

Boston Partners Long/Short Equity Strategies

A TIME-TESTED APPROACH | PROVEN RESULTS



Three reasons for a long/short equity allocation

1

Reduce volatility

Combining long and short positions in a single diversified portfolio can help reduce volatility and potentially lead to higher compounded returns.

2

Improve diversification

When the stock market sells off, short positions generally appreciate, which can add ballast to a portfolio, helping to mitigate drawdowns and improve risk-adjusted returns.

3

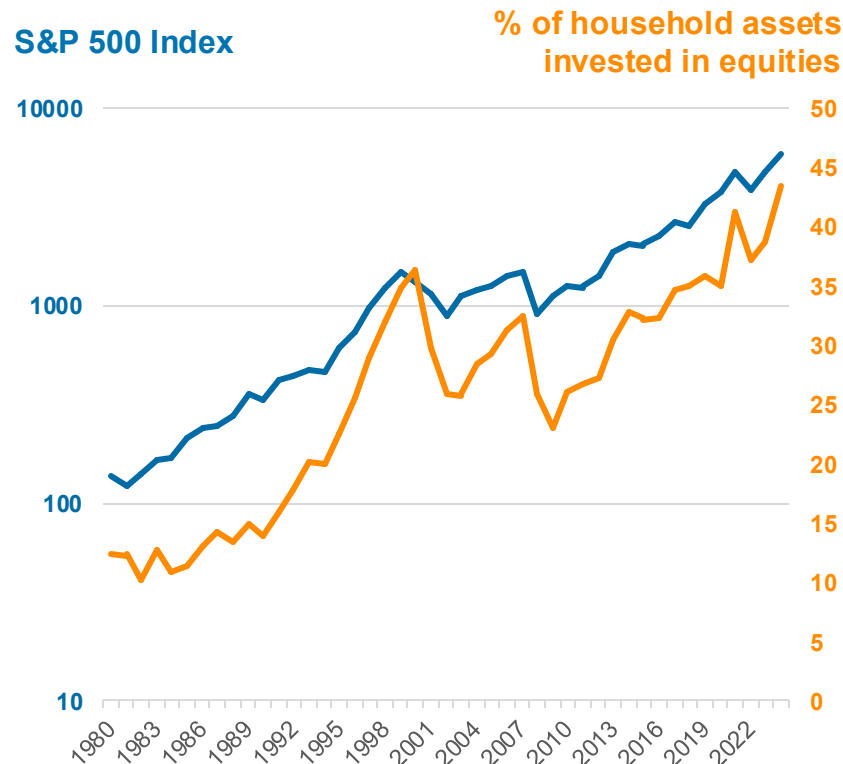
Add a source of alpha

Short positions don't only act as a hedge, they also represent a unique and uncorrelated source of alpha with the ability to generate positive returns in choppy or down markets.

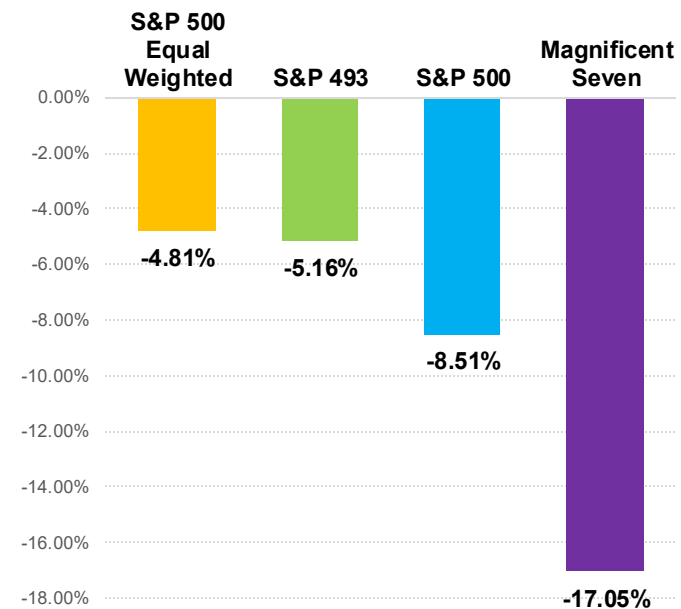
Investors are heavily exposed to a handful of expensive stocks

Last year, stock markets hit multiple all-time highs, as did investor exposure to equities

