EQUITY INVESTMENT CORPORATION

All-Cap Value & Large-Cap Value

2025 First Quarter Commentary

April 2025

Stocks were mixed in the first quarter. Our primary benchmarks, the Russell 3000® Value (R3000V) and Russell 1000® Value (R1000V) Indexes, gained 1.6% and 2.1%, respectively. However, the more growth-oriented S&P 500® Index *declined* 4.3%, and the Russell 3000® Growth Index *declined* 10.0%. In contrast, on a gross basis, our All-Cap Value (ACV) and Large-Cap Value (LCV) SMA composites *increased* by 7.3% and 7.0%, respectively.

It was a strong quarter for us, both in absolute and relative terms. Our outperformance was attributable to the combination of sector weightings and stock selection in every sector except financials, where the result was marginally negative.[1] Our weightings in the American Depository Receipts (ADRs) of foreign-based companies also contributed to performance, with each of our ADR holdings outperforming or nearly matching its respective sector's performance. Longer term, we remain ahead of our benchmarks on a gross basis, as shown below.

For the periods ended March 31, 2025					
	Q1	**1 Year**	**5 Year**	**10 Year**	**SI***
EIC ACV SMA Gross	7.3%	12.2%	20.2%	10.7%	11.9%
EIC ACV SMA Net	6.5%	8.9%	16.7%	7.4%	8.6%
Russell 3000® Value Index	1.6%	6.7%	16.1%	8.6%	10.3%
S&P 500® Index	-4.3%	8.3%	18.6%	12.5%	11.1%
EIC LCV SMA Gross	7.0%	12.1%	20.3%	10.7%	9.8%
EIC LCV SMA Net	6.2%	8.8%	16.8%	7.4%	6.6%
Russell 1000® Value Index	2.1%	7.2%	16.1%	8.8%	7.4%
S&P 500® Index	-4.3%	8.3%	18.6%	12.5%	8.2%

*Table 1 Data Source: Morningstar Direct℠. *Since Inception (SI): January 1, 1986 for ACV and January 1, 2001 for LCV. Returns for periods greater than one year are annualized. Past performance does not guarantee future results. See footnote 2.*

Investment Environment

Federal Reserve Chairman Powell's comments in January stand out both for their foreshadowing of events during the first quarter and for their universal truth.

> "I guess I'd say this: Uncertainty[…] is with us all the time. It's[…] human nature, apparently, to underestimate[…] how fat the tails are[…] we think of things in a normal distribution, and in the economy it's not a normal distribution. The tails are very fat, meaning things can happen way out of your expectations. *It's never not that way.*"[3]

Eventual mistakes, unwelcome news, or setbacks (i.e., "fat tails") are a consistent feature of the economic and investing landscape, even if a strong run of positive results deceives investors into forgetting or ignoring this truth. Adversity is the eventual rule, not the exception, and fundamental progress rarely, if ever, continues uninterrupted in a straight line forever. Successful long-term investing, therefore, plans for adversity and invests accordingly.

As we wrote in our 2024 Year-End Commentary, the market was positively euphoric due to the prospects of Artificial Intelligence (AI) and an incoming presidential administration perceived as more business-friendly. Growth stock valuations had reached all-time highs, surpassing the peak of the tech bubble. Investors, particularly in growth stocks, were simply not paying attention to valuation or any of the numerous other potential headwinds.[4] During the first quarter of this year, reality reasserted itself, leading to a selloff and rotation out of U.S. stocks, in general, and growth stocks in particular.[5]

Beginning in January, developments in AI weighed on shares, from the emergence of a Chinese competitor offering a less expensive AI model of comparable quality, to price competition and anecdotes surrounding overcapacity and continued slow customer uptake.[6] None of these events were earth-shattering in isolation, but collectively, they have introduced more doubt and uncertainty into AI-themed growth stocks. As a result, the "Magnificent Seven," all perceived AI plays in one way or another, collectively underperformed the Russell 3000® Index and accounted for 90% of its year-to-date decline.[7] While noteworthy, this is not an unusual outcome when stocks priced for perfection meet with even marginally disappointing fundamental developments.

