

## Separately Managed Account

# O'Shaughnessy Market Leaders Value Portfolios

1Q 2025

Separately Managed Accounts (SMAs) are investment services provided by O'Shaughnessy Asset Management, LLC (OSAM), a federally registered investment adviser. Client portfolios are managed based on investment instructions or advice provided by OSAM. Management is implemented by OSAM, or, in the case of certain programs, the program sponsor or its designee.

These materials are being provided for illustrative and informational purposes only. The information contained herein is obtained from multiple sources that are believed to be reliable. However, such information has not been verified, and may be different from the information included in documents and materials created by the sponsor firm in whose investment program a client participates. Some sponsor firms may require that these materials be preceded or accompanied by investment profiles or other documents or materials prepared by such sponsor firms, which will be provided upon request. For additional information, documents and/or materials, please speak to your Financial Professional or contact your sponsor firm.

# Gateway to investment specialists



**\$1.5 Trillion**

Assets under management<sup>1</sup>

**75+**

Years of active management experience

**150+**

Countries with investors

**1,600+**

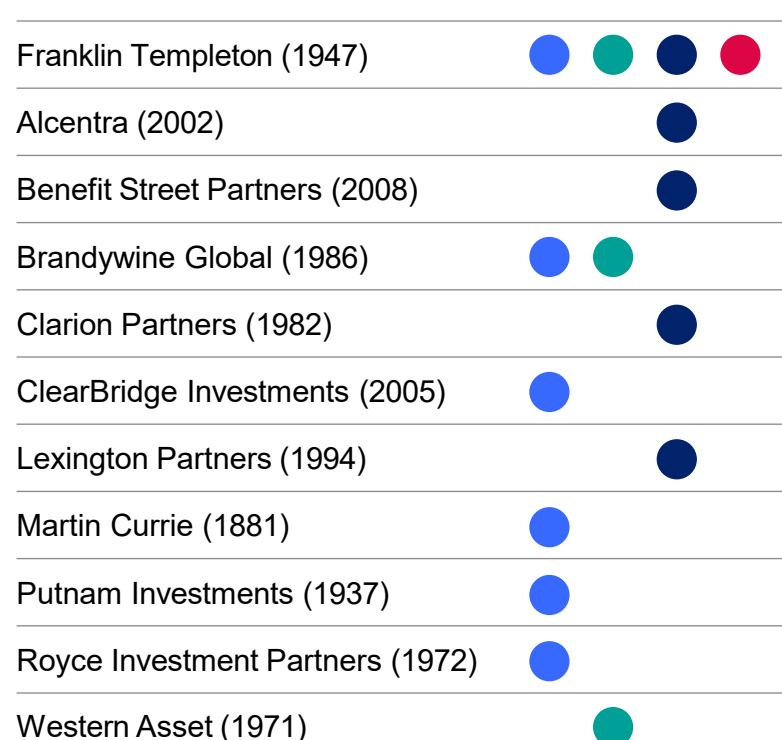
Investment professionals

## Our Investment Capabilities (USD Billion)



**Complemented by innovations in** Sustainable and Impact investing, ETFs, Custom Indexing, Frontier Risk Alternatives, and others

## Our Investment Managers Asset Classes






1. AUM is in USD as of 31 March 2025. Total AUM of \$1.5 Trillion includes \$68.9 Billion in cash management that is not represented here.





# O'Shaughnessy Asset Management (OSAM)



Leading research and quantitative asset management firm since 1996

 <b>Expertise in factor-based research and SMA management</b> <ul style="list-style-type: none"><li>• Implement disciplined strategies adhering to the fundamentals of OSAM research.</li><li>• History of building technology to improve research, portfolio management, and trading capabilities.</li></ul>	 <b>Leadership and employee longevity</b> <ul style="list-style-type: none"><li>• Average Principal tenure of 17 years.</li><li>• Invested alongside clients.</li></ul>	 <b>Developers of Canvas Custom Indexing</b> <ul style="list-style-type: none"><li>• Launched Canvas platform in 2019 specializing in tax management and custom SMAs.</li><li>• \$11.5 billion in Canvas AUM.</li></ul>
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\$15.0 billion in assets under management\* | Wholly-owned subsidiary of Franklin Templeton | Headquartered in Stamford, CT

<b>Core Cultural tenets</b>				
	<b>Learn</b>	<b>Build</b>	<b>Share</b>	<b>Repeat</b>

Data as of 03/31/2025.  
\*The AUM and AUA combined total represents \$14.4 billion of O'Shaughnessy Asset Management's assets under management and \$0.6 billion of assets under advisement as of 03/31/25. The information regarding AUA is supplemental, OSAM does not have control over the assets under advisement, implementation of the models, or execution of the trades.

# O'Shaughnessy Asset Management

## Our core investment tenets



Seek to maximize total, risk adjusted, and consistency of returns.



A stock's fundamental characteristics (or factors) are its drivers of return over time.

- Avoid those with poor factor profiles.
- Concentrate into those with the most attractive factor profiles.
- Mitigate idiosyncratic and governance risks using ESG factors.



Portfolio construction is key to amplifying good stock selection.

- Weightings should be designed to deliver a strong edge in the most effective factors.
- The sell discipline should be rigorously followed to consistently safeguard this edge.
- Risk management helps avoid negative events while still maintaining a factor edge.

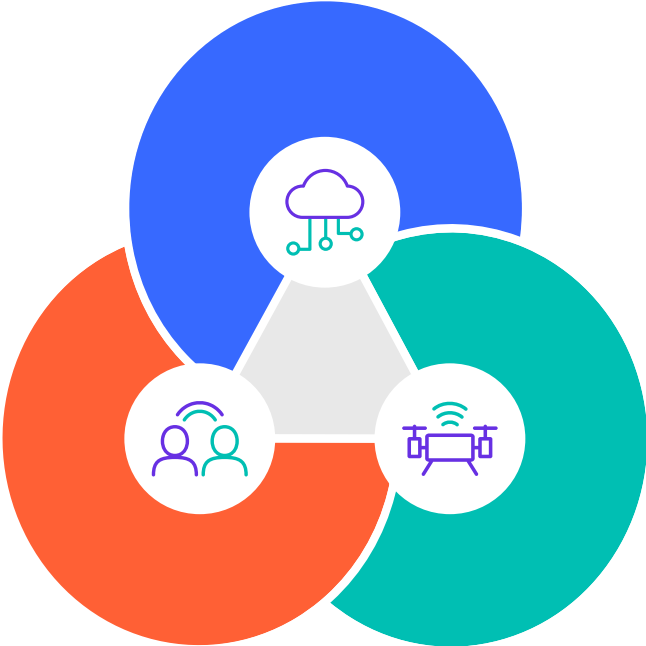


Minimize real-world costs through skilled trading and integrated tax management.



Maintain unyielding discipline.

