VULCAN
VALUE
PARTNERS

Annual Letter and Fourth Quarter 2019

Portfolio Review

General

All five of our strategies produced positive returns and outperformed their respective benchmarks during the quarter and during the year. As we have often said, we place no weight on short-term results, good or bad, and neither should you. In fact, we have made and will continue to make decisions that negatively impact short-term performance when we think we can improve our long-term returns and lower risk. We encourage you to place more weight on our longer term historical results and a great deal of weight on our long-term prospects.

All five of our investment strategies have produced exceptional long-term returns. In fact, all five of our strategies are in the top 1% of their peer groups since inception. These results are detailed in the table below.

Directory

As of December 31, 2019

	QTD	YTD	Annualized Since Inception*	Peer Rank Since Inception[1]
Large Cap Composite (Gross)	**16.7%**	**45.9%**	**11.5%**	**Top 1%**
Large Cap Composite (Net)	**16.5%**	**45.1%**	**10.7%**	
Russell 1000 Value Index	7.4%	26.5%	6.6%	
S&P 500 Index	9.1%	31.5%	8.9%	
Small Cap Composite (Gross)	**12.7%**	**37.5%**	**11.5%**	**Top 1%**
Small Cap Composite (Net)	**12.4%**	**36.4%**	**10.4%**	
Russell 2000 Value Index	8.5%	22.4%	5.9%	
Russell 2000 Index	9.9%	25.5%	7.4%	
Focus Composite (Gross)	**19.8%**	**58.0%**	**13.3%**	**Top 1%**
Focus Composite (Net)	**19.6%**	**56.8%**	**12.1%**	
Russell 1000 Value Index	7.4%	26.5%	7.1%	
S&P 500 Index	9.1%	31.5%	9.0%	
Focus Plus Composite (Gross)	**19.9%**	**58.5%**	**12.5%**	**Top 1%**
Focus Plus Composite (Net)	**19.8%**	**56.8%**	**11.3%**	
Russell 1000 Value Index	7.4%	26.5%	6.6%	
S&P 500 Index	9.1%	31.5%	8.9%	
All Cap Composite (Gross)	**16.7%**	**46.0%**	**14.5%**	**Top 1%**
All Cap Composite (Net)	**16.4%**	**44.9%**	**13.5%**	
Russell 3000 Value Index	7.5%	26.3%	10.7%	
Russell 3000 Index	9.1%	31.0%	12.6%	

[1]Peer ranking information sourced from eVestment as of January 21, 2020 using Vulcan Value Partners Large Cap, Focus and Focus Plus Composites versus peer group of US Large Cap Value Equity Universe, Vulcan Value Partners Small Cap Composite versus peer group of US Small Cap Value Equity Universe and Vulcan Value Partners All Cap Composite versus peer group of US All Cap Value Equity Universe since inception ending December 31, 2019. All returns are shown gross and net of fees. Vulcan Value Partners claims compliance with the Global Investment Performance Standards (GIPS®). *Inception date is 3/31/2007 for Large Cap, Small Cap, and Focus Plus Composites. Inception date is 11/30/2007 for Focus Composite. Inception date is 4/1/2011 for All Cap Composite. Past performance is no guarantee of future results. Please see important disclosures at the end of this document.

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Portfolio Review (Cont.)

We had a terrific fourth quarter and a terrific year. What really matters, however, is our long-term track record. Since we began operations in 2007, we have compounded capital at double-digit rates of return, ahead of our relevant benchmarks, and have provided a real return of nearly 10% above inflation, which is our internal goal or benchmark. As a result, we are in the top 1% of our peers since inception across all five of our investment strategies. Focus and Focus Plus were stand outs, both up approximately 58%[1] in 2019, just shy of their best year ever, 2009, when they were up approximately 60%[1] coming out of the financial crisis.

In last year's Annual Letter we said the following:

> "The fourth quarter finally provided us with the volatility that creates excellent long-term opportunities for serious investors. The substantial investments we have made in our research team paid off as we were prepared to take advantage of stock price volatility, to allocate capital to more discounted companies within the portfolio, and to add outstanding new businesses that became available at attractive prices. As a result, we have substantially reduced risk in the portfolios and improved our prospective long-term returns."
>
> "Our returns are a function of the underlying value growth of the businesses we own and the closing of the price to value gap over our long-term time horizon. Given that our value growth is consistent and that it compounds at a low double-digit rate over our long-term time horizon, our prospective returns improve when our price to value ratios fall and our margin of safety rises. That is to say, our prospective returns improve by taking on less risk, not more. With price to value ratios below 60% in every portfolio, our prospective returns look better than they have in years, and the risk in the portfolios is lower than it has been in years. We think this happy combination makes it an opportune time to allocate more capital to our investment strategies. Frequent readers of our letters know that we have not been this explicitly bullish in many years."

When we wrote those words last year we had no idea that we would be rewarded so quickly. We thank those of you who added capital last year.

So, where are we now? Despite strong performance in 2019, our margin of safety is still substantial, we are fully invested, and our prospective returns look very good across all of our Large Cap Strategies and in All Cap. Small Cap is the exception.

For instance, Large Cap's price to value ratio has increased from the mid-50s to the mid-60s year over year. How is it that our price to value ratio did not rise more given last year's approximate 46%[1] return? There are two reasons:

First, we successfully executed our investment process and reallocated capital from companies whose prices rose faster than their values compared to other companies whose prices declined or did not rise as fast as their values grew. For instance, we exited Teradyne this summer after it gained nearly 70% from the beginning of the year. At the same time we were buying Anthem at approximately 60 cents on the dollar and adding to NVIDIA at approximately 50 cents on the dollar.

Second, we enjoyed another year of above average value growth as our portfolios of outstanding businesses produced

[1] Returns are gross of fees.

Portfolio Review (Cont.)

strong free cash flow, increased their profitability and intelligently allocated capital. Many of our companies aggressively repurchased their discounted shares during 2019. Why? The math is compelling. A company using its free cash flow to repurchase its stock at 50 cents on the dollar generates a 100% rate of return for its investors and converts one dollar of free cash flow into two dollars of value. To cite just one example, Qorvo invested every dollar of its free cash flow in its discounted shares in its latest fiscal year and announced a new $1 billion share repurchase program in October of last year.

So, the combination of following our investment discipline and the consistent, strong value per share growth of our businesses enabled us to end the year with a substantial margin of safety. We enter the New Year feeling very good about our prospective returns over our long-term time horizon of five plus years for all of our Large Cap Strategies including Large Cap, Focus, and Focus Plus, as well as All Cap.

Last year we were very bullish on Small Cap for the first time in many years. We advised you to add capital after encouraging you to reduce exposure to Small Cap for several years prior to the fourth quarter of 2018. We had a great year. Unfortunately, our price to value ratios are rising again in Small Cap and our residual cash levels are beginning to rise. Specifically, our price to value ratio has increased from the mid-50s to the low-70s year over year. Model cash increased from 2.0% to 8.5% at year end. Moreover, our opportunity set of discounted MVP companies is not robust. As a point of reference, our Large Cap portfolios are fully invested, enjoy price to value ratios in the mid-60s range and have a much deeper bench of attractively priced MVP companies. To sum it up, the environment in Small Cap is not as attractive as Large Cap, and is not nearly as attractive as it was a year ago, but it is not as bad as it was prior to the fourth quarter of 2018.

