

## STRATEGY FACTS

Inception Date	January 1, 2019
AUM (\$M)	109.2
Investment Universe	1500 largest non-U.S. companies
# of Positions	Generally 50-80
Available Vehicles	Separate Account

## ABOUT US

Pzena Investment Management is a global deep value equity manager that uses a proprietary research process to buy companies we believe are priced significantly below their long-term earnings potential. A diverse team from a range of industry backgrounds, Pzena is dedicated to meeting client needs as thought leaders on value investing.

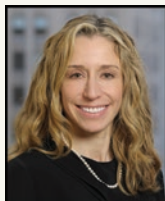
## PORTFOLIO MANAGERS



**Rakesh Bordia**  
With Pzena since 2007  
In Industry since 1995



**Caroline Cai**  
With Pzena since 2004  
In Industry since 1998



**Allison Fisch**  
With Pzena since 2001  
In Industry since 1999



**John Goetz**  
With Pzena since 1996  
In Industry since 1979

## PORTFOLIO CHARACTERISTICS

	Strategy	Index
Price to Normal Earnings <sup>^</sup>	7.7x	14.2x*
Price / Earnings (1-Year Forecast)	9.8x	13.7x
Price / Book	1.2x	1.8x
Dividend Yield	3.8	3.0
Median Market Cap (\$B)	22.0	12.9
Weighted Average Market Cap (\$B)	48.9	87.8
Active Share	90.0%	-
Number of Stocks (model portfolio)	61	783

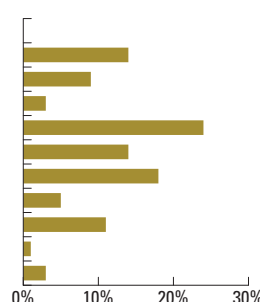
Source: MSCI EAFE Index, Pzena analysis

<sup>^</sup>Pzena's estimate of normal earnings.

\*EAFE Universe Median

## SECTOR WEIGHTS

Communication Services  
Consumer Discretionary  
Consumer Staples  
Energy  
Financials  
Health Care  
Industrials  
Information Technology  
Materials  
Real Estate  
Utilities



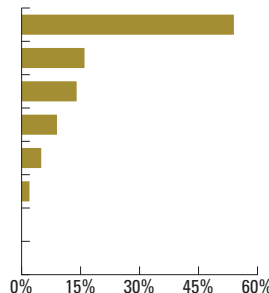
Sector weights adjusted for cash - may appear higher than actual.

Numbers may not add to 100% due to rounding.

Index is the MSCI EAFE.

## REGION CONCENTRATION

Europe ex-U.K.  
United Kingdom  
Japan  
Emerging Markets  
North America  
Dev. Asia ex-Japan  
Australia/New Zealand  
Dev. Africa/Middle East



Region concentration adjusted for cash - may appear higher than actual.

Numbers may not add to 100% due to rounding.

Index is the MSCI EAFE.

## PERFORMANCE SUMMARY

	4Q	YTD	One Year	Annualized as of December 31, 2023		
				Three Year	Five Year	Since Inception
Pzena International Value ADR Composite - Gross	6.9%	19.6%	19.6%	8.1%	9.8%	9.8%
Pzena International Value ADR Composite - Net	6.8%	19.0%	19.0%	7.5%	9.2%	9.2%
MSCI EAFE (USD)	10.4%	18.2%	18.2%	4.0%	8.2%	8.2%
MSCI EAFE Value (USD)	8.2%	19.0%	19.0%	7.6%	7.1%	7.1%

Past performance is not indicative of future results. Returns could be reduced, or losses incurred, due to currency fluctuations. See Disclosures Section.

## CALENDAR YEAR RETURNS

	2019	2020	2021	2022	2023
Pzena International Value ADR Composite - Gross	18.3%	6.8%	13.7%	-7.1%	19.6%
Pzena International Value ADR Composite - Net	17.6%	6.2%	13.1%	-7.6%	19.0%
MSCI EAFE (USD)	22.0%	7.8%	11.3%	-14.5%	18.2%
MSCI EAFE Value (USD)	16.1%	-2.6%	10.9%	-5.6%	19.0%

Past performance is not indicative of future results. Returns could be reduced, or losses incurred, due to currency fluctuations. See Disclosures Section.



## PORTFOLIO COMMENTARY AS OF DECEMBER 31, 2023

Equity markets outside the U.S. bounced back strongly in the fourth quarter after a weak third quarter. After falling in October, bourses rallied on the back of optimism around possible rate cuts in 2024 and lower energy prices. There was, however, high dispersion across countries and sectors. Europe was notably strong with Sweden and the Netherlands leading the way, both up over 20%. While all sectors were up, information technology was the strongest sector whereas energy and communication services were the weakest. Our portfolio underperformed both the value index and style-neutral benchmark.

The top individual stock contributors in the quarter were Rexel, Michelin and BASF Rexel, a distributor of low voltage electrical products posted strong results and benefited from improving European macroeconomic sentiment. French tire producer Michelin guided to better free cash flow while displaying continued share gains in the premium market. German chemical giant BASF guided to better-than-expected free cash flow while announcing the sale of its Wintershall assets in Russia.

