's performance, particularly in June. We anticipate that these issues are largely transitory as vaccines continue to show high levels of protection against emerging variants and administration ramps globally.

The recent rotation to bonds, and safety growth stocks does not "feel" right to us as we look at anticipated economic growth rates. We think investor psychology is still scarred from the post-GFC decade of deleveraging induced subpar growth and the recent Covid-19 depression. We think second quarter earnings reports during July could change investors' perception and allow the economically sensitive sectors that we favor to get reinvigorated. While China was easing back on their monetary stimulus, Europe was ratifying the EU recovery fund at the end of May. That money reaches national governments in July. Experience says stimulus helps the economy, and the effects last for years. This marks the first time in decades that European Governments have bound together to promote economic growth and it should provide support for the Euro area for some time to come. The economic recovery is young, reopening is occurring and stimulus continues. Global Investors should be viewing the recent pullback versus the US indexes as a good entry point. We think re-opening and renewed stimulus points to a resumption of gains for global equity markets later on this year.

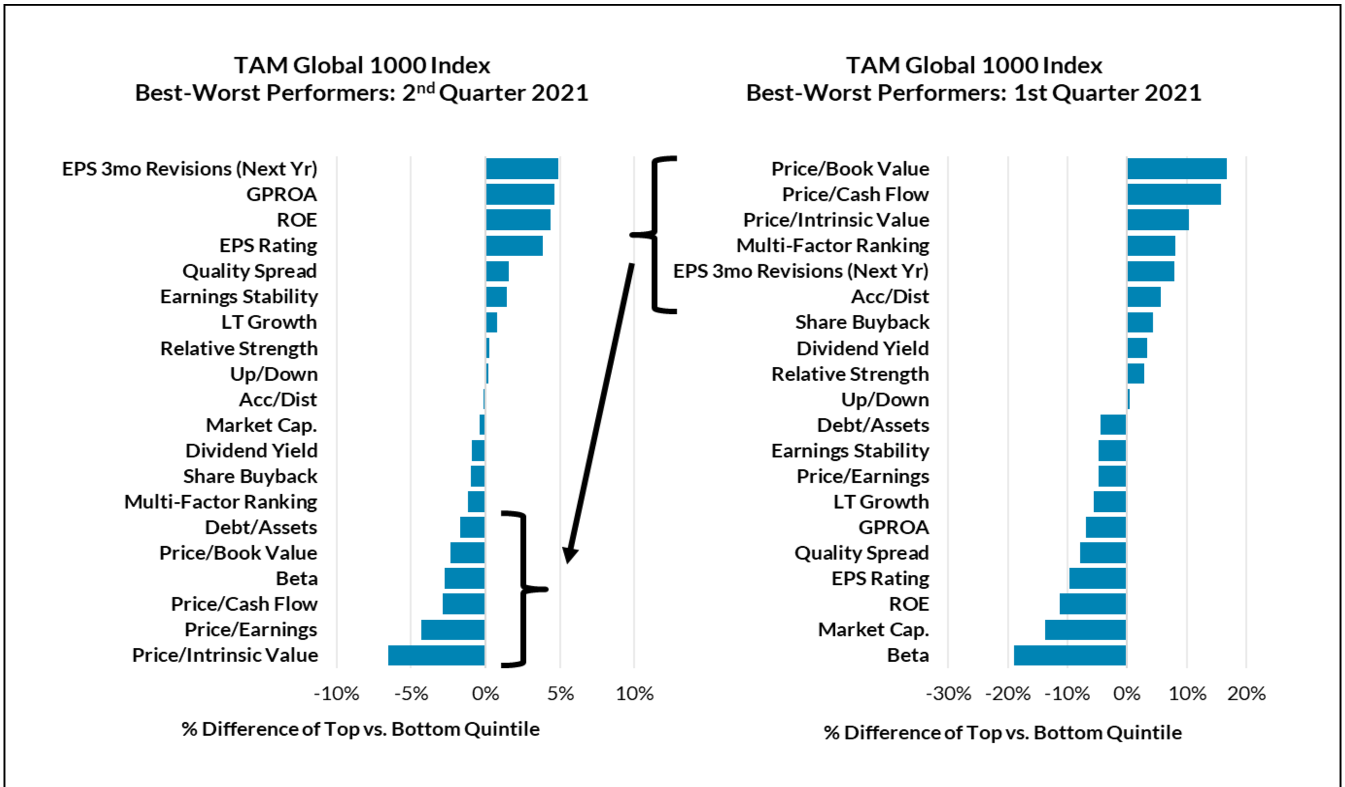
The chart below shows the difference between the cumulative Price Return (620%) and the cumulative Total Return (1234% which includes price and dividends) for the MSCI World Index since 1988. The key point of this chart is that the cumulative Total Return of the MSCI World index was double the cumulative price return. In essence, dividends contributed an equal amount of cumulative return as the price appreciation did. This confirms how important dividend yields can be to the Total Return of the index over three plus decades.