This year is already shaping up to be very different—and more volatile



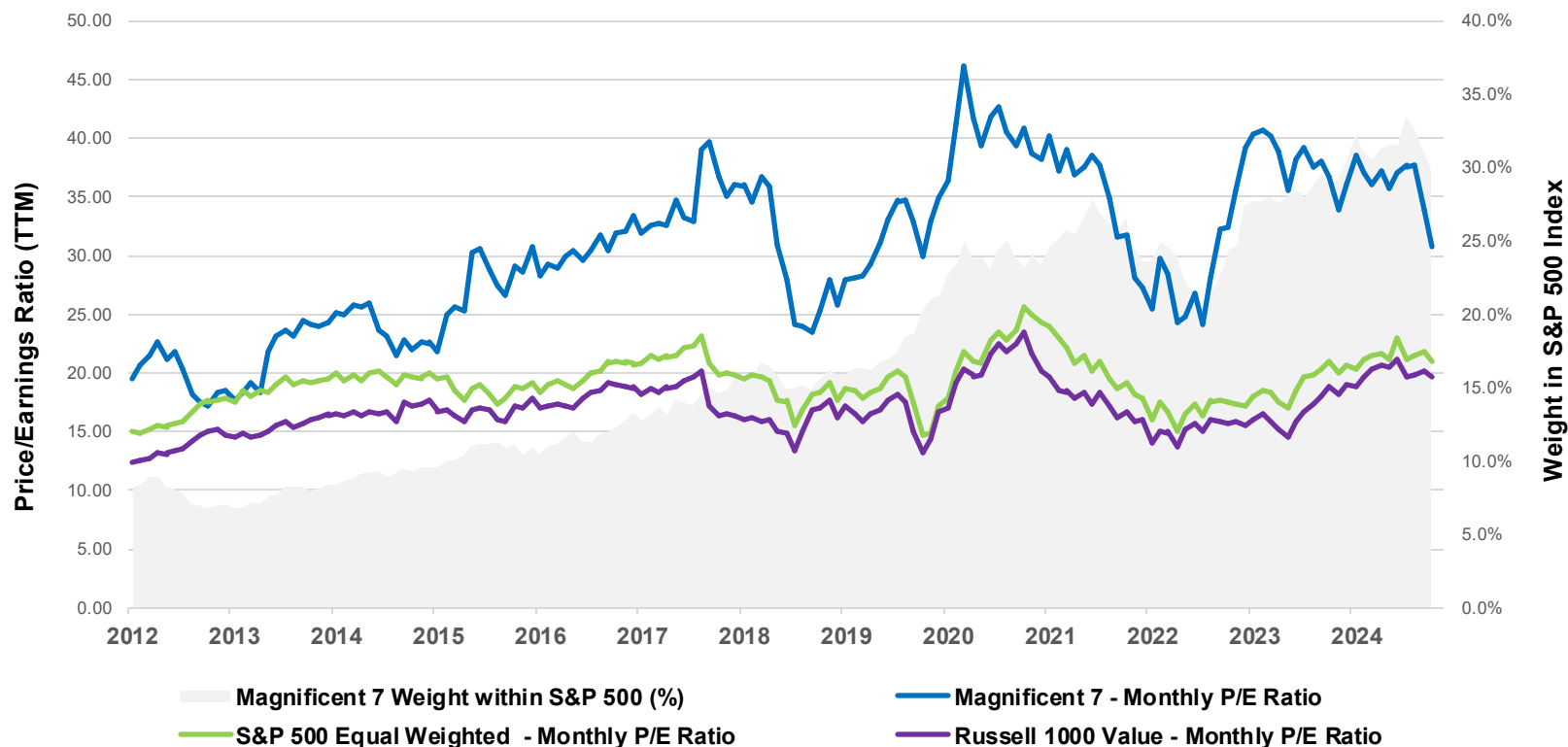
Performance since Feb. 19, 2025
S&P 500 record high



Source: Line chart, Federal Reserve Bank of St. Louis, as of December 31, 2024; bar chart, Bloomberg, as of March 31, 2025. The Magnificent Seven are a group of tech-related large-cap growth stocks; for this illustration, the seven stocks are equal weighted. The S&P 493 is not an official index but reflects the performance of those stocks in the S&P 500 Index excluding the Magnificent Seven. See slide 12 for important definitions. Past performance does not guarantee future results. You cannot invest directly in an index. Information is provided for illustrative purposes only. It should not be considered a solicitation to buy or an offer to sell a security.