Outlook

Our portfolios look a lot better than the indices in terms of business quality, value growth, and valuation. However, what does the macro background look like? In a word: decent. Several things make us optimistic:

First, investors have been taking money out of U.S. equities and adding money to bonds and money market funds, which yield almost nothing. It is usually a good sign when a bull market is hated.

Second, if you step back and take a two-year view, stocks have gone up roughly in line with earnings. No speculative bubble there.

Third, earnings should grow at least modestly in 2020.

Fourth, the S&P 500 trades at roughly 18 times earnings, which is about where it was two years ago. That is an earnings yield of approximately 5.5%. In a world of sub 2% treasuries, 5.5% looks pretty enticing. What are your alternatives? None are very attractive.

Fifth, outside of unicorns, there are few areas of speculative excess. In fact, we took great comfort in the collapse of WeWork's valuation when it was subjected to the more demanding eye of the public markets when it attempted its failed IPO.

Portfolio Review (Cont.)

Now, what we really care about – our own portfolios. In Large Cap, Focus, Focus Plus, and All Cap we are fully invested, and our values continue to compound steadily in a slow growth but still growing global economy. In addition, we have a solid bench of companies on our MVP list to purchase. Small Cap is not as attractive but its price to value ratio is still respectable, and its high quality companies are steadily compounding their values.

Value Versus Growth

Some investors have a hard time defining what we do. We have summarized our investment philosophy as follows since we opened the company to outside investors:

> "Our primary objective is to minimize the risk of permanently losing capital over our long-term time horizon, which is five years. By concentrating on not losing money, making money will take care of itself. We control risk by demanding a substantial margin of safety in terms of value over price and limit investments to companies that have sustainable competitive advantages that will allow them to earn superior cash returns on capital. We are also business operators and recognize that we are investing in real businesses that are run by real people that face real issues. We evaluate business risks, assess people, and scrutinize competitive strengths to consider long term investment. If we would not be comfortable owning an investment for five years it does not qualify. We are not traders or speculators. We do not buy pieces of paper or discrete random variables. We are long term owners in a collection of superior business enterprises."

Notice that growth was not mentioned once. We have a dual discipline. We only buy companies that we believe possess characteristics that create value stability. If a company does not have a stable value we have no interest in owning it at any price. On the other hand, we care very much about the price we pay for these outstanding businesses. Any business, no matter how competitively entrenched it is, becomes risky when it is over-valued. Most of the businesses we follow are over-valued most of the time. We are patient. We wait for them to become discounted to our estimate of intrinsic worth so that we can have a margin of safety in terms of value over price.

Some of these amazing businesses that occasionally become discounted have above average growth prospects. Some of these amazing businesses that occasionally become discounted have below average growth prospects. We are agnostic. What matters to us is value stability and the margin of safety we enjoy. Sometimes there are more companies with above average growth prospects that we can buy with a margin of safety and sometimes there are more companies with below average growth prospects that we can buy with a margin of safety. We are not "growth" managers because we buy companies that grow, nor are we "value" managers because we buy companies that do not grow. We are value managers because we demand a margin of safety in either case.

Hilton Hotels and Resorts is a great example. Hilton Hotels and Resorts has been an excellent investment for us. In addition to delivering outstanding operating results, the company has allocated capital brilliantly. In 2017 Hilton completed the spinoff of Park Hotels and Resorts. Park Hotels and Resorts is a real estate investment trust (REIT) that owns the vast majority of Hilton's premium hotels, leaving Hilton primarily as a pure franchise and management company. We sold Park Hotels and Resorts shortly after the spinoff because it was trading above our estimate of fair value. However, it was an MVP company and we continued to follow it. We had the opportunity to buy it again with a margin of safety last year.

Portfolio Review (Cont.)

Hilton owns many leading hotel brands and receives franchise and management fees from hotel owners like Park Hotels. Because demand for Hilton's brands is strong and because Hilton does not have to use its own capital to add new hotels to its system Hilton can grow at above average rates. In fact, we think that Hilton can grow at a low double-digit rate over an economic cycle and produce free cash flow at the same time.

Park Hotels has an outstanding collection of luxury and upper upscale hotels and resorts. These properties generate a lot of free cash flow, but Park Hotels growth is mostly limited to the growth of the properties that it owns. Unlike Hilton, it must use its own capital to add hotels to its base of existing properties. Because it is a REIT it must pay out the majority of its free cash flow in the form of a dividend so there is not much capital left over to build or buy additional hotels. Consequently, we think Park Hotels can grow at a low single-digit rate over an economic cycle.

We demand a higher free cash flow yield to own Park Hotels than we do for Hilton because Park Hotels is growing at below average rates while Hilton is growing at above average rates. The form of our return is different but we are earning above average returns from both companies. The key is what we are paying for the free cash flow coupon and how fast the coupon is growing. Some slow growing companies trade at a premium to our estimate of fair value and are therefore risky. Some trade at a discount and have a margin of safety. Some fast growing companies trade at a premium to our estimate of fair value and are therefore risky. Some trade at a discount and have a margin of safety.

We look for a margin of safety, period. If we can find it in a company like Hilton with above average growth prospects, we are happy to own it. If can find it in a company like Park Hotels with below average growth prospects, we are happy to own it.

Sustainability

From day one we have wanted to build a sustainable organization, one that will outlast me, not that I am going anywhere anytime soon. In January, we made several announcements that demonstrate the very real progress we have made. What we announced is a public recognition of how we have been operating for years. There will be no change in my role whatsoever. Instead, we want to call your attention to the very meaningful contributions that our research team members have made to our success and formalize roles on our team that should have been formalized long ago:

Mac Dunbar has been named Director of Research. Mac joined Vulcan Value Partners a decade ago. He is an outstanding analyst and portfolio manager. Through his own initiative, he has helped us become better organized and has played an important role in helping us improve both the quality and quantity of our work. Our research productivity has never been higher and Mac is a big reason why.

I am also pleased to announce that Jim Falbe, Hampton McFadden, Stephen Simmons, and Mac Dunbar have been named Portfolio Managers. They remain analysts, as we all are, but their new titles reflect the reality of their contributions to our portfolio management process.

Last but certainly not least I am pleased to announce that Colin Casey and Andrew Loftin have been named Equity Analysts. Colin and Andrew joined us as Associate Analysts several years ago. Their excellent work has exceeded our expectations and they have earned everyone's respect on the research team and throughout the company.

Portfolio Review (Cont.)

