

# Boston Partners Premium Equity



**Duilio Ramallo, CFA**  
Senior Portfolio Manager

## Separately Managed Account (SMA)

### OBJECTIVE

Long-term growth of capital and to outperform its benchmark net of fees.

### INVESTMENT APPROACH

Bottom-up security selection that establishes an all-cap diversified portfolio of primarily U.S. company stocks possessing attractive valuations, strong fundamentals, and positive business momentum.

### KEY STATS

Category	U.S. All Cap Value
Benchmark	Russell 3000 Value Index
SMA assets	\$1.1 B
Total strategy assets	\$11.8 B
Holdings	107
Inception	1/1/2012

### RISK MEASURES

Beta	0.94
Alpha	1.60
Standard deviation	15.37
Sharpe ratio	0.58
Upside capture	94.26%
Downside capture	89.77%

### CHARACTERISTICS

	Portfolio	Benchmark
Wtd. avg. market cap	\$156.1 B	\$239.1 B
Forward P/E	14.0x	15.9x
OROA (5 YR)	54.4%	17.8%
Free cash flow yield	3.9%	2.4%

Data shown is for the representative account. Risk measures reflect the most recent three-year period.

### SECTOR WEIGHTINGS (%)

	◀ UNDER	OVER ▶	PORTFOLIO	BENCHMARK
Information technology			10.5	20.9
Financials			5.2	28.2
Health care			2.9	14.5
Industrials			0.6	13.7
Materials	-1.7			2.5
Consumer discretionary	-2.0			5.7
Consumer staples	-2.2			5.7
Energy	-2.7			3.2
Communication services	-2.8			4.6
Real estate	-4.5			0.0
Utilities	-4.5			0.0

Cash and net other investments are excluded. Allocations will vary over time. Due to rounding, percentages may not equal 100%. GICS (Global Industry Classification Standard) sector classification is used. All product characteristics and sector weighting are calculated using a representative account.

### TOP TEN HOLDINGS (%)

Oracle Corp.	2.9	Booking Holdings Inc.	2.0
JPMorgan Chase & Co.	2.7	Corpay, Inc.	2.0
Philip Morris International Inc.	2.4	CRH plc	1.8
Bank of America Corporation	2.4	Johnson & Johnson	1.8
Check Point Software Technologies Ltd.	2.1	Sanofi SA	1.8

Holdings represent 21.9% of the portfolio and will vary over time.

## A time-tested approach to investing

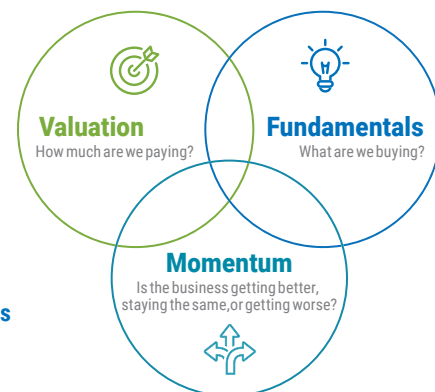
### We buy stocks that exhibit:

- Attractive value characteristics
- Strong business fundamentals
- Positive business momentum

### We sell stocks based on:

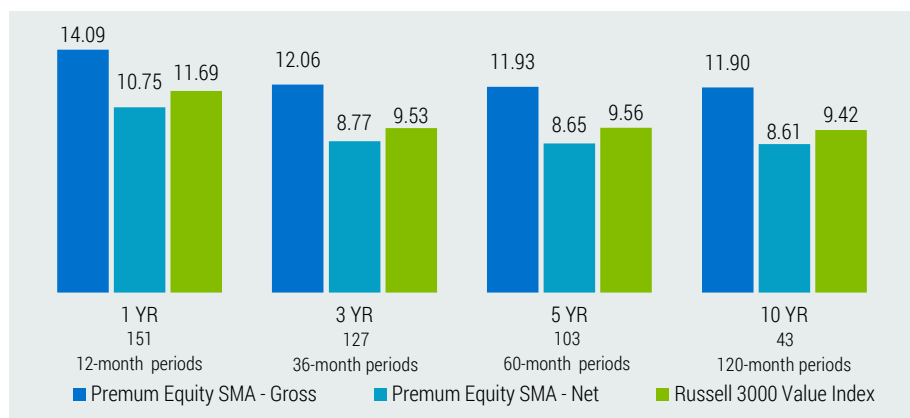
- Valuation: appreciation to price target
- Weakening business fundamentals
- Reversal of momentum