Beyond AI, the market is contending with continued signs of weakness in the U.S. economy, as evidenced by stubborn inflation, a soft housing market, declining consumer spending, falling household savings, and a decline in manufacturing activity, where, worryingly, input prices are accelerating while output is dropping.[8] Since the end of 2024, earnings growth estimates have decreased in every sector.[9] Coincident with this economic weakness, or perhaps partly responsible for it, businesses wrestle with the effects of broad-based tariffs.

Shortly after the quarter's end, President Trump unveiled a comprehensive set of tariffs at levels not seen in nearly a century. The resulting uncertainty is already having a chilling effect on business planning, and market volatility has risen sharply.[10] During times like these, it is human nature to ask, what will happen next? How will countries respond? Where will tariff rates settle in six months, eighteen months, or a few years from now? Will we slip into a recession? Many investors are tempted to answer questions like these, divining the future and investing accordingly.

Instead of attempting to predict the future, we strive to build portfolios designed to withstand a range of economic outcomes. We accept uncertainty, buying a range of healthy and well-capitalized businesses at reasonable prices that aren't dependent on a favorable environment. We believe this approach increases our odds of success by minimizing major investment mistakes, thus avoiding significant losses. Over the long term, our process has yielded strong full-cycle results while proving resilient in periods of heightened volatility.

The near-term direction of stocks is anyone's guess, but a look at current valuations in the following chart suggests continued long-term challenges ahead. While growth stocks no longer trade at historic highs, they are still richly priced compared to their long-run median.

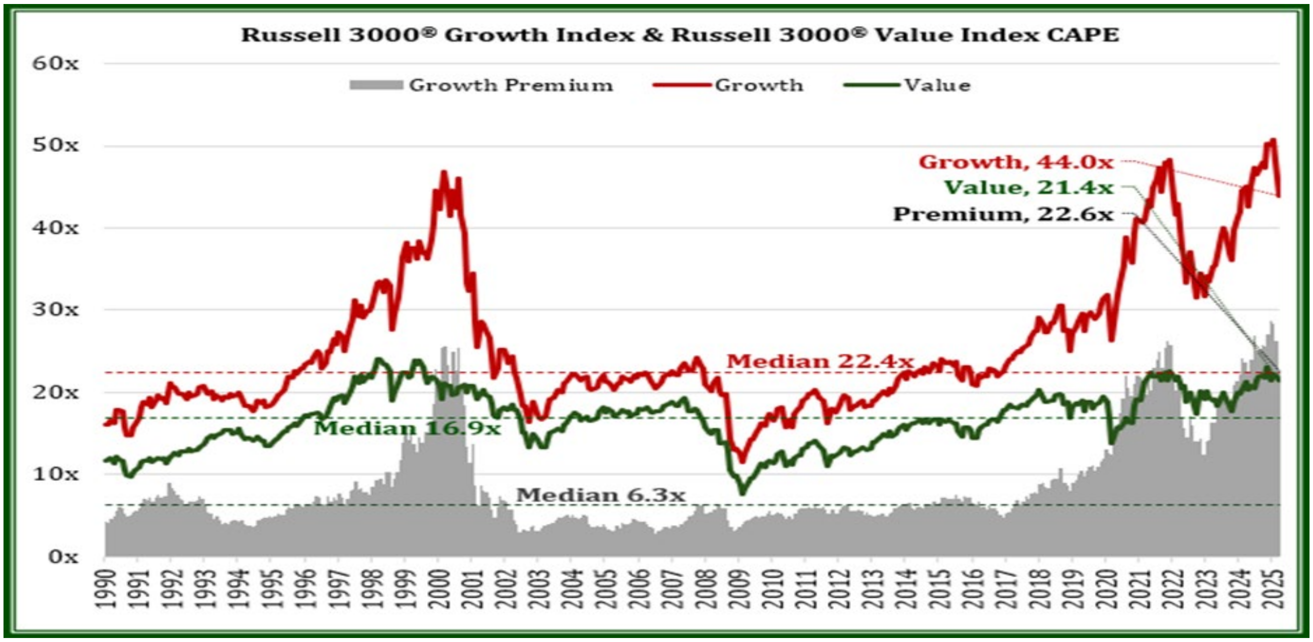

Chart 1 Data Source: S&P Capital IQ^PRO. See footnote 11. Charts are provided for illustrative purposes only.