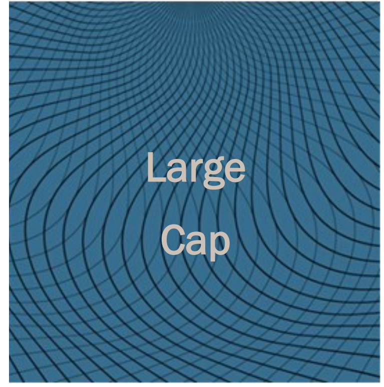
We have a wonderful culture at Vulcan Value Partners. Everyone is passionate about our mission and everyone works very hard to fulfill it. Our mission and everything else we do is derived from our Vulcan Values, which are featured on our web site. Our great culture has not gone unnoticed. I am pleased to share with you that Vulcan Value Partners was recognized as the best place to work in our industry for managers with 50 to 99 employees by Pensions and Investments, a leading industry publication.

Sincerely,

C.T. Fitzpatrick, CFA

Chief Investment Officer

In the discussion that follows, we generally define material contributors and detractors as companies having a greater than 1% impact on the portfolio.



VULCAN
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Vulcan Value Partners Large Cap Review

As of December 31, 2019							
			Annualized				
Investment Strategy	QTD	YTD	1 year	3 year	5 year	10 year	Since Inception*
VVP Large Cap (Gross)	**16.7%**	**45.9%**	**45.9%**	**17.0%**	**10.6%**	**14.7%**	**11.5%**
VVP Large Cap (Net)	**16.5%**	**45.1%**	**45.1%**	**16.4%**	**10.0%**	**14.0%**	**10.7%**
Russell 1000 Value Index	7.4%	26.5%	26.5%	9.7%	8.3%	11.8%	6.6%
S&P 500 Index	9.1%	31.5%	31.5%	15.3%	11.7%	13.6%	8.9%

*Inception Date March 31, 2007

We purchased two new positions and exited three positions during the quarter.

There were four material contributors to performance and no material detractors.

During the quarter we purchased UnitedHealth Group Inc., the largest of the big three health insurers in the United States ahead of Anthem and Aetna. The environment for this group remains positive as growth in health spending, driven by chronic diseases and an aging population, will continue to outpace overall economic growth. In addition, UnitedHealth owns Optum, a rapidly growing healthcare information services company. We respect UnitedHealth Group's management team and have been pleased with their successes. It has been an excellent investment for us in the past. We sold our position in 2017 as its price reached our estimate of fair value and have since followed the stock. An opportunity to purchase UnitedHealth at a discount presented itself this quarter. However, the stock price rallied during the quarter and reached our estimated of its intrinsic value. Following our discipline, we sold UnitedHealth Group.

Credit Acceptance Corporation provides auto loans to borrowers at the lower end of the credit spectrum. These loans are distributed through a network of 13,000 dealers in the United States. Credit Acceptance Corporation sets itself apart from its competitors with its unique underwriting discipline, underleveraged balance sheet, and its loan structure. Credit Acceptance Corporation is a company we initially owned in our Small Cap portfolio. Since we sold the position toward the end of 2018, we continued to follow the company as it has grown into a large cap company driven by high-teens earnings growth and free cash flow production. The company's biggest competitive advantage is its unique underwriting model. The model aligns incentives with their dealer network by advancing approximately 80% of the loan up front and providing the dealers the opportunity to earn back end payments which depend on loan performance. This opportunity for future payments allows the dealers to share in the credit risk and incentivizes the dealers to treat their customers well. In turn, Credit Acceptance Corporation achieves a greater margin of safety as the dealer is only advanced enough of the loan to earn a small profit at the time of sale. Credit Acceptance Corporation's approach has led to superior underwriting results and stable performance during difficult periods in the economic cycle. During the quarter, we had the opportunity to purchase Credit Acceptance Corporation at a discount to its intrinsic value in our Large Cap portfolio.

Vulcan Value Partners Large Cap Review (Cont.)

During the quarter, we sold Axis Capital Holdings, Parker-Hannifin and, as previously mentioned, UnitedHealth Group. All of these great companies remain on our MVP list. Axis Capital Holdings, a Bermuda based insurer, was sold to reallocate capital into more discounted names. Parker-Hannifin and UnitedHealth Group were sold as their values reached our estimate of fair value, and we reallocated capital into more discounted companies.

Skyworks Solutions and Qorvo, Inc. materially contributed to performance during the fourth quarter. We have discussed these businesses in detail in past letters. They are competitively entrenched as two of the three major manufacturers of radio frequency systems for mobile devices including mobile phones, tablets, and increasingly other connected devices in the Internet of Things. Their stock prices declined as a result of exposure to Huawei and reduced handset sales due to sanctions. We also expected growth rates to slow during the transition from 4G to 5G. During this time, both companies used their substantial free cash flow coupons to aggressively repurchase their discounted shares. Over the course of last year, they were able to offset sales related to Huawei with orders from other manufacturers and 5G tailwinds are occurring earlier and larger than expected.

NVIDIA Corporation, a material contributor during the quarter, is a dominant supplier of Graphics Processing Units (GPUs) worldwide. It is at the intersection of every major computing trend currently impacting the technology sector. NVIDIA Corporation is benefiting from the move to the cloud, growing investments in artificial intelligence, autonomous vehicles, and growth in gaming. Behind all of it is a breakdown in Moore's law. Central Processing Units (CPUs) are reaching the physical limits of their ability to increase performance. However, demand for performance continues to increase at exponential rates. The solution is to pair CPUs with GPUs. NVIDIA Corporation’s position in GPUs is comparable to Intel's position in CPUs. In late 2018, NVIDIA Corporation missed overly optimistic Wall Street earnings estimates and entered a time period of approximately a year of negative earnings comparisons. As a result, its stock price declined. We were aware that its earnings comparisons were going to be negative for roughly a year, and we were willing to purchase NVIDIA Corporation given its value stability and our long-term outlook. This year, NVIDIA Corporation's stock price has rebounded significantly as Wall Street’s outlook has improved and sees NVIDIA Corporation returning to earnings growth.

Anthem, Inc. was a material contributor during the quarter. Anthem, Inc. is a health benefits company providing network-based managed healthcare plans to individuals, employers, and the Medicare and Medicaid markets. Representing the largest collection of Blue Cross Blue Shield networks, Anthem, Inc. holds the largest or second largest market share in fourteen states. Recent concerns around medical cost trends are waning which contributed to its performance this quarter. It is a great business that is executing in line with our expectations, and we are being rewarded along the way.

Vulcan Value Partners Large Cap Review (Cont.)

Large Cap Strategy							
4Q 2019 Top 5 Performers		4Q 2019 Bottom 5 Performers		2019 Top 5 Performers		2019 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**	**Security**	**Return %**	**Security**	**Return %**
Qorvo Inc.	56.77%	McKesson Corp.	1.50%	Qorvo Inc.	91.39%	United Health Group Inc.	14.15%
Skyworks Solutions Inc.	53.21%	Credit Acceptance Corp.	-0.03%	Skyworks Solutions Inc.	84.12%	Booking Holdings Inc.	8.79%
NVIDIA Corp.	35.27%	United Parcel Service Inc.	-1.55%	Teradyne Inc.	69.54%	BlackRock Inc.	1.68%
Carlyle Group Inc.	30.14%	Oracle Corp.	-3.30%	S&P Global Inc.	62.26%	Credit Acceptance Corp.	-0.03%
Anthem Inc.	26.14%	Axis Capital Holdings Ltd.	-11.03%	Mastercard Inc.	59.16%	National Oilwell Varco Inc.	-1.68%

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list. A company's relative contribution to return for the portfolio may not equal its absolute return and return for other portfolios for the relevant period because of differences in portfolio weights and holding periods. The returns shown above reflect the actual returns of the above securities in our composite for the time period indicated.

