

**FUND OBJECTIVE:** The fund seeks to achieve long-term capital appreciation.

**PORTFOLIO MANAGERS**



Rakesh Bordia  
With Pzena since 2007  
In Industry since 1998



Caroline Cai, CFA  
With Pzena since 2004  
In Industry since 1998



Allison Fisch  
With Pzena since 2001  
In Industry since 1999



Akhil Subramanian  
With Pzena since 2017  
In Industry since 2008

**OVERALL MORNINGSTAR RATING™ ★★★★★**

As of 09/30/2024, Institutional Class shares rated 5 stars among 711 Diversified Emerging Markets funds, based upon risk-adjusted returns derived from a weighted average of the performance figures associated with 3-, 5- and 10-year (if applicable) Morningstar Ratings metrics.

The Morningstar rating is for The Pzena Emerging Markets Value Fund – Institutional Share Class; other classes may vary. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund’s monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) As of 09/30/2024 the Institutional Class shares of the Fund were rated 5-Stars and 5-Stars and 4-Stars against the following numbers of Diversified Emerging Markets funds over the following time periods: 711 funds in the last three- 639 funds in the last five- and 426 funds in the last ten-years. © 2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

**PERFORMANCE SUMMARY**

	QTD	YTD	One Year	ANNUALIZED			
				Three Year	Five Year	Ten Year	Since Inception 3/31/14
PZIEX- Institutional Class	11.01%	16.65%	23.50%	8.91%	11.33%	5.70%	5.65%
PZVEX- Investor Class	10.91%	16.30%	23.06%	8.50%	10.95%	5.37%	5.32%
MSCI Emerging Markets Index	8.72%	16.86%	26.05%	0.40%	5.75%	4.02%	4.11%
MSCI Emerging Markets Value Index	8.12%	15.11%	24.38%	3.29%	5.94%	3.12%	3.30%

PZIEX Expense Ratio: Gross: 1.16%, Net: 1.09%, Net (ex-AFFE): 1.08%\*\*  
PZVEX Expense Ratio: Gross: 1.51%, Net: 1.44%, Net (ex-AFFE): 1.43%\*\*

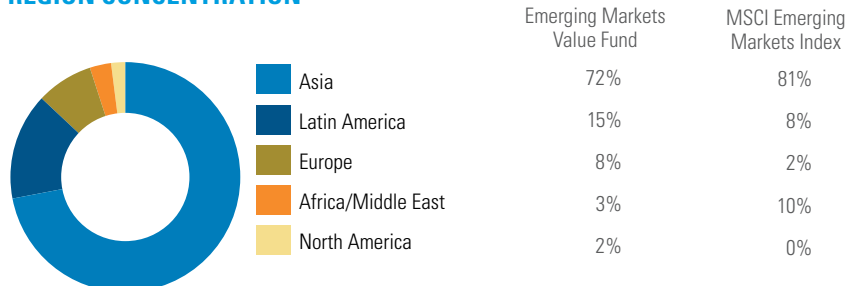
Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 844.PZN.1996 (844.796.1996).

\*\*Expense ratios as presented in prospectus dated June 28, 2024; contractual fee waivers through at least June 28, 2025.

**PORTFOLIO CHARACTERISTICS**

	Emerging Markets Value Fund	MSCI Emerging Markets Index
Price/Earnings (1-Year Forecast)	8.8x	13.5x
Price/Book	1.1x	1.9x
Median Market Cap (\$B)	\$11.5	\$8.1
Weighted Average Market Cap (\$B)	\$80.1	\$150.1
Number of Stocks	61	1,277

**REGION CONCENTRATION**



Regional weights adjusted for cash - may appear higher than actual. Number may not add to 100% due to rounding.

**SECTOR WEIGHTS**

SECTOR	Emerging Markets Value Fund	MSCI Emerging Markets Index
Communication Services	5%	9%
Consumer Discretionary	16%	14%
Consumer Staples	11%	5%
Energy	2%	5%
Financials	30%	23%
Health Care	2%	4%
Industrials	8%	7%
Information Technology	12%	22%
Materials	8%	7%
Real Estate	3%	2%
Utilities	3%	3%

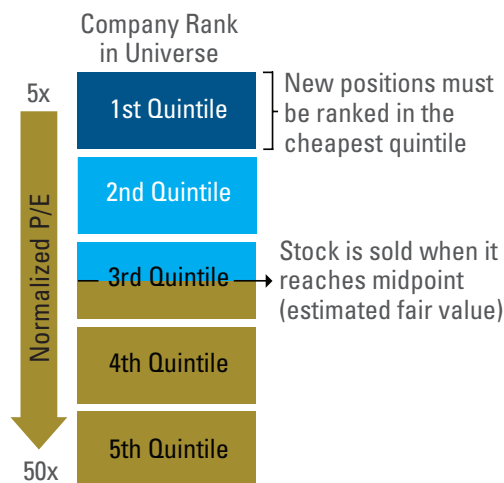
Sector weights adjusted for cash - may appear higher than actual. Number may not add to 100% due to rounding.