Based on history, from these levels, growth investors should continue to expect disappointing returns over the next decade. Meanwhile, value stocks are more reasonably priced, with expectations for positive returns.[12]

Of course, the future is uncertain. Thus, any investment must be considered probabilistically, encompassing a range of outcomes and giving some thought to whether its current price provides reasonable odds of success in adverse conditions. Despite the pain for growth investors during the first quarter, we believe that prices for growth stocks still reflect extreme optimism, with little room for error in the event of general economic or earnings weakness, a slowdown, an outright bust in AI, or tariff-related shocks. Accordingly, our portfolios are heavily tilted towards high-quality value stocks.

Portfolio Review[13]

We purchased a 2% position in Target Corporation (TGT) during the quarter. Target operates approximately 2,000 stores across the U.S., many of which feature shop-in-shop or in-store experiences from Starbucks®, Ulta Beauty, and CVS Pharmacy. The company's product offerings are more discretionary than Walmart's, with approximately 60% of sales from apparel, accessories, home goods, hardlines, and beauty products, and the remainder from groceries and essentials. We previously owned shares from 2008 to 2021, when we sold based on valuation. TGT performed exceptionally well during the pandemic, benefiting from government stimulus and the operational challenges of its small and independent competitors. Fundamental performance subsequently deteriorated, with revenue growth stagnating and operating margins dropping to an all-time low in 2022, primarily due to inventory mismanagement, shrinkage, inflationary pressures on the supply chain, and labor costs. The stock has fallen more than 50% since our sale, as the company has underperformed aggressive sales growth and margin targets that management rolled out in early 2022.

Despite recent headwinds, we believe Target remains a relevant competitor in retail. While same-store sales growth has recently lagged that of Walmart, cumulative growth rates have been similar over the past five years. TGT is now historically cheap, both in absolute and relative terms. We believe this valuation provides adequate compensation for the risks posed by potential tariffs or material weakening in the health of the U.S. consumer. At purchase, the company had a $47.5 billion market capitalization and was A- rated by S&P at quarter-end.[14] Shares also trade at 12x our estimate of normalized earnings, with a current dividend yield of 4.2%.

We sold two stocks based on valuation: Expedia Group Inc. (EXPE) and Cisco Systems Inc. (CSCO). With the sale of CSCO, we no longer own any stocks in the information technology sector. We also added to and trimmed from several holdings during the quarter, all based on valuation. More specifically, we added to our positions in United Parcel Service Inc. (UPS), Verizon Communications Inc. (VZ), and W.P. Carey Inc. (WPC). We trimmed our positions in AT&T Inc. (T), Coterra Energy Inc. (CTRA), and Wells Fargo & Company (WFC). We also trimmed PayPal Holdings Inc. (PYPL) in January on valuation, then added back to our position in March after a significant decline in the share price due to anticipated lower transaction volumes.

We always build portfolios on a bottom-up basis, one stock at a time. Every investment must stand on its own merits and be priced to achieve an attractive absolute return. We invest based on value and quality rather than on business size, sector classification, or style exposure. By design, this focus often causes our portfolios to look and perform differently from our benchmarks and peers.

Today, relative to the R3000V and R1000V, our portfolios are overweight in consumer staples, communications services, and, to a lesser extent, financials, energy, real estate, and health care. Our largest underweights are in industrials and information technology, where we currently have no exposure, with lesser underweights in consumer discretionary and utilities.[15] At quarter-end, our representative portfolios had 7–9% in cash. As a reminder, cash is a residual of our stock selection process, not a tactical allocation based on market conditions.

We continue to have a historically higher-than-average weighting in the ADRs of foreign-based companies, where we have invested in large, multinational businesses that trade at lower valuations than their comparable U.S. peers. Finally, we are finding more value in small- and mid-cap stocks, with 39–45% of our portfolios invested in them, up from less than 9% as recently as 2018.

At quarter-end, our portfolios traded at approximately 16x trailing earnings and 12x forward earnings estimates, both substantial discounts to their primary benchmarks and even more so to the broader market. Our portfolios have a weighted average return on equity of 12–13%, a weighted average credit rating of A-, and a dividend yield of 3.2–3.4%.[16]

Founded in 1986, we have entered our fortieth year in business. Over those years, we have constructed portfolios that often look and perform quite differently from market indexes and those of other equity managers. Our relative returns may be inconsistent at times, but our absolute returns tend to be more consistent and stable than those of many of our peers. Such is our stock-in-trade, one that we are proud of and strive to continue delivering to our clients.