# Research platform: Best of breed data, proprietary technology, & expert people



## Data

**Research on hundreds of factors covering 85,000 stocks over time:**

- 60+ years in the United States
- 25+ years in Developed International
- 20+ years in Emerging Markets

## Technology

**Proprietary technology developed to spec for our Portfolio Managers:**

- Factor research
- Portfolio construction
- Trading
- Cost and tax management

## People

- Research and Portfolio Management Team of 19
  - Five CFA Charterholders and eight post graduate degree holders
  - Authored 70+ white papers
- O'Shaughnessy Research Partners - 2 formal relationships to date, with curious and expert independent researchers from varied industry backgrounds

# Measuring the factor advantage vs. smart beta

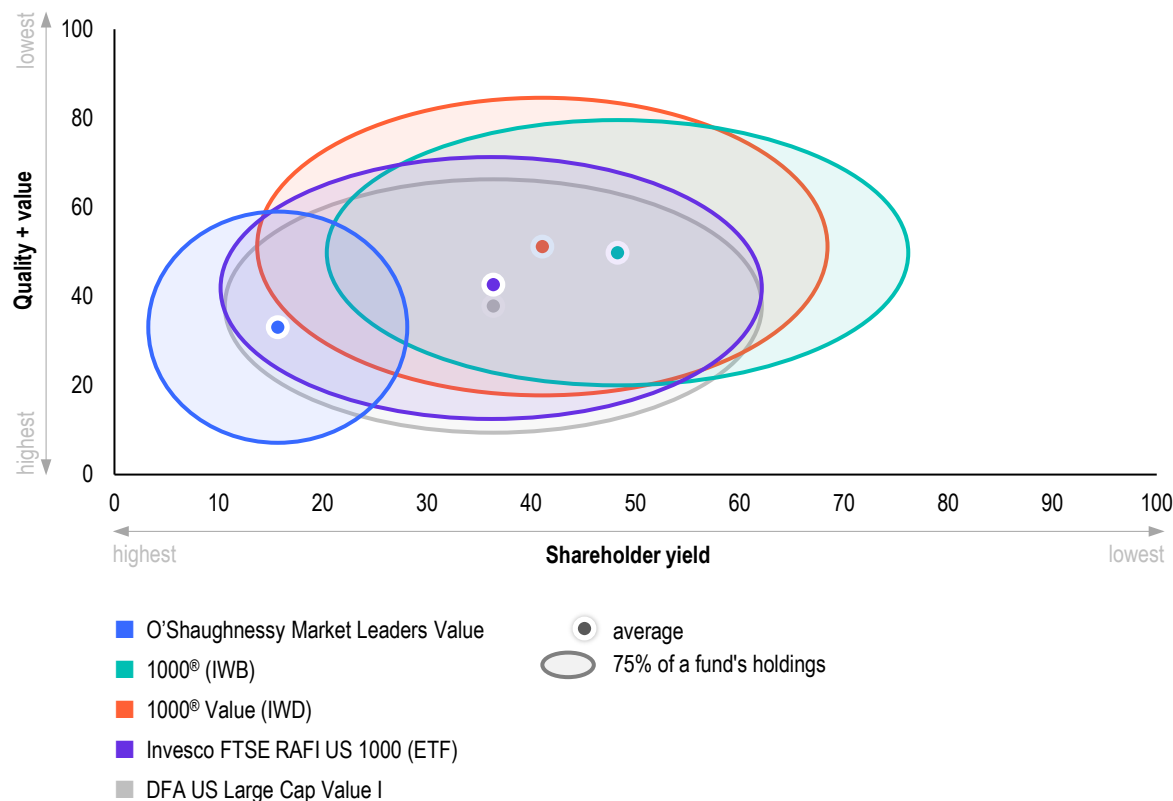


OSAM constructs **high-conviction** portfolios with significant factor advantages. These are very different than less concentrated 'Smart Beta' strategies.

Market Leaders Value provides targeted exposure to top-ranked companies across our Quality, Value, and Shareholder Yield factors, yielding much different positioning than popular Smart Beta products.

**Smart Beta:** a strategy that passively follows an index while tilting towards alternative weighting methods such as value, volatility, and quality to drive alpha.

**Shareholder Yield:** a proprietary OSAM factor that favors companies returning capital to investors through dividends or share buybacks.



# Multi-factor theme building blocks



**We screen out stocks that score poorly based on these characteristics...**

## Value

- Stocks trading at large discounts to current sales, earnings, EBITDA, and Free Cash Flow

## Momentum

- Stocks with impressive and stable recent total returns

## Financial Strength

- Stocks that use debt responsibly and aren't overly reliant on outside financing

## Earnings Quality

- Stocks with strong cash flows and conservative accounting

## Earnings Growth

- Stocks whose profitability is high and trending up

**...and concentrate into those that are attractive based on these**

**Value, Momentum, and/or Shareholder Yield\***

\* Stocks returning high amounts of cash to shareholders through dividends and buybacks.

# Not all factors work the same

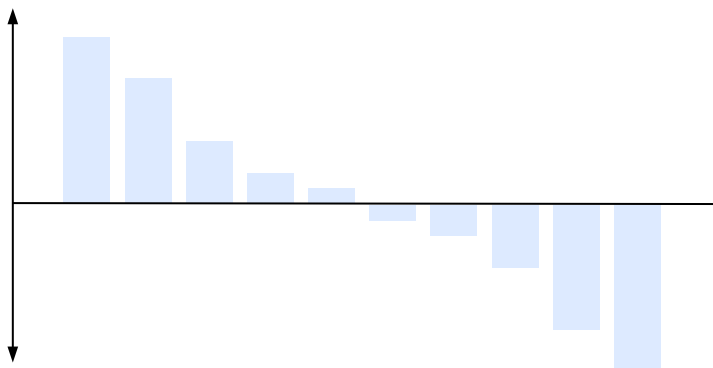


Decile spreads on the same universe over the same time period can be used as a benchmark for effectiveness.

Some factors are great at selecting stocks with strong outperformance.

## Selection Factors

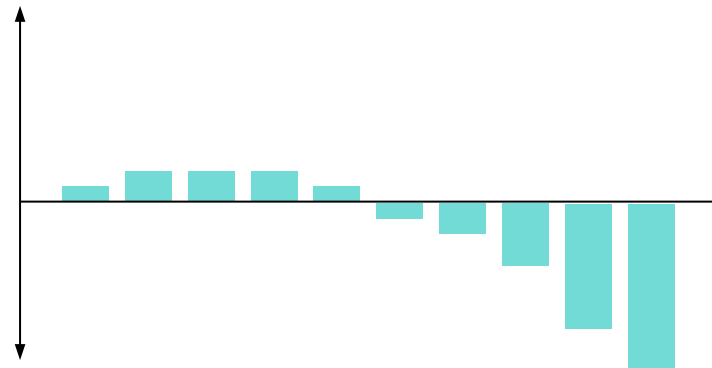
Value, Momentum, Shareholder Yield



Other factors are used better for screening out poor performers.