Valuations are steep and concentration risks high

Passive allocations to large-cap stocks entail unprecedented concentration risk, and valuations in some of the largest names (i.e., the Magnificent 7) look especially stretched



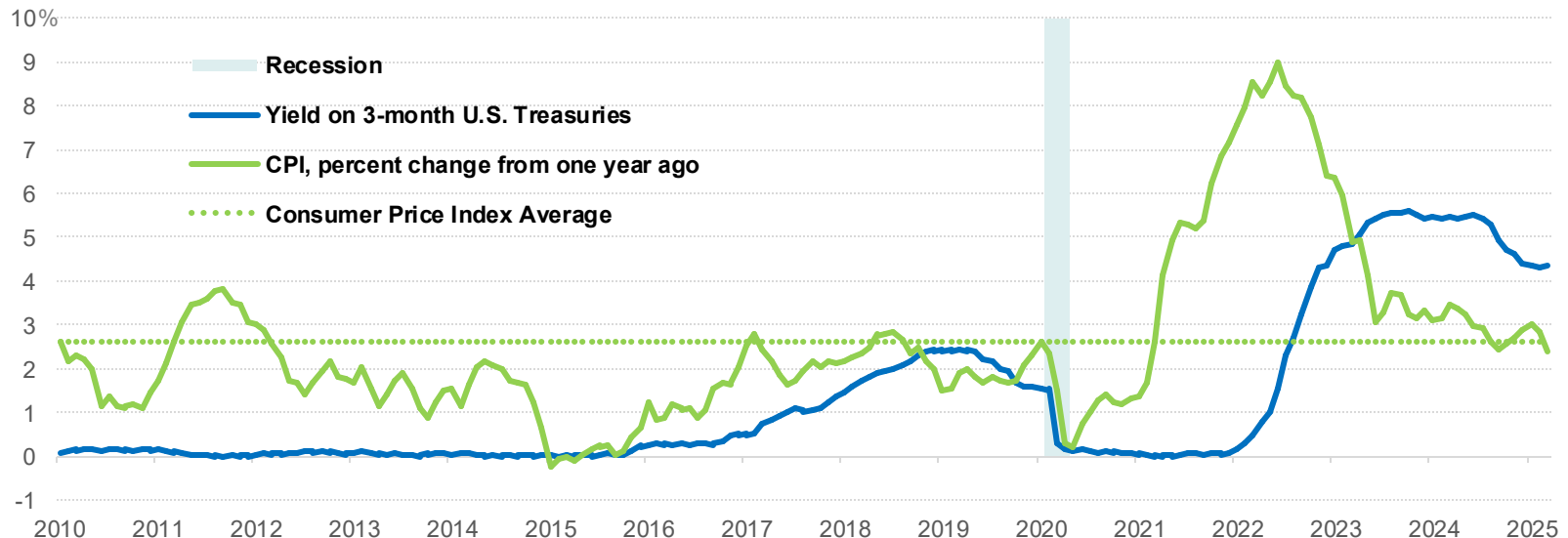
Source: Morningstar, as of March 31, 2025. P/E ratios are plotted on the left-hand scale, the Magnificent Seven's weight in the S&P 500 Index is plotted on the right-hand scale. All P/E ratios represent an equal-weighted average over the trailing 12 months. Past performance does not guarantee future results. You cannot invest directly in an index. Information is provided for illustrative purposes only. It should not be considered a solicitation to buy or an offer to sell a security. See slide 12 for important definitions.

The post-COVID environment has changed significantly

Today, investors and businesses face:

1. Higher and more persistent rates of inflation
2. An end to the near-zero interest rate regime
3. More meaningful cost of capital

With today's heightened volatility risks, long/short strategies are well positioned to add value

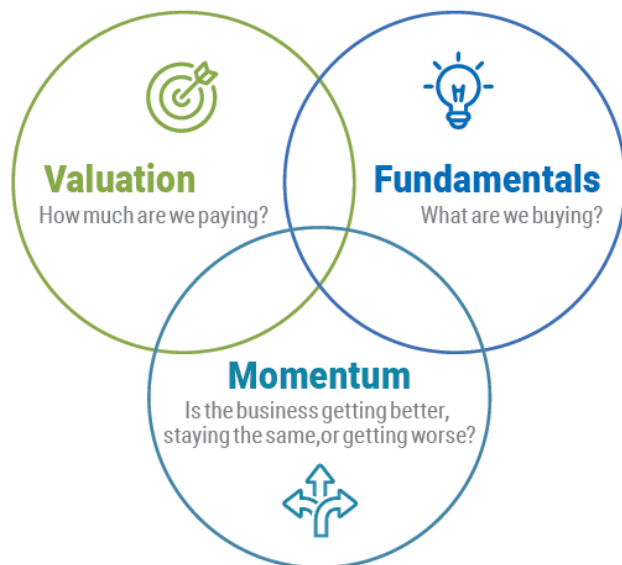


Source: Federal Reserve Bank of St. Louis, U.S. Bureau of Labor Statistics, as of March 31, 2025. See slide 12 for important definitions. Past performance does not guarantee future results.

