

Focused Absolute Value[®] III

A HIGH CONVICTION STRATEGY | QUARTERLY UPDATE AS OF SEPTEMBER 30, 2023



FOR PROFESSIONAL INVESTORS ONLY

Investment Objective

Long-term total return = Russell 3000 Value index plus a minimum of +200 bps

Strategy Summary

Focused Absolute Value[®] III (FAV III) is a concentrated, all cap value strategy comprised of what the firm's associate portfolio managers and analysts believe are the 'best and most timely ideas' selected from the stocks held across all River Road U.S. equity strategies.¹

The FAV III strategy leverages the existing Focused Absolute Value[®] (FAV) strategy's portfolio design and investment process and typically invests in companies with a market cap of \$2 B or greater at the time of initial purchase (versus \$250 MM for the FAV strategy).

¹If a holding is liquidated from all RRAM portfolios, the stock must be sold from the Focused Absolute Value[®] III portfolio within a reasonable period of time (typically less than 30 days).

Portfolio Managers



R. Andrew Beck
Chief Executive Officer &
Senior Portfolio Manager

24 years of experience;
managed portfolio since inception

University of Louisville, BS
Babson College, MBA



J. Alex Brown
Chief Investment Officer

17 years of experience;
managed portfolio since 2022

United States Air Force Academy, BS
Harvard Business School, MBA



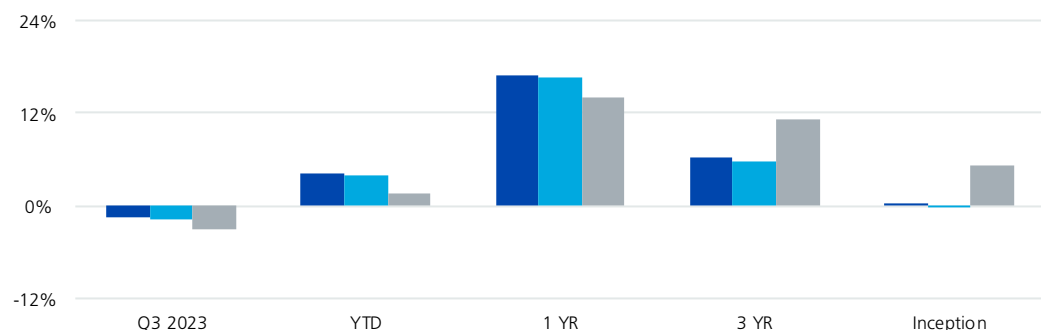
Ashley L. Abney, CPA
Associate Portfolio Manager,
Derived Strategies

17 years of experience;
managed portfolio since 2021

Centre College, BS

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Trailing Returns



	Q3 2023	YTD	1 YR	3 YR	Inception
FAV III Composite - Gross	-1.57%	4.26%	17.00%	6.31%	0.29%
FAV III Composite - Net	-1.66%	3.98%	16.58%	5.86%	-0.16%
Russell 3000 Value	-3.15%	1.67%	14.05%	11.19%	5.14%
Out / Underperformance - Gross	+1.58%	+2.59%	+2.95%	-4.88%	-4.85%
Out / Underperformance - Net	+1.49%	+2.31%	+2.53%	-5.33%	-5.30%

Calendar Year Returns

	2022	2021	2020
FAV III Composite - Gross	-15.53%	16.29%	-1.29%
FAV III Composite - Net	-15.83%	15.68%	-1.80%
Russell 3000 Value	-7.98%	25.37%	2.87%
Out / Underperformance - Gross	-7.55%	-9.08%	-4.16%
Out / Underperformance - Net	-7.85%	-9.69%	-4.67%

Past performance is no guarantee of future results. There is a risk that invested capital may be lost. Performance is shown gross and net of fees. Inception date: January 1, 2020. Index data source: London Stock Exchange Group PLC and its group undertakings (collectively, the "LSE Group"). © LSE Group. Please see reverse side for important disclosure information.

Market Highlights

- The Federal Reserve continued its measured, responsive approach to monetary tightening even as oil prices surged, organized labor demonstrated renewed vigor, and inflation reaccelerated.
- There was little difference between growth and value among large caps, but value sharply outperformed among small caps.
- Within the Russell 3000 Value index, **Energy (+12.68%)** and **Financials (-0.45%)** posted the highest total returns, while **Utilities (-9.30%)** and **Consumer Discretionary (-8.84%)** posted the lowest.

