STRATEGY PROFILE

Global Quality Capital Reinvestment

SECOND QUARTER 2022

Global Quality Capital Reinvestment seeks to provide superior total and risk-adjusted returns by investing in companies that emphasize reinvestment in their business to grow free cash flow

Key Components of the Global Quality Capital Reinvestment Strategy

Access to a portfolio of high-quality global companies with attractive capital appreciation potential

Portfolio holdings generate strong free cash flow and use their cash to reinvest in their business through internal projects and acquisitions

Invests in companies with a persistently high spread between ROIC and weighted average cost of capital (WACC)

Active management by an experienced investment team

Risk management integrated with the investment process

Record of strong relative and risk-adjusted returns since inception

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

The Global Quality Capital Reinvestment strategy seeks to invest in companies that earn a superior ROIC relative to their weighted average cost of capital (WACC), are expected to be able to maintain that return premium, and have the opportunity to grow their business. The portfolio generally holds between 90 and 130 stocks from equity markets worldwide and employs risk controls to diversify the sources of growth and reduce volatility.

The strategy first uses a quantitative screen to identify potential investments. Epoch seeks to identify companies that have ROIC greater than WACC, growth in cash flow from operations over the last five years, expected revenue growth greater than 5%, and high or expanding margins. The proprietary Epoch Core Model (ECM) is then used to rank every name that passes the screen against its global peers on 22 different factors, many of which are based on Epoch's free-cash-flow investment philosophy.

On a quarterly basis, the investment team runs a portfolio optimization on the names that pass the Capital Reinvestment screen. The optimizer seeks to maximize the portfolio's information ratio—i.e., expected alpha relative to expected tracking error—with the ECM score serving as a proxy for expected alpha. Simultaneously, the optimizer seeks to maximize the screening metrics that make up the Capital Reinvestment screen described above. Risk constraints are in place to limit the contribution of any one stock to the portfolio's aggregate ROIC - WACC premium. The optimization results in a suggested portfolio of 90 to 130 stocks, which typically includes 12 to 15 suggested new buys and 12 to 15 suggested sells.

The investment team performs rigorous fundamental research on each of the suggested names to determine whether the characteristics that allowed a company to pass the screen are likely to be maintained. The investment team performs financial statement analysis to understand the dynamics of how a company has generated a high level of ROIC. Once the source of ROIC is understood, the team looks for factors that increase the likelihood of sustaining that high ROIC. The team also looks for risks to that sustainability. Finally, they check a company's proxy statement to see what kind of long-term incentive plan management has in place. Ideally, company management should be rewarded for generating good returns on capital, rather than simply for growth in sales, earnings, or market share.

Once the team understands the source of a company's high ROIC, judges it to be sustainable, is comfortable with the risks to the ROIC, and thinks that management's incentives are reasonably aligned with the interests of the shareholders, they will approve the stock for inclusion in the portfolio. The investment team typically implements roughly one-third of the buys and sells suggested by the optimizer. The team may also purchase companies that have not been suggested by the optimizer; however these stocks must pass the Capital Reinvestment screen and be highly ranked by the ECM.

The investment team performs a quarterly portfolio rebalance that incorporates the results of the quantitative screen, optimization analysis, and fundamental research. Positions can also be added or removed at any time based on information from fundamental analysis or in reaction to new information. Stocks are generally held in the portfolio as long as they continue to demonstrate the sustainable growth characteristics sought by the strategy and may be sold or reduced if a company's fundamentals change, there are alternatives with a better risk-reward outcome, or if there is deterioration in the investment criteria.

Risk Management

Risk management is integrated throughout the process with a focus on avoiding unintended risks. Portfolio risk exposures are monitored and formally communicated to portfolio managers on a regular basis and discussed at investment meetings. The optimization process utilizes constraints to limit the contribution of any one stock to certain portfolio aggregate measures (ROIC - WACC, growth in cash flow, expected revenue growth, operating profit margin). The minimum position size is generally 0.25%, and the maximum is 2.0% (except for stocks which are greater than 2.0% of the benchmark, in which case the maximum is the benchmark weight plus 1.0%). There are no explicit limits on country, region, or sector weights, because the portfolio optimization process tends to prevent extreme overweights or underweights.

