

Global Choice

THIRD QUARTER 2021

Global Choice seeks to provide superior total risk-adjusted returns by investing in a concentrated portfolio of companies worldwide

Key Components of the Global Choice Strategy

A concentrated portfolio, befitting from proprietary research that drives Epoch's U.S. and global strategies; a majority of holdings are high conviction positions in our other strategies

Portfolio diversifier offering low correlations with growth, value, and other accounting-based styles

Flexibility to invest across geographies and the market capitalization spectrum

Portfolio construction framework designed to minimize unintended risks and reduce volatility

Blends individual bottom up opportunities with top down macroeconomic insights

Offers global capital appreciation and a source of alpha in a core/satellite allocation

Investment Philosophy

Epoch believes that the best predictors of long-term shareholder return are growth in free cash flow and management's skill in allocating that cash.

We prefer cash flow to earnings for three reasons. First, cash flows are more reliable than reported earnings because they are harder to manipulate under accounting rules. Second, for innovative businesses which derive much of their economic value from intangible assets,

reported earnings have become increasingly less relevant as a measure of value generation compared to cash flows. Third, businesses which appear to generate reported earnings but not cash flows are more likely to run into financial distress.

Capital allocation matters because decisions on how to allocate cash flows—whether to reinvest in order to grow a company, or to return capital to shareholders—can create or destroy long-term shareholder value.

Strategy Approach and Investment Process

Global Choice pursues long-term capital appreciation by investing in a concentrated portfolio of global businesses we believe have superior risk-reward profiles. Our bottom-up security selection and risk management process leads to a portfolio of 25-35 stocks.

The portfolio combines both the investment themes developed by our Investment Policy Group with high-conviction stock ideas selected by our research team that are typically present in our other strategies. The portfolio management team has latitude to invest across geographies and market capitalizations regardless of the composition of its benchmark, the MSCI World Index.

The Global Choice strategy leverages the fundamental research carried out across all strategies managed by Epoch as the primary source for investment ideas. Epoch's broader underlying U.S., non-U.S., and global strategies incorporate qualitative and quantitative analysis to identify potential investments, taking into consideration factors that can lead to growing cash flow. Stocks are then subject to rigorous fundamental research. We develop an investment thesis as we assess the sources of the company's long-term value creation as well as management's ability to nurture it. We scrutinize management's track record of allocating capital, looking for those with the

discipline to use free cash flow to maximize return on investment, thereby creating shareholder value.

While the portfolio is constructed from the bottom up, we also consider the macro context when making decisions. Epoch's Investment Policy Group, which is composed of senior members of our various strategy groups, provides insight and guidance on the global market environment as well as macroeconomic and industry trends.

Our veteran team of research analysts and portfolio managers carry out the bottom-up fundamental research. This group averages over 20 years of investment experience. All of our investment professionals are based in our New York office, which fosters a close working environment and a high level of communication. Analysts work within a team structure and are involved throughout the decision-making process. Investments and ideas are discussed frequently in real time. Our investment team meets formally on a regular basis to review market news, new research, investment ideas and current portfolio holdings. The global team also works closely with our U.S. analysts to share ideas and information. A subset of our global team is focused specifically on the Global Choice strategy.

The portfolio management team comprises Epoch's Co-Chief Investment Officers, Bill Priest, Bill Booth, David Pearl, and Mike Welhoelter. The Global Choice strategy



leverages the fundamental research efforts of the entire firm, along with the work of our Quantitative Research and Risk Management team and our Investment Policy Group to create a concentrated, high-conviction portfolio. Our goal is to produce an efficient portfolio on a risk-return basis. Its composition reflects three elements:

- Epoch's highest-conviction stock ideas without reference to any particular benchmark;
- Thematic and sector views generated by our Investment Policy Group, and;
- Inverse risk weighting to control portfolio volatility.

Once a stock has been purchased, we regularly revisit our thesis and will typically sell the stock if our price target is reached, our thesis changes or we see another investment with a better risk-reward profile.

Risk Management

We analyze risk as part of the portfolio construction process to monitor portfolio volatility and better ensure the delivery of the strategy's goals. Epoch's Chief Risk Officer serves as a co-portfolio manager to ensure the investment team is aware of unintended biases and of the effect individual securities may have on the portfolio.

The portfolio is unconstrained with the exception of limiting individual position sizes to 10% at the time of purchase. Geographic and sector weights are largely a by-product of stock selection. Large divergences from the benchmark occur and their potential to influence the portfolio are monitored.

