Introduction

Pzena Investment Management Europe Limited (the "Company") is authorised by the Central Bank of Ireland (the "Central Bank") as a UCITS management company under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, and the Company currently acts as the UCITS management company in respect of Pzena Value Funds p.l.c. (the "Fund").

As per Article 3 of Regulation (EU) 2019/2088 ("SFDR"), the Company is defined as a "financial market participant" and is required to disclose information in relation to the integration of sustainability risk in its investment decision-making process.

Sustainability risk in the SFDR is defined as: "*An environmental, social, or governance event, or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment arising from an adverse sustainability impact*."

Our approach to Sustainability

The Company has delegated the discretionary portfolio management function to Pzena Investment Management, LLC (the "Investment Manager", and together with the Company, "Pzena") and so the Company does not make any direct discretionary investment decisions in respect of the Fund or in respect of any of the sub-funds of the Funds (each a "Sub-Fund"). However, this statement describes and details how Pzena's policies integrate sustainability risk into its investment decision-making processes. Furthermore, it outlines the approach and oversight mechanisms used to monitor the integration approach.

The degree to which sustainability risks are, or are not, integrated into the investment decision making processes employed in respect of each Sub-Fund shall be detailed within the pre-contractual documents (or supplements) of the Sub-Funds in accordance with Article 6 of SFDR.

As part of its investment process, the Investment Manager integrates all financially material issues, including both ESG issues that may present an opportunity and/or ESG risks, into its investment decisions prior to investing and evaluates these on an ongoing basis. Once an investment is made, there is significant emphasis on engagement with management over the lifetime of the investment. Through these conversations, proxy voting and other escalation options, each Sub-Fund seeks to exert a constructive long-term oriented influence on the trajectory of the company. In this regard, if the Investment Manager determines an ESG issue to be material, the Investment Manager will engage company management in order to develop a robust understanding of the company's exposure to the issue, and management's plans to address it.

The Investment Manager integrates this sustainability risk assessment into its investment research process, portfolio construction, and its risk management process, and may incorporate binding exclusions into a Sub-Fund's portfolio construction, excluding specific investments in order to promote specific social and/or environmental values that are important to society. Where relevant, further details of any such restrictions are specified in the relevant Sub-Fund's supplement.

Further details on Pzena's approach to ESG investing can be found here.

Principal Adverse Impact

The Company does not currently consider the principal adverse impacts of investment decisions on sustainability factors within the meaning of SFDR, as the relevant information and data required to appropriately assess the principal adverse impacts of investment decisions on sustainability factors is not yet available. Where the information and data required to conduct this assessment becomes available, the Company and the Investment Manager will review whether and when they intend to consider the principal adverse impacts of investment decisions on sustainability factors within the meaning of SFDR.

Remuneration Policy

The Company's remuneration policy promotes sound and effective risk management, taking into account the Company's risk profile. As set out within the remuneration policy, the Company's remuneration practices are consistent with the integration of sustainability risks and do not encourage risk taking (including excessive risk-taking with respect to sustainability risks) that exceeds the levels of tolerated risk.

Please see the following for further information at https://www.pzena.com/wp-content/uploads/2024/10/pim-europe-remuneration-policy.pdf