## Screening Factors

Quality, Financial Strength, Earnings Growth

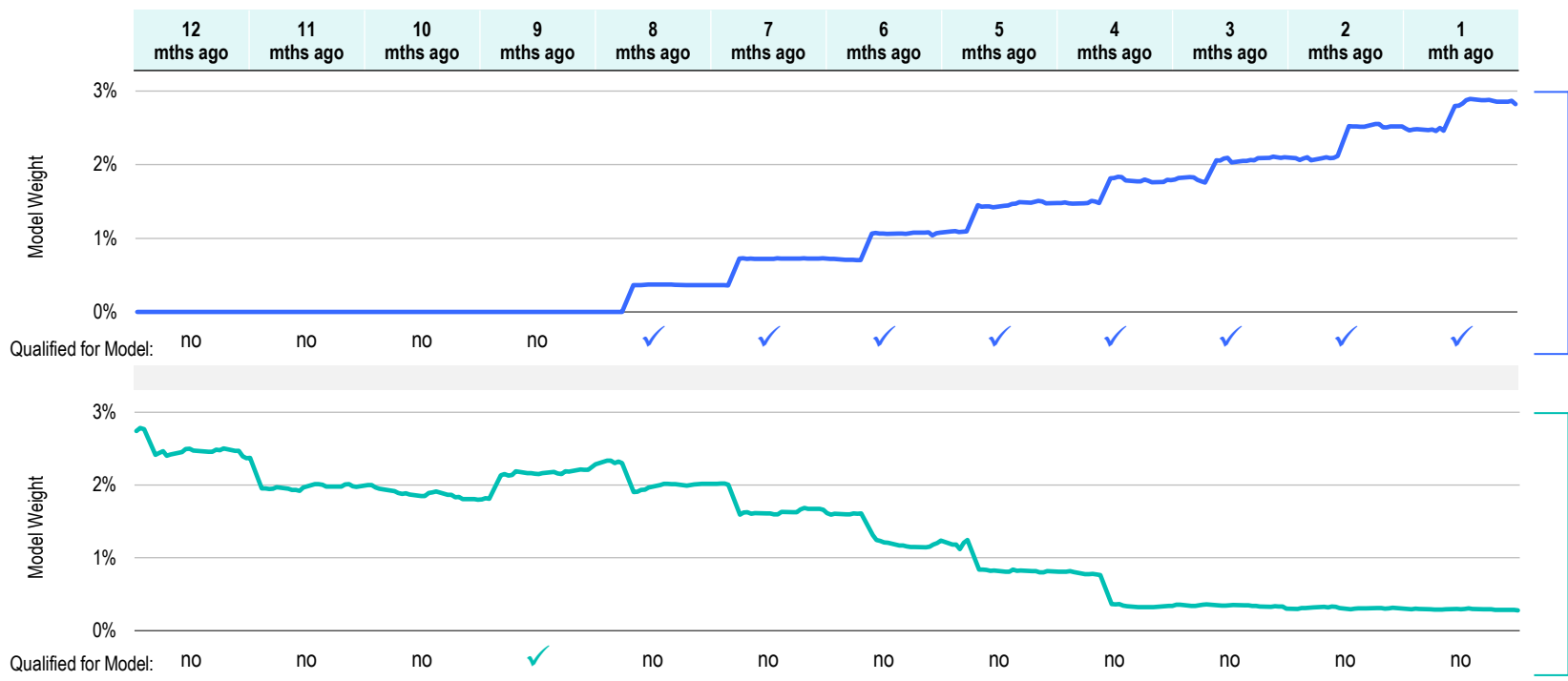




# Conviction-weighted portfolio construction process makes gradual changes



## Market Leaders Value Model Weight



We use a 'conviction-weighted' approach to position sizing, where a stock's weight is dictated by its consistency in meeting our selection criteria over time, the recency of meeting that criteria, its overall factor profile, and risk management considerations.

We gradually increase the weight to stocks with top-ranking profiles through new or additional purchases and reduce the weight to less attractive stocks. This constant adjustment prioritizes stocks with strong current profiles.

For illustrative purposes only.  
**Past performance is no guarantee of future results.**

# Building your portfolio of stocks with strong overall factor profiles



## STEP 1

### Establish Selection Universe

The investable universe includes all U.S. stocks traded on the NYSE, AMEX, and NASDAQ, excluding MLPs and stocks not meeting liquidity criteria. From this universe, OSAM screens for stocks with a market capitalization greater than the universe average (approximately \$7 billion). This results in a selection universe of approximately 500 stocks.

## STEP 2

### Eliminate Poor Quality

The universe is refined by excluding stocks scoring in the lowest decile of OSAM's Value, Momentum, Earnings Quality, Financial Strength, and Earnings Growth themes.

## STEP 3

### Stock Selection

After refining the selection universe to eliminate poor Quality, stocks are selected that score within the highest decile of Shareholder Yield and satisfy risk-exposure constraints. OSAM defines Shareholder Yield as Dividend Yield plus Buyback Yield, where the latter is the net percentage change in a company's shares outstanding over the previous 12 months.

## STEP 4

### Position Sizing

Position sizing is determined by four factors: (1) the number of rebalances a security has qualified for purchase over the past year, (2) the recency of the qualification, (3) the stock's overall factor profile, and (4) sector and industry risk constraints.

This process is refreshed monthly.

The investment process may change over time. The characteristics set forth above are intended as a general illustration of some of the criteria the strategy team considers in selecting securities for client portfolios. There is no guarantee that investment objectives will be achieved.

# O'Shaughnessy Market Leaders Value



## Overview

Market Leaders Value seeks to provide long-term growth by investing in mostly large capitalization domestic equities. The strategy seeks market leading companies that meet the manager's Quality criteria with attractive valuations and high "Shareholder Yield" — which combines a company's annual dividend and its annual rate of stock buybacks. Stocks are selected and weighted based on conviction and are broadly constrained by sector and industry.

## Objectives

Long-term capital appreciation.

## Key differentiators

- High conviction, high active share portfolio that concentrates on stocks with the most attractive factor profiles.
- This portfolio offers a differentiated approach to most large cap value factor strategies by using Shareholder Yield as its primary factor for selecting stocks.
- Exposure to unique factor "themes" (i.e., Shareholder Yield) that combine multiple underlying data points (i.e., Dividend Yield) for a more holistic factor profile.

## Portfolio positioning

- Concentrated large-cap value strategy that can be used as a satellite allocation and complement to other large cap growth strategies.
- Designed for investors that want a concentrated factor strategy targeting companies scoring highest on Shareholder Yield.

## Philosophy

O'Shaughnessy believes in applying empirical, fundamental research to uncover strong quantitative equity strategies. OSAM has conducted research covering more than 50 years of market data to identify the characteristics that historically lead to strong stock selection. This research forms the basis of each strategy. The investment process is generally transparent and used to select stocks in a logical, unemotional way, appealing to common sense. OSAM does not allow short-term market events to distract from strategy discipline.