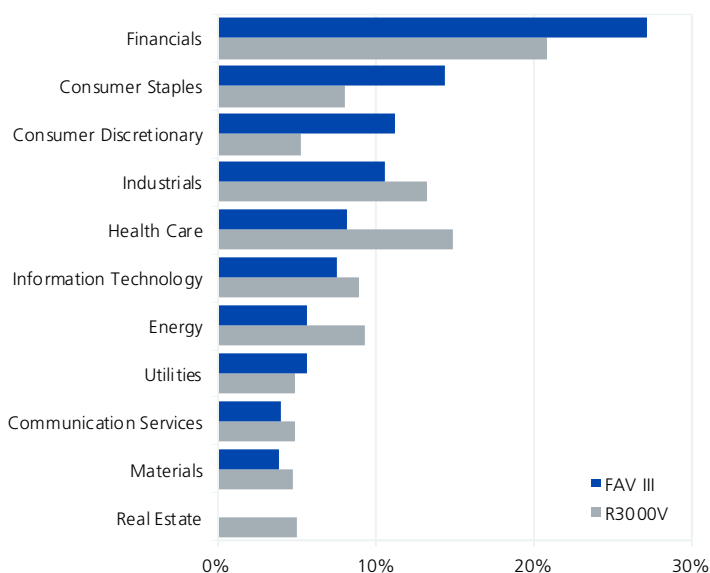
Portfolio Highlights

- The River Road Focused Absolute Value[®] III (FAV III) composite returned **-1.57%** (**-1.66%** net) for Q3 versus **-3.15%** for the Russell 3000 Value benchmark. Year to date, the composite returned **+4.26%** (**+3.98%** net) versus **+1.67%** for the benchmark.
- The holdings with the highest contribution to active return were **Vistra Corp. (VST: +27%, +91 bps)** and **Fairfax Financial Holdings Ltd. (FRHF: +9%, +75 bps)**.
- The holdings with the lowest contribution to active return were **AES Corp. (AES: -26%, -78 bps)** and **LKQ Corp. (LKQ: -15%, -46 bps)**.

Outlook

- **A mild to moderate recession remains base case, but we believe FAV III is positioned bottom up for a range of scenarios.**
- Higher for longer and real rate normalization is underway; we expect healthy price discovery and value leadership.

Sector Weights



Portfolio Contribution

Top Contributors		Avg Wgt	PCAR
VST	Vistra Corp.	3.47%	+0.91%
FRFHF	Fairfax Financial Holdings Ltd.	6.32%	+0.75%
SM	SM Energy Co.	2.67%	+0.73%
BJ	BJ's Wholesale Club Holdings Inc.	4.13%	+0.66%
BRK.B	Berkshire Hathaway Inc. (CI B)	7.44%	+0.42%

Bottom Contributors		Avg Wgt	PCAR
AES	AES Corp.	3.10%	-0.78%
LKQ	LKQ Corp.	3.93%	-0.46%
FI	Fiserv Inc.	4.82%	-0.37%
TGT	Target Corp.	2.24%	-0.31%
DNB	Dun & Bradstreet Holdings Inc.	2.85%	-0.31%

Past performance is no guarantee of future results. There is a risk that invested capital may be lost. GICS sector and market cap breakdowns reflect percent of total portfolio; stocks without a reported sector or market cap (e.g. corporate reorganizations, mergers, acquisitions, and dissolutions) are not presented. ¹EBITDA excludes banks, thrifts, and insurers. ²Price/earnings excludes negative earnings. ³Estimates based on ordinary shares for all ADR securities held. ⁴Estimates based on ordinary shares for all ADR securities held. ⁵Risk characteristics are based on trailing 36-month gross of fee composite performance. ⁶Average calendar year turnover. Dollar turnover, the lesser of purchases or sales as a percentage of the average market value, is presented as an average of all portfolios in the composite. If one portfolio is not in the composite for the entire period, turnover is the average annualized turnover of all portfolios in the composite at the end of the period. Index data source: London Stock Exchange Group PLC and its group undertakings (collectively, the "LSE Group"), © LSE Group.

Representative Portfolios: Unless otherwise noted, information is based on a representative portfolio. If no single representative portfolio is available to represent the strategy since inception, different representative portfolios and/or the composite are used for different periods to create a continuous representative portfolio. The representative portfolio is selected by the firm as a representative account that is deemed to best represent this management style using a pre-defined, objective set of criteria. All representative portfolio data is shown as supplemental information to the composite presentation. Each client portfolio is individually managed and may vary from the information shown for the representative portfolio.