**In our experience, portfolios with all three characteristics tend to outperform over time.**



## AVERAGE OF MONTHLY ROLLING RETURNS (%)

Since inception 1/1/2012



## ANNUALIZED TOTAL RETURNS (%)

	Q2	YTD	1 YR	3 YR	5 YR	10 YR	Since inception
Premium Equity SMA Gross of Fees	5.75	8.71	14.78	14.34	16.77	11.15	13.49
Premium Equity SMA Net of Fees	4.97	7.11	11.42	10.99	13.36	7.89	10.17
Russell 3000 Value Index	3.84	5.55	13.30	12.48	13.87	9.04	11.13

The SMA Composite data provided is inclusive of all Sponsors. Individual Sponsor performance and fees may vary and therefore individual Sponsor portfolio returns and characteristics may be different than those shown. Past performance is not a guarantee of future results.

## CALENDAR YEAR PERFORMANCE AND DISPERSION

	Total returns (%)			3 YR standard dev. (%)		SMA			Firm assets (\$M)
	SMA gross of fees	SMA net of fees	Benchmark	Composite	Benchmark	# of accounts	Dispersion (%)	Total assets (\$M)	
2024	11.34	8.07	13.98	16.04	16.93	4	n/a	10	104,655
2023	13.29	9.97	11.66	16.33	16.69	3	n/a	10	94,056
2022	-1.61	-4.53	-7.98	22.18	21.53	3	n/a	9	88,117
2021	26.65	22.97	25.37	20.40	19.34	3	0.10	9	96,320
2020	6.38	3.24	2.87	21.43	19.95	5	0.17	14	77,120
2019	29.22	25.47	26.26	13.36	13.36	8	0.11	8	89,368
2018	-10.67	-13.34	-8.58	12.52	10.33	6	0.05	11	81,550
2017	19.71	16.22	13.19	11.41	10.33	6	0.04	14	99,241
2016	16.07	12.67	18.40	12.25	10.77	4	n/a	14	87,222
2015	2.05	-0.97	-4.13	11.54	10.74	3	n/a	6	78,363

The SMA Composite data provided is inclusive of all Sponsors. Individual Sponsor performance and fees may vary and therefore individual Sponsor portfolio returns and characteristics may be different than those shown. Past performance is not an indication of future results and performance is calculated in USD. Boston Partners 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. Performance periods over one year are annualized. Contact information for obtaining GIPS® compliant reports for this and other strategies can be found at [bostonpartners.com](http://bostonpartners.com).

Boston Partners Global Investors, Inc. ("Boston Partners") is an investment adviser composed of two divisions, Boston Partners and Weiss, Peck & Greer Partners ("WPG"), and is an indirect, wholly owned subsidiary of ORIX Corporation of Japan ("ORIX").

Boston Partners claims compliance with the Global Investment Performance Standards (GIPS®). Boston Partners has been independently verified for the periods 2007 through 2019. A firm that claims compliance with the GIPS must establish policies and procedures for complying with all the applicable requirements of the GIPS. Verification provides assurance on whether a 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 and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. Composites have also had a performance examination. Verification and performance examination reports are available upon request. 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. Contact information for obtaining GIPS® compliant reports for this and other strategies can be found at [bostonpartners.com](http://bostonpartners.com).

Past performance is not indicative of future results. This document is not an offering of securities nor is it intended to provide investment advice. It is intended for informational purposes only.

### Composite construction

The inception date and creation date of the Premium Equity SMA Wrap composite is 1/1/2012. The Premium Equity SMA strategy is composed of securities primarily in the same market capitalization range, at time of purchase, as the Russell 3000® Value Index. The composite includes designated retail separately managed, fully discretionary, fee-paying accounts under management with a similar investment mandate.

### Benchmark

All Russell Indices are registered trademarks of the Frank Russell Company. The Russell 3000 Index measures performance of the 3,000 largest U.S. companies based on total market capitalization. Russell Value Indices typically measure the performance of universes of stocks displaying low price-to-book ratios and low forecasted growth values. Index returns are provided for comparison purposes only to show how the composite's returns compare to a broad-based index of securities, as the indices do not have costs, fees, or other expenses. In addition, securities held in indices may not be associated with its performance similar to securities held in the composite's accounts.

### Calculation methodology

Monthly composite returns are calculated using weights equal to beginning values adjusted for time weighted cash flows. Quarterly and yearly returns are derived from linking monthly returns. Returns are expressed in U.S. Dollars. Additional information regarding policies for calculating and reporting returns and preparing compliant reports is available upon request.