As always, we thank you for your partnership with EIC.

<u>Investment Team</u>

W. Andrew Bruner, CFA, CPA **R. Terrence Irrgang, CFA** **Ian Zabor, CFA**

Robert Ladyman, CFA **Thomas Knapp, CFA**

Disclosures

[1] Data Source: Morningstar Direct℠. Performance attribution for EIC ACV and LCV representative portfolios versus Russell 3000 Value Index and Russell 1000 Value Index, respectively, for the quarter ended March 31, 2025. Individual portfolio sector weights may vary from that of the representative portfolios.

Sectors are determined using the Global Industry Classification Standard ("GICS"). GICS® was developed by, and is the exclusive property of, Standard & Poor's Financial Services LLC ("S&P") and MSCI Inc. ("MSCI"). GICS is the trademark of S&P and MSCI. "Global Industry Classification Standard (GICS)" and "GICS Direct" are service marks of S&P and MSCI.

[2] Gross returns for EIC SMA composites are "pure" gross returns, do not reflect the deduction of any expenses, including trading costs, and are presented as supplemental information to the GIPS® Composite Reports, which are considered an integral part of this commentary. Net returns are calculated by reducing gross returns with an assumed maximum annual SMA fee of 3.0%, applied monthly. SMA fees include transaction costs, portfolio management, custody, and other administrative fees. Platform sponsor fees may vary. SMA fee schedules are provided by independent SMA platform sponsors and are available upon request from the individual sponsor. All returns include reinvestment of dividends and interest. Indexes are unmanaged, do not incur management fees, costs, or expenses, and cannot be invested in directly. Performance data is historical. Current performance may be lower or higher than the performance quoted. Individual client portfolio results may vary. Investing involves risk, including possible loss of principal.

[3] "Transcript of Chair Powell's Press Conference," Federal Reserve Board, FOMC. January 29, 2025. https://www.federalreserve.gov/mediacenter/files/FOMCpresconf20250129.pdf.

[4] Equity Investment Corporation. "All-Cap Value & Large-Cap Value 2024 Year-End Commentary." January 2025. https://www.eicatlanta.com/wp-content/uploads/2025/01/Q424-EIC-ACV-LCV-Commentary-Final-Client-25011402.pdf.

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[6] Olcott, Eleanor, and Wu, Zijing. "How small Chinese AI start-up DeepSeek shocked Silicon Valley." The Financial Times. January 24, 2025. https://www.ft.com/content/747a7b11-dcba-4aa5-8d25-403f56216d7e.

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[7] Data Source: Morningstar Direct℠. Performance attribution for Russell 3000 Index and Russell 3000 Growth Index for the quarter ended March 31, 2025. Magnificent Seven stocks are NVDA, AAPL, MSFT, GOOG, META, AMZN, and TSLA.

[8] Lee, Jinjoo. "Consumer Angst is Striking All Income Levels, Here's Where to Look for Early Signs of a Recession." The Wall Street Journal. March 12, 2025. https://www.wsj.com/economy/consumers/consumer-angst-is-striking-all-income-levels-ab32d5d5.

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[9] Sindreu, Jon. "Don't Blame Trump for All of the Stock Markets Problems." The Wall Street Journal. March 27, 2025. https://www.wsj.com/finance/stocks/dont-blame-trump-for-all-of-the-stock-markets-problems-c3a6dc6b.

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"Trump's tariff pain: the growing evidence." The Economist. March 25, 2025. https://www.economist.com/finance-and-economics/2025/03/25/trumps-tariff-pain-the-growing-evidence.

[11] Russell 3000 Growth Index modified CAPE (red line), Russell 3000 Value Index modified CAPE (green line), Russell 3000 Growth Index modified CAPE arithmetic premium over Russell 3000 Value Index modified CAPE (gray area) at each month-end January 31, 1990 to March 31, 2025. Modified CAPE (Cyclically Adjusted Price-to-Earnings) is the ratio of index prices to trailing 10-year index-level earnings before taxes (EBT) calculated on a time-weighted basis. Annual index-level EBT is imputed by dividing the year-end index price by an aggregated price to EBT multiple of index constituents.

[12] Data Source: S&P Capital IQ^PRO. Equity Investment Corporation. "The Case for Value versus Growth." March 2025, page 6.

