

FACT SHEET

09/30/2021

Jensen Quality Value Fund



Class I Shares **JNVIX**

The Jensen Investment Philosophy

A consistent, sustainable investment process is vital to weathering all economic climates. The strength of our investment philosophy is based on an unwavering commitment to investing in quality businesses. We believe these quality companies possess sustainable competitive advantages, creating value as profitable businesses that can, over time, provide attractive returns with less risk than the overall market.

We are extremely selective.

The Jensen Quality Universe™ includes only those businesses that have produced a return on shareholder equity of 15% or greater in each of the past ten years, as determined by the Investment Team. We search for quality companies by targeting exceptional business performance combined with endurance. For those businesses that qualify, we look for undervalued stocks of high quality companies that are experiencing a temporary dislocation in fundamentals. This often results in meaningful valuation disconnects between our estimate of what those businesses may ultimately be worth and their current share price. The ability to maintain these characteristics over time has generally resulted in increasing free cash flow well in excess of operating needs—which can be a prime indicator of a valuable investment.



Sell Discipline

A company will be sold from the Jensen Quality Value Discipline if:

- + It no longer meets one or more of the criteria of the investment process
- + Its fundamentals deteriorate, lowering ROE below 15% on an annual basis, indicating a possible loss of competitive advantage
- + The Investment Team determines that another qualifying company has a better opportunity to achieve the Fund's objective

Fund Facts

Symbol: **JNVIX**

CUSIP: **89833W519**

Minimum: **\$250,000**

Investment Objective

The objective of the Jensen Quality Value Fund is long-term capital appreciation.

Investment Team

The Investment Team members are a unique group of experienced business professionals, each with investment, management or accounting experience.

Team Members

Eric Schoenstein Kurt Havnaer, CFA® Megan Romero
Adam Calamar, CFA® Tyra Pratt, CFA®

Portfolio Statistics Definitions

Earnings Per Share (EPS) Growth: Illustrates the growth of earnings per share over time. **Earnings growth is not a measure of a fund's future performance.**

EPS Variability: Measures the variability of annual EPS over the last 10 years. A high EPS Variability number indicates that the portfolio is more heavily invested in companies with volatile earnings streams.

Return on Equity (ROE): Is equal to a company's after-tax earnings (excluding non-recurring items) divided by its average stockholder equity for the year.

Price-to-Cash-Flow Ratio (P/CF): A stock valuation measure calculated by dividing a firm's cash flow per share into the current stock price. Financial analysts often prefer to value stocks using cash flow rather than earnings because the latter is more easily manipulated.

Price/Earnings Ratio: The weighted average of the price/earnings ratios of the equity securities referenced. The trailing P/E ratio is calculated by dividing current price of the stock by the company's past year earnings per share.

Portfolio P/E – I/B/E/S 1 Year Forecast EPS: This calculation uses median I/B/E/S (Institutional Brokers Estimate System) consensus EPS estimates for the next fiscal year to calculate a P/E ratio. An adjustment is made to accommodate different fiscal year-ends and reporting time lags.

Price/Book Ratio: The weighted average of the price/book value of ratios of the equity securities referenced. The P/B ratio is calculated by dividing current price of the stock by the company's book value per share.

Active Share: is a measure of the differentiation of the holdings of a portfolio from the holdings of its appropriate passive benchmark index.

The information presented here is for the Jensen Quality Value Fund, a public mutual fund. Alpha and beta are compared against the Russell Midcap Index, and are no guarantee of future results. All characteristics as of September 30, 2021.

Gross Dividend Yield: This statistic reflects the annual rate at which dividends have been paid for the trailing 12 months, including extra dividends. This is calculated by the indicated annual dividend for each stock divided by the price of the stock, then taking the weighted average, and therefore does not include the effect of any Fund expenses.

Standard Deviation: A statistical measure of the historical volatility of the pooled investment vehicle.

Alpha: The alpha of a mutual fund describes the difference between a fund's actual return over a period of time and its expected return, given the fund's level of risk. In this case, the risk profile of the fund is measured by the fund's beta.

Beta: A measure of the volatility of the fund's total returns relative to the general market as represented by a corresponding benchmark index of the fund. A beta of more than 1.00 indicates volatility greater than the market, and a beta of less than 1.00 indicates volatility less than the market.