### Fees

Gross-of-fee returns reflect information provided by and are inclusive of all individual Sponsors. Gross returns are presented before the deduction of transaction costs, fees or expenses, though in some cases may reflect expenses for commissions on trades. Gross-of-fee returns should be viewed as supplemental information only. Net-of-fees returns are calculated by subtracting a hypothetical maximum total wrap fee (3.00% on an annual basis, or 0.25% monthly) from the monthly gross-of-fees returns. The total wrap fee includes all charges, transaction costs, portfolio management, investment advisory, custodial and other administrative costs. Wrap fees vary amongst brokerage firms and may be negotiated based

on account size and other factors. The hypothetical maximum total wrap fee used is deemed to be the maximum fee charged to any composite account. Performance periods over one year are annualized. Please see the Sponsor's program Brochure for more important fee information, including their standard fee schedule.

#### Composite dispersion

The measurement of composite dispersion is calculated by the weighted average standard deviation of the annual account gross-of-fee returns within the composite. Dispersion in composites with less than five accounts included for the entire year is not considered meaningful and is denoted with N/A. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. This calculation has been adopted effective with the period ended 12/31/2011.

#### Annual fee schedule

Please see the Sponsor's fee schedule reflecting the total wrap fee charged.

#### Other disclosures

GLICS (Global Industry Classification Standard) sector classification is used. All product characteristics and sector weightings are calculated using a representative account from the institutional version of this composite. Risk statistics are calculated using composite data. Account composition is subject to change and information contained in this publication may not be representative of the current account. Foreign investors may have taxes withheld. Investing involves risk including the risk of loss of principal. Value investing involves buying the stocks of companies that are out of favor or are undervalued. This may adversely affect an account's value and return. Stock values fluctuate in response to issuer, political, regulatory, market or economic developments. The value of small and mid-capitalization securities may be more volatile than those of larger issuers, but larger issuers could fall out of favor. Investments in foreign issuers may be more volatile than in the U.S. market, and international investing is subject to special risks including, but not limited to, currency risk associated with non - U.S. dollar denominated securities, which may be affected by fluctuations in currency exchange rates, political, social or economic instability, and differences in taxation, auditing and other financial practices. Boston Partners participates in Initial Public Offerings (IPOs) as described in its Form ADV, Part II. IPO contributions to performance vary from year to year depending on availability and prevailing market conditions. IPO contributions may have a significant positive effect on performance when initially purchased. Such positive performance should not be expected for future performance periods. The SMA Composite data provided is inclusive of all Sponsors. Individual Sponsor performance and fees may vary and therefore individual Sponsor portfolio returns and characteristics may be different than those shown.

#### Composite information

Boston Partners is affiliated with listed corporations through common ownership. ORIX Corporation Europe N.V. services may be offered in the U.S. through Robeco Institutional Asset Management, U.S., an SEC Registered Investment Adviser registered under the Investment Advisers Act of 1940. Transtrend products may be offered in the U.S. through Boston Partners Securities, LLC, member FINRA, SIPC. Boston Partners is authorized to transact as an Investment Adviser and maintains a Securities License by the Government of Guam Department of Revenue and Taxation. It also maintains a Certificate of Authority to transact business on Guam as a Foreign Corporation. In addition, Boston Partners is registered in Korea with the Financial Services Commission (FSC).

#### Definitions

**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. **Downside capture** measures a portfolio's performance in down markets relative to the index. A value below 100 indicates that a fund has outperformed in down markets. **Free cash flow (FCF) yield** is calculated by dividing a company's free cash flow by its market capitalization. In general, higher FCF yields indicate greater financial health. FCF Yield is reported as median excluding financials of the underlying securities. **OROA** (operating return on operating assets) measures how much operating income a company generates per dollar invested in assets that are used specifically to facilitate its day-to-day operations. The figures shown are for the trailing five years. **Price/earnings (P/E) ratio** measures a company's current share price compared to its per-share earnings. Forward P/E uses a company's forecasted earnings for the next year. **Sharpe ratio** measures a portfolio's total return per unit of risk. The higher the ratio, the better the portfolio's historical risk-adjusted performance. **Standard deviation** is commonly used to gauge a portfolio's level of risk, and measures the average amount by which a set of data varies from its mean value. **Upside capture** measure a portfolio's performance in up markets relative to an index. A value over 100 indicates that a fund has outperformed the benchmark during periods of positive returns for the benchmark.