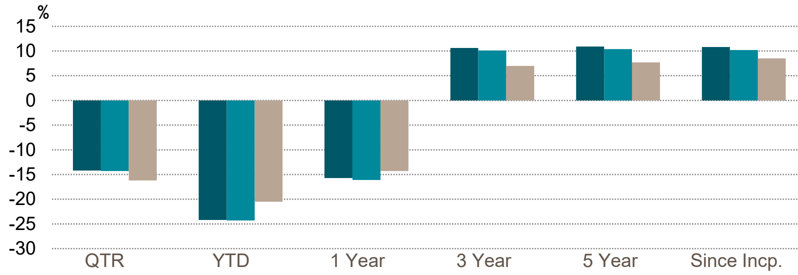
Portfolio Management Team

Industry Experience

David Siino, CFA, CAIA	24 Years
Steve Bleiberg	38 years
Mike Welhoelter, CFA	36 years
Bill Priest, CFA	57 years

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

GLOBAL QUALITY CAPITAL REINVESTMENT



	QTR	YTD	1 Year	3 Year	5 Year	Since Incp.
▪ Portfolio (Gross)	-14.2	-24.2	-15.7	10.6	10.9	10.8
▪ Portfolio (Net)	-14.3	-24.3	-16.1	10.1	10.4	10.2
▪ MSCI World (Net)	-16.2	-20.5	-14.3	7.0	7.7	8.5

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Portfolio (Gross)	26.5	30.3	29.6	-7.9	28.2	5.6	1.7	6.1	15.5
Portfolio (Net)	25.9	29.7	29.1	-8.3	27.7	5.2	0.8	5.2	15.0
MSCI World (Net)	21.8	15.9	27.7	-8.7	22.4	7.5	-0.9	4.9	16.8

Results for 2013 represent partial period performance from June 30, 2012 through December 31, 2013.

SECTOR WEIGHTS

	Portfolio %	MSCI World (Net) %
Information Technology	26.9	21.1
Health Care	23.3	14.1
Consumer Discretionary	12.5	10.6
Industrials	11.2	9.8
Financials	9.2	13.6
Consumer Staples	9.0	7.8
Communication Services	6.6	7.6
Real Estate	0.4	2.9
Materials	0.3	4.3
Utilities	0.0	3.2
Energy	0.0	5.0
Cash	0.5	0.0
Total	**100.0**	**100.0**

5 LARGEST COUNTRY WEIGHTS

	Portfolio %	MSCI World (Net)%
United States	63.9	68.7
United Kingdom	4.3	4.4
Sweden	3.8	0.9
Japan	3.6	6.2
Denmark	3.1	0.8
Total	**78.6**	**81.0**

THREE YEAR RISK METRICS

Portfolio vs. MSCI World (Net)	
Info Ratio	0.62
Alpha	3.98
Beta	0.91
R^2	0.90
Upside Capture	103.7
Downside Capture	91.6

ADDITIONAL INFORMATION

Composite Inception	June 30, 2013
Assets	$2,176.5 million
Availability	**Minimum**
Separate account	$25 million
Mutual Fund	
Mainstay Epoch Capital Growth Fund	
Ticker: *MECFX (I Share)*	$5 million
UCITS	
Epoch Global Quality Capital Reinvestment Fund	
Class A	$1 million
Class B	$100 million

CHARACTERISTICS

	Portfolio	MSCI World (Net)
ROIC – WACC (%)	17.7	1.5
FCF Yield (ex-financials) (%)	3.40	4.22
Standard Deviation (3yr) (%)	17.5	18.2
Sharpe Ratio (3yr)	0.57	0.35
Weighted Avg Mkt Cap ($M)	152,588	339,944
Weighted Med Mkt Cap ($M)	28,842	87,532
Number of Equity Positions	113	1,513
12 Month Turnover (%)	33.3	

5 LARGEST HOLDINGS

	Portfolio %
Eli Lilly and Company	2.3
LPL Financial Holdings Inc.	2.1
Monster Beverage Corporation	1.9
Microsoft Corporation	1.8
Zoetis, Inc. Class A	1.8
Total	**10.0**

All data as of 06/30/2022 unless otherwise noted. Source: FactSet Research Systems, Inc.; MSCI Inc., Totals may not add due to rounding. The inception date of the Composite is June 30, 2013. 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 1/2016, net performance is calculated by deducting the actual investment management fee incurred by each portfolio in the composite. Prior to 1/2016, 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.