

## Unconventional Quality. Enduring Value.

An Elevated Approach Built on  
Downside Protection

TJ Carter, CFA, CPA  
Portfolio Manager

### About The London Company

- Employee-owned firm founded in 1994
- \$34B assets under advisement\*
- Singular process for all strategies
  - Driven by a fundamental quality-value approach
- We invest in our portfolios alongside our clients

### A Differentiated Investment Process

Our process focuses on protecting in down markets to deliver meaningful excess returns and lower levels of volatility over full market cycles.

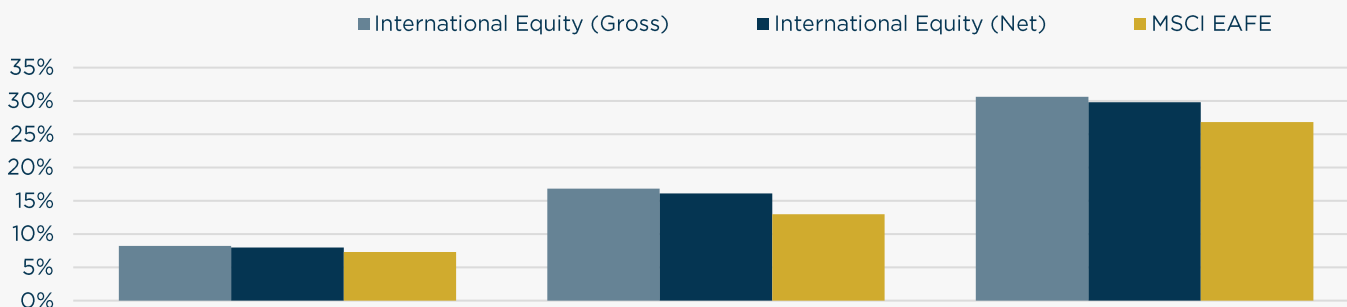
- **High-Quality Companies:** sustainably high and improving returns on capital and strong balance sheets
- **Balance Sheet Optimization:** a novel approach to valuation that limits forecast risk inherent in growth projections
- **Focused Portfolio Construction** solves the problem of over-diversification: 25-40 high conviction stocks
- **Sell Discipline** seeks to avoid large losses to maximize return

### Portfolio Characteristics

	International Equity	MSCI EAFE
Pre-tax ROC (3yr. Avg %)	18.8	11.2
Net Debt/EBITDA	1.3x	1.8x
Enterprise Value/EBITDA	15.7x	10.6x
Number of Holdings	31	732
Active Share	87.7	—
Weighted Avg. Mkt. Cap (\$B)	128.4	97.1
Median Mkt. Cap (\$B)	66.2	15.5
Dividend Yield (%)	2.0	3.0
Annual Turnover (5yr. Avg %)	N/A	—

Source: FactSet, Bloomberg

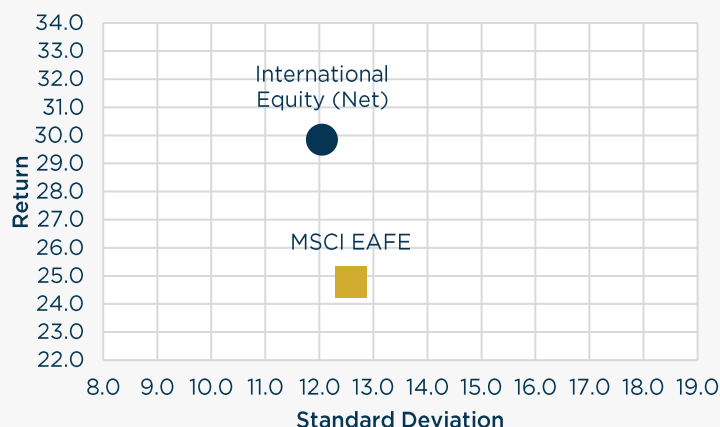
### Annualized Returns (since inception 9/30/2023) As of 9/30/2024



	QTD	YTD	ITD
International Equity (Gross)	8.2%	16.8%	30.6%
International Equity (Net)	8.0%	16.1%	29.8%
MSCI EAFE	7.3%	13.0%	24.8%

\*Includes Model Assets of \$16.9B as of 8/31/2024. Subject to change. All data is in USD. Performance is preliminary. Subject to change. Performance results shown should, under no circumstances, be construed as an indication of future performance. All are encouraged to read and understand the disclosure notes found on the last page.

## Risk/Return Analysis



Source: eVestment, Since Inception 9/30/2023

## Return & Risk Characteristics

	International Equity	MSCI EAFE
Down Market Capture (%)	87.5	—
Up Market Capture (%)	111.3	—
Cumulative Return (%)	29.8	24.8
Sharpe Ratio	2.01	1.52
Standard Deviation	12.1	12.6
Alpha	7.4	—
Beta	0.9	1.0

Source: eVestment, Composite Data, Since Inception 9/30/2023 (Net)

## Sector Weightings (%)

	International Equity	MSCI EAFE
Communication Services	4.0	4.3
Consumer Discretionary	7.0	10.9
Consumer Staples	16.0	8.7
Energy	0.0	3.6
Financials	11.4	20.6
Health Care	9.4	13.3
Industrials	26.3	17.3
Information Technology	12.7	8.7
Materials	9.6	6.8
Real Estate	0.0	2.2
Utilities	0.0	3.4
Cash	3.5	0.0

Source: FactSet.

