January 15, 2021
Intrinsic Value Team
Todd Asset Management

Todd Q4 2020 Global Intrinsic Value Equity Income Review

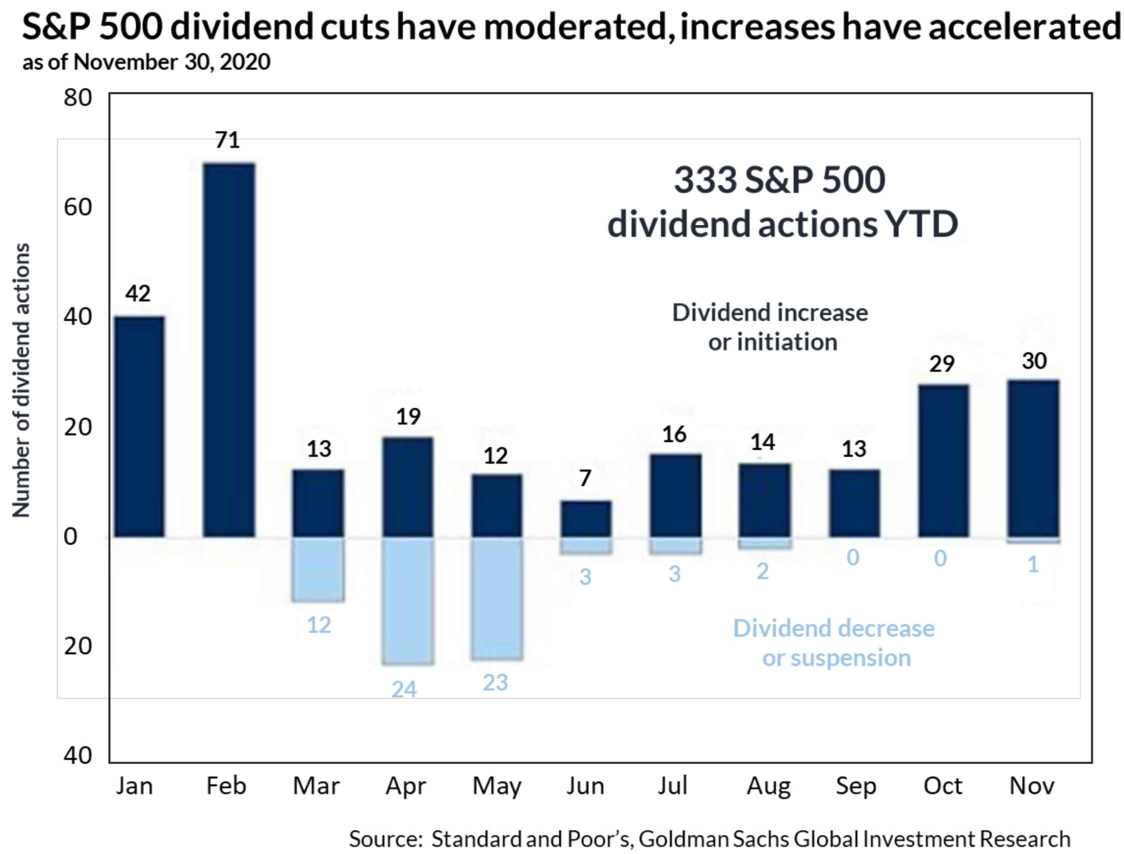
	4Q 2020	1 Year	3 Years*	5 Years*	7 Years*	10 Years*
GIVEI (Gross)	18.8%	-7.1%	0.2%	6.2%	4.3%	7.7%
(Net)	18.7%	-7.7%	-0.4%	5.5%	3.7%	7.1%
MSCI ACWI (Net)	14.7%	16.3%	10.1%	12.3%	8.9%	9.1%
MSCI ACWI Value (Net)	16.6%	-0.3%	2.4%	7.4%	4.7%	6.1%