Small Cap

VULCAN VALUE PARTNERS

Vulcan Value Partners Small Cap Review

As of December 31, 2019							
			Annualized				
Investment Strategy	QTD	YTD	1 year	3 year	5 year	10 year	Since Inception*
VVP Small Cap (Gross)	12.7%	37.5%	37.5%	11.3%	10.1%	15.3%	11.5%
VVP Small Cap (Net)	12.4%	36.4%	36.4%	10.3%	9.1%	14.3%	10.4%
Russell 2000 Value Index	8.5%	22.4%	22.4%	4.8%	7.0%	10.6%	5.9%
Russell 2000 Index	9.9%	25.5%	25.5%	8.6%	8.2%	11.8%	7.4%

*Inception Date March 31, 2007

We purchased five new positions and exited two positions during the quarter.

There were three material contributors to performance and one material detractor.

Barnes Group Inc. is an industrial and aerospace manufacturer and service provider, serving a range of end markets and customers. It has been in business for 150 years. The company's engineered products, industrial technologies, and solutions are used in applications that provide transportation, manufacturing, healthcare products, and technology to the world. Its market segments include industrial and aerospace. The industrial segment includes its molding solutions, nitrogen gas products and engineered components business units. The aerospace segment includes the original equipment manufacturer (OEM) business and the aftermarket business, which is comprised of its maintenance repair and overhaul services and the manufacture and delivery of aerospace aftermarket spare parts. We like the aerospace division as it is performing well, providing strong margins and producing robust free cash flow. In the industrial segment, growth has slowed as automobile production declined in response to trade and tariff concerns, and margins are depressed. These factors, coupled with a model production transition in its aerospace segment, put pressure on the stock price and gave us the opportunity to purchase Barnes Group Inc. at a discount.

Frontdoor was added back into the portfolio during the quarter as its stock price came under pressure. Frontdoor is the largest provider of home service plans in the United States. It insures the larger cost systems in its customers' homes and has a nationwide network of more than 15,000 pre-qualified professional contractor firms that perform associated repairs. This network represents ease of repair for homeowners and a predictable revenue stream for the contractors. The company generates robust free cash flow from its insurance premiums, which are paid far in advance of the associated repair outflows. Management is focused on boosting retention rates, updating systems, and expanding its services. Also, it is piloting a new on-demand product, Candu Home Solutions, which connects customers without a home warranty who have home repair needs to Frontdoor's existing service contractors. The addressable market for this type of service is extensive and is a great opportunity for Frontdoor. We are pleased to have the opportunity to own this company once again.

Vulcan Value Partners Small Cap Review (Cont.)

We purchased Park Hotels and Resorts, a company we owned in the past. In 2017, we received shares of Park Hotels and Resorts as it was spun out of Hilton Worldwide, and shortly after, we sold our shares. Revenue per available room growth has been slowing across the entire industry, giving us an opportunity to own Park Hotels and Resorts again at a discount to our estimate of intrinsic worth. Park Hotels and Resorts is the second largest publicly-traded lodging real estate investment trust that owns upscale and luxury segments of the hotel market. Of the 60 plus hotels and approximately 35,000 hotel rooms in the portfolio, over 85% are in the luxury and upscale segment. Almost 100% of the properties are in the US, with 80% located in central business districts of major cities or resort and conference destinations. The average rate of its properties is over $180 per night and occupancy is approximately 85%. Although this is not the asset-light hotel management business we typically own, it has high quality real estate and its debt is intelligently financed with property specific debt. Park Hotels and Resorts also has numerous unencumbered assets which provide additional borrowing power.

Texas Pacific Land Trust is one of the largest landowners in the state of Texas and owns approximately 900,000 acres of land spanning 19 counties in the Western part of the state. Large oil reserves in the Permian Basin make this land very valuable. Texas Pacific Land Trust does not explore or drill for oil. Instead, it leases its land to companies such as Anandarko Petroleum and Chevron. The company operates in two businesses segments, land and resource management and water service and operations. The land and resource management segment accounts for roughly 70% of its revenue which is derived from oil and gas royalties, easements and sundry income, sales of oil and gas royalty interests, and land sales and other income. The water service and operations segment accounts for the other 30% of its revenue which is derived from water sales, royalties, easements and sundry income. As oil production grows, cash flow increases, and growth accelerates without capital spending. This is a company that we have been following for quite some time. We were previously too conservative in our assumptions and wish we would have purchased this company much sooner. We are pleased to now be able to purchase Texas Pacific Land Trust at a discount to its intrinsic worth.

Littelfuse Inc. is the largest pure-play circuit protection company in the world. It produces fuses, circuit protectors, power control devices, and sensors. It operates in three markets: electronics, automotive, and industrial. Littelfuse invented electronic circuit protection technology in 1927 with the first small protective fuse. It is competitively entrenched as its fuses are used in approximately 95% of U.S. automobiles and approximately 70% of non-U.S. automobiles. Littelfuse owns over 130 patents and continues to lead the industry as it has introduced every new fuse in the industry for the past 30 years. As electrification becomes more important, fuses will become more complex. Littelfuse already provides the broadest, deepest circuit protection portfolio in the world. Brand recognition, high switching costs, and regulation create high barriers to entry. Disruption in the automotive industry and industrials have put pressure on its stock price and gave us the opportunity to add it to the portfolio.

We sold Resideo this quarter. In the past, we have had many successes with spinouts, most recently with Frontdoor. We thought Resideo qualified for investment as it had a promising outlook, strong competitive advantages, and it was being spun out of Honeywell, another MVP company that we know and trust. After the company reported third quarter earnings, we participated in calls with management which we felt confirmed our outlook for the year. Roughly six weeks later, the CFO resigned, and guidance was revised materially downward. This news came as a shock to us and to other

Vulcan Value Partners Small Cap Review (Cont.)

shareholders. We spoke with management, and confirmed the revised guidance, and we then reevaluated our investment case. We determined that Resideo's value had become unstable. Once the value of a company becomes unstable, we follow our discipline and sell it regardless of profit or a loss. We have a dual discipline of both quality and price. If we only cared about cheapness, we would still own Resideo but it is now a turnaround. What lessons did we learn? Resideo was a subsegment within a larger Honeywell segment. As a result, we were unable to independently verify Resideo's historical results and had to rely on proforma numbers provided by its former parent. In the future, we will be more careful and very skeptical of subsegment spinouts.

We sold Concentric AB as its price reached our estimate of fair value.[2]

Ibstock & Savills were material contributors for the quarter. Ibstock is a U.K.-based company that manufactures clay bricks and concrete products. Savills is a U.K. real estate service provider. Both companies have been facing downward pressure on their stocks as uncertainty from fears of Brexit have lingered. Our values were based on "worst case" Brexit assumptions. Now that the prospects for a Brexit resolution have improved, uncertainty has decreased, and the stocks have responded accordingly.