Sector weightings may not add to 100% due to rounding.

## Top Ten Holdings (%)

Holding	Symbol	Weighting
Compass Group PLC	CPG LN	5.0
SAP SE	SAP GY	4.9
RELX PLC	REL LN	4.3
BAE Systems PLC	BA/ LN	4.1
Nintendo Co Ltd	7974 JP	4.0
CRH PLC	CRH	3.8
Canadian National Railway Co	CNR CN	3.7
London Stock Exchange Group PLC	LSEG LN	3.7
Roche Holdings	ROG SW	3.6
Taiwan Semiconductor	TSM	3.6
<b>Total</b>		<b>40.7</b>

Performance is preliminary. Subject to change. All data is in USD. Performance results shown should, under no circumstances, be construed as an indication of future performance. All are encouraged to read and understand the disclosure notes found on the last page.

## Disclosure Notes

The London Company's performances are size weighted and annualized based on calculations for the period ending September 30, 2024. The characteristics discussed herein relate to a representative account, and not every client's account will have these exact characteristics. As London manages its client portfolios according to each client's specific investment needs and circumstances, London cannot affirm that the characteristics of the account shown are similar to all accounts participating in the strategy. This is due in part to the timing of trades by the Advisor, market conditions, cash availability, and the timing of client deposits and withdrawals. Therefore, prospective clients should not assume that similar performance results to those shown would have been achieved for their accounts had they been invested in the strategy during the period. None of the information contained herein should be construed as an offer to buy or sell securities, or as investment recommendations.

**Definition of Firm:** The London Company of Virginia is a registered investment advisor. Registration does not imply a certain level of skill or training. More information about the advisor, including full descriptions of its investment strategies, fees and objectives, can be found in the firm's Form ADV Part 2, which is available upon request by calling 804.775.0317 or visiting [www.TLCAdvisory.com](http://www.TLCAdvisory.com). The London Company claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Please visit [www.TLCAdvisory.com](http://www.TLCAdvisory.com) or contact us at 804.775.0317 to request a complete list and description of The London Company's composites and/or a GIPS® Report that adheres to the (GIPS®) standards.

**Composite Creation/Inception Date:** September 30, 2023

**Composite Definition:** The International Equity strategy invests mainly in conservative, low-beta international equities with a focus on above-average downside protection. Primarily, we seek profitable, financially stable companies that consistently generate free cash flow, sustain high returns on unleveraged operating capital, trade at significant discounts to their intrinsic values, and are run by shareholder-oriented management. Positions are usually within the market capitalization range of the major, international indices. Accounts in this product composite are fully discretionary taxable and tax-exempt portfolios with a minimum of \$500,000 in assets. Prior to 7/1/2024 the minimum portfolio size was \$100,000. The composite is measured against the MSCI EAFE Index (Net) and has a creation/inception date of September 30, 2023. There is no use of leverage, derivatives or short positions. All actual fee-paying discretionary portfolios are included in one or more composites that have been managed for a full calendar quarter with limited restrictions and similar objectives. A list of all composite and pooled fund investment strategies offered by the firm, with a description of each strategy, is available upon request. The type of portfolios in which each strategy is available (segregated account, limited distribution pooled fund, or broad distribution pooled fund) is indicated in the description of each strategy. Investing in global/international markets involves risks not associated with U.S. markets, including economic, political, and currency fluctuation risks. The TLC International product may contain companies domiciled in the U.S., but have a business mix that is predominantly international.

**Benchmark Description:** The MSCI EAFE Index (Net) measures performance of large and mid-cap securities across developed markets around the world, including countries in Europe, Australia, Asia, and the Far East, excluding the U.S. and Canada. It includes over 900 securities, and covers approximately 85% of the free float-adjusted market capitalization in each of the 21 countries. Benchmark returns are shown net of withholding taxes. Benchmark returns are not covered by the report of independent verifiers.

**Performance and Fees:** Gross of fee returns are calculated gross of management and custodian fees and net of transaction costs. Net of fee returns are calculated net of actual London Company management fees and transaction costs and gross of custodian and other fees. Non-fee paying accounts net performance is calculated using a hypothetical maximum annual rate of 0.75%. Returns may be net of miscellaneous fund expenses. The gross figures do not reflect the deduction of investment advisory fees. Returns are calculated and stated in U.S. dollars. Composite performance is calculated net or gross of foreign withholding taxes on dividends and interest income dependent on custodian data. Dividends are reinvested. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

**Past performance should not be taken as a guarantee of future results.** The report is for informational purposes only. Data, while obtained from sources we believe to be reliable, cannot be guaranteed, and all statistics are subject to change. The statements contained herein are solely based upon the opinions of The London Company and the data available at the time of publication of this report, and there is no assurance that any predicted results will actually occur. Information was obtained from third-party sources, which we believe to be reliable but are not guaranteed as to their accuracy or completeness. This report contains no recommendations to buy or sell any specific securities and should not be considered investment advice of any kind. An investment in a London Company strategy is subject to risks, including the loss of principal. Referenced strategies may not be suitable for all investors. The appropriateness of a particular strategy will depend on individual circumstances and objectives. In making an investment decision, individuals should utilize other information sources and the advice of their investment advisor.