Global Large Cap

June 30, 2026

Objective

Invests in domestic and international large capitalization companies. Investment objective is capital appreciation with a secondary objective of dividend income.

Investment Philosophy

Confluence's investment philosophy is a bottom-up, fundamental approach that seeks to generate above-average returns over the long term by investing in high-quality global companies with well-positioned business models that can grow throughout the economic and business cycles.

In addition to fundamental company research, international investments go through country and region assessments to further limit portfolio risk. Country selection considerations center on countries that respect contracts and property rights, have minimal political turmoil and foster low-risk geopolitical environments and favorably valued currencies.

Overview

- Invests in global businesses with sustainable competitive advantages
- Includes domestic and international equities, primarily large cap companies
- Driven by bottom-up fundamental research, while considering macro factors
- Generally 2% position sizes
- Low-to-moderate turnover
- Appropriate for clients whose primary objective is capital appreciation and whose secondary objective is dividend income

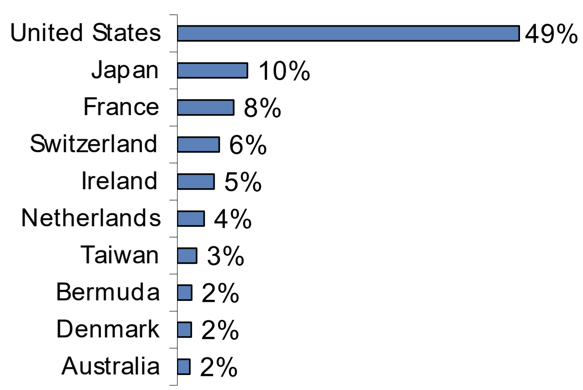
Portfolio Holdings[1]

See GIPS Report on pages 3-4

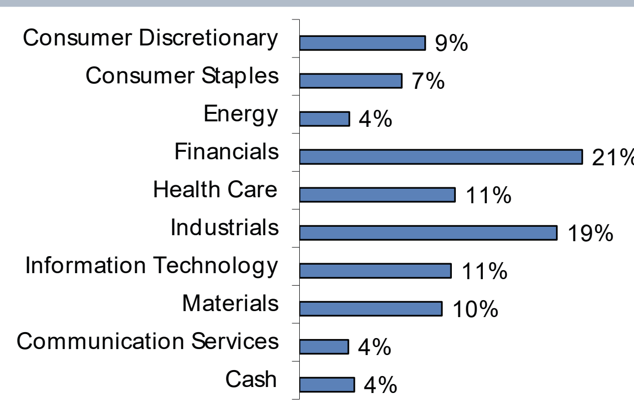
Characteristics	
Number of Positions	23-27
Portfolio Yield	1.8%
Annual Turnover *(5-Yr Rolling as of 12/31/25)*	11%
P/E (12-Month Trailing)	24.1
P/E (Forward 1-Year)	18.8
5-Year EPS Growth Rate	11.7%
Price/Book Ratio	6.8
Price/Sales Ratio	4.7
Return on Equity	30.0%
Weighted Debt-to-Capital	28.8%
Weighted Avg. Market Cap ($MM)	$339,540

10 Largest Holdings	Sector	Weight
Taiwan Semiconductor Manufacturing	Info. Technology	2.8%
Booking Holdings Inc.	Consumer Disc.	2.4%
Disco Corp.	Info. Technology	2.3%
Air Liquide S.A.	Materials	2.3%
Linde plc	Materials	2.2%
Progressive Corp.	Financials	2.2%
Masco Corp.	Industrials	2.2%
Tokio Marine Holdings Inc.	Financials	2.2%
Stryker Corp.	Health Care	2.2%
Sandoz Group	Health Care	2.2%

Country Allocation



Sector Allocation



Investment Process

Bottom-Up Security Selection: Great Companies at Bargain Prices

Our disciplined investment process is research-driven, seeking to uncover high-quality companies trading at a discount to our estimate of intrinsic value. We define great companies as those with the following attributes:

Durable Competitive Advantages

- Meaningful pricing power
- High barriers to entry
- Superior return on capital over extended periods of time

Free Cash Flow

- Substantial amount available to benefit shareholders
- Should far exceed the capital expenditures needed to maintain and grow the business

Capable Management

- Demonstrated ability to effectively allocate capital
- Alignment of management's interest with investors through large personal investments in company stock

Top-Down Analysis: Portfolio Construction

Our disciplined investment process combines bottom-up security selection with a top-down approach to identify equity investments in favorable geographies, sectors and currencies.

In addition to seeking attractive, macro-driven investment opportunities, our analysis also detects possible global risks.

