Large Cap Value Select

A CONCENTRATED, HIGH CONVICTION STRATEGY I QUARTERLY UPDATE AS OF MARCH 31, 2022

RIVER ROAD
ASSET MANAGEMENT®

Investment Objective

Long-term total return = Russell 1000 Value index plus 200 bps to 400 bps

Strategy Summary

River Road's Large Cap Value Select (LCVS) Strategy is a concentrated, high conviction value strategy comprised of companies that exhibit attractive business models, shareholder-oriented management, and financial strength.

The Strategy's investment universe formally consists of all North American listed equity securities with market caps greater than $3 B at the time of initial purchase.

Portfolio Managers

Daniel R. Johnson, CFA, CPA
16 years of experience;
managed Portfolio since inception

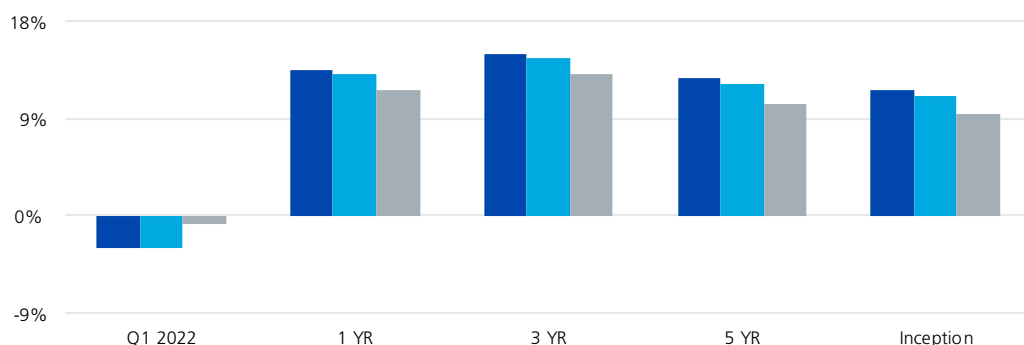University of Kentucky, BS
University of Kentucky, Macc

Matt W. Moran, CFA
22 years of experience;
managed Portfolio since inception

Bradley University, BS
University of Chicago, MBA

Discovering value,
off the beaten path®

Trailing Returns

	Q1 2022	1 YR	3 YR	5 YR	Inception
LCVS Composite - Gross	**-2.93%**	**13.39%**	**14.95%**	**12.73%**	**11.67%**
LCVS Composite - Net	**-2.96%**	**13.16%**	**14.63%**	**12.25%**	**11.11%**
Russell 1000 Value	-0.74%	11.67%	13.02%	10.29%	9.44%
Out / Underperformance	**-2.19%**	**+1.72%**	**+1.93%**	**+2.44%**	**+2.23%**

Calendar Year Returns

	2021	2020	2019	2018	2017	2016	2015	2014[1]
LCVS Composite - Gross	**28.35%**	**6.70%**	**30.89%**	**-4.69%**	**17.55%**	**11.83%**	**0.34%**	**3.59%**
LCVS Composite - Net	**28.05%**	**6.40%**	**30.30%**	**-5.30%**	**16.79%**	**11.10%**	**-0.31%**	**3.48%**
Russell 1000 Value	25.16%	2.80%	26.54%	-8.27%	13.66%	17.34%	-3.83%	2.67%
Out / Underperformance	**+3.19%**	**+3.90%**	**+4.35%**	**+3.58%**	**+3.89%**	**-5.51%**	**+4.17%**	**+0.92%**

Past performance is no guarantee of future results. There is a risk that invested capital may be lost. Performance is shown gross and net of fees. Inception date: November 1, 2014. Out/underperformance compares the gross Composite and index. [1]November 1, 2014 through December 31, 2014. Index data source: London Stock Exchange Group PLC and its group undertakings (collectively, the "LSE Group"), © LSE Group. Please see reverse side for important disclosure information.