Source: MSCI and Todd Asset Management LLC

Factor Analysis

Our factor work had previously highlighted the sharp rotation in performance that followed the vaccine announcements back in November 2020, which was led by Value. This rotation paused in the second quarter as Value measures were among the worst performing factors. Quality and Growth related factors led the way as uncertainty increased and investors reverted back to the defensive stance we saw through most of the early stages of the pandemic.



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

The underperformance in the second quarter was driven almost entirely by our stock selection. Stock selection in Communication Services, Financials, and Technology sectors contributed the majority of our underperformance for the quarter. All three of the above sectors were hurt as the vicious rotation away from yield toward assured growth globally during June took no prisoners. The only two areas that contributed to a positive return for the quarter were the Industrial and Consumer Discretionary sectors. From a regional perspective, the US, accounted for the majority of the underperformance as the significant move back to a growth leadership left yield oriented stocks in its dust. Europe and Canada also detracted from performance. Emerging Markets and Japan were the only two regions that added to performance during the quarter.

We remain overweight Financials, Energy and Consumer Staples. We also remain underweight Consumer Discretionary, Industrials, and Technology. Among regions, we are overweight Canada and the United Kingdom. We are underweight Emerging Markets and Japan. Given the global focus of this strategy, we are able to find income outside of traditional high yielding US sectors (i.e. Consumer Staples, Utilities, REITs, etc.) leading to a much more diversified portfolio.

Our top five contributors to performance during the quarter were PacWest, Sberbank, Magna International, Philip Morris Int'l, and Lukoil. PacWest made an acquisition of the HOA business of MUFG Union Bank. This will add $4B of low cost deposits. Magna benefited from an improving auto cycle while Philip Morris is achieving greater profitability along with strong cash flow. Sberbank is making progress on its E-commerce rollout and is likely to have a 7% plus dividend yield for the next couple of years. Lukoil benefited from the strong rise in oil prices in the second quarter.

Our worst five detractors from performance during the quarter were Manulife Financial, Altria Group, AT&T, Huntington Bancorp, and Verizon. Manulife reported a noisy quarter while Altria suffered from a potential nicotine reduction in their products. AT&T's weakness was a result of the reduced dividend yield affiliated with the company restructuring and spinoff of Warner Media. Huntington Bancshares weakness was related to the acquisition of TFC Financial Corp while Verizon suffered from the drastic move from value to growth in the month of June

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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07/19/2021
MSCI ACWI (Net) – 707
MSCI ACWI Value (Net) –247

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.

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. Registration of an investment adviser does not imply any level of skill or training.

Specific stocks discussed in this presentation 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. A complete listing of the holdings as of the period end is available upon request.

Todd Asset Management LLC ("TAM") is a registered investment adviser. 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, 2020. 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, 2020. 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:
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.

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.