Sharpe Ratio: A statistical measure that uses standard deviation and excess return relative to a risk-free investment to determine reward per unit of risk. A higher Sharpe ratio implies better historical risk-adjusted performance.

Expense Ratio: A fund's operating expenses, expressed as a percentage of its average net assets. Funds with lower expense ratios are able to distribute a higher percentage of gross income returns to shareholders.

Jensen Quality Value Fund Statistics

Total Net Assets	\$166,568,049
Inception Date	03/31/2010
Number of Stocks	36
Percent of Net Assets in Stocks (%)	97.38

Top 10 Holdings

% of Net assets as of 09/30/21

Factset Research Systems Inc	4.58
Equifax Inc	4.31
Copart Inc	4.24
Laboratory Corporation of America Holdings	4.14
Encompass Health Corp	4.06
Crown Holdings Inc	4.01
Genuine Parts Co	3.99
Microchip Technology Inc	3.85
Hasbro Inc	3.81
Verisk Analytics Inc	3.68

Portfolio Characteristics

	JNVIX	Russell Midcap	Russell Midcap Value
EPS Growth – 5 Yr	12.0	14.8	10.5
EPS Variability – 10 Yr	30.8	62.7	65.8
ROE – 5 Yr	30.8	14.8	13.2
Price/Cash Flow	15.4	19.8	14.9
Portfolio P/E – I/B/E/S 1 Yr Forecast EPS	19.1	19.3	16.2
Price/Book	5.80	3.55	2.54
Gross Dividend Yield	1.32	1.26	1.71
Weighted Avg. Market Cap (\$bil)	20.43	23.26	20.66
Standard Deviation – 5 Yr	16.10	17.77	18.67
Alpha – 5 Yr	-0.23	0.00	-3.66
Beta – 5 Yr	0.87	1.00	1.03
Sharpe Ratio – 5 Yr	0.70	0.75	0.51
Active Share	94.26	–	–

Fund holdings are subject to change at any time and are not recommendations to buy or sell any security.

FOR A CURRENT FUND PROSPECTUS, PLEASE [CLICK HERE](#).

Historical Performance (%)

Average Annual Returns as of September 30, 2021

	QTR	1 Year	3 Years	5 Years	10 Years
Jensen – Class I	0.50	32.67	13.75	12.48	13.24
Russell Midcap*	-0.93	38.11	14.22	14.39	15.52
Russell Midcap Value*	-1.01	42.40	10.28	10.59	13.93
Russell 2500	-2.68	45.03	12.47	14.25	15.27

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. All returns include the reinvestment of dividends and capital gains. To obtain updated performance information that is current as of the most recent month end, please call 1-800-992-4144 or visit www.jenseninvestment.com. All returns include the reinvestment of dividends and capital gains. Performance shown is for the Class I Shares; performance for other Fund share classes will differ.

The I Shares Gross Annual Operating Expense Ratio: 1.00%. Net Annual Operating Expense Ratio: 0.82%. The Adviser has contractually agreed to waive fees through September 30, 2022 as needed in order to limit the Fund's expense ratios.

The 30 day SEC yield for the Jensen Quality Value Fund I Shares was subsidized: 0.41% and unsubsidized: 0.37%, as of September 30, 2021.

The Fund invests in mid and smaller capitalization companies, which involve additional risks such as limited liquidity and greater volatility.

The Russell Midcap Index is a market capitalization weighted index comprised of 800 publicly traded U.S. companies with market caps of between \$2 and \$10 billion. The 800 companies in the Russell Midcap Index are the 800 smallest of the 1,000 companies that comprise Russell 1000 Index. This index is unmanaged and you cannot invest directly in an index.

The Russell Midcap Value Index measures the performance of the mid-cap value segment of the U.S. equity universe. It includes Russell Midcap Index companies with lower price-to book ratios and lower forecasted growth values. It is market capitalization weighted. This index is unmanaged and you cannot invest directly in an index.

The Russell 2500 is a market cap weighted index that includes the smallest 2,500 companies covered in the Russell 3000 universe of United States-based listed equities. This index is unmanaged and you cannot invest directly in an index.

*Effective as of September 30, 2021, the Russell Midcap Index has replaced the Russell 2500 Index as the Fund's primary benchmark. The Quality Value Investment Team believes the Russell Midcap Index better represents the investable opportunity set for the Fund than does the Russell 2500 Index. The Quality Value Investment Team also selected the Russell Midcap Value Index as the Fund's new secondary benchmark.