Geopolitical and Global Macro Factors

- Primary focus is price paid for a stock (discount to intrinsic value)
- Each portfolio company is evaluated to determine the full value of the business / intrinsic value of the security
- The entry point is generally set at a 25%-50% discount to our internal estimate of intrinsic value
- Entry points are continually re-assessed
- Risk is defined as the probability of a permanent loss of capital as opposed to tracking error of a benchmark

Valuation Analysis & Sell Discipline

Valuations play an important role as we believe avoiding excessive valuations is a key metric in managing risk, while maximizing total return potential over an investment cycle.

- Primary focus is price paid for a stock
- Purchasing companies only when they are trading at a reasonable discount to our internal estimate of intrinsic value
- Risk is defined as the probability of a permanent loss of capital as opposed to tracking error of a benchmark

To help preserve capital, portfolio positions are continually reviewed. A company's stock may be sold if:

- Share price reaches or exceeds our estimate of full valuation
- Company's fundamentals deteriorate
- More attractive opportunities are identified

Portfolio Characteristics

Statistical Analysis[2]

(as of 6/30/26)

Since Inception**	Pure Gross-of-Fees[4]	MSCI World
Downside Capture Ratio	91.45	100.00
Alpha	(0.06)	0.00
Beta	0.88	1.00
Annualized Standard Deviation	13.42%	14.44%
R-Squared	0.89	1.00
Sharpe Ratio	0.66	0.70

Portfolio at Quarter End	vs. MSCI World
Active Share	90.75%

***Inception is 1/1/2013*

Performance

Composite Returns[3] (For periods ending June 30, 2026)

	Since Inception**	10-Year*	5-Year*	3-Year*	1-Year	YTD	QTD
Global Large Cap *Pure Gross-Of-Fees[4]*	10.6%	11.4%	8.4%	12.7%	8.0%	3.0%	4.0%
Max Net-Of Fees[5]	7.3%	8.1%	5.2%	9.3%	4.8%	1.4%	3.2%
MSCI World (Net)	11.9%	13.1%	11.5%	19.2%	21.3%	9.7%	13.8%

Calendar Year	Pure Gross-Of-Fees[4]	Max Net-Of-Fees[5]	MSCI World (Net)	Difference (Gross-MSCI World)	# of Portfolios	Composite Assets (000s)	Total Firm Assets (000s)	Composite 3yr Std Dev	MSCI World 3yr Std Dev	Composite Dispersion
2013	26.5%	22.8%	26.7%	(0.2%)	1	$421	$1,955,915	N/A	N/A	N/A
2014	3.1%	0.1%	4.9%	(1.8%)	1	$434	$2,589,024	N/A	N/A	N/A
2015	(0.7%)	(3.6%)	(0.9%)	0.2%	1	$431	$3,175,419	N/A	N/A	N/A
2016	9.0%	5.8%	7.5%	1.5%	1	$469	$4,413,659	10.2%	10.9%	N/A
2017	20.2%	16.6%	22.4%	(2.2%)	1	$561	$5,944,479	9.1%	10.2%	N/A
2018	(4.6%)	(7.5%)	(8.7%)	4.1%	1	$535	$5,486,737	9.4%	10.4%	N/A
2019	31.4%	27.5%	27.7%	3.8%	1	$704	$7,044,708	10.5%	11.1%	N/A
2020	9.6%	6.4%	15.9%	(6.3%)	2	$2,176	$6,889,798	16.7%	18.3%	N/A
2021	23.0%	19.4%	21.8%	1.2%	1	$947	$7,761,687	16.5%	17.1%	N/A
2022	(14.9%)	(17.4%)	(18.1%)	3.3%	1	$806	$6,931,635	20.3%	20.4%	N/A
2023	21.1%	17.5%	23.8%	(2.7%)	1	$223	$7,200,019	17.6%	16.7%	N/A
2024	11.5%	8.2%	18.7%	(7.2%)	2	$357	$7,280,773	16.8%	16.6%	N/A
2025	15.0%	11.6%	21.1%	(6.1%)	2	$420	$6,769,052	10.8%	11.3%	0.2%

**Average annualized returns* ***Inception is 1/1/2013* *See performance disclosures on last page.*

Portfolio Benchmark

MSCI World (Net) Index – A free float-adjusted market capitalization index that is designed to measure developed market equity performance. Performance results are presented net of estimated foreign withholding taxes on dividends, interest and capital gains. (*Source: Bloomberg*)

(*An index is unmanaged and an investor cannot invest directly in an index. They are shown for illustrative purposes only & do not represent the performance of any specific investment. Index performance figures are reported as net returns.*)