[13] References to specific securities and their issuers are for illustrative purposes only and are not intended to be, and should not be interpreted as, recommendations to purchase or sell such securities. Any specific securities described herein do not represent all securities purchased, sold, or recommended for advisory clients. Actual portfolio holdings vary for each client, and there is no guarantee that a particular client's account, SMA, or advisory program will hold any, or all, of the securities identified. It should not be assumed that any of the securities or recommendations made will be profitable or will equal the performance of the listed securities.

[14] Data Source: S&P Capital IQ^PRO. S&P credit-quality ratings on March 31, 2025. Credit-quality ratings represent Standard & Poor's (S&P) opinion as to the quality of the securities they rate. The ratings range from AAA (extremely strong capacity to meet its financial commitments) to D (in default). Ratings are relative and subjective and are not absolute standards of quality.

[15] Data Source: Morningstar Direct℠. GICS sector weights for EIC ACV and LCV representative portfolios versus Russell 3000 Value Index and Russell 1000 Value Index, respectively, for the quarter ended March 31, 2025. EIC LCV representative portfolio has no exposure to the utilities sector. Individual portfolio sector weights may vary from that of the representative portfolios.

[16] Data Source: Morningstar Direct℠ as of March 31, 2025. Weighted average trailing twelve-month P/E Ratio, forward P/E Ratio, and return on equity for EIC ACV and LCV representative portfolios, as calculated by Morningstar.

Data Source: APL Systems as of March 31, 2025. Dividend yield for EIC ACV and LCV representative portfolios are shown on a gross basis.

Data Source: S&P Capital IQ[PRO]. Weighted average of S&P credit-quality ratings on underlying securities held in the representative EIC ACV and LCV portfolios on March 31, 2025, and not the portfolios themselves.

This document reflects the views of Equity Investment Corporation as of the date of the document. These views may change and do not guarantee the future performance of any strategy, index, or the markets. Investing involves risk, including possible loss of principal, and there are specific risks that apply to any investment strategy. There can be no guarantee that any investment strategy will be successful.

Equity Investment Corporation
All-Cap Value SMA Composite Report

As of 12/31/2024	1 Year	5 Year (annualized)	10 Year (annualized)	Since Inception** (annualized)
Gross Rate of Return[1] (Supplemental)	13.0%	12.4%	9.8%	11.8%
Assumed 3% Annual Fee Net Rate of Return[1]	9.7%	9.1%	6.6%	8.5%
Benchmark Return of Russell 3000® Value Index	14.0%	8.6%	8.4%	10.3%

Table Notes:
[1] Gross returns, presented as supplemental information, are "pure" gross and do not reflect the deduction of any expenses, including trading costs, for SMA accounts. Net returns are calculated by reducing gross returns with an assumed maximum annual SMA fee of 3.0%, applied monthly.
**Inception Date: January 1, 1986

Disclosures:
Equity Investment Corporation (EIC) is an SEC-registered, independent investment adviser incorporated in the state of Georgia. EIC has been providing investment advisory services to clients since 1986.

From January 1, 1986, through December 31, 1999, Jim Barksdale was primarily responsible for creating and achieving the performance results. Over that time period, the All-Cap Value SMA composite gained 14.4% (annualized) (11.1% net of an assumed maximum annual 3% fee), while the Russell 3000® Value Index rose 15.6% (annualized).

Andrew Bruner joined as the second member of EIC's investment team in December 1999. From that point through the present day, portfolios have been managed using a team-based approach. Terry Irrgang became the third member of our investment team in April of 2003. Ian Zabor became the fourth member of our team, joining EIC in July of 2005. From January 1, 2000 through December 30, 2024, our investment team was responsible for the All-Cap Value SMA composite increasing by 10.3% (annualized) (7.1% net of an assumed maximum annual 3% fee); the Russell 3000 Value Index gained 7.5% (annualized).

Effective September 30, 2016, we implemented a succession plan to ensure the continuity and stability of our firm. In a transaction that closed on that date, a new investment adviser entity formed by Messrs. Bruner, Irrgang, and Zabor purchased substantially all of the assets and assumed all of the liabilities necessary for EIC's continuous operation from Mr. Barksdale. That new registrant succeeded to all of EIC's business. As planned, Mr. Barksdale's tenure at EIC ended in August of 2019 when his transitional employment agreement expired. From the date of the succession through December 30, 2024, our investment team was responsible for the All-Cap Value SMA composite advancing by 11.6% (annualized) (8.3% net of an assumed maximum annual 3% fee), versus an 9.5% (annualized) increase for the Russell 3000 Value Index.