Performance Attribution (%)

June 30, 2021 through September 30, 2021

	Benchmark: Russell Midcap	Avg Port Weight	Port Return	Port Contrib	Avg Bmrk Weight	Bmrk Return	Bmrk Contrib	Alloc Effect	Select Effect	Total Effect
GICS Sector	Communication Services	0.00	0.00	0.00	4.50	-13.56	-0.66	0.63	0.00	0.63
	Consumer Discretionary	19.50	-4.25	-0.84	12.80	-2.65	-0.34	-0.11	-0.28	-0.39
	Consumer Staples	10.90	-0.17	-0.04	3.34	-5.18	-0.18	-0.33	0.55	0.22
	Energy	0.00	0.00	0.00	3.47	0.15	-0.01	-0.05	0.00	-0.05
	Financials	4.17	17.88	0.70	12.05	3.60	0.41	-0.36	0.53	0.17
	Health Care	10.65	6.39	1.07	11.98	0.85	0.10	0.05	0.75	0.80
	Industrials	27.02	-0.96	-0.16	15.42	-2.62	-0.40	-0.18	0.50	0.32
	Information Technology	15.56	3.85	0.57	18.86	0.28	0.05	-0.01	0.53	0.52
	Materials	6.37	-9.14	-0.63	5.37	-2.94	-0.16	-0.02	-0.43	-0.45
	Utilities	0.00	0.00	0.00	4.58	-0.33	-0.01	-0.02	0.00	-0.02
	Real Estate	2.89	13.57	0.37	7.64	2.45	0.18	-0.15	0.30	0.14
	Cash	2.94	0.01	0.00	0.00	0.00	0.00	0.17	0.00	0.17
TOTAL	100.00	*1.05	1.05	100.00	-1.01	-1.01	-0.40	2.45	2.05	

*This figure represents the weighted average return of the Fund's holdings for this period and is therefore not reflective of the Fund's total return for this same period, which was lower due to the effect of its investment advisory fee and other expenses. In addition, the return and performance attribution figures shown here are impacted by rounding and were calculated using Refinitiv Eikon, which uses a different calculation methodology than that used to calculate actual Fund performance and which may be impacted by market volatility and the timing of cash flows. See above for the actual total returns for the Fund for the quarter and 1-, 3-, 5-year periods ended September 30, 2021.

Top Contributors (%)

Hill Rom	1.12
Factset Research Systems	0.70
Verisk Analytics	0.59
CBRE Group	0.37
Copart Inc	0.27

Bottom Contributors (%)

Scotts Miracle-Gro Co	-0.57
Herman Miller	-0.45
Lennox International	-0.43
Levi Strauss	-0.29
Best Buy	-0.27

U.S. Performance Summary

During July and August, U.S. stock market indexes continued the pattern of positive returns seen earlier in the year. However, a marked shift in sentiment took place in September as investors tempered their exuberance in response to inflationary pressure, rising wage costs, and global supply chain issues increasingly evident in the business performance of many companies. Additionally, signals from the U.S. Federal Reserve that suggested an impending tightening of stimulus measures also pressured stock markets. Consequently, the Russell 2500 Index ended the quarter with a return of -2.68%, and the Russell Midcap Index returned -0.93%.

The third quarter of 2021 saw the Jensen Quality Value Fund ("Portfolio") produce a modestly positive return, outperforming the Indexes as interest in quality companies increased under the pressures noted above.

At Jensen, our investment discipline requires that every company considered must be profitable at a level high enough to achieve a Return on Equity (ROE) of at least 15% for each of the last ten consecutive years, as determined by Jensen's investment team. In our opinion, generating a ROE of 15% or more for at least a decade is an indication of sustained competitive advantages. From the qualifying universe, we select companies for the Portfolio based upon fundamental research and relative stock price valuations. We believe that over a full market cycle, the shares of these higher-quality businesses will outperform those of lower-quality businesses, but over shorter time periods relative performance differences are to be expected.

Jensen's benchmark-agnostic approach to sector weightings is a consequence of our bottom-up investment discipline.

Relative to the Russell 2500 Index, performance benefited from an underweight in the Communications sector and an overweight in the Health Care sector, offset by negative impacts from a relative underweight in the Financial and Energy sectors and an overweight in the Consumer Staples and Consumer Discretionary sectors. Stock selection in most sectors enhanced relative returns, partly offset by selection of companies in the Materials sector.

Relative to the Russell Midcap Index, performance benefitted from an underweight in the Communications sector, offset by negative impacts from a relative underweight in Financials and an overweight in Consumer Staples. Stock selection in most sectors positively contributed to performance, partly offset by negative impacts from companies in the Materials and Consumer Discretionary sectors.

Contributors and Detractors

Hill-Rom Holdings (HRC), a provider of medical devices, hospital beds, and related health care products, was the largest contributor to relative performance during the quarter. The strength in the share price was primarily due to the announcement of its acquisition by rival Baxter International (BAX). Because the company's share price exceeded our estimate of intrinsic value and the company would likely be acquired and thus no longer available for investment, we sold our shares during the quarter and redeployed the proceeds into other opportunities.

FactSet Research Systems (FDS), a provider of financial information and related analytical software, was the second largest contributor to relative performance during the quarter. We believe this was because the company's quarterly earnings results were above the expectations of many investors. We continue to have a positive long-term view of Factset's business due to the company's durable barriers to entry, high customer switching costs, competitive products, solid long-term growth drivers, and strong balance sheet.

Other notable companies that contributed positively to Portfolio performance included **Verisk Analytics (VRSK)**, a software company specializing in risk analysis tools for insurers, **CBRE Group (CBRE)**, a commercial real estate services company, and **Copart (CPRT)**, a provider of auction services for used automobiles.

Scotts Miracle-Gro (SMG), a manufacturer of plant fertilizers and gardening supplies, was the largest detractor from relative returns during the quarter. While the company reported revenue and earnings growth above expectations, we believe the shares sold off due to profit margin declines relative to very strong results last year. Over the long term, we believe Scotts will continue to benefit from its large scale, strong brands, high customer loyalty, and high barriers to entry.

Herman Miller (MLHR), a supplier of office furniture and decor, was the second largest detractor from relative returns. The company's share price fell after it reported quarterly earnings. Despite strong order growth, investors reacted to concerns over cost inflation and risks surrounding the integration of Knoll Group, which Herman Miller recently acquired. Notwithstanding these short-term challenges, we believe the company continues to benefit from its strong brands, economies of scale, and innovation leadership.

Other notable detractors from quarterly performance included **Lennox International (LII)**, a provider of HVAC and refrigeration systems, **Levi Strauss (LEVI)**, a casual apparel company, and **Best Buy (BBY)**, a leading electronics and appliance retailer.

Portfolio Changes

As of September 30, 2021, the Jensen Quality Value Portfolio was invested in 36 companies. Portfolio changes during the quarter were driven by valuation and fundamental analysis. During the period, the investment team initiated small positions in **United Rentals (URI)** and **Pool Corp (POOL)** due to the favorable valuation of their shares at the time. United Rentals is the largest tool and equipment rental company in the U.S. and enjoys substantial competitive advantages, including high barriers to entry, a strong brand, economies of scale, and diversified end markets. Pool Corp is the U.S.'s only nationwide distributor of pool and spa supplies for residential and commercial use. The company enjoys strong economies of scale as well as recurring revenue driven by maintenance and repair sales.

As previously mentioned, the investment team sold **Hill-Rom Holdings (HRC)** during the quarter. The investment team continues to adjust the positioning of other companies in the Portfolio to take advantage of relative valuation opportunities.

Jensen Outlook

Since the pandemic was declared nearly nineteen months ago, the U.S. stock market has experienced many gyrations, albeit resulting in positive overall returns. In recent months, we saw more muted returns and a shift favoring companies that demonstrate quality factors such as stable profitability, strong and consistent margins, and positive earnings increases. We believe this change in sentiment reflects concerns over slowing economic growth and the rise of the Delta variant together with other headwinds noted below.

More recently, there have been concerns over inflationary pressures, wage and commodity cost increases, and global supply chain disruptions that have muted the more enthusiastic stock market returns evident earlier in the year. We believe that these pressures are real, although the severity of the corresponding impacts on corporate earnings remains to be seen. Some of the headwinds may be short-term in nature while others may be more structural.

Additionally, the prospect for an increase in interest rates has also grown, together with the very real likelihood of higher corporate taxes. Although the U.S. Congress is currently negotiating the scale of the tax changes, they could meaningfully reduce projected 2022 earnings and thus impact valuations, particularly for highly valued companies that have experienced strong stock price appreciation over recent quarters.

Lastly, the substantial stimulus programs that acted as a salve for the U.S. economy and stock market during the pandemic are unlikely to

be extended, as they have served their purpose. Likewise, sovereign debt levels around the globe have increased substantially due to pandemic assistance, and we remain mindful of a potential "fiscal cliff" appearing in 2022 that may not have been fully discounted by the markets thus far.

Despite the challenges noted, we remain confident that the quality businesses that we favor are well positioned to navigate a potentially more stressful environment. We seek to invest in high-quality businesses because of the very attributes that robust competitive advantages and successful long-term business models can provide. As and when fiscal and monetary support eases, we believe that a more normalized economic environment could prove a headwind and give pause to what has been a very bullish market. Further, if corporate tax rates increase meaningfully, it could become more challenging for companies to sustain strong business results, especially if they lack the sound competitive advantage profiles and substantial free cash flow generation that we believe is necessary to grow in more challenging economic circumstances.

High-quality businesses such as the ones in which the Portfolio invests enjoy the foundations noted above and thus, in our view, should be well-positioned to weather the peaks and troughs of a recovering global economy buffeted by rising costs and episodic flareups in the pandemic. Further, the market dominance evident in high-quality companies provides pricing power that we believe can mitigate inflationary headwinds that erode the value proposition of lower-quality businesses.

At Jensen we remain focused on the long term. Our research prizes dominant competitive advantages, balance sheet strength, and free cash flow consistency and provides a framework to understand the companies in which we invest. Our decision making is driven by this critical bottom-up fundamental business analysis. While the portfolio companies are not immune to global stresses, we remain confident that they possess business models that mitigate economic risk and have the potential to reduce the volatility of the Portfolio's returns. Our goal has been, and remains to be, to produce strong long-term returns while minimizing the risk of permanent loss of capital.

We remain impressed with the performance of the companies that comprise the Portfolio and the resilience of their business models in response to economic events and disruptive competition. Such resilience and the ability to consistently reinvest growing free cash flow in long-term growth opportunities have long been central tenets of our investment strategy. We constantly seek information that will inform and enhance our decision making in mitigating business, pricing, and positioning risk and believe that the current environment is an opportunity for focused, active investment managers such as Jensen to make a positive difference on behalf of our investors.

3Q/21 Commentary

Opinions expressed are those of Jensen Investment Management and are subject to change, not guaranteed and should not be considered investment advice.


Further, we are confident that the changes we have made in the Portfolio over the last few quarters have upgraded the fundamental business and valuation profile of the Portfolio.

As we consider the foregoing challenges and opportunities, we believe that our long-term focus on risk management remains as important as ever. In our opinion, the Portfolio's companies are well positioned to continue executing their strategic initiatives, use their cash flows to continue to reinvest in future growth opportunities, and reward shareholders in the shorter term in the form of dividends and share buybacks.

Regardless of what happens in the remainder of 2021 and beyond, paying attention to company fundamentals can help investors manage risk. It should also offer a measure of capital protection in more volatile markets and provide the opportunity for long-term capital appreciation.

We are tremendously grateful for the ongoing support of our firm and investment strategies from our partners and clients and we trust that we will continue to deliver the results you expect of us.

If you would like this fact sheet emailed to you on a quarterly basis, please visit www.jenseninvestment.com.

	<p>S&P Earnings and Dividend Rankings: (also known as "quality rankings") score the financial quality of several thousand US stocks from A+ through D with data going back to 1956. The company rankings are based on the most recent 10 years (40 quarters) of earnings and dividend data. The better the growth and stability of earnings and dividends, the higher the ranking.</p> <p>Free Cash Flow: Is equal to the after-tax net income of a company plus depreciation and amortization less capital expenditures.</p> <p>Return on Invested Capital (ROIC): A calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments. Return on invested capital gives a sense of how well a company is using its money to generate returns.</p> <p>Must be preceded or accompanied by a current prospectus.</p>
<p>1.800.992.4144 jenseninvestment.com</p>	<p>Quasar Distributors, LLC – Distributor</p>