

TIME TO LOOK FOR VALUE IN THE EMERGING MARKETS?

VALUATIONS IN EMERGING MARKETS LOOK FAVORABLE RELATIVE TO THE REST OF THE WORLD.

In terms of price-to-earnings, stocks in the MSCI Emerging Markets Index are trading at a major (36 percent) discount compared to those of developed markets.

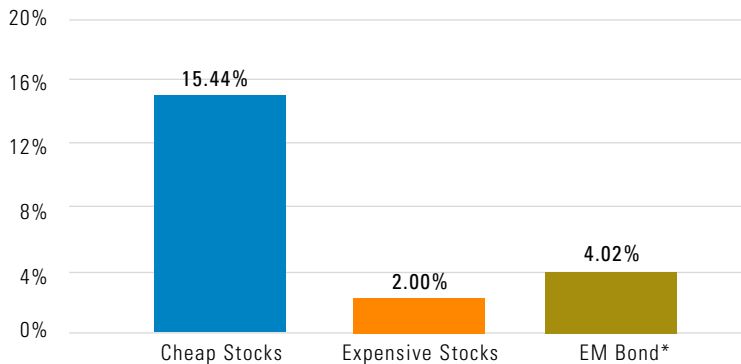
Source: FactSet, Pzena analysis. Data through July 2021

Figure 1: Emerging Markets vs. Developed Markets Valuation

Past 20 Years Relative Forward Price/Earnings Premium (Discount)



Figure 2: Deep Discounts Driving Cheap Stocks' Earnings Yields



DEEP VALUE STOCKS¹ OFFER THE ONLY DOUBLE-DIGIT EARNINGS YIELD IN THE EMERGING MARKETS UNIVERSE.

Source: FactSet, Pzena analysis. Calculation methodology outlined in the disclosure. Data as of June 30, 2021. Past performance is not indicative of future returns.

ON THE ROAD TO RECOVERY

As economies gradually reopen, our portfolio should benefit from the cost cutting and restructuring actions taken by management teams during the pandemic, which will become more apparent and drive operating profit expansion, as revenues recover.

Emerging Markets Value Fund Factsheet

CONTACT US TO LEARN MORE:

www.pzena.com

+1.347.643.0912

info@pzena.com



FURTHER INFORMATION

¹Figure 2: Cheap (deep value) & expensive stocks' earnings yield are based on the median stock within the cheapest and most expensive quintile of the universe based on price-to-normal earnings. The quintiles are measured on an equally weighted basis within the ~1,500 largest non-developed stock universe. Price-to-normal earnings are Pzena's estimates.

*Yield of the Bloomberg Barclays Emerging Markets USD Aggregate (7-10 Y) Index. The index includes fixed and floating-rate US dollar-denominated debt issued from sovereign, quasi-sovereign, and corporate EM issuers.

This document is intended solely for informational purposes. The views expressed reflect the current views of Pzena Investment Management ("PIM") as of the date hereof and are subject to change. PIM is a registered investment adviser registered with the United States Securities and Exchange Commission. PIM does not undertake to advise you of any changes in the views expressed herein. There is no guarantee that any projection, forecast, or opinion in this material will be realized. Past performance is not indicative of future results. All investments involve risk, including risk of total loss.

This document does not constitute a current or past recommendation, an offer, or solicitation of an offer to purchase any securities or provide investment advisory services and should not be construed as such. The information contained herein is general in nature and does not constitute legal, tax, or investment advice. PIM does not make any warranty, express or implied, as to the information's accuracy or completeness. Prospective investors are encouraged to consult their own professional advisers as to the implications of making an investment in any securities or investment advisory services.

For UK Investors: This financial promotion is issued by Pzena Investment Management, Limited ("PIM UK"). PIM UK is a limited company registered in England and Wales with registered number 09380422, and its registered office is at 34-37 Liverpool Street, London EC2M 7PP, United Kingdom. PIM UK is an appointed representative of Mirabella Advisers LLP, which is authorised and regulated by the Financial Conduct Authority. The Pzena documents are only made available to professional clients and eligible counterparties as defined by the FCA. Past performance is not indicative of future results. The value of your investment may go down as well as up, and you may not receive upon redemption the full amount of your original investment. The views and statements contained herein are those of Pzena Investment Management and are based on internal research.

For EU Investors Only: This financial promotion is issued by Pzena Investment Management Europe Limited ("PIM Europe"). PIM Europe (No. C457984) is authorised and regulated by the Central Bank of Ireland as a UCITS management company (pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended). PIM Europe is registered in Ireland with the Companies Registration Office (No. 699811), with its registered office at Riverside One, Sir John Rogerson's Quay, Dublin, 2, Ireland. Past performance is not indicative of future results. The value of your investment may go down as well as up, and you may not receive upon redemption the full amount of your original investment. The views and statements contained herein are those of Pzena Investment Management and are based on internal research.

For Jersey Investors Only: Consent under the Control of Borrowing (Jersey) Order 1958 (the "COBO" Order) has not been obtained for the circulation of this document. Accordingly, the offer that is the subject of this document may only be made in Jersey where the offer is valid in the United Kingdom or Guernsey and is circulated in Jersey only to persons similar to those to whom, and in a manner similar to that in which, it is for the time being circulated in the United Kingdom, or Guernsey, as the case may be. The directors may, but are not obliged to, apply for such consent in the future. The services and/or products discussed herein are only suitable for sophisticated investors who understand the risks involved. Neither Pzena Investment Management, Ltd. nor Pzena Investment Management, LLC nor the activities of any functionary with regard to either Pzena Investment Management, Ltd. or Pzena Investment Management, LLC are subject to the provisions of the Financial Services (Jersey) Law 1998.

For Australia and New Zealand Investors Only: This document has been prepared and issued by Pzena Investment Management, LLC (ARBN 108 743 415), a limited liability company ("Pzena"). Pzena is regulated by the Securities and Exchange Commission (SEC) under U.S. laws, which differ from Australian laws. Pzena is exempt from the requirement to hold an Australian financial services license in Australia in accordance with ASIC Corporations (Repeal and Transitional) Instrument 2016/396. Pzena offers financial services in Australia to 'wholesale clients' only pursuant to that exemption. This document is not intended to be distributed or passed on, directly or indirectly, to any other class of persons in Australia. In New Zealand, any offer is limited to 'wholesale investors' within the meaning of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 ('FMCA'). This document is not to be treated as an offer, and is not capable of acceptance by, any person in New Zealand who is not a Wholesale Investor.

For South African Investors Only: Pzena Investment Management, LLC is an authorised financial services provider licensed by the South African Financial Sector Conduct Authority (licence nr: 49029).