Jones Lang LaSalle, another material contributor, is a global provider of real estate services. It is a great business and continues to perform well. It had an exceptionally good quarter, and in particular, its capital markets segment performed well on the strength of the recent HFF acquisition. Similar to Ibstock and Savills, the improvement of the macroeconomic environment also contributed to its performance for the quarter.

Small Cap Strategy

4Q 2019 Top 5 Performers		4Q 2019 Bottom 5 Performers		2019 Top 5 Performers		2019 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**	**Security**	**Return %**	**Security**	**Return %**
Ibstock plc	43.37%	Ituran Location and Control Ltd.	2.34%	Frontdoor Inc.	114.77%	Barnes Group Inc.	3.15%
Concentric AB	39.17%	Sleep Country Canada Holdings	1.12%	Tempur Sealy International Inc.	110.29%	Littelfuse Inc.	2.78%
Savills plc	38.65%	Sabre Corp.	0.82%	Versum Materials Inc.	88.00%	Ituran Location and Control Ltd.	-18.99%
Howden Joinery Group plc	29.90%	Axis Capital Holdings Ltd.	-9.75%	Ibstock plc	75.85%	Despegar.com Corp.	-19.82%
Lectra SA	27.14%	Resideo Technologies Inc.	-38.88%	Savills plc	72.83%	Resideo Technologies Inc.	-57.65%

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list. A company's relative contribution to return for the portfolio may not equal its absolute return and return for other portfolios for the relevant period because of differences in portfolio weights and holding periods. The returns shown above reflect the actual returns of the above securities in our composite for the time period indicated.

Focus

VULCAN VALUE PARTNERS

Vulcan Value Partners Focus Review

As of December 31, 2019							
			Annualized				
Investment Strategy	QTD	YTD	1 year	3 year	5 year	10 year	Since Inception*
VVP Focus (Gross)	**19.8%**	**58.0%**	**58.0%**	**23.7%**	**13.6%**	**16.4%**	**13.3%**
VVP Focus (Net)	**19.6%**	**56.8%**	**56.8%**	**22.7%**	**12.7%**	**15.2%**	**12.1%**
Russell 1000 Value Index	7.4%	26.5%	26.5%	9.7%	8.3%	11.8%	7.1%
S & P 500 Index	9.1%	31.5%	31.5%	15.3%	11.7%	13.6%	9.0%

*Inception Date November 30, 2007

We purchased one new position and exited one position during the quarter.

There were six contributors to performance and no material detractors.

We purchased Airbus SE during the quarter. Airbus and Boeing are a global duopoly in commercial aviation and are leaders in the defense industry. We have owned Airbus for several years in our Large Cap portfolio and have been pleased with its performance. Until recently, both companies have been posting strong results with record backlogs for their airplanes. Airbus and Boeing more or less split the market for narrow body aircraft. Boeing has had an edge in wide body aircraft. Narrow body aircraft account for the majority of industry revenues. Airbus's narrow body A320neo has been well received and it competes directly with Boeing's 737MAX. Boeing's difficulties give Airbus the upper hand in this very important segment of the aerospace market.

Qorvo, Inc. materially contributed to performance during the fourth quarter. We have discussed this business in detail in past letters. It is competitively entrenched as one of the three major manufacturers of radio frequency systems for mobile devices including mobile phones, tablets, and increasingly other connected devices in the Internet of Things. Its stock price declined as a result of exposure to Huawei and reduced handset sales due to sanctions. We also expected growth rates to slow during the transition from 4G to 5G. During this time, the company used its substantial free cash flow coupon to aggressively repurchase its discounted shares. Over the course of last year, Qorvo Inc. was able to offset sales related to Huawei with orders from other manufacturers and 5G tailwinds are occurring earlier and larger than expected.

NVIDIA Corporation, a material contributor during the quarter, is a dominant supplier of Graphics Processing Units (GPUs) worldwide. It is at the intersection of every major computing trend currently impacting the technology sector. NVIDIA Corporation is benefiting from the move to the cloud, growing investments in artificial intelligence, autonomous vehicles, and growth in gaming. Behind all of it is a breakdown in Moore's law. Central Processing Units (CPUs) are reaching the physical limits of their ability to increase performance. However, demand for performance continues to increase at

Vulcan Value Partners Focus Review (Cont.)

exponential rates. The solution is to pair CPUs with GPUs. NVIDIA Corporation's position in GPUs is comparable to Intel's position in CPUs. In late 2018, NVIDIA Corporation missed overly optimistic Wall Street earnings estimates and entered a time period of approximately a year of negative earnings comparisons. As a result, its stock price declined. We were aware that its earnings comparisons were going to be negative for roughly a year, and we were willing to purchase NVIDIA Corporation given its value stability and our long-term outlook. This year, NVIDIA Corporation's stock price has rebounded significantly as Wall Street's outlook has improved and sees NVIDIA Corporation returning to earnings growth.

Hilton Worldwide Holdings, KKR & Co., Mastercard Inc. and Alphabet Inc. were all material contributors. They are wonderful businesses that are executing in line with our expectations, and we are being rewarded along the way.

Focus Strategy

4Q 2019 Top 5 Performers		4Q 2019 Bottom 5 Performers		2019 Top 5 Performers		2019 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**	**Security**	**Return %**	**Security**	**Return %**
Qorvo Inc.	56.77%	Visa Inc.	9.42%	Qorvo Inc.	91.39%	McKesson Corp.	30.98%
NVIDIA Corp.	35.27%	KKR & Co. Inc.	9.11%	Mastercard Inc.	59.16%	Alphabet Inc.	29.10%
Hilton Worldwide Holdings Inc.	19.30%	Airbus SE	6.52%	NVIDIA Corp.	56.36%	Oracle Corp.	20.47%
Microsoft Corp.	13.82%	Amazon.com Inc.	6.45%	Hilton Worldwide Holdings Inc.	55.47%	Airbus SE	6.52%
Mastercard Inc.	10.09%	McKesson Corp.	4.91%	Microsoft Corp.	52.41%	Amazon.com Inc.	5.33%

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list. A company's relative contribution to return for the portfolio may not equal its absolute return and return for other portfolios for the relevant period because of differences in portfolio weights and holding periods. The returns shown above reflect the actual returns of the above securities in our composite for the time period indicated.