During all times after 1999, our investment team has been responsible for achieving the performance results shown in the tables.

Performance numbers (beginning July 1, 1995) are the value-weighted, time-weighted, total return composite results of fully discretionary All-Cap Value equity wrap fee (SMA) accounts. The strategy employs a flexible framework (not constrained by any cap size limitations) of investing in high-quality, well-managed companies, while at the same time avoiding those that look inexpensive relative to their historical record but are actually in structural decline. Prior to January 1, 2013, the composite was called the All-Cap Value Wrap Composite. Returns are generally presented net of foreign withholding taxes on dividends, interest income, and capital gains; however, returns for some accounts are presented gross of foreign taxes depending on the treatment by their custodian. Prior to July 1, 1995, the returns are that of the All-Cap Value composite. Results for the period January 1, 1989, through July 1, 1995, include both SMA and non-SMA accounts. During this period, SMA accounts represent on average 24% of the composite. Since July 1, 1995, SMA accounts comprise 100% of the composite. The composite creation date is July 1, 1995, and the inception date is January 1, 1986. All accounts included in the composite are managed according to similar investment guidelines. The benchmark index is the Russell 3000 Value Index (which excludes an advisory fee), and was chosen because it is representative of the composite's investment style. The Russell 3000 Value Index measures the performance of the largest 3000 US companies in the value segment of the US equity universe. The Russell 3000 Value Index is based on the Russell 3000® Index, a market-capitalization weighted equity index representing approximately 98% of the investable US equity market.