## What are the risks?

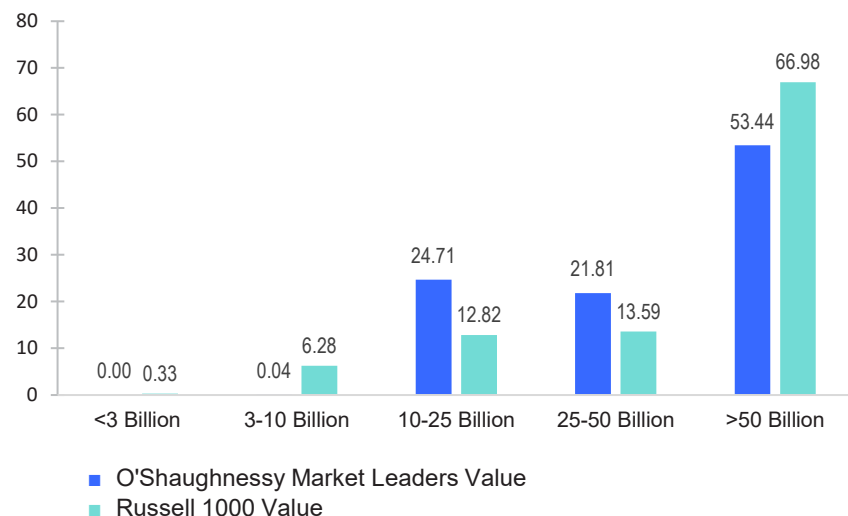
All investments involve risks, including possible loss of principal. Small- and mid-cap stocks involve greater risks and volatility than large-cap stocks.

# Equity portfolio characteristics

## As of 3/31/2025



### Market capitalization breakdown in USD (%)



### Portfolio characteristics

	O'Shaughnessy Market Leaders Value	Russell 1000 Value
Number of Issuers	62	870
Price to Earnings (12-Month Trailing)	15.81x	19.87x
Dividend Yield	2.50%	2.10%
Median Market Cap (Millions USD)	\$35,837	\$13,280
Weighted Average Market Capitalization (Millions USD)	\$90,011	\$190,217
Active Share	84.79%	-
Foreign Exposure	0.00%	0.46%
Shareholder Yield	7.05%	2.56%
Price to Sales	1.28x	1.82x
Portfolio Turnover	57.64%	-

Source: FactSet. Portfolio characteristics and holdings are based on a group of representative accounts and assumes no withdrawals, contributions or client-imposed restrictions. Portfolio characteristics of individual client accounts may differ from those of the representative accounts as a result of account size, client-imposed restrictions, the timing of client investments, market conditions, contributions, withdrawals and other factors. Please see Endnotes for additional information. **Please see appendix for term definitions.**

Yields and dividends represent past performance and there is no guarantee they will continue to be paid.

# Equity portfolio characteristics

## As of 3/31/2025



Sector weightings (%)	O'Shaughnessy Market Leaders Value	Russell 1000 Value
Financials	29.82	23.24
Industrials	13.80	14.06
Energy	9.69	7.09
Health Care	9.16	14.78
Consumer Discretionary	9.10	5.76
Materials	8.35	4.18
Information Technology	7.56	8.65
Consumer Staples	7.23	8.15
Communication Services	5.24	4.55
Real Estate	0.06	4.73
Utilities	0.00	4.81

Top holdings (%)	O'Shaughnessy Market Leaders Value
ALTRIA GROUP INC	5.00
WELLS FARGO & CO	4.69
FIDELITY NATIONAL INFO SVCS	3.48
JOHNSON & JOHNSON	3.34
SYNCHRONY FINANCIAL	3.13
BANK OF NEW YORK MELLON CORP	3.13
RTX CORP	3.03
BOOKING HOLDINGS INC	3.01
METLIFE INC	2.90
MEDTRONIC PLC	2.78
<b>Total</b>	<b>34.49</b>

Source: FactSet. Portfolio characteristics and holdings are based on a group of representative accounts and assumes no withdrawals, contributions or client-imposed restrictions. Portfolio characteristics of individual client accounts may differ from those of the representative accounts as a result of account size, client-imposed restrictions, the timing of client investments, market conditions, contributions, withdrawals and other factors. Please see Endnotes for additional information. **Please see appendix for term definitions.**

# Performance



## Annualized rates of return – gross and net of fees (%) as of March 31, 2025

	1 Mth	3 Mths	YTD	1 Year	3 Year	5 Year	7 Yrs	10 Year	Since Incept
O'Shaughnessy Market Leaders Value—Gross of Fees—(USD)	-3.36	0.83	0.83	12.61	11.95	22.24	11.48	10.82	11.87
O'Shaughnessy Market Leaders Value—Net of Fees—(USD)	-3.61	0.08	0.08	9.31	8.66	18.68	8.20	7.56	8.58
Russell 1000 Value—(USD)	-2.78	2.14	2.14	7.18	6.64	16.15	9.19	8.79	8.07

## Calendar-year total returns – gross and net of fees (%) ending December 31

	YTD	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
O'Shaughnessy Market Leaders Value—Gross of Fees—(USD)	0.83	24.30	18.33	-6.25	31.76	2.70	27.28	-11.08	24.72	16.13	-7.28
O'Shaughnessy Market Leaders Value—Net of Fees—(USD)	0.08	20.69	14.87	-9.05	27.95	-0.35	23.59	-13.74	21.10	12.73	-10.04
Russell 1000 Value—(USD)	2.14	14.37	11.46	-7.54	25.16	2.80	26.54	-8.27	13.66	17.34	-3.83

Since Inception Date: 12/1/2001.

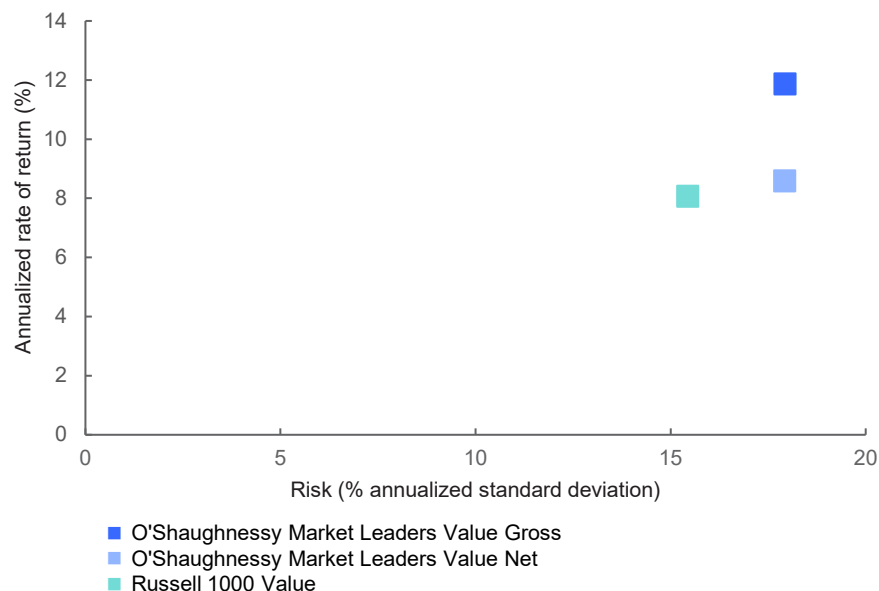
Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns is reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios), which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

For fee schedules, contact your financial professional. Management and performance of individual accounts may vary for reasons that include the existence of different implementation practices and model requirements in different investment programs. Past performance is not a guarantee of future results. Please see appendix for GIPS® Report and term definitions.