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

Performance Review

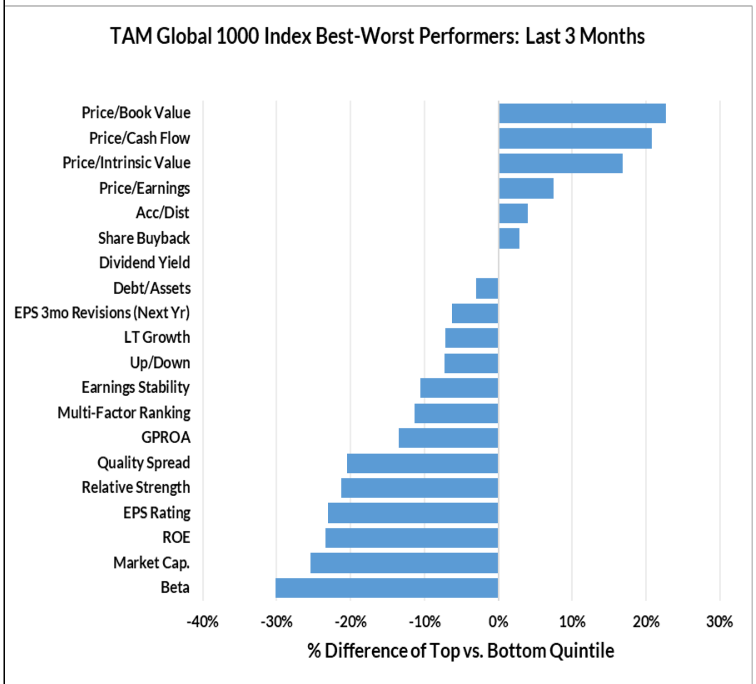
The GIVEI (gross) strategy outperformed the MSCI ACWI during the quarter by 4.1% and the MSCI ACWI Value index by 2.2%. While valuation metrics were the best performing factors for the Global Markets, high dividend yield stocks neither added nor detracted from performance for the last quarter. As can be seen by the chart below, dividend cuts have moderated significantly and we are now actually starting to see dividend increases accelerating. The further we get away from the height of the COVID pandemic, the more confidence businesses and consumers have with life eventually returning to normal. Vaccines will go a long way towards making this a reality. The real benefit to investors in dividend stocks will be the comfort level of businesses in their cash flow and the returning of their customers. This increased confidence will translate into more dividend increases and ultimately, an increased demand for stocks with higher dividend yields. We believe this segment of the market potentially offers a tremendous combination of higher dividend yields and appreciation potential given the low valuation levels.

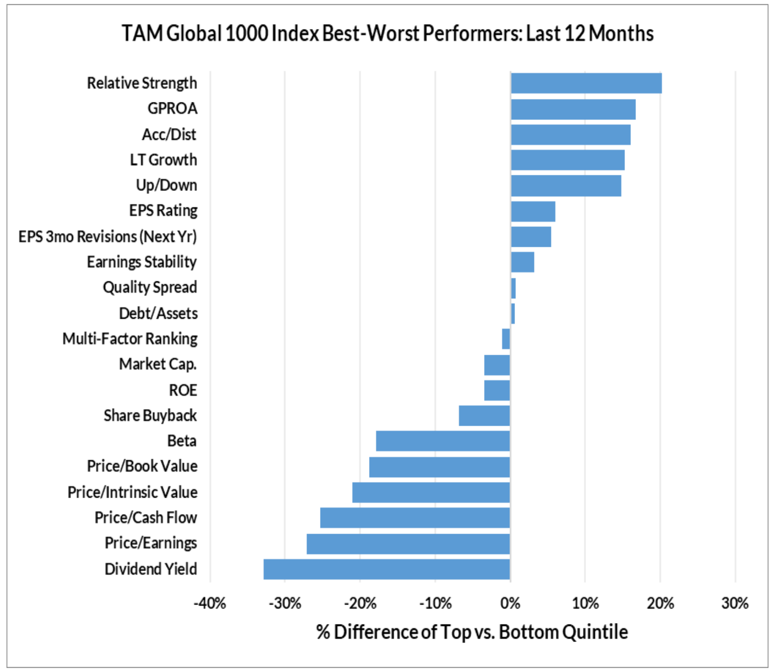
The yield on the portfolio continues to be generous, standing at 5.0% at the end of the fourth quarter. Dividends on this portfolio have consistently grown over the last 5 years and the expected growth in earnings, from the basket of stocks we own, should allow for this to continue.