Our biggest detractors were Bayer, Julius Baer, and Nokia. Crop science & pharma company Bayer was weak after losing a fourth glyphosate lawsuit and announcing a failed phase 3 drug trial. We believe Bayer trades at a compelling valuation as these negative developments are more than priced in the stock. Julius Baer fell on headlines of potentially significant credit losses related to loans made to Signa, raising questions about their broader risk management approach. While we are closely monitoring the exposure and company's risk management practices, the company remains very well capitalized even with these credit losses. Nokia was weak after AT&T, one of its largest customers, announced the decision to sole source its future 5G equipment purchases from rival Ericsson. Shares reacted negatively to the news and while this development reduces our normal earnings estimate, the stock remains attractively priced.

During the quarter, we initiated positions in Teleperformance, Medtronic and Olympus Corp. Teleperformance is the leading outsourced customer experience provider based in Europe. The market is worried about normalization of the COVID benefit and the emergence of generative AI. We believe that the normalization of COVID-driven volumes is largely complete, and the market is overestimating the threat of AI into an already complex customer experience landscape. Medtronic is the largest standalone medical devices company in the world with leading positions across several high barriers-to-entry categories. COVID-related supply chain issues and missteps in its diabetes franchise have weighed down shares. Olympus is the largest manufacturer of gastrointestinal scopes in the world in a relatively consolidated market. The company needs to address FDA warning letters regarding its testing and documentation deficiencies and presents a significant cost reduction opportunity.

We also added to our positions in Reckitt Benckiser, Alibaba, and Haier Smart Home on weakness. These purchases were funded via full sales of Publicis Groupe, and Samsung, and trims of Covestro and Rexel.

Our portfolios are still weighted in businesses in recovery mode, albeit now less tilted toward energy. Overweights include financials and consumer discretionary. We have a relative overweight to Europe and United Kingdom and a relative underweight to Japan, Canada and Australia.



## DISCLOSURES

Pzena Investment Management, LLC ("PIM") is a U.S.-registered investment adviser with the United States Securities and Exchange Commission. PIM follows a deep value investment approach.

All investments involve risk, including loss of principal. The price of equity securities may rise or fall because of economic or political changes or changes in a company's financial condition, sometimes rapidly or unpredictably. Investments in foreign securities involve political, economic and currency risks, greater volatility and differences in accounting methods. These risks are greater for investments in Emerging Markets. Depositary receipts involve substantially identical risks to those associated with direct investment in securities of foreign issuers. In addition, the underlying issuers of certain depositary receipts, particularly unsponsored or unregistered depositary receipts, are under no obligation to distribute shareholder communications to the holders of such receipts, or to pass through to them any voting rights with respect to the deposited securities. PIM's strategies emphasize a "value" style of investing, which targets undervalued companies with characteristics for improved valuations. This style of investing is subject to the risk that the valuations never improve or that returns on "value" securities may not move in tandem with the returns on other styles of investing or the stock market in general.

Past performance is no guarantee of future results, and the past performance of any account or commingled fund managed by PIM should not be considered indicative of the future performance of any account or commingled fund managed by PIM. Investment return and principal value of an investment will fluctuate over time, may go down as well as up, and you may not receive upon redemption the full amount of your original investment. The performance information provided is historical in nature. The views and statements contained herein are those of Pzena Investment Management, LLC and are based on internal research.

Gross rates of return are presented gross of investment management fees and net of the deduction of transaction costs. An investor's actual return will be reduced by investment management fees. Net Returns are derived using a model fee applied monthly to Gross returns. Pzena uses the highest tier fee schedule, excluding performance fees, to illustrate the impact of fees on performance returns. As product fees change, the current highest tier schedule will be in effect.

Composite returns are benchmarked to the MSCI EAFE Index and the MSCI EAFE Value Index (the "Index"). The benchmarks are used for comparative purposes only. The MSCI EAFE Index is an equity index which captures large and mid-cap representation across 21 Developed Markets countries around the world, excluding the US and Canada. The index is comprehensive, covering approximately 85% of the free float-adjusted market capitalization in each country. The MSCI EAFE Value Index captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. The Indices cannot be invested in directly. The performance of the Indices reflects the reinvestment of dividends net of withholding tax rates. The Pzena International Value ADR strategy is significantly more concentrated in its holdings and has different sector and regional weights than the Indices. Accordingly, the performance of the Composite will be different from, and at times more volatile, than that of the Indices.

The specific portfolio securities discussed in this presentation were selected for inclusion based on their ability to help you better understand our investment process. They do not represent all of the securities purchased or sold by PIM during the period, and it should not be assumed that investments in such securities were or will be profitable. Holdings may vary among client accounts as a result of opening dates, cash flows, tax strategies, etc. There is no assurance that any securities discussed herein remain in our portfolios at the time you receive this presentation or that securities sold have not been repurchased.

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