# Risk/return profile



**Gross and net of fees** (based on since inception period ending March 31, 2025)



**Modern portfolio statistics** as of March 31, 2025

	O'Shaughnessy Market Leaders Value Gross	O'Shaughnessy Market Leaders Value Net	Russell 1000 Value
Annualized Return (%)	11.87	8.58	8.07
Annualized Standard Deviation (%)	17.93	17.93	15.44
Sharpe Ratio	0.57	0.39	0.42
Beta	1.08	1.08	N/A
Tracking Error (%)	6.64	6.64	N/A
Information Ratio	0.57	0.08	N/A

Alpha, Beta, Sharpe Ratio, and R-Squared are shown versus the Index. Investors cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

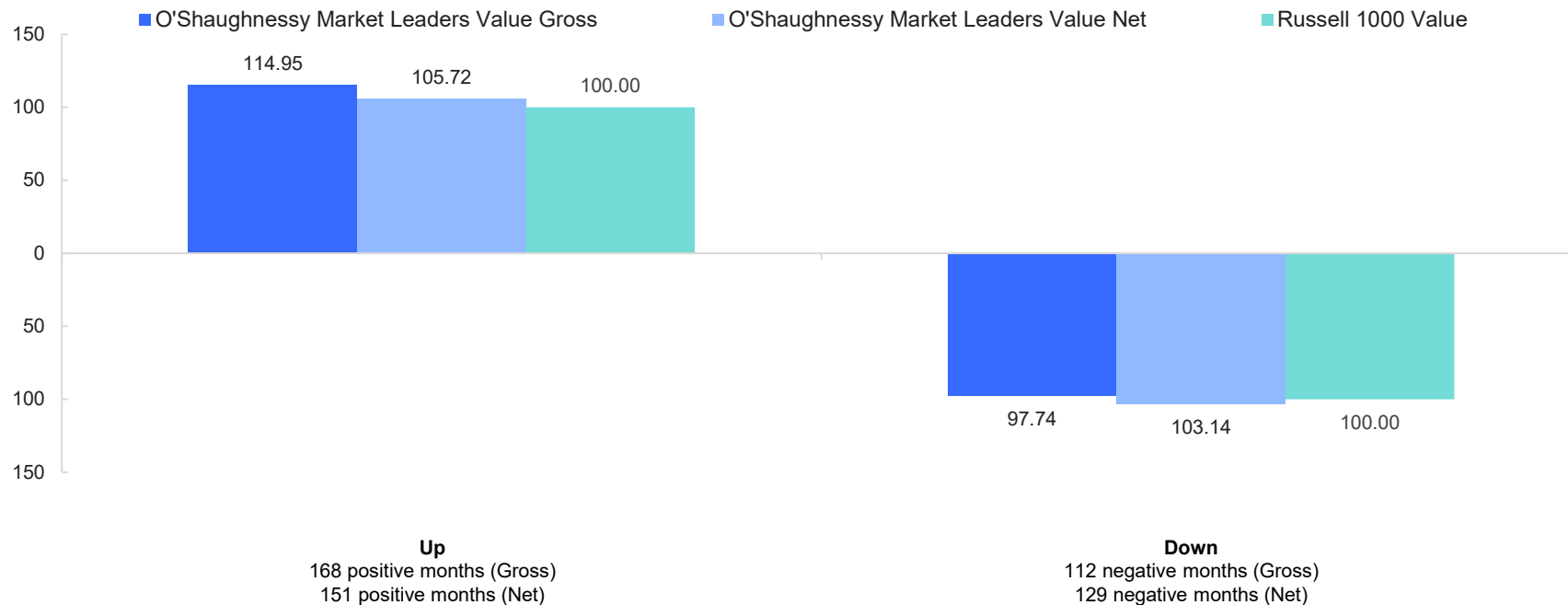
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# Up down market capture ratios (%)



**Gross and net of fees** (based on since inception period ending March 31, 2025)



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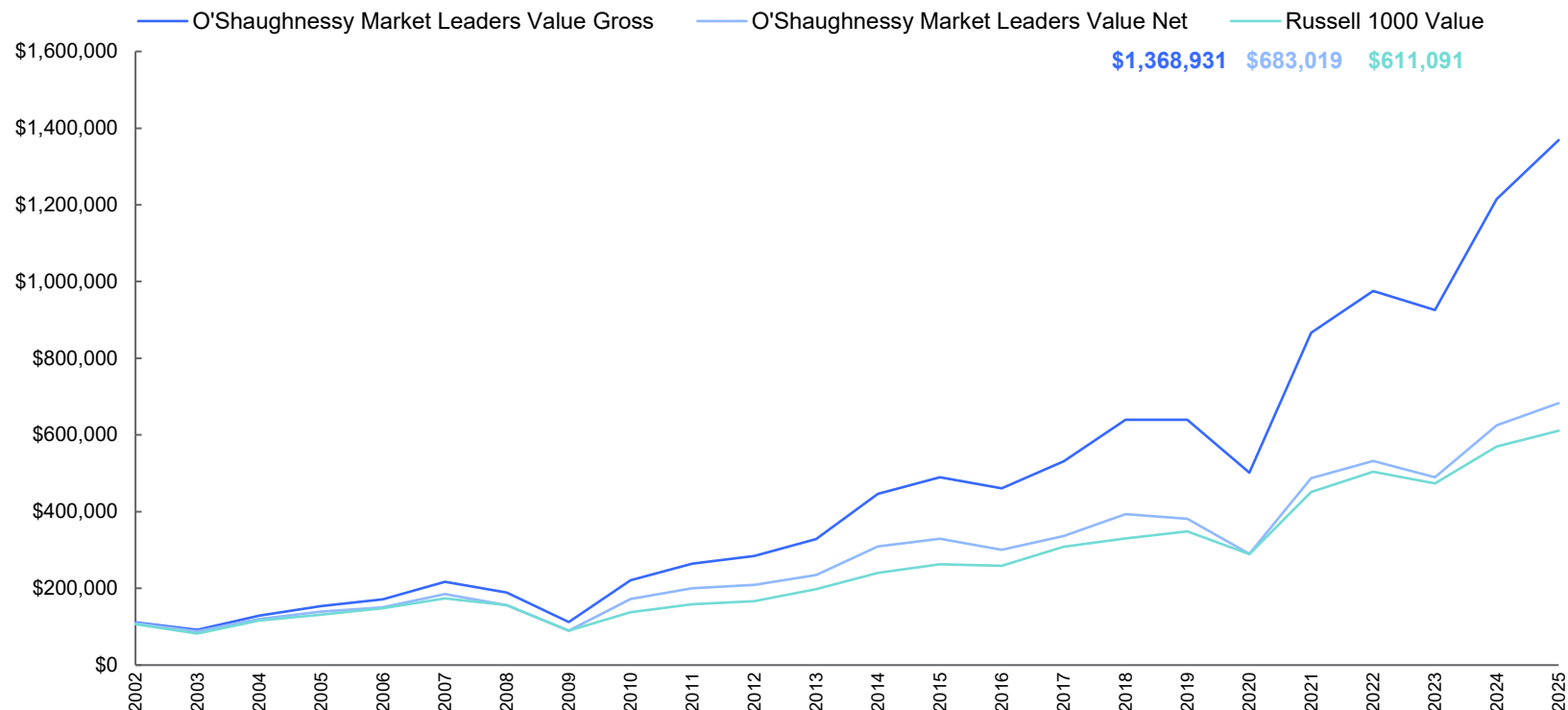
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# Growth of \$100,000



**Gross and net of fees** (based on since inception period ended March 31, 2025)



For illustrative purposes only. Assumes no withdrawals or contributions. These statistics are based on gross and net-of-fees monthly composite returns, were calculated assuming reinvestment of dividends and income, and take into account both realized and unrealized capital gains and losses.

Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns is reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios), which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

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# Investment management team



## O'Shaughnessy Asset Management (OSAM) team-managed approach

- OSAM's investment team operates in a generalist structure where portfolio managers do research on and manage all strategies.
- Members of the team have access to leading data sources for idea generation, a proprietary research platform for testing ideas, and a seasoned team of technologists to aid in efficient implementation of research.

# How to use us—core/satellite

## An allocation advantage for improved total or risk adjusted results



- High active share approach leads to little overlap with indices
- Blending us into portfolios often leads to improvements in key portfolio metrics

12/1/01–03/31/25	O'Shaughnessy Market Leaders Value	Russell 1000 Value	Blend
Annualized Return Gross (%)	11.9	8.1	10.0
Annualized Return Net (%)	8.6	8.1	8.4
Standard Deviation Gross (%)	17.9	15.4	16.4
Standard Deviation Net (%)	17.9	15.4	16.4
Sharpe Ratio Gross	0.57	0.42	0.50
Sharpe Ratio Net	0.39	0.42	0.41
Upside Capture Gross (%)	114.9	100.0	107.6
Upside Capture Net (%)	105.7	100.0	102.9
Downside Capture Gross (%)	97.7	100.0	98.8
Downside Capture Net (%)	103.1	100.0	101.6
Beta Gross	1.08	1.00	1.04
Beta Net	1.08	1.00	1.04

### Overlap

84.8% Active Share: OSAM Market Leaders Value + Russell 1000 Value  
Top 10 Names Overlapping: 1

Fees: Returns for periods less than one year are not annualized. For composite performance presentation purposes, wrap fee account returns are net at 3% annually, which reflects the highest applicable "wrap" fee charged by any sponsor across our distribution channel. Non-wrap fee account returns are net of the actual advisory fees. Gross-of-fees returns do not reflect the deduction of any expenses. Gross-of-fees returns are supplemental to net returns. Returns reflect the reinvestment of dividends and other earnings. All performance is reported in US dollars. Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. For fee schedules, contact your financial professional or refer to the Form ADV disclosure document. Actual fees may vary account by account. All performance is reported in US dollars.

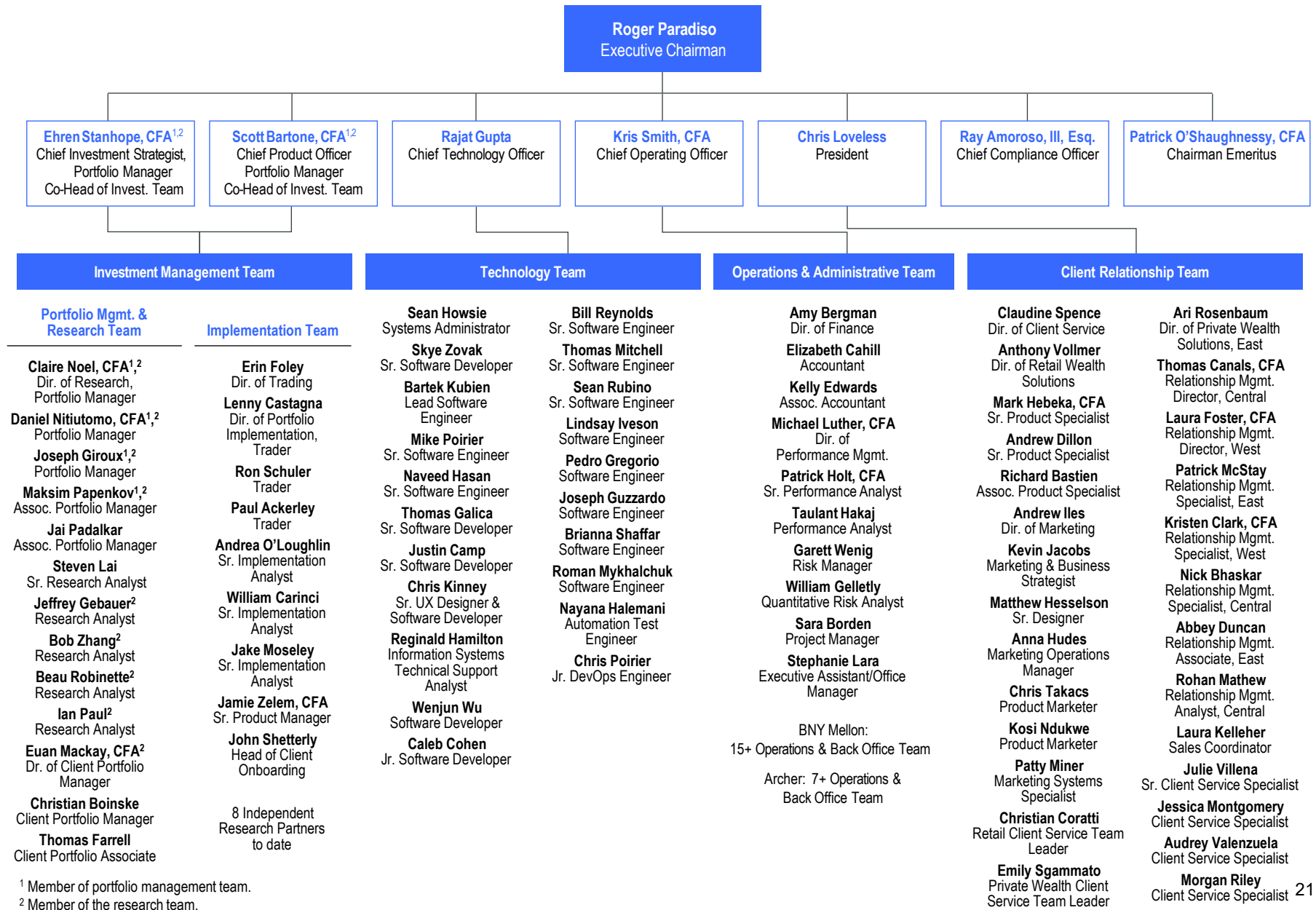
Past performance is not a guarantee of future results. To obtain specific information on available products and services or a GIPS® Report, contact your Franklin Templeton separately managed account sales team at (800) DIAL BEN/342-5236. O'Shaughnessy Asset Management, LLC (OSAM) claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

# Combining multiple factors for a better investment signal



Past performance is no guarantee of future results. Please see the GIPS® Report at the end of this presentation.

# OSAM organizational structure



<sup>1</sup> Member of portfolio management team.

<sup>2</sup> Member of the research team.

