

Pzena

Global Equity: MSCI ACWI Benchmark

For the month of:	March	2025			
Manager Performance Calculations			* Annualized returns		
	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Pzena	-1.08%	6.76%	N/A	N/A	N/A
MSCI ACWI	-3.95%	-1.32%	N/A	N/A	N/A

Performance Attribution & Strategy Comments

Global markets fell sharply in March, led lower by the US market for the second month in a row. US trade policy weighed on markets across the globe and raised concerns over stagflation in the US. Meanwhile, President Trump's announcement of tariffs on imported vehicles led to the global auto sector trading down. In Europe, macroeconomic growth remains muted and there is uncertainty surrounding the potential impact of tariffs. Against this backdrop, emerging markets were down as well. Taiwan was a particular source of weakness, as semiconductor and electronics stocks fell amid tariff and economic growth concerns. Within the MSCI All Country World Index, information technology, consumer discretionary, and communication services declined the most. Energy and utilities were the only sectors to post positive returns this month.

The Pzena Global Focused Value portfolio declined, but outperformed the MSCI ACWI Index. Information technology, health care, and consumer staples contributed most to relative performance, while financials, industrials, and materials detracted in March.

Dollar General (discount retailer) reported solid quarterly results. The company posted an earnings miss, but this was driven by a one-off charge associated with closing underperforming stores. Additionally, shrinkage fell for the second quarter in a row, which helped gross margins beat consensus expectations. Enel (Italian utility) rose, along with the utilities sector at large, as many investors fled to defensive stocks in light of geopolitical and economic uncertainty. Additionally, the company reported 2024 results that were in line with consensus and boosted the dividend. ING Groep (Benelux lender) continued to benefit from an outlook of sustainable earnings even in a declining interest rate environment, as well as their plans to continue to return significant amounts of capital to shareholders.

Citigroup (money center bank) and Capital One Financial (financial services company) fell as tariff fears, declining consumer sentiment, and lower economic growth projections weighed on the financials sector. Additionally, the Trump Organization brought a lawsuit against Capital One claiming that Capital One closed Trump Organization bank accounts for political reasons. Cognizant Technology Solutions (IT service provider) declined as US geopolitical and macroeconomic uncertainty weighed on expectations for corporate IT spending.

Manager Style Summary

Pzena will manage a global, focused deep value fund. The firm seeks investments with skewed potential outcomes via a concentrated portfolio of deeply undervalued businesses. A quantitative screen filters for low price-to-normal earnings level and current earnings depressed to historical norms. Fundamental research is performed to determine if the problem is temporary and not permanent, if the company's business is good and assesses the downside risks. It's a bottom-up process that focuses on the cheapest quintile. After an initial review a full research project will be performed. Initial position size is based on valuation, risk, and diversification. The number of holdings is expected to be between 40 - 60.

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Portfolio Guideline Compliance

Portfolio Guideline:	Index	Pzena	Calc	Min	Max	Compliance
B3. No more than 5% of the account shall be invested in any one security @ purchase						Yes
B4. Number of issues		51		40	60	ok
B5. Normal Regional Exposures (* benchmark +/- min/max):						
Emerging Markets	10%	10%		0%	25%	ok
Europe ex UK	12%	31%		0%	42%	ok
Japan	5%	1%		0%	35%	ok
North America	67%	47%		30%	97%	ok
United Kingdom	3%	10%		0%	33%	ok
Other	3%	1%		0%	33%	ok
Total		100%				
B6. Normal Global Portfolio Characteristics						
Capitalization	566954	64821	11%	10%	80%	ok
Price/Book Value	3.1	1.2	39%	20%	100%	ok
Price/Earnings	19.9	12.6	63%	20%	120%	ok
Dividend Yield	1.9	3.5	181%	75%	200%	ok
B7. Price/Normalized Earnings in Q1		84%		60%	100%	ok
C2. Max value of forwards w/single counterpart		0%			30%	ok
C3. Cash/cash equiv in non-USD currencies		3%			10%	ok
F2. Brokerage commissions not to exceed \$0.035/share for U.S. equities						Yes
F3. Annual turnover		-		20%	40%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines						<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Manager Explanations for Deviations from Portfolio Guidelines

F3. Annual Turnover: As the account was incepted on April 22, 2024, there is no annual turnover data available yet.

Total Firm Assets Under Management (\$m) as of:

Qtr 1 \$ 69,448

Organizational/Personnel Changes

n/a

Account Turnover

Gained: Number of Accounts: 0 Total Market Value (\$m): \$ -

Lost: Number of Accounts: 0 Total Market Value (\$m): \$ -

Reason(s): Please note that Account Turnover displayed is for the Pzena Global Focused Value strategy in the month of February 2025. Data for March 2025 is not yet available.