Equity Investment Corporation
All-Cap Value SMA Composite Report

Year Ended Dec - 31	Gross* Rate of Return[1] (Supplemental)	Assumed 3% Annual Fee Net Rate of Return[1]	Benchmark Return of Russell 3000® Value Index	Composite 3-Yr St Dev	Benchmark 3-Yr St Dev	Dispersion[2] of Annual Returns (St Dev)	Number of Portfolios[3]	Composite Assets ($ Millions)	Advisory-Only (UMA) and Managed Assets		
									UMA Assets[4] ($ Millions) (Supplemental)	GIPS® Firm Assets ($ Millions)	Total Assets[4] ($ Millions) (Supplemental)
2024	13.0%	9.7%	14.0%	15.4%	16.9%	0.7%	2544	$1,429.3	$3,441.9	$3,051.2	$6,493.1
2023	13.4%	10.1%	11.7%	15.9%	16.7%	0.8%	2243	$1,231.0	$2,818.0	$2,654.3	$5,472.3
2022	1.6%	-1.4%	-8.0%	19.3%	21.5%	0.6%	1841	$1,021.8	$2,392.5	$2,267.8	$4,660.4
2021	31.0%	27.2%	25.4%	17.1%	19.3%	0.8%	1565	$937.9	$2,108.2	$2,027.4	$4,135.6
2020	5.0%	1.9%	2.9%	17.3%	20.0%	1.0%	1574	$784.3	$1,694.6	$1,607.6	$3,302.2
2019	22.7%	19.1%	26.3%	10.6%	12.0%	0.6%	2065	$1,151.4	$1,942.4	$2,245.1	$4,187.5
2018	-6.4%	-9.2%	-8.6%	9.3%	11.1%	0.3%	2341	$1,064.9	$1,721.0	$2,219.9	$3,940.9
2017	15.6%	12.2%	13.2%	8.0%	10.3%	0.4%	2486	$1,264.8	$2,044.9	$2,790.7	$4,835.6
2016	12.2%	8.9%	18.4%	8.6%	11.0%	0.5%	2893	$1,406.1	$2,044.5	$2,994.4	$5,038.9
2015	-4.4%	-7.2%	-4.1%	8.9%	10.7%	0.5%	4727	$1,964.8	$1,590.0	$3,658.9	$5,248.9
2014	14.9%	11.5%	12.7%	8.1%	9.4%	0.5%	5272	$2,259.6	$1,657.7	$3,862.6	$5,520.3
2013	24.7%	21.1%	32.7%	9.2%	12.9%	0.6%	4290	$1,703.6	$1,009.2	$3,286.3	$4,295.5
2012	10.0%	6.7%	17.6%	11.5%	15.8%	0.4%	2742	$1,016.1	$665.6	$2,301.1	$2,966.7
2011	7.4%	4.2%	-0.1%	16.3%	21.0%	0.6%	1398	$556.0	$314.5	$1,127.9	$1,442.5
2010	18.2%	14.7%	16.2%	18.7%	23.5%	0.5%	937	$432.6	$77.9	$836.9	$914.8
2009	26.9%	23.2%	19.8%	17.3%	21.3%	1.3%	743	$282.7	$10.5	$541.2	$551.8
2008	-22.9%	-25.2%	-36.3%	11.7%	15.5%	1.0%	946	$220.2	$0.0	$362.6	$362.6
2007	3.3%	0.3%	-1.0%	7.0%	8.3%	0.8%	935	$283.5	$0.0	$448.1	$448.1
2006	16.6%	13.1%	22.3%	6.2%	7.0%	0.8%	758	$252.7	$0.0	$487.2	$487.2
2005	2.8%	-0.3%	6.9%	8.8%	9.7%	0.7%	675	$195.5	$0.0	$463.6	$463.6
2004	13.9%	10.6%	16.9%	11.4%	14.8%	0.8%	531	$137.4	$0.0	$388.1	$388.1
2003	25.2%	21.6%	31.1%	13.6%	16.0%	0.8%	289	$70.0	$0.0	$231.0	$231.0
2002	-4.1%	-6.9%	-15.2%	15.9%	16.6%	1.5%	59	$14.6	$0.0	$110.7	$110.7
2001	16.9%	13.5%	-4.3%	15.7%	14.1%	0.8%	13	$5.4	$0.0	$82.2	$82.2
2000	18.6%	15.2%	8.0%	18.0%	16.8%	0.8%	16	$6.5	$0.0	$62.3	$62.3
1999	2.1%	-0.9%	6.6%	15.7%	15.9%	1.0%	27	$13.0	$0.0	$64.1	$64.1
1998	16.2%	12.8%	13.5%	14.5%	14.9%	0.9%	11	$2.8	$0.0	$35.2	$35.2
1997	30.1%	26.4%	34.8%	8.8%	9.5%	0.8%	12	$4.9	$0.0	$38.8	$38.8
1996	8.0%	4.8%	21.6%	7.7%	9.2%	0.6%	19	$16.6	$0.0	$69.7	$69.7
1995	19.7%	16.2%	37.0%	6.2%	8.3%	0.6%	42	$23.0	$0.0	$93.4	$93.4
1994	0.2%	-2.8%	-1.9%	5.7%	8.2%	0.8%	65	$32.7	$0.0	$92.6	$92.6
1993	11.3%	8.0%	18.7%	8.0%	9.5%	0.7%	72	$44.0	$0.0	$84.5	$84.5
1992	10.6%	7.4%	14.9%	12.5%	13.7%	0.9%	69	$53.3	$0.0	$84.1	$84.1
1991	37.0%	33.0%	25.4%	13.3%	14.5%	1.3%	58	$35.6	$0.0	$48.9	$48.9
1990	-8.0%	-10.7%	-8.8%	13.2%	13.5%	0.7%	59	$25.8	$0.0	$30.4	$30.4
1989	20.8%	17.3%	24.2%	18.0%	17.6%	1.6%	51	$21.4	$0.0	$27.8	$27.8
1988	27.4%	23.7%	23.6%	19.9%	18.9%	1.7%	14	$6.0	$0.0	$8.0	$8.0
1987	10.6%	7.4%	-0.1%	N/A	N/A	N/A	5	$0.5	$0.0	$0.6	$0.6
1986	25.0%	21.3%	18.8%	N/A	N/A	N/A	2	$0.2	$0.0	$0.2	$0.2

Table Notes:

[1] *Gross returns, presented as supplemental information, are "pure" gross and do not reflect the deduction of any expenses, including trading costs, for SMA accounts. "Pure" gross returns from 10/1/02 through 12/31/06, reflect the deduction of trading costs but not any additional expenses. For the period 1/1/89 through 7/1/95, SMA accounts represent on average 24% of the composite assets. Prior to 7/1/95 and for the periods 10/1/02 through 12/31/06, the returns are that of EIC's All-Cap Value composite. For all other periods, SMA accounts represent 100% of the composite assets. Net returns are calculated by reducing gross returns with an assumed maximum annual SMA fee of 3.0%, applied monthly.