Vulcan Value Partners Focus Plus Review

As of December 31, 2019							
			Annualized				
Investment Strategy	QTD	YTD	1 year	3 year	5 year	10 year	Since Inception*
VVP Focus Plus (Gross)	**19.9%**	**58.5%**	**58.5%**	**23.9%**	**13.8%**	**16.2%**	**12.5%**
VVP Focus Plus (Net)	**19.8%**	**56.8%**	**56.8%**	**22.9%**	**12.9%**	**15.1%**	**11.3%**
Russell 1000 Value Index	7.4%	26.5%	26.5%	9.7%	8.3%	11.8%	6.6%
S & P 500 Index	9.1%	31.5%	31.5%	15.3%	11.7%	13.6%	8.9%

*Inception Date March 31, 2007

We did not write any options contracts during the quarter. Volatility has remained low. We use options to lower risk. We also make high, equity-like returns when option prices reflect higher levels of implied volatility. If exercised, these options give us the right to purchase stakes in companies we want to own at a lower price than the market price at the time the option was written. We would like for these options to be exercised and have set aside cash for that purpose. We employ no leverage. In effect, we are being paid double-digit returns on our cash while we wait for lower prices and a corresponding larger margin of safety. We also use options to exit positions. Generally, we write covered calls with the strike price being our estimate of fair value. As with our puts, we are being paid to do something we would do anyway at a given price.

We purchased one new position and exited one position during the quarter.

There were six contributors to performance and no material detractors.

We purchased Airbus SE during the quarter. Airbus and Boeing are a global duopoly in commercial aviation and are leaders in the defense industry. We have owned Airbus for several years in our Large Cap portfolio and have been pleased with its performance. We owned Boeing several years ago and it was a very successful investment for us as well. Until recently, both companies have been posting strong results with record backlogs for their airplanes. Boeing and Airbus more or less split the market for narrow body aircraft, and Boeing has had an edge in wide body aircraft. Narrow body aircraft account for the majority of industry revenues. Airbus's A320neo has been well received and it competes directly with Boeing's 737MAX. Boeing's difficulties with the 737MAX gives Airbus the upper hand in this very important segment of the aerospace market.

Qorvo, Inc. materially contributed to performance during the fourth quarter. We have discussed this business in detail in past letters. It is competitively entrenched as one of the three major manufacturers of radio frequency systems for mobile devices including mobile phones, tablets, and increasingly other connected devices in the Internet of Things. Its stock

Vulcan Value Partners Focus Plus Review (Cont.)

price declined as a result of exposure to Huawei and reduced handset sales due to sanctions. We also expected growth rates to slow during the transition from 4G to 5G. During this time, the company used its substantial free cash flow coupon to aggressively repurchase its discounted shares. Over the course of last year, Qorvo Inc. was able to offset sales related to Huawei with orders from other manufacturers and 5G tailwinds are occurring earlier and larger than expected.

NVIDIA Corporation, a material contributor during the quarter, is a dominant supplier of Graphics Processing Units (GPUs) worldwide. It is at the intersection of every major computing trend currently impacting the technology sector. NVIDIA Corporation is benefiting from the move to the cloud, growing investments in artificial intelligence, autonomous vehicles, and growth in gaming. Behind all of it is a breakdown in Moore's law. Central Processing Units (CPUs) are reaching the physical limits of their ability to increase performance. However, demand for performance continues to increase at exponential rates. The solution is to pair CPUs with GPUs. NVIDIA Corporation's position in GPUs is comparable to Intel's position in CPUs. In late 2018, NVIDIA Corporation missed overly optimistic Wall Street earnings estimates and entered a time period of approximately a year of negative earnings comparisons. As a result, its stock price declined. We were aware that its earnings comparisons were going to be negative for roughly a year, and we were willing to purchase NVIDIA Corporation given its value stability and our long-term outlook. This year, NVIDIA Corporation's stock price has rebounded significantly as Wall Street's outlook has improved and sees NVIDIA Corporation returning to earnings growth.

Hilton Worldwide Holdings, KKR & Co., Mastercard Inc. and Alphabet Inc. were all material contributors. They are wonderful businesses that are executing in line with our expectations, and we are being rewarded along the way.

Focus Plus Strategy

4Q 2019 Top 5 Performers		4Q 2019 Bottom 5 Performers		2019 Top 5 Performers		2019 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**	**Security**	**Return %**	**Security**	**Return %**
Qorvo Inc.	56.77%	Visa Inc.	9.42%	Qorvo Inc.	91.39%	McKesson Corp.	30.98%
NVIDIA Corp.	35.27%	KKR & Co. Inc.	9.11%	Mastercard Inc.	59.16%	Alphabet Inc.	29.10%
Hilton Worldwide Holdings Inc.	19.30%	Airbus SE	6.52%	NVIDIA Corp.	56.36%	Oracle Corp.	20.47%
Microsoft Corp.	13.82%	Amazon.com Inc.	6.45%	Hilton Worldwide Holdings Inc.	55.47%	Airbus SE	6.52%
Mastercard Inc.	10.09%	McKesson Corp.	4.91%	Microsoft Corp	52.41%	Amazon.com, Inc.	5.33%

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list. A company's relative contribution to return for the portfolio may not equal its absolute return and return for other portfolios for the relevant period because of differences in portfolio weights and holding periods. The returns shown above reflect the actual returns of the above securities in our composite for the time period indicated.

VULCAN
VALUE
PARTNERS

Vulcan Value Partners All Cap Review

As of December 31, 2019						
			Annualized			
Investment Strategy	QTD	YTD	1 year	3 year	5 year	Since Inception*
VVP All Cap (Gross)	**16.7%**	**46.0%**	**46.0%**	**17.4%**	**11.5%**	**14.5%**
VVP All Cap (Net)	**16.4%**	**44.9%**	**44.9%**	**16.4%**	**10.6%**	**13.5%**
Russell 3000 Value Index	7.5%	26.3%	26.3%	9.3%	8.2%	10.7%
Russell 3000 Index	9.1%	31.0%	31.0%	14.6%	11.2%	12.6%

*Inception Date April 1, 2011

We purchased four new positions and exited seven positions during the quarter.

There were five material contributors and one material detractor to performance.

Anthem, Inc. was added to the portfolio during the quarter. Anthem, Inc. is a health benefits company providing network-based managed healthcare plans to individuals, employers, and the Medicare and Medicaid markets. Representing the largest collection of Blue Cross Blue Shield networks, Anthem, Inc. holds the largest or second largest market share in fourteen states. Recent concerns around medical costs trends are waning which put downward pressure on its stock price and provided an opportunity to purchase it at a discount to intrinsic worth.

We purchased Facebook this quarter. We have owned Facebook since the first quarter of 2018 in our Large Cap portfolio. We believe their network of almost three billion users creates data that is a powerful asset and that it will continue to attract a large amount of advertising spending. They have generated an extremely robust free cash flow coupon that has grown significantly over the past five years to a current run-rate of well over $20 billion. Facebook has healthy returns on capital, strong margins, and net cash on the balance sheet. We are pleased that the recent volatility resulting from continued regulatory and privacy concerns has enabled us to follow our discipline and deploy capital into this quality business at an attractive price.

We have owned Microsoft in the past starting in 2011. Microsoft is one of the highest quality companies that we follow. We believe it has tremendous competitive advantages in its Microsoft office products both in consumer and commercial as well as in its server and tools and Azure divisions. Under the leadership of CEO Satya Nadella, Microsoft has repositioned itself by diversifying into enterprise-based and cloud-based software solutions. It is the second ranked cloud provider by market share, and it is growing faster than AWS, the leading cloud provider. In addition, Microsoft has been implementing a successful transition from a traditional software license and maintenance revenue model to a subscription revenue model. We are pleased to take advantage of the opportunity to once again invest in Microsoft.

