

DECEMBER 31, 2024

## OBJECTIVE

Protect capital from permanent impairment and provide above-average absolute and relative returns in the long run

## INVESTMENT PHILOSOPHY

- ◆ Fundamental valuation excellence is key to investment success
- ◆ Quality cash flows purchased with a margin of safety are essential for capital protection
- ◆ Better-than-average returns require a better-than-average understanding of security values
- ◆ Diversification and concentration are properly balanced with knowledge
- ◆ Excellent investor communication is necessary for intelligent investor decision-making

## INVESTOR PROFILE

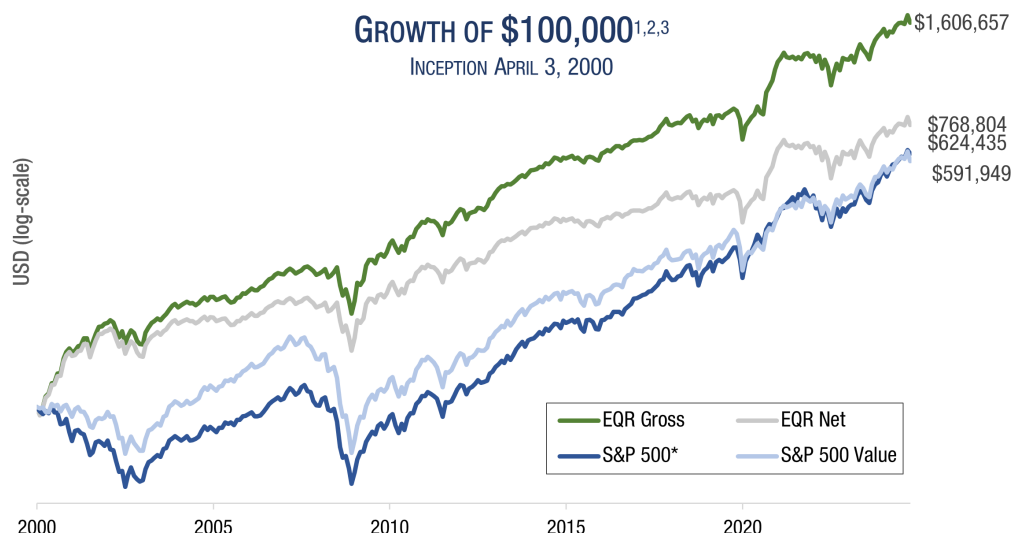
- ◆ Absolute return-oriented rather than benchmark-centric
- ◆ More concerned about long-term capital protection than short-term market volatility
- ◆ Long-term investment horizon

## PORTFOLIO MANAGERS

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# EQUITY QUALITY RETURN | EQR

FUNDAMENTAL VALUE | LONG-TERM | ALL-CAP EQUITY  
CONCENTRATED | ABSOLUTE RETURN | CAPITAL PROTECTION



## EQR Return Summary<sup>1,2,3</sup>

	Gross of Fees <sup>3</sup>	Net of Fees <sup>1</sup>	S&P 500*	S&P 500 Value
Since Inception: 2000 (4/1) – 2024 (12/31)	11.9%	8.6%	7.7%	7.4%
First Decade: 2000 (4/1) – 2009 (12/31)	12.0%	8.7%	-1.2%	1.4%
Second Decade: 2010 (1/1) – 2019 (12/31)	11.1%	7.8%	13.6%	12.2%
Third Decade: 2020 (1/1) – 2024 (12/31)	13.2%	9.9%	14.5%	10.5%

\*Benchmark

**Note:** Net returns are EQR Total Accounts composite pure gross returns reduced by 3%, the highest wrap fee required under GIPS. See "Performance Return Notes" on page 2 for more information on gross and net fee calculations.

## Portfolio Characteristics<sup>4</sup>

	EQR	S&P 500
Dividend Yield (%)	2.6	1.3
Price/Earnings <sup>5</sup>	9.8	42.8
Net Debt/EBITDA	1.2	1.8
Wtd Avg Market Cap (\$B)	331.1	1,117.2
Number of Holdings	17	503
Average Turnover % (SI)	13	N/A

**All data as of December 31, 2024, unless otherwise specified.** Past results do not guarantee future performance. All investments involve risk, including loss of principal. Further, the investment return and principal value of an investment will fluctuate; thus, an investor's equity, when liquidated, may be worth more or less than the original cost. This document provides only impersonal advice and/or statistical data and is not intended to meet objectives or suitability requirements of any specific individual or account. There can be no guarantee that any investment strategy will be successful.

## Top 10 Holdings<sup>4</sup>

Citigroup Inc	6.8%
General Motors	6.8%
Power Corporation of Canada	6.6%
Magna Intl Inc Cl A	5.8%
JP Morgan Chase	5.3%
Chevron Corp	5.3%
Berkshire Hathaway Cl B	5.3%
Liberty Global	5.3%
Dollar General Corp	5.1%
Microsoft	4.7%

PERFORMANCE RETURN NOTES

<sup>1</sup>Net returns are EQR Total Accounts composite pure gross returns reduced by the highest wrap fee as required under GIPS; 3% is the highest tier fee under graduated fee schedules for smaller asset levels at some partner firms. Most ACR partners charge significantly less than 3%.