# GIPS Composite Report



Market Leaders Value Strategy

Composite Creation Date: March 19, 2025; Inception Date: December 1, 2001

	Composite "Blended"				3Yr Ex-Post Std Dev	3Yr Ex-Post Std Dev	3Yr Ex-Post Std Dev	Internal				
	Gross Return TWR <sup>10</sup>	Composite Net Return TWR	Primary Benchmark	Secondary Benchmark	Composite Gross	Primary Benchmark	Secondary Benchmark	Asset Wtd. Dispersion	Number Of Portfolios	Composite Assets (MM)	Total Firm Assets (MM)	Percent Wrap
2024	24.30%	20.69%	14.37%	25.02%	19.73%	16.66%	17.16%	0.77%	1,177	1,394.5	13,490.8	55.27%
2023	18.33%	14.87%	11.46%	26.27%	18.66%	16.51%	17.30%	0.46%	1,121	1,297.6	8,858.3	48.74%
2022	-6.25%	-9.05%	-7.54%	-18.13%	23.83%	21.25%	20.87%	0.62%	1,071	1,587.5	7,485.5	34.45%
2021	31.76%	27.95%	25.16%	28.68%	21.87%	19.06%	17.17%	0.44%	944	1,918.8	6,885.8	31.13%
2020	2.70%	-0.35%	2.80%	18.39%	22.93%	19.62%	18.53%	0.88%	797	1,550.9	4,824.2	27.48%
2019	27.28%	23.59%	26.54%	31.48%	14.82%	11.85%	11.92%	0.76%	1,313	2,087.0	5,694.1	27.85%
2018	-11.08%	-13.74%	-8.27%	-4.39%	12.93%	10.82%	10.78%	0.48%	1,107	1,609.5	5,150.6	23.45%
2017	24.72%	21.10%	13.66%	20.71%	12.33%	10.20%	9.90%	0.54%	894	1,249.2	5,678.7	30.80%
2016	16.13%	12.73%	17.34%	11.96%	12.78%	10.77%	10.59%	0.88%	725	1,270.5	5,331.5	20.69%
2015	-7.28%	-10.04%	-3.83%	1.38%	12.45%	10.68%	10.47%	0.45%	568	954.7	5,354.8	17.49%
2014	10.46%	7.22%	13.45%	13.69%	10.06%	9.20%	8.97%	0.55%	370	759.0	6,952.2	14.87%
2013	47.21%	42.99%	32.53%	32.39%	12.16%	12.70%	11.94%	1.39%	66	585.1	6,491.6	4.33%
2012	13.85%	10.51%	17.51%	16.00%	13.53%	15.51%	15.09%	0.42%	37	404.8	4,814.7	2.99%
2011	6.43%	3.30%	0.39%	2.11%	24.99%	20.69%	18.71%	0.96%	9	93.5	4,414.3	8.24%
2010	16.53%	13.12%	15.51%	15.06%	30.36%	23.18%	21.85%	0.50%	11	89.0	5,063.1	9.31%
2009	60.90%	56.30%	19.69%	26.46%	30.18%	21.10%	19.63%	11.30%	10	7.6	4,991.3	98.63%
2008	-37.95%	-39.87%	-36.85%	-37.00%	20.37%	15.36%	15.08%	1.56%	30	8.9	4,285.1	99.33%
2007	3.04%	0.00%	-0.17%	5.49%	10.11%	8.06%	7.68%	6.06%	33	17.2	10,876.7	100.00%
2006	23.91%	20.31%	22.25%	15.79%	7.68%	6.68%	6.82%	2.97%	14	7.9	9,264.4	98.44%
2005	7.75%	4.58%	7.05%	4.91%	9.16%	9.46%	9.04%	2.80%	10	3.3	5,796.8	70.84%
2004	20.26%	16.75%	16.49%	10.88%	12.14%	14.76%	14.86%	4.16%	10	2.2	2,890.6	50.94%
2003	32.83%	28.99%	30.03%	28.68%	< 3 Years	< 3 Years	< 3 Years	4.91%	8	1.3	1,360.3	55.43%
2002	-7.80%	-10.54%	-15.52%	-22.10%	< 3 Years	< 3 Years	< 3 Years	n.m.	13	2.5	641.6	32.37%
2001*	3.07%	2.82%	2.36%	0.88%	< 3 Years	< 3 Years	< 3 Years	n.m.	≤ 5	1.4	480.8	0.00%

\* Represents data from 12/1/2001 through 12/31/2024      n.m. = Not Meaningful      Primary Benchmark: Russell 1000 Value      Secondary Benchmark: S&P 500

Annualized As Of 12/31/2024	Composite Gross Return	Composite Net Return	Primary Benchmark	Secondary Benchmark
1 Year	24.30%	20.69%	14.37%	25.02%
5 Year	13.29%	9.96%	8.68%	14.51%
10 Year	10.99%	7.73%	8.49%	12.99%

# GIPS Composite Report



- O'Shaughnessy Asset Management, LLC ("OSAM"), founded in 2007, is a Stamford, CT based quantitative money management firm and an SEC Registered Investment Advisor. OSAM became a wholly owned subsidiary of Franklin Templeton on December 31, 2021. We deliver a broad range of equity strategies, from micro cap to large cap, and growth to value. Our clients are individual investors, institutional investors, and the high-net-worth clients of financial advisors. James O'Shaughnessy and his team left Bear Stearns to form OSAM in July 2007. All the GIPS® rules of portability were met. Jim maintained continuous management of all accounts during the transition from BSAM to OSAM, which was completed in March 2008. The performance of a past firm or affiliation is being attributed to the performance of the current firm for all the periods starting 1996. Jim left OSAM on December 31, 2022. OSAM maintains consistent implementation of its quantitative investment process.
  - OSAM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. OSAM has been independently verified for the periods of 2007-2023. BSAM was independently verified in compliance with GIPS 2005-2006 and AIMR-PPS for the periods of 2002 - 2004. The verification reports are available upon request.
- A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.
- A list of OSAM's composite and pooled fund descriptions is available upon request.
  - O'Shaughnessy Market Leaders Value – Tax Managed (the "Composite") seeks to provide long-term growth by investing in mostly large capitalization domestic equities with a focus on tax-efficient trading. The strategy seeks market-leading companies that meet the manager's Quality criteria with attractive valuations and high "Shareholder Yield" — which combines a company's annual dividend and its annual rate of stock buybacks.
  - The Composite was created in March 2025 for presentation entirely net of the wrap fee. It is the version of the Composite that was created in October 2016 to include all wrap fee, non-wrap fees and pooled funds accounts, and represents the performance of every fee paying account managed in the Market Leaders Value Strategy, regardless of asset size.
  - For composite presentation purposes, all account returns are net at 3% annually, which reflects the highest applicable "wrap" fee charged by any sponsor across our distribution channel. Net of fee returns are calculated monthly by deducting 1/12 of the annual fee.
  - Institutional separate accounts are charged an annual investment advisory fee of 0.55% on the first \$25 million, 0.45% on the next \$75 million, and 0.35% on assets over \$100 million.
  - For pooled funds, gross of fee returns are calculated by adding back the monthly portion of the annual management expense ratio to the NAV derived monthly returns, the net of fee return data shown in this presentation represents the reduction of the calculated gross of fee returns by the monthly portion of the annual investment advisory fee.
  - Additionally, gross-of-fees returns for wrap fee accounts are "pure" gross returns. "Pure" gross-of-fees returns do not reflect the deduction of any expenses, including transaction costs. "Pure" gross-of-fees returns are supplemental to net returns. A traditional (or "true") gross-of-fees return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. Since wrap fee accounts experience "bundled" pricing, it is often impossible to unbundle the transaction portion to calculate a gross-of-fees return and hence "pure" gross-of-fees returns are made available.
  - The "Blended" gross-of-fee return presented for this composite is a blend of "true" gross-of-fees returns for non-wrap and pooled funds clients (where the actual fee paid is identifiable) and "pure" gross-of-fees returns for wrap clients (for the reasons stated above). "Blended" gross-of-fee returns are supplemental to net returns.
  - Internal dispersion is calculated using the equal weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. Total Firm Assets are presented from December 31, 2007 forward, consistent with the inception of our firm, and N/A is shown for prior periods. All investments are in U.S. equities and all returns are stated in U.S. Dollars. Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.
  - The three-year annualized standard deviation measures the variability of the composite gross returns and the benchmark returns over the preceding 36-month period.
  - The Russell 1000® Value Index measures the performance of those Russell 1000® companies with lower price-to-book ratios and lower forecasted growth values.
  - The S&P 500 Index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. Although the S&P 500 Index focuses on the large-cap segment of the market, with over 80% coverage of U.S. equities, it is generally considered a proxy for the total market.
  - GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