Vulcan Value Partners All Cap Review (Cont.)

During the quarter, we purchased Marriott International. For the past couple of years, Marriott has spent time integrating the Starwood Hotels acquisition, another company we have owned. Marriott's stock languished during this period of integration while its value continued to grow. As a reminder, we consider a number of the larger hotel companies to be high quality in part because of their asset light models. In most cases, Marriott does not own the underlying hotel, but rather licenses the brand names to the hotel owners and gets to take a portion of their top line in exchange. This allows them to produce a tremendous amount of free cash flow because they do not have to incur the cost to operate the hotels. Competitive advantages in this model are many, including the strength of their brands, the scale of their operation, their direct booking systems, and, to a growing degree, their loyalty programs. We are pleased to own this great business once again.

During the quarter, we sold Acuity Brands and Parker Hannifin as their prices rose to meet fair value. Also, we sold Everest Re, United Parcel Service, ACI Worldwide and McKesson Corporation to redeploy capital into more discounted companies and improve the weighted average price to value of the portfolio.

We sold Resideo this quarter. In the past, we have had many successes with spinouts, most recently with Frontdoor. We thought Resideo qualified for investment as it had a promising outlook, strong competitive advantages, and it was being spun out of Honeywell, another MVP company that we know and trust. After the company reported third quarter earnings, we participated in calls with management which we felt confirmed our outlook for the year. Roughly six weeks later, the CFO resigned, and guidance was revised materially downward. This news came as a shock to us and to other shareholders. We spoke with management, and confirmed the revised guidance, and we then reevaluated our investment case. We determined that Resideo's value had become unstable. Once the value of a company becomes unstable, we follow our discipline and sell it regardless of profit or a loss. We have a dual discipline of both quality and price. If we only cared about cheapness, we would still own Resideo but it is now a turnaround. What lessons did we learn? Resideo was a subsegment within a larger Honeywell segment. As a result, we were unable to independently verify Resideo's historical results and had to rely on proforma numbers provided by its former parent. In the future, we will be more careful and very skeptical of subsegment spinouts.

Skyworks Solutions and Qorvo, Inc. materially contributed to performance during the fourth quarter. We have discussed these businesses in detail in past letters. They are competitively entrenched as two of the three major manufacturers of radio frequency systems for mobile devices including mobile phones, tablets, and increasingly other connected devices in the Internet of Things. Their stock prices declined as a result of exposure to Huawei and reduced handset sales due to sanctions. We also expected growth rates to slow during the transition from 4G to 5G. During this time, both companies used their substantial free cash flow coupons to aggressively repurchase their discounted shares. Over the course of last year, they were able to offset sales related to Huawei with orders from other manufacturers and 5G tailwinds are occurring earlier and larger than expected.

NVIDIA Corporation, a material contributor during the quarter, is a dominant supplier of Graphics Processing Units (GPUs) worldwide. It is at the intersection of every major computing trend currently impacting the technology sector. NVIDIA Corporation is benefiting from the move to the cloud, growing investments in artificial intelligence, autonomous vehicles,

Vulcan Value Partners All Cap Review (Cont.)

and growth in gaming. Behind all of it is a breakdown in Moore's law. Central Processing Units (CPUs) are reaching the physical limits of their ability to increase performance. However, demand for performance continues to increase at exponential rates. The solution is to pair CPUs with GPUs. NVIDIA Corporation's position in GPUs is comparable to Intel's position in CPUs. In late 2018, NVIDIA Corporation missed overly optimistic Wall Street earnings estimates and entered a time period of approximately a year of negative earnings comparisons. As a result, its stock price declined. We were aware that its earnings comparisons were going to be negative for roughly a year, and we were willing to purchase NVIDIA Corporation given its value stability and our long-term outlook. This year, NVIDIA Corporation's stock price has rebounded significantly as Wall Street's outlook has improved and sees NVIDIA Corporation returning to earnings growth.

Ibstock was a material contributor for the quarter. Ibstock is a U.K.-based company that manufactures clay bricks and concrete products. The company has been facing downward pressure on it stock price as uncertainty from fears of Brexit have lingered. Our value was based on "worst case" Brexit assumptions. Now that the prospects for a Brexit resolution have improved, uncertainty has decreased, and the stock has responded accordingly.

Jones Lang LaSalle, another material contributor, is a global provider of real estate services. It is a great business and continues to perform well. It had an exceptionally good quarter, and in particular, its capital markets segment performed well on the strength of the recent HFF acquisition. Similar to Ibstock, the improvement of the macroeconomic environment also contributed to its performance for the quarter.

All-Cap Strategy

4Q 2019 Top 5 Performers		4Q 2019 Bottom 5 Performers		2019 Top 5 Performers		2019 Bottom 5 Performers	
Security	**Return %**	**Security**	**Return %**	**Security**	**Return %**	**Security**	**Return %**
Qorvo Inc.	56.77%	McKesson Corp.	1.00%	Qorvo Inc.	91.39%	AmerisourceBergen Corp.	3.84%
Skyworks Solutions Inc.	53.21%	Everest Re Group	-2.60%	Skyworks Solutions Inc.	84.12%	Microsoft Corp.	3.73%
Ibstock plc	43.37%	United Parcel Service Inc.	-3.17%	Ibstock plc	75.85%	Marriott International Inc.	1.69%
NVIDIA Corp.	35.27%	Acuity Brands Inc.	-6.82%	NVIDIA Corp.	64.83%	National Oilwell Varco Inc.	-1.68%
Carlyle Group Inc.	30.14%	Resideo Technologies Inc.	-33.10%	Mastercard Inc.	59.16%	Resideo Technologies Inc.	-54.72%

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list. A company's relative contribution to return for the portfolio may not equal its absolute return and return for other portfolios for the relevant period because of differences in portfolio weights and holding periods. The returns shown above reflect the actual returns of the above securities in our composite for the time period indicated.

Closing

Our goal is to be completely transparent to help you, our client partners, allocate capital as effectively as possible.

Regarding Large Cap, Focus, Focus Plus, and All Cap: Last year we were more bullish than we have been since the financial crisis. This year, we are, perhaps to some, surprisingly optimistic. We are not as bullish as last year but given our price to value ratios and the extremely high quality of our portfolio companies whose values continue to compound, we enter the New Year with above average prospects over our five year time horizon.

On the other hand, at this time, we would advise patience with Small Cap. Things are not nearly as attractive as a year ago but they are not nearly as bad as they were prior to the fourth quarter of 2018. If things improve or get worse we will communicate it to you.

We greatly appreciate the confidence you have placed in us. We could not produce the excellent long-term results we have without intelligent client-partners that share our long-term time horizon. Thank you for your thoughtful support. We look forward to working with you throughout the New Year and the new decade.