## TOP 10 HOLDINGS

Alibaba Group Holding, Ltd.	3.8%
Taiwan Semiconductor MFG.	3.7%
China Overseas Land & Investment, Ltd.	3.2%
Ambev S.A.	2.9%
Samsung Electronics Co., Ltd.	2.7%
Weichai Power Co., Ltd.	2.6%
Baidu, Inc. – Class A	2.6%
Haier Smart Home Co., Ltd.	2.6%
WH Group, Ltd.	2.5%
Tencent Holdings, Ltd.	2.3%
Total	28.9%

## INVESTMENT PROCESS

- Universe: 1500 largest companies from non-developed markets based on market capitalization
- Fundamental research conducted on companies considered the most undervalued based on price relative to normalized earnings
- Co-Portfolio Managers construct a portfolio of deeply undervalued businesses requiring unanimous consent



## PORTFOLIO COMMENTARY

After a relatively quiet July and August, emerging markets rallied in the final days of September as the Chinese government announced several monetary and fiscal stimulus measures. The Fund closed the quarter up double digits, benefitting from its overweight China/HK exposure, outperforming its MSCI EM benchmark.

By sector, financials led the gains. Top contributor Alibaba reported decent Q2 results. The tech giant continues to invest in its ecommerce platform, which is helping to stabilize its market share. Property developer China Overseas Land and Investment (COLI) benefitted from some of the announced policy measures in China. WH Group, the world's largest pork producer, also participated in the rally in Chinese stocks, similar to Alibaba and COLI.

Info tech was the largest detracting sector, and Samsung underperformed due to concerns about the memory cycle and weak demand from PC, smartphone, and general-purpose server end markets. Hon Hai, a Taiwanese electronics assembly player, detracted as the stock retraced somewhat, partially due to tepid iPhone demand, after a period of very strong performance. Kazakhstan-based fintech Kaspi was the subject of a short report in the quarter, negatively impacting its shares. Our research indicates

that this report is misleading and misrepresents the business, and we continue to believe in Kaspi's dominant franchises in payments, ecommerce, and banking.

We added Gedeon Richter, a Hungarian pharmaceutical company that derives the bulk of its profitability from a single drug—Vraylar—that is slated to lose exclusivity in 2029. We believe management is prudently allocating capital to its non-Vraylar businesses, and the shares trade at an attractive multiple on the ex-Vraylar earnings. We also added leading Chinese medical device manufacturer Shandong Weigao at an attractive valuation, given our positive view of the company's scale and its strong competitive positioning.

Even after the Chinese rally, we believe valuations continue to be attractive, and we remain overweight China, with Brazil and Korea also making up a sizable portion of the Fund.

\*Prior to February 12, 2016, the Fund was named Pzena Emerging Markets Focused Value Fund.

**Price / Earnings (1-Year Forecast)** is a measure of the price-to-earnings ratio (P/E) using forecasted earnings for the P/E calculation. **Price / Book** is a valuation ratio of a company's current share price compared to its book value. **Median Market Cap** is the point at which half of the market value of a portfolio is invested in stocks with a greater market cap, and consequently the other half is invested in stocks with a lower market cap. **Weighted Average Market Cap** is the average firm market capitalization weighted by security weight. **Normalized P/E** is a ratio that measures a company's share price relative to Pzena's estimate of what a company earns across a typical business cycle.

The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets, and provides equity returns including dividends net of withholding tax rates as calculated by MSCI. The MSCI Emerging Markets Value Index captures large and mid-cap emerging markets securities exhibiting overall value style characteristics. 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. You cannot invest directly in an index.

**Mutual fund investing involves risk. Principal loss is possible. 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. The fund may have emphasis on a specific sector which could adversely affect a fund to a greater extent than if its emphasis was less. The fund may invest in securities which are less liquid and more difficult to sell than more liquid securities. Investments in REITs are subject to the risks associated with the direct ownership of real estate. The Fund emphasizes 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 the returns on "value" securities may not move in tandem with the returns on other styles of investing or the stock market in general.**

*The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The summary and statutory prospectus contain this and other important information about the investment company, and may be obtained by calling 1.844.PZN.1996 (1.844.796.1996), or visiting [www.pzenafunds.com](http://www.pzenafunds.com). Read it carefully before investing.*

Fund holdings, Regional and Sector exposures and characteristics are as of the date shown and are subject to change at any time. As a result, the Fund's current and future holdings, Regional and Sector exposures and characteristics may vary substantially from the information shown. No recommendation is made regarding the advisability of buying or selling any security.

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