Top and bottom contributors are calculated gross of fees for the most recent quarter and based on portfolio contribution to active return, which is calculated as the portfolio-weighted return relative to the overall index. For the purpose of assessing top and bottom contributors, the contribution of child securities is aggregated with that of the parent for corporate actions that occurred during the most recent calendar quarter. The performance numbers included in parentheses behind a stock's name refer to that stock's total gross return (dividends reinvested) and contribution to active return for the representative portfolio during the period. Unless otherwise noted, total effect is used to assess the contribution to relative return. The holdings identified do not represent all of the securities purchased, sold, or recommended. To receive information regarding the methodology for calculating the top/bottom contributors or a list showing every holding's contribution to the overall composite and/or representative portfolio performance contact RRAMCompliance@riverroadam.com. Past performance is no guarantee of future results.

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The Focused Absolute Value® III composite contains fully discretionary accounts that seek capital appreciation by investing primarily in equity securities which have a market capitalization of typically at least \$2 B at the time of initial purchase and that trade at a discount to our valuation as determined using RRAM's proprietary Absolute Value® approach. RRAM selects securities from a universe of companies that are held by other RRAM strategies, which typically includes all market capitalizations. RRAM employs a value-driven, bottom-up fundamental approach. The official benchmark for the composite is the Russell 3000 Value Index. All other Indices are shown for additional information only. Composite performance may differ materially from the indices as the composite only invests in a subset of the securities contained in the indices and also invests in securities not contained in the indices. Net of fee performance is calculated using actual management fees. For periods including non-fee paying accounts, net was calculated for those accounts by applying the highest fee schedule effective at that time. The U.S. dollar is the currency used to express performance and includes the reinvestment of income. Composite performance is presented gross of foreign withholding taxes on dividends, interest income, and capital gains. All composite performance is after the deduction of trading costs. Unless otherwise noted, performance provided for periods greater than one year is annualized. **The team of analysts involved with recommending investments for Focused Absolute Value® III has changed and may continue to change over time.**

The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in our portfolio at the time you receive this report or that securities sold have not been repurchased. Characteristics and sector weightings of our portfolio are shown and may not be indicative of this strategy's current or future investments. It should not be assumed that any of the holdings discussed herein were or will be profitable or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. This information is shown as supplemental information only and complements the full disclosure presentation.

Sector, Industry Group, Industry, or Sub-industry group levels are determined at the beginning of each month according to the Global Industry Classification Standard ("GICS"), developed and exclusively owned by MSCI, Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P"), unless otherwise stated that they have been reclassified or classified by RRAM. Reclassifications/classifications by RRAM are not supported by S&P or MSCI. All GICS data is provided "As Is" with no warranties. RRAM may classify securities that are not automatically classified by MSCI and S&P.

Unless otherwise noted, share-related characteristics are provided by FactSet. Portfolio and index characteristics are based on companies' most recent filings as of this report date (values for many companies may be as of the prior period). Most company share-related characteristics exclude outliers. Outlier exclusion methods include interquartile and inverse interquartile; the universe for determining outliers is the Russell 3000. For more information, please contact RRAM.

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Characteristics & Risk Statistics

	FAV III	R3000V
Number of Holdings	30	2,293
EV / EBITDA ¹	8.6	11.3
Price / Earnings ²	12.3	15.2
Price / Book	2.15	2.17
Price / Cash Flow	8.9	13.7
ROE (5 YR Avg)	13.0	14.5
EPS Growth (5 YR)	11.6	12.8
LT Growth Estimate ³	7.9	7.3
Annualized Standard Deviation ⁴	18.59	17.55
Jensen Alpha ⁴	-5.11	
Beta ⁴	1.02	
Cash	1.9%	
Dollar Turnover (3 YR Avg) ⁵	88.6%	

Market Cap Breakdown

	FAV III	R3000V
Wtd Median Market Cap	\$21.67 B	\$65.77 B
Wtd Avg Market Cap	\$94.97 B	\$129.96 B
Large/Mega Cap: > \$45 B	29.7%	58.4%
Mid Cap: \$10 B - \$45 B	39.0%	27.4%
Micro/Small Cap: < \$10 B	29.4%	14.2%

Top 10 Portfolio Holdings

Symbol	Company	% Port
BRK.B	Berkshire Hathaway Inc. (CI B)	7.41%
FRFHF	Fairfax Financial Holdings Ltd.	6.64%
BJ	BJ's Wholesale Club Holdings Inc.	4.75%
KR	Kroger Co.	4.57%
FI	Fiserv Inc.	4.56%
LKQ	LKQ Corp.	4.17%
CMCSA	Comcast Corp. (CI A)	3.99%
CRH	CRH PLC	3.84%
WEX	WEX Inc.	3.72%
PDCO	Patterson Companies Inc.	3.45%