<sup>2</sup>Total return performance includes unrealized gains, realized gains, dividends, interest, and the reinvestment of all income.

<sup>3</sup>Pure gross returns are gross of all fees and do not reflect the deduction of transaction costs in wrap portfolios. Pure gross returns are supplemental information.

<sup>4</sup>Portfolio characteristics and holdings are based on the aggregate equity holdings of the strategy. These characteristics and holdings will vary by client portfolio and are subject to change.

<sup>5</sup>Price/earnings is based on normalized earnings, which is a cyclically adjusted, or smoothed out, figure of earnings. Normalized earnings per share for the S&P 500 is based on the historical inflation-adjusted least-squares trend line of As Reported Earnings from 1926-Present. Normalized earnings for the EQR portfolio are based on portfolio manager estimates of the sustainable cash earning power of the individual companies in the portfolio.

The S&P 500 Value Index measures value stocks using three factors: the ratios of book value, earnings, and sales to price. S&P Style Indices divide the complete market capitalization of each parent index into growth and value segments. Constituents are drawn from the S&P 500®.

CALENDAR-YEAR RETURNS<sup>1,2,3</sup>

	EQR Gross of Fees <sup>3</sup>	EQR Net of Fees <sup>1</sup>	S&P 500 (Benchmark)	S&P 500 Value
2000 (April 3)	42.2%	39.2%	-11.1%	0.7%
2001	25.8%	22.1%	-11.9%	-8.2%
2002	-4.5%	-7.4%	-22.1%	-16.6%
2003	18.6%	15.1%	28.7%	30.4%
2004	9.3%	6.1%	10.9%	15.0%
2005	-0.2%	-3.1%	4.9%	8.7%
2006	17.9%	14.4%	15.8%	20.8%
2007	4.3%	1.2%	5.5%	2.0%
2008	-13.9%	-16.5%	-37.0%	-39.2%
2009	29.1%	25.3%	26.5%	21.2%
2010	20.0%	16.5%	15.1%	15.1%
2011	5.1%	2.0%	2.1%	-0.5%
2012	12.3%	9.0%	16.0%	17.7%
2013	25.0%	21.4%	32.4%	32.0%
2014	12.7%	9.4%	13.7%	12.4%
2015	0.9%	-2.1%	1.4%	-3.1%
2016	9.6%	6.4%	12.0%	17.4%
2017	16.6%	13.2%	21.8%	15.4%
2018	-3.3%	-6.2%	-4.4%	-9.0%
2019	15.1%	11.7%	31.5%	31.9%
2020	17.3%	13.9%	18.4%	1.4%
2021	26.3%	22.7%	28.7%	24.9%
2022	-10.9%	-13.6%	-18.1%	-5.2%
2023	24.0%	20.4%	26.3%	22.2%
2024 (12/31)	13.6%	10.3%	25.0%	12.3%
<b>Since Inception</b>	<b>11.9%</b>	<b>8.6%</b>	<b>7.7%</b>	<b>7.4%</b>

Note: All starting dates are January 1, except 2000, which aligns with EQR's inception date of April 3, 2000.

EQR Trailing Period Returns <sup>1,2,3</sup>	Since Inception	10-Year	5-Year	3-Year	1-Year
Gross of Fees <sup>3</sup>	11.9%	10.3%	13.2%	7.9%	13.6%
Net of Fees <sup>1</sup>	8.6%	7.1%	9.9%	4.7%	10.3%
S&P 500 (Benchmark)	7.7%	13.1%	14.5%	8.9%	25.0%
S&P 500 Value	7.4%	10.0%	10.5%	9.2%	12.3%

Risk Considerations

- ◆ Investing in the Strategy carries certain risks.
- ◆ Key risks include the general risks of common stock investments and specific risks due to the concentration of the portfolio within specific securities and sectors.
- ◆ The Strategy's holding target is 20 securities but will vary based on market conditions.
- ◆ The value of the Strategy may decrease in response to the activities and financial prospects of an individual security in the strategy's portfolio.
- ◆ The Strategy is non-diversified and may invest a greater percentage of its assets in a particular issue and may own fewer securities than other separately managed account strategies.
- ◆ The performance of the Strategy may be subject to substantial short-term changes. Stocks of smaller companies may be subject to additional risks, including the risk that earnings and prospects of these companies are more volatile than larger companies.
- ◆ These factors may affect the value of your investment.
- ◆ Please review the EQR Total Accounts composite performance disclosures located at <https://acr-invest.com/wp-content/uploads/2024/07/EQR-TA-GIPS-Report-through-12.31.2023-Updated-7.1.2024-Disc.pdf>