# Definitions

## Index Definitions

The **Alerian MLP Index** is a composite of the 50 most prominent energy master limited partnerships (MLPs) and is calculated using a float-adjusted, capitalization-weighted methodology. Source: Alerian.

The **MSCI All Country World ex-US Growth Index** measures the performance of growth stocks in developed and emerging markets, excluding the US. Source: MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI.

The **MSCI All Country World Index** is a market capitalization-weighted index that is designed to measure equity market performance of developed and emerging markets. Net Returns (NR) include income net of tax withholding when dividends are paid. Source: MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI.

The **MSCI EAFE Index** is a free float-adjusted market capitalization-weighted index designed to measure developed market equity performance, excluding the U.S. and Canada. Source: MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI.

The **MSCI Emerging Markets Index** captures large and mid cap representation across emerging markets. Source: MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI.

The **MSCI US REIT Index** is a free float-adjusted market capitalization weighted index that is comprised of equity Real Estate Investment Trusts (REITs). Source: MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI.

The **Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. Source: FTSE.

The **Russell 1000 Index** measures the performance of the large-cap segment of the U.S. equity universe. Source: FTSE.

The **Russell 1000 Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. Source: FTSE.

The **Russell 2000 Growth Index** measures the performance of the small-cap growth segment of the U.S. equity universe. Source: FTSE.

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe. Source: FTSE.

The **Russell 2000 Value Index** measures the performance of the small-cap value segment of the U.S. equity universe. Source: FTSE.

The **Russell 2500 Growth Index** measures the performance of those companies in the small/mid-cap Russell 2500 Index chosen for their growth orientation. Source: FTSE.

The **Russell 2500 Index** measures the performance of the small to midcap segment of the U.S. equity universe, commonly referred to as "SMID" cap.

The **Russell 2500 Value Index** measures the performance of U.S. companies in the small/mid-cap Russell 2500 Index chosen for their value orientation. Source: FTSE.

The **Russell 3000 Growth Index** measures the performance of those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth values. Source: FTSE.

The **Russell 3000 Index** measures the performance of the 3,000 largest U.S. companies based on total market capitalization. Source: FTSE.

The **Russell 3000 Value Index** measures the performance of the broad value segment of U.S. equity value universe. Source: FTSE.

The **Russell Microcap Index** measures the performance of the microcap segment of the U.S. equity market. Source: FTSE.

The **Russell Mid Cap Index** measures the performance of the mid-cap segment of the U.S. equity universe. Source: FTSE.

The **Russell Midcap Growth Index** measures the performance of the mid-cap growth segment of the U.S. equity universe. Source: FTSE.

The **S&P 500 Index** features 500 leading U.S. publicly traded companies, with a primary emphasis on market capitalization. Source: © S&P Dow Jones Indices LLC. All rights reserved.

The **S&P Global Infrastructure Index** includes listed infrastructure stocks from around the world across energy, transportation and utilities clusters. Source: © S&P Dow Jones Indices LLC. All rights reserved.

Investors cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.



# Definitions

## Term definitions

**Market Capitalization** measures the number of outstanding common shares of a given corporation multiplied by the latest price per share.

**Weighted Median Market Capitalization** represents the value at which half the portfolio's market capitalization weight falls above, and half falls below.

**Weighted Average Market Capitalization** represents the average value of the companies held in the portfolio. When that figure is weighted, the impact of each company's capitalization on the overall average is proportional to the total market value of its shares.

**Dividend Yield** is determined by dividing a stock's annual dividends per share by the current market price per share. Dividend yield is a financial ratio that shows how much a company pays out in dividends.

**P/E (Year 1)** is the previous day's closing price of the stock divided by the consensus earnings per share (EPS) of fiscal year 1 (FY1) provided by I/B/E/S. Forecasts are inherently limited and should not be relied upon as indicators of future performance.

The **Price-to-Book** ratio (P/B) is a stock's price divided by the stock's per share book value.

**Earnings Per Share** (EPS) is the portion of a company's profit allocated to each outstanding share of a common stock.

The **Sharpe Ratio** is a risk-adjusted measure, calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical adjusted performance.

**Alpha** is a measure of the difference between actual returns and expected performance, given the level of risk as measured by Beta, where **Beta** measures sensitivity to benchmark movements.

**R-Squared** measures the strength of the linear relationship between the portfolio and its benchmark. R-squared at 1.0 implies perfect linear relationship and zero implies no relationship exists.

**Standard Deviation** is based on quarterly data. Standard deviation is a measure of the variability of returns; the higher the standard deviation, the greater the range of performance (i.e., volatility).

The **Capture Ratios** measure a manager's composite performance relative to the benchmark, considering only those quarters that are either positive (Up) or negative (Down) for the benchmark.

An **Up Market Capture Ratio** greater than 1.0 indicates a manager who has outperformed the benchmark in the benchmark's positive quarters.

A **Down Market Capture Ratio** of less than 1.0 indicates a manager who has outperformed the relative benchmark in the benchmark's negative quarters.

# Definitions

## Term definitions

**Earnings before interest, taxes, depreciation and amortization (EBITDA)** approximates a firm's operating cash flow by considering its earnings before interest, taxes, depreciation and amortization.

**Free Cash Flow** measures the cash remaining after accounting for a firm's cash expenditures to support its operations and maintain its capital assets.

**Market Capitalization** measures the number of outstanding common shares of a given corporation multiplied by the latest price per share.

**Weighted Median Market Capitalization** represents the value at which half the portfolio's market capitalization weight falls above, and half falls below.

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The **Capture Ratios** measure a manager's composite performance relative to the benchmark, considering only those quarters that are either positive (Up) or negative (Down) for the benchmark.

An **Up Market Capture Ratio** greater than 100 indicates a manager who has outperformed the benchmark in the benchmark's positive quarters.

A **Down Market Capture Ratio** of less than 100 indicates a manager who has outperformed the relative benchmark in the benchmark's negative quarters.




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