Why Boston Partners for long/short investing

A single, time-tested approach

In our business, consistency is key. That's why we apply a single investment philosophy to every portfolio we manage, regardless of geography or market capitalization. We call it our Three Circle approach, and our experience has shown that executing it in a repeatable fashion has led to superior results over time.



A depth of talent

Our investment division is not only well resourced, it's also long-tenured. More than half our investment professionals have at least 20 years of industry experience and all our analysts—with an average of 10 years experience—perform short-sale research as a part of their coverage.

Portfolio management and portfolio research 19 professionals 29 years average experience	Trading 6 professionals 21 years average experience
Fundamental and quantitative research 20 professionals 17 years average experience	Sustainability 4 professionals 12 years average experience

A highly experienced team

Boston Partners has been investing in the long/short space since 1997. Since then, we've successfully navigated three recessions, four bear markets, and more than a dozen stock market corrections and have consistently added value along the way. Few other firms have that level of hands-on experience in long/short investing.

Outperformance during heightened volatility

Our long/short strategies have consistently added value during markets sell-offs

	Dot-Com Bubble (4/1/00– 9/30/01)	Telecom Crash (4/1/02– 9/30/02)	Global Financial Crisis (10/1/07– 2/28/09)	Sovereign Debt Downgrades (7/1/11– 9/30/11)	Int'l Market Jitters (6/1/15– 1/31/16)	U.S. Recession Fears (9/1/18– 12/31/18)	Covid disruptions (2/1/20– 3/31/20)	Inflation shocks (1/1/22– 9/30/22)
Long/Short Equity strategy (net returns)	57.02	-4.01	-19.69	-4.20	4.70	-7.36	-14.67	-4.85
S&P 500 Index	-20.61	-28.36	-38.84	-13.87	-6.66	-13.03	-19.57	-23.87
Long/Short Equity excess return	77.63	24.35	19.15	9.67	11.36	5.67	4.90	19.02
Long/Short Research strategy (net returns)	—	0.68	-10.39	-9.54	-4.78	-8.21	-15.72	-2.43
S&P 500 Index	-20.61	-28.36	-38.84	-13.87	-6.66	-13.03	-19.57	-23.87
Long/Short Research excess return	—	29.04	28.45	4.33	1.88	4.82	3.84	21.44
Global Long/Short strategy (net returns)	—	—	—	—	-0.20	-6.32	-13.59	7.32
MSCI World Index-Net	—	—	—	—	-11.30	-12.93	-20.57	-25.42
Global Long/Short excess return	—	—	—	—	11.10	6.61	6.98	32.75

Source: Boston Partners, Bloomberg, as of March 31, 2025. Excess return reflects the difference in performance between the Boston Partners strategy above and its benchmark index shown. The time periods listed represent acute stock market downturns. See slide 10 for standardized performance and slide 12 for important definitions. Past performance does not guarantee future results. You cannot invest directly in an index.

Dynamic market exposure as a risk-management tool

Rolling three-year beta since inception



Source: Boston Partners, Morningstar, as of March 31, 2025. The inception dates of Boston Partners Long/Short Equity, Long/Short Research, and Global Long/Short strategies are 8/1/97, 4/1/02, and 7/1/13, respectively. Rolling three-year beta is calculated monthly for the trailing 36 months, beginning when each strategy accumulated a three-year track record. See slide 12 for important definitions. Past performance does not guarantee future results.

Long/short strategies can shine when the market struggles

Since 2000, the S&P 500 Index has posted **negative** calendar-year returns six times.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Long/Short Equity (net)	52.79	24.62	-1.63	-1.52	8.08	16.81	15.61	-3.77	-21.71	81.74	26.55	7.39	14.06	9.17	6.04	0.17	24.03	4.30	-14.22	10.70	-4.94	33.92	7.45	14.32	13.10
Long/Short Research (net)	—	—	—	-7.43	18.72	10.93	5.68	8.49	-9.60	17.22	7.98	4.05	13.32	18.23	7.34	1.74	3.91	10.27	-10.50	12.75	-7.92	23.67	6.72	4.83	13.13
S&P 500 Index	-9.10	-11.89	-22.10	28.68	10.88	4.91	15.79	5.49	-37.00	26.46	15.06	2.11	16.00	32.39	13.69	1.38	11.96	21.83	-4.38	31.49	18.40	28.71	-18.11	26.29	25.02

Long/Short Equity and Long/Short Research have outperformed the benchmark in all but one of those down years.