Market Highlights

- **Inflation, interest rates, and commodities accelerated higher**.
- Large cap outperformed small cap, while value outperformed growth across all market caps.
- Within the Russell 1000 Value index, **Energy (+38.75%)** and **Materials (+5.31%)** posted the highest total returns, while **Consumer Discretionary (-13.20%)** and **Information Technology (-9.34%)** posted the lowest.
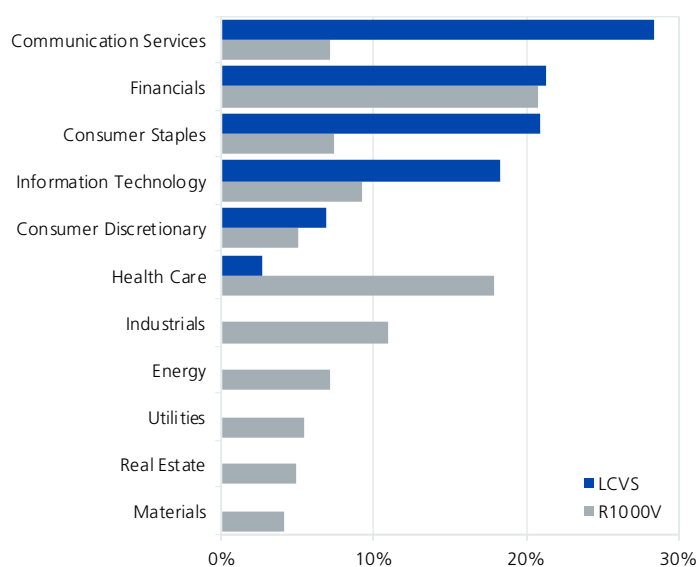
Portfolio Highlights

- The River Road Large Cap Value Select (LCVS) Composite returned **-2.93%** (-2.96% net) for Q1 versus **-0.74%** for the Russell 1000 Value benchmark.
- The sectors with the highest contribution to relative return in Q1 were **Health Care** and **Information Technology**.
- The holdings with the highest contribution to active return were **Pioneer Natural Resources Co. (PXD)** and **Berkshire Hathaway Inc. (Cl B) (BRK.B)**.
- The sectors with the lowest contribution to relative return in Q1 were **Communication Services** and **Consumer Discretionary**.
- The holdings with the lowest contribution to active return were **Meta Platforms Inc. (Cl A) (FB)** and **Bath & Body Works Inc. (BBWI)**.

Outlook

- We believe high quality value stocks are attractively priced and well positioned for a volatile year.

Sector Weights

Legend: LCVS, R1000V

Categories (top to bottom): Communication Services, Financials, Consumer Staples, Information Technology, Consumer Discretionary, Health Care, Industrials, Energy, Utilities, Real Estate, Materials

Characteristics & Risk Statistics

	LCVS	R1000V
Number of Holdings	21	848
EV / EBITDA[1]	14.0	12.4
Price / Earnings[2]	19.2	16.6
Price / Book	3.06	2.62
Price / Cash Flow	13.9	14.8
ROE (5 YR Avg)	17.9	14.8
EPS Growth (5 YR)	10.4	7.7
LT Growth Estimate[3]	12.8	10.9
Annualized Standard Deviation[4]	17.81	16.42
Jensen Alpha[4]	2.10	
Beta[4]	1.04	
Cash	1.4%	
Dollar Turnover (3 YR Avg)[5]	85.6%	
Active Share (Since Inception)	93.3%	

Market Cap Breakdown

	LCVS	R1000V
Wtd Avg Market Cap	$281.76 B	$169.14 B
Large/Mega Cap: > $45 B	59.9%	64.3%
Mid Cap: $10 B - $45 B	31.8%	28.7%
Micro/Small Cap: < $10 B	6.8%	7.0%

Portfolio Contribution

Top Contributors		Avg Wgt	PCAR
PXD	Pioneer Natural Resources Co.	2.65%	+1.31%
BRK.B	Berkshire Hathaway Inc. (Cl B)	5.82%	+0.99%
MCK	McKesson Corp.	3.52%	+0.78%
TMUS	T-Mobile US Inc.	5.44%	+0.58%
PGR	Progressive Corp.	4.03%	+0.46%

Bottom Contributors			
FB	Meta Platforms Inc. (Cl A)	4.06%	-1.74%
BBWI	Bath & Body Works Inc.	3.06%	-1.19%
KKR	KKR & Co. Inc.	4.72%	-1.09%
LKQ	LKQ Corp.	3.58%	-0.93%
LBRDK	Liberty Broadband Corp. (Cl C)	4.11%	-0.67%

Top 10 Portfolio Holdings

Symbol	Company	% Port
KDP	Keurig Dr Pepper Inc.	8.59%
V	Visa Inc. (Cl A)	8.36%
FISV	Fiserv Inc.	6.85%
GOOG	Alphabet Inc. (Cl C)	6.19%
TMUS	T-Mobile US Inc.	5.85%
BRK.B	Berkshire Hathaway Inc. (Cl B)	5.53%
LSXMK	Liberty Media Corp. Series C Liberty SiriusXM	5.40%
UL	Unilever PLC Sponsored ADR	4.87%
WTW	Willis Towers Watson PLC	4.51%
LKQ	LKQ Corp.	4.50%