October 16, 2026
Intrinsic Value Team
Todd Asset Management

Todd 3Q 2026 Large Cap Intrinsic Value Review

	3Q2026	YTD	1 Year	3 Year*	5 Year*	7 Year*	10 Year*
Large Cap Intrinsic Value (Gross)	-4.95%	10.67%	15.64%	20.31%	12.62%	14.89%	13.94%
Large Cap Intrinsic Value (Net)	-5.10%	10.17%	14.96%	19.61%	11.96%	14.22%	13.27%
S&P 500	2.30%	12.75%	15.75%	22.89%	13.79%	16.17%	15.33%
Russell 1000 Value	2.59%	19.27%	23.82%	20.08%	11.92%	12.29%	11.43%

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

Performance Review

The LCIV strategy underperformed both the S&P 500 and Russell 1000 Value in the third quarter. Most of the shortfall came from Technology, where leadership rotated sharply. Our holdings tied to AI infrastructure (hardware, datacenter buildout, and power generation) declined in the quarter, while the Hyperscalers and Software led the market. The upcoming midterm elections and the growing public backlash against datacenter projects have contributed to this rotation within Tech. Underperformance against the Russell 1000 Value was wider due to the late-June rebalance of the index, which shifted weight out of memory and hardware names and into three of the largest mega-cap Tech companies. Apple, Amazon and Microsoft now account for more than 17% of the index.

While AI continues to dominate corporate commentary and global earnings growth, rising long-term yields have quickly emerged as a major market focus. The combination of AI disruption, higher interest rates and higher oil/gas prices has created an environment that more sharply separates winners from losers, likely contributing to deteriorating breadth (fewer than half of global stocks trade above their 200-day moving average). Midterm elections have historically brought about more certainty on the policy front, regardless of the makeup of Congress, and have an impressive track record. The S&P 500 has not declined in the 12 months following a midterm election since the 1930's. The election and earnings season could be two welcome catalysts that help this market broaden back out from what has become rather narrow and anxious in recent weeks. The US economy remains resilient, supported by fiscal tailwinds, manufacturing PMIs in expansion territory, stable employment, and strong corporate profits. While rising rates remain a real risk at their current trajectory, a strong economy and a geopolitical environment that reinforces rising capital spending and higher nominal growth support our continued exposure to longer-term secular trends, particularly in Financials, Technology, Industrials and Energy.

3rd Quarter Performance Review

Sector Drivers vs. S&P 500

- **Health Care**
  Overweight and pipeline success
- **Consumer Staples**
  Beneficiaries of food inflation
- **Real Estate**
  Underweight

Sector Drivers vs. R1000V

- **Real Estate**
  Underweight
- **Consumer Staples**
  Beneficiaries of food inflation
- **Health Care**
  Overweight and pipeline success

Top 5 Performers

- **Dell Technologies**
  Robust AI/server demand
- **Cognizant Tech Solutions**
  Results were better than feared
- **Shell**
  Strong oil prices/refining margins
- **Gilead Sciences**
  Strong HIV drug sales
- **Teva Pharmaceutical**
  Branded drug guidance raised

Sector Detractors vs. S&P 500

- **Information Technology**
  Underweight and broader selloff in AI infrastructure plays
- **Financials**
  Regional Banks and Consumer facing financial services
- **Consumer Discretionary**
  Weakness in Retailers
- **Industrials**
  Datacenter player weakness

Sector Detractors vs. R1000V

- **Information Technology**
  Underweight and broader selloff in AI infrastructure plays
- **Consumer Discretionary**
  Weakness in Retailers
- **Financials**
  Regional Banks and Consumer facing financial services
- **Industrials**
  Datacenter player weakness

Bottom 5 Performers

- **KLA Corp**
  AI Chip/supply chain selloff
- **Jabil**
  AI Chip/supply chain selloff
- **Dick's Sporting Goods**
  Margin pressure and lower guide
- **Cummins**
  Datacenter player weakness
- **First Solar**
  Solar module stockpiling

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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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.

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TODD ASSET MANAGEMENT LLC

LARGE CAP INTRINSIC VALUE 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 tax-exempt fully discretionary intrinsic value accounts, invested primarily in large cap domestic equity securities with the objective to seek capital appreciation. This goal is pursued by investing in a diversified portfolio of equity securities that TAM believes are trading at a discount to their intrinsic value. The minimum account size for this Composite is $1 million.

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 Large Cap Intrinsic Value Composite contains fully discretionary, tax-exempt accounts that use either the S&P 500 Index or Russell 1000 Value Index as the benchmark. Prior to April 1, 2010, this Composite was known as the Relative Value Equity Composite; no changes in the strategy were made in conjunction with the name change. 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, 2025. 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 Large Cap intrinsic Value Composite has been examined for the periods January 1, 2011 through December 31, 2025. 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 .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 benchmarks. The indexes are unmanaged, and not available for direct investment; they include reinvestment of dividends; they do not reflect management fees or transaction costs. The volatility of the index and a client account will not be the same.

S&P 500 Index is a widely recognized index of market activity based on the aggregate performance of a selected portfolio of publicly traded common stocks. The performance data was supplied by Standard & Poor's. It is included to indicate the effect of general market conditions.

Russell 1000 Value Index is a widely recognized index of market activity based on the aggregate performance of common stocks from the Russell 1000 Index, with lower price-to-book ratios and lower forecasted growth values. The performance data was supplied by Frank Russell Trust Company.

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 LCIV product is designed for long-term investors, who are willing to accept short-term market price fluctuations. Stock market and business risks are general risks associated with the product. There are times the overall market may not favor value-style investing, 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.