Since 2014, the MSCI World Index has posted **negative** calendar-year returns three times.

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Global Long/Short (net)	2.55	6.59	2.28	7.44	-9.53	4.19	-0.25	18.22	15.96	8.22	2.11
MSCI World Index	4.94	-0.87	7.51	22.40	-8.71	27.67	15.90	21.82	-18.14	23.79	18.67

Global Long/Short Equity posted positive returns in two of those three down years.

Source: Boston Partners, Bloomberg, as of December 31, 2024. See slide 12 for important definitions. Past performance does not guarantee future results. You cannot invest directly in an index.

A closer look at performance

Net performance as of 3/31/25 (%)



Source: Boston Partners, Bloomberg, as of March 31, 2025. See slide 12 for important definitions. Performance for periods less than one year is cumulative. Composite returns are asset weighted. Past performance does not guarantee future results. You cannot invest directly in an index.

A full suite of long/short solutions

As of March 31, 2025		BP Long/Short Equity	BP Long/Short Research	BP Global Long/Short	BP Emerging Markets Dynamic Equity
Inception		August 1, 1997	April 1, 2002	July 1, 2013	March 1, 2015
Universe		All Cap	All Cap	Global All Cap	Emerging Markets All Cap
Assets under management		\$146 million	\$694 million	\$186 million	\$62 million
Weighted Average Market Cap	Long	\$76.0 B	\$103.6 B	\$79.4 B	\$55.8 B
	Short	\$3.4 B	\$16.1 B	\$31.8 B	\$15.8 B
Median Market Cap	Long	\$2.4 B	\$24.6 B	\$17.1 B	\$7.3 B
	Short	\$1.2 B	\$6.2 B	\$8.0 B	\$4.6 B
Net exposure range		10–90%	30–60%	30–70%	30–70%
Security range	Long	80–120	150–250	80–120	50–150
	Short	20–100	150–250	120–175	50–150
Type		Variable Long Biased	Variable Long Biased	Variable Long Biased	Variable Long Biased

"Variable long biased" refers to the composition of the portfolio and relative weights of long versus short positions: "variable" in that those weightings will change over time depending on market conditions, and "long biased" in that the portfolio will typically hold more long positions than short positions.

Key terms

Alpha measures the excess risk-adjusted return of a portfolio relative to a benchmark index. **Beta** is a measure of a portfolio's market risk relative to its benchmark. In general, a beta higher than 1.00 indicates a more volatile portfolio and beta lower than 1.00 indicates a less volatile portfolio in relation to its benchmark. **Trailing P/E** is a ratio that compares the current share price of a company to its earnings per share over the past 12 months.

Index definitions

The Bloomberg U.S. Aggregate Bond Index tracks the performance of intermediate-term investment-grade bonds traded in the United States. **The ICE BofA 3-Month U.S. T-Bill Index** tracks the rolling one-month market performance of three-month U.S. Treasury bills. **The MSCI World Index—Net** tracks the performance of large- and mid-cap equities traded in developed markets. Net return denotes the reinvestment of dividends after taxes. **Russell 1000 Value Index** tracks the performance of those large-cap U.S. equities in the Russell 1000 Index with value style characteristics. **The S&P 500 Index** tracks the performance of the 500 largest companies traded in the United States. **The S&P 500 Equal Weight Index** also tracks the performance of the 500 largest companies traded in the United States, but weights each company equally, rather than proportionally according to market cap. **The Magnificent Seven** stocks are a group of high-performing and influential companies in the U.S. stock market: Alphabet, Amazon, Apple, Meta Platforms, Microsoft, NVIDIA, and Tesla. It is not possible to invest directly in an index.

About Boston Partners

Boston Partners is a value equity manager with a distinctive approach to investing—one that combines attractive valuation characteristics with strong business fundamentals and positive business momentum in every portfolio.

The consistent application of this approach over nearly 30 years by an experienced and long-tenured team has created a proven record of performance across economic cycles, market capitalizations, and geographies.

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One Beacon Street | Boston, MA 02108 | tel: 617-832-8200 | bostonpartners.com