[2] Dispersion is an asset-weighted standard deviation for the accounts in the composite for the entire year (or year-to-date) and is calculated using gross returns. "N/A" represents when dispersion is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year. For 1986 through 1995 dispersion represents EIC's All-Cap Value composite, which contains both SMA and non-SMA accounts. For 1996 through 2005, dispersion represents EIC's internally administered SMA accounts.

[3] Number of Portfolios/Composite Assets significantly decreased in 2016 due to transitioning of a major SMA program to a model based (UMA) program during Q416.

[4] "Total Assets" include our regulatory assets under management ("GIPS® Firm Assets") and our advisory-only "UMA Assets". EIC has no trading discretion for UMA accounts and provides a model portfolio to the program sponsor or overlay manager. The "UMA Assets" and "Total Assets" amounts are shown as supplemental information.

Additional Notes: The three year annualized standard deviation measures variability of the composite (gross of fees) and the benchmark returns over the preceding 36-month period.

Disclosures *(cont.)*:
Performance has been measured on a monthly basis from January 1, 1986, to present. Periods are geometrically linked to obtain the quarterly and annual results. Eligible new accounts are added to the composite at the beginning of the first full quarter under EIC management. Trade-date accounting with monthly valuations and adjustments for large cash flows are used. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. The US Dollar is the currency used to express performance. Returns include the reinvestment of all income. Economic and market conditions have differed over the time period displayed, and likewise will be different in the future. Policies for valuing investments, calculating performance and preparing GIPS Composite Reports are available upon request.

EIC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. EIC has been independently verified for the periods January 1, 1986, through December 31, 2024. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to the composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. The verification reports, as well as a complete list and description of all the firm's composites, are available upon request by contacting Equity Investment Corporation, 1776 Peachtree Street NW, Suite 600S, Atlanta, GA 30309. The firm's list of broad distribution pooled funds is available upon request. Prospective clients should be aware that results are historical and do not imply future rates of return or volatility for EIC or the indices, which may be materially different from the past and from each other.

Investment management fees are based on market values of the assets under management. In addition to a management fee, some accounts pay an all-inclusive fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes portfolio monitoring, consulting services, and in some cases, custodial services provided by a program sponsor. The assumed maximum fees for SMA accounts (charged quarterly) are 0.75%. Total fees charged may equal 3% per year (which is assumed to be equal to or higher than the highest actual SMA fee charged by a program sponsor). SMA schedules are provided by independent SMA sponsors and are available upon request from the individual sponsor. Further information about fees and compensation is discussed in EIC's form ADV Part 2 (www.adviserinfo.sec.gov).

Equity Investment Corporation
Large-Cap Value SMA Composite Report

As of 12/31/2024	1 Year	5 Year (annualized)	10 Year (annualized)	Since Inception** (annualized)
Gross Rate of Return[1] (Supplemental)	13.1%	12.5%	9.8%	9.6%
Assumed 3% Annual Fee Net Rate of Return[1]	9.8%	9.2%	6.6%	6.4%
Benchmark Return of Russell 1000® Value Index	14.4%	8.7%	8.5%	7.4%

Table Notes:
[1] Gross returns, presented as supplemental information, are "pure" gross and do not reflect the deduction of any expenses, including trading costs, for SMA accounts. Net returns are calculated by reducing gross returns by an assumed maximum annual SMA fee of 3.0% (0.75%/quarter during 2001 and 0.25%/month thereafter).
**Inception Date: January 1, 2001

Disclosures:
Equity Investment Corporation (EIC) is an SEC-registered, independent investment adviser incorporated in the state of Georgia. EIC has been providing investment advisory services to clients since 1986.

From January 1, 1986, through December 31, 1999, Jim Barksdale was primarily responsible for creating and achieving the performance results. Andrew Bruner joined as the second member of EIC's investment team in December 1999. From that point through the present day, portfolios have been managed using a team-based approach. Terry Irrgang became the third member of our investment team in April of 2003. Ian Zabor became the fourth member of our team, joining EIC in July of 2005.

Effective September 30, 2016, we implemented a succession plan to ensure the continuity and stability of our firm. In a transaction that closed on that date, a new investment adviser entity formed by Messrs. Bruner, Irrgang, and