<u>**Factor Performance**</u>

A major change in this quarter, from the first three quarters of 2020, was the emergence of value characteristics leading the performance. For the first three quarters of the year, value metrics were the worst performer as growth was the dominant theme. This quarter, that changed on a dime. Global growth expectations are accelerating which is leading to more interest in cyclical areas of the market (think more value oriented). As long as expectations for global growth remains high, we think this change in sentiment has some legs to it. Unfortunately, this change in leadership has not translated to Higher Dividend Yielding stocks. While their contribution for the quarter was neutral, they were the worst performing metric for the full year by a lot. Investors still seem to be skeptical about companies maintaining their higher dividend yields without having to cut them at some point in the future. As we stated early in this letter, we believe this segment of the market potentially offers a tremendous combination of higher dividend yields and appreciation potential given the low valuation levels.





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

The outperformance in the fourth quarter was primarily driven by our stock selection, with a little help by sector allocation. Stock selection in Financials and Consumer Discretionary sectors contributed the majority of our outperformance for the quarter. Financial stocks are finally getting a bid as interest rates have backed up slightly and regulators are allowing more stock buybacks and dividend increases. The primary contributor in Consumer Discretionary was Magna International. This Canadian car supplier benefitted from improving auto demand, as well as focusing on electric powered cars. From a regional perspective, Canada and Europe ex-UK accounted for the majority of the outperformance. US and UK detracted from performance during the quarter.

We remain overweight Financials, Energy and Consumer Staples. We also remain underweight Technology, Industrials, and Consumer Discretionary. Among regions, we are overweight Canada and the UK. 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 Magna International, Citizens Financial, Lyondellbasell, Broadcom and Sberbank. Magna benefited from an improving auto cycle while Citizens Financial and Sberbank were helped by a backup in interest rates. Lyondellbasell benefits from an improving global economy while Broadcom continues to benefit from an increasing 5G smartphone cycle.

Our worst five detractors from performance during the quarter were General Mills, Verizon, GlaxoSmithKline, AT&T and IBM. Three of these stocks, General Mills, Verizon and AT&T all suffered from the leadership change in the fourth quarter to a more cyclical/value orientation. GlaxoSmithKline had some difficult data points on the drugs in there pipeline. Lastly, IBM spun off its infrastructure outsourcing business into a standalone company and the market did not react kindly to it.

As we've mentioned in previous quarterly letters, we continue to believe the global economy is in the early stages of a new economic expansion. While economic data bottomed in March/April of 2020, the market had been slow to embrace the recovery and the shift in leadership that typically comes out of a recessionary bear market was staggered through the year. The rotation into Small caps began at the market lows in March. Cyclicals started to lead from the market bottom as well, though at a slower than average pace. International didn't firm up against the US until late May when the EU announced the EU Recovery Fund. Lastly, Value continued its underperformance vs. Growth all the way up to early November. Resolutions to the US election, Brexit and, perhaps most importantly, vaccine approvals cleared the deck for each of these groups and we finally saw the rotation take hold. Investors have come around to the reality that the cycle is indeed restarting with better growth and visibility on the horizon. We believe this should provide a tailwind to the portfolio for some time as we remain exposed to groups set to benefit from reaccelerating economic growth.

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.

Curt Scott, CFA
Jack White, CFA
Jack Holden, CFA
Shaun Siers, CFA

01/15/2021
MSCI ACWI (Net) – 333
MSCI ACWI Value (Net) - 268

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 quarterly 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, 2019. 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, 2019. A complete list and description of TAM composites and/or the verification and performance examination reports are available upon request by contacting TAM at 1-888-544-8633, or write Todd Asset Management LLC, 101 South Fifth Street, Suite 3100, Louisville, Kentucky 40202, or contact us through our Web site at www.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. **As of 12/31/17, the benchmark was changed to the MSCI ACWI (net) from MSCI ACWI (gross). The ACWI (net) is computed net of foreign tax withheld on dividends, this is consistent with the composite**.

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.