The Vulcan Value Partners Investment Team

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VULCAN VALUE PARTNERS

Disclosures

The performance presented is for our Large Cap Composite, Focus Composite, Focus Plus Composite, Small Cap Composite, and All Cap Composite. The model composite portfolio performance figures reflect the deduction of brokerage or other commissions and the reinvestment of dividends and capital gains. Past performance is no guarantee of future results and we may not achieve our return goal. We have presented returns gross and net of fees. Gross of fees returns are calculated gross of management and custodial fees and net of transaction costs. Net of fees returns are calculated net of Vulcan's actual management fees and transaction costs and gross of custodian fees, taken at each portfolio's applicable fee. Net of fee returns prior to February 16, 2010 were taken at the highest applicable fee. The performance figures do not reflect the deduction of any taxes an investor might pay on distributions or redemptions. Our standard fees are presented in Part 2 of our ADV.

Value is our estimate of the intrinsic worth of a company based on our assessment of certain quantitative and qualitative factors. Vulcan defines risk reduction as reducing the portfolio's price to value ratio by either buying (or adding to existing positions) high quality companies which are trading well below fair value as estimated by Vulcan, or selling positions which are trading at or near their fair values. Total return percentage for an individual security is the performance of the security from price at initial purchase date to the price at final sale date. Actual returns for the composites holdings of those securities may differ from total return as the composites rebalanced or changed weights in the individual securities. There may be market or economic conditions which affect our performance, or that of our relevant benchmarks, that may have changed Vulcan Value Partners' views regarding the prospects of any particular investment. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities discussed in this letter. The information provided in this presentation is furnished as of the date shown, and no representation is being made with respect to its accuracy on any future date. Vulcan Value Partners does not assume any duty to update any information in this presentation. Vulcan buys concentrated positions for our portfolios, at times averaging 5% in our model portfolios, which may make our performance more volatile than that of our benchmark indices, and our performance may diverge from an index, positively or negatively, as a result. Our focus is on long term capital appreciation, so our clients should consider at least a five year time horizon for an investment with Vulcan.

The S&P 500 Index is an unmanaged index of 500 common stocks chosen for market size, liquidity, and industry group representation. It is a market-value weighted index. The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The Russell 2000® Index includes the 2000 firms from the Russell 3000® Index with the smallest market capitalizations. The Russell 2000® Index Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. Index figures do not reflect deductions for any fees, expenses, or taxes. Investors cannot invest directly in an index.

Vulcan Value Partners is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Vulcan focuses on long term capital appreciation; targeting securities purchases that we believe have a substantial margin of safety in terms of value over price and limiting our investments to companies that we believe have sustainable competitive advantages that will allow them to earn superior returns on capital. Vulcan Value Partners claims compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of Vulcan Value Partners' composites and a presentation that adheres to the GIPS standards, please contact Ashley Morris at 205.803.1582 or write Vulcan Value Partners, Three Protective Center, 2801 Highway 280 South, Suite 300, Birmingham, AL 35223.

Large Cap Composite Information: This portfolio strategy invests in companies with larger market capitalizations. Subject to price, any publicly traded company with above average economics that is too large to be included in our small capitalization composite would be a potential investment in this portfolio. A core position is 5% so that theoretically our clients would hold 20 names diversified across various industries. It is very rare that enough companies are sufficiently discounted to warrant this level of concentration so concentration will vary with the price to value ratio. We will invest client assets in positions as small as 1% when price to value ratios are higher. We will not invest client assets in any business that is trading above our estimate of fair value. The composite benchmark is the S&P 500 which is an index of 500 stocks selected based on market size, liquidity, and sector and is designed to provide a broad snapshot of the overall U.S. equity market. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The composite was created on March 31, 2007. Portfolios below the minimum asset level of $50,000 are not included in the composite.

Focus Composite Information: This portfolio strategy invests in companies with larger market capitalizations. Subject to price, any publicly traded company with above average economics that is too large to be included in our small capitalization composite would be a potential investment in this portfolio. This is a very concentrated portfolio holding between seven and fourteen positions. We will not invest client assets in any business that is trading above our estimate of fair value. The composite benchmark is the S&P 500 which is an index of 500 stocks selected based on market size, liquidity, and sector and is designed to provide a broad snapshot of the overall U.S. equity market. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The composite was created on November 30, 2007. Portfolios below the minimum asset level of $50,000 are not included in the composite.

Disclosures (Cont.)

Focus Plus Composite Information: This portfolio strategy invests in companies with larger market capitalizations. Subject to price, any publicly traded company with above average economics that is too large to be included in our small capitalization composite would be a potential investment in this portfolio. This is a very concentrated portfolio holding between seven and fourteen positions. We will use options instead of limit orders to acquire and/or sell the stock. We do not intend to employ any leverage, but will utilize options to sell volatility when it is expensive and buy volatility when it is cheap. We will focus on options which give our clients the right to buy or sell stock in companies at prices that we would buy or sell anyway, and we will generate revenue through option premiums. Generally, we plan to use options instead of buying stock directly when we can earn double digit returns from selling options. We only intend to purchase options under rare circumstances, and to continue to focus on reducing risk through the purchase of qualifying companies at attractive prices. We will not invest client assets in any business that is trading above our estimate of fair value. The composite benchmark is the S&P 500 which is an index of 500 stocks selected based on market size, liquidity, and sector and is designed to provide a broad snapshot of the overall U.S. equity market. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The composite was created on March 31, 2007. Portfolios below the minimum asset level of $50,000 are not included in the composite.

Small Cap Composite Information: This portfolio strategy invests in companies with smaller market capitalizations. Subject to price, any publicly traded company with above average economics that is not "large" would be a potential investment in this portfolio. While we do not have any defined cutoffs, we use the Russell 2000 as a guide to define small cap, and any small publicly traded company with reasonable economics would be a potential investment in this portfolio. A core position is 5% so that theoretically our clients would hold 20 names diversified across various industries. It is very rare that enough companies are sufficiently discounted to warrant this level of concentration so concentration will vary with the price to value ratio. We will invest client assets in positions as small as 1% when price to value ratios are higher. We will not invest client assets in any business that is trading above our estimate of fair value. The composite benchmark is the Russell 2000 Index which measures the performance of the small-cap segment of the U.S. Equity universe and includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The composite was created on March 31, 2007. Portfolios below the minimum asset level of $50,000 are not included in the composite.

All Cap Composite Information: This portfolio strategy invests in companies across all market capitalizations. Generally, positions held in this strategy will also be held in either the Large Cap or Small Cap strategies, though sometimes with differing weights. As with those strategies, a core position in this portfolio is 5% so that theoretically we would hold 20 positions diversified across various industries. Because it is rare that we would find 20 companies meeting our investment guidelines, concentration will vary with the price to value ratios we determine for companies in which we invest. We will invest client assets in positions as small as 1% when price to value ratios are higher. We will not invest client assets in any business that is trading above our estimate of fair value. The composite benchmark is the Russell 3000 Index which measures the performance of the largest 3000 US companies representing approximately 98% of the investable US Equity market. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. The composite was created on April 1, 2011. Portfolios below the minimum asset level of $50,000 are not included in the composite.

All returns are expressed in US dollars.

1 Returns are gross of fees.

2 Vulcan began selling Concentric AB during the fourth quarter of 2019 and completed selling its position during the first quarter of 2020.