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Disclosures

[1] **Portfolio Holdings**—Securities, country, sector, currency, and other information presented does not constitute a recommendation by Confluence or a solicitation of any offer to buy or sell any securities. Sector/country allocations and holdings listed represent a portion currently or previously held in a representative portfolio invested in accordance with the stated investment strategy. Country allocation weightings exclude cash and cash equivalents. Listings of countries and holdings do not represent all of the countries/stocks currently or previously owned in the portfolio or which Confluence may be currently recommending. Sector/country weightings and holdings of individual client portfolios in the strategy may differ, sometimes significantly, from these listings. Contact Confluence to receive a complete list of securities, sectors and/or countries previously held. All investments carry a certain degree of risk, including possible loss of principal. It is important to review your investment objectives, risk tolerance & liquidity needs before choosing an investment style or manager. Equity securities are subject to market risk & may decline in value due to adverse company, industry or general economic conditions. There can be no assurance that any investment objective will be achieved. Portfolio yield: composite level weighted average gross dividend yield, calculated based on annualized current dividends; source: Bloomberg/FactSet. Annual turnover 5-year rolling calculated from sample accounts for periods ending 12/31/2025. Past performance does not guarantee future results.

[2] **Statistical Analysis**—*Active Share*: Measures % of portfolio holdings that differ from benchmark index; calculated by taking the sum of the absolute value of the differences of the weight of each holding in manager's portfolio & the weight of each holding in benchmark index, as of the date shown, and dividing by two. (*Calculated by Confluence. Index holdings/ weights sourced from exchange-traded fund: iShares S&P 500 Core [IVV].) Downside Capture Ratio*: Measures performance in down markets relative to index (down market: any quarter where the market return is less than zero); lower Downside Capture Ratio indicates manager protected capital better during a market decline. *Alpha*: Measures nonsystematic return or return that cannot be attributed to the market. *Beta*: Measures portfolio volatility (systematic risk) compared to an appropriate benchmark index. *Standard Deviation*: Measures price variability (risk) over a period of time. *R-Squared*: Indicates whether comparison index is an appropriate benchmark based on correlation. *Sharpe Ratio*: Quantifies risk-adjusted performance by measuring excess return per unit of risk. (*Data source: Zephyr's PSN SMA Database*)

[3] **Performance Composite Returns—Confluence Investment Management LLC claims compliance with the Global investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Confluence Investment Management LLC has been independently verified for the periods August 1, 2008, through December 31, 2023. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards.**
Verification provides assurance on whether the firm's policies and procedures related to composite maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

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The Global Large Cap strategy was incepted on January 1, 2013, and the current Global Large Cap Composite was created on January 1, 2013. Confluence Investment Management LLC is an independent registered investment adviser. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. Composite performance is typically net of foreign withholding taxes on dividends, interest income and capital gains with some exceptions based on custodian treatment. The US Dollar is the currency used to express performance. Returns are presented gross and net of all fees and include the reinvestment of all income.

[4] Pure gross returns are shown as supplemental information to the disclosures required by the GIPS® standards.

[5] Net-of-fee performance was calculated using the highest applicable annual bundled fee of 3.00% applied quarterly. This fee includes brokerage commissions, portfolio management, consulting services and custodial services. The Confluence fee schedule for this composite is as follows: 0.60% on the first $500,000; 0.55% on the next $500,000; and 0.50% over $1,000,000. There are no incentive fees. Clients pay an all-inclusive fee based on a percentage of assets under management. The collection of fees produces a compounding effect on the total rate of return net of fees. Bundled fee accounts make up 100% of the composite for all periods. Actual investment advisory fees incurred by clients may vary. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor.

Historical performance is based on the Global Large Cap–Direct Composite which was created on January 1, 2013. The Global Large Cap–Direct composite includes accounts that pursue the Global Large Cap strategy, but do not have bundled fees. Gross returns from the Global Large Cap–Direct composite include transaction costs and net-of-fee performance was calculated using the highest applicable annual bundled fee of 3.00% applied quarterly. Non-fee-paying accounts comprise 100% of composite assets for all periods.

A complete list of composite descriptions is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. The annual composite dispersion is an equal‐weighted standard deviation, using gross-of-fee returns, calculated for the accounts in the composite for the entire year. The three-year annualized standard deviation measures the variability of the composite gross returns over the preceding 36-month period. The Global Large Cap Composite contains fully discretionary Global Large Cap wrap accounts. The Global Large Cap portfolio invests in US-listed shares of global large capitalization companies.

N/A-Composite Dispersion: Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year. N/A-3yr Std Dev: Composite does not have 3 years of monthly performance history.