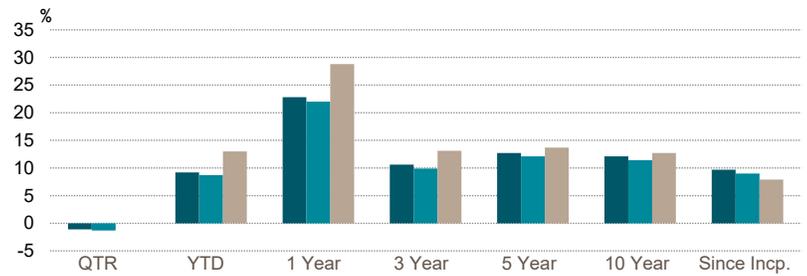
Portfolio Management Team

Industry Experience

Bill Priest, CFA	56 years
Bill Booth, CFA	25 years
Mike Welhoelter, CFA	34 years

Supported by a team of analysts with an average of 20 years experience

GLOBAL CHOICE



	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Portfolio (Gross)	11.3	27.5	-8.9	30.8	-0.6	0.1	3.2	32.5	15.4	-0.1
Portfolio (Net)	10.6	26.7	-9.4	30.0	-1.1	-0.5	2.6	31.8	14.9	-0.6
MSCI World (Net)	15.9	27.7	-8.7	22.4	7.5	-0.9	4.9	26.7	15.8	-5.5

SECTOR WEIGHTS

	Portfolio %	MSCI World (Net) %
Information Technology	26.3	22.3
Communication Services	21.9	9.1
Health Care	16.7	12.6
Consumer Discretionary	9.8	12.1
Financials	7.4	13.7
Industrials	7.0	10.2
Materials	3.0	4.1
Utilities	2.3	2.7
Real Estate	0.0	2.7
Consumer Staples	0.0	6.9
Energy	0.0	3.2
Cash	5.7	0.0
Total	100.0	100.0

5 LARGEST COUNTRY WEIGHTS

	Portfolio %	MSCI World (Net) %
United States	75.6	67.7
Japan	7.5	7.0
Spain	3.3	0.7
France	3.0	3.3
Germany	2.5	2.6
Total	91.8	81.3

THREE YEAR RISK METRICS

Portfolio vs. MSCI World (Net)	
Info Ratio	-0.59
Alpha	-2.12
Beta	1.00
R ²	0.95

ADDITIONAL INFORMATION

Composite Inception	September 30, 2005
Assets	\$3,347.7 million
Availability	Minimum
Separate account	\$50 million
UCITs	
Epoch Global Choice Fund	
Class A	\$1 million
Class B	\$100 million
Other Vehicles	
Commingled Fund 3 (c) (7)	\$5 million

CHARACTERISTICS

	Portfolio	MSCI World (Net)
Dividend Yield (%)	0.8	1.7
Standard Deviation (3yr) (%)	18.6	18.2
Sharpe Ratio (3yr)	0.51	0.66
Weighted Avg Mkt Cap (\$M)	494,301	385,747
Weighted Med Mkt Cap (\$M)	159,434	99,493
Number of Equity Positions	32	1,561
12 Month Turnover (%)	79.3	

5 LARGEST HOLDINGS

	Portfolio %
Alphabet Inc. Class C	5.6
T-Mobile US, Inc.	5.2
Amazon.com, Inc.	4.3
Microsoft Corporation	4.0
Raytheon Technologies Corporat	4.0
Total	23.1

All data as of September 30, 2021 unless otherwise noted. Source: FactSet Research Systems, Inc.; MSCI Inc. Totals may not add due to rounding. Performance for the most recent quarter is preliminary and subject to change. The risk statistics are shown for informational purposes only and are not indicative of future results. Past performance is no guarantee of future results. Valuations are computed and performance is reported in U.S. dollars. Composite returns are presented gross and net of management fees and include the reinvestment of all income. Gross-of-fees returns are presented before management fees but after all trading expenses. Net performance reflects the gross-of-fees return reduced by the investment management fee and performance-based fee (where applicable) incurred. Effective 1/2008, net performance is calculated by deducting the actual investment management fee incurred by each portfolio in the composite. Prior to 1/2008, net-of-fee returns reflect the deduction of the highest annual management fee, calculated on a monthly basis. Returns include the effect of foreign currency exchange rates. The statements expressed herein are informed opinions, are as of the date noted, and are subject to change at any time based on market or other conditions. International investments involve special risks including currency fluctuation, long liquidity and different accounting methods and economical and political systems. Securities of smaller companies tend to be more volatile and less liquid than that of large companies. Information about indices allows for the comparison of an investment strategy's results to that of a widely recognized broad market index. There is no representation that such index is an appropriate benchmark for such comparison. Results for an index do not reflect trading commissions and costs. Index volatility may be materially different from a strategy's volatility and portfolio holdings may differ significantly from the securities comprising an index. This information is intended to highlight issues and not to be comprehensive or to provide advice only. Any reproduction, modification, distribution, transmission or republication of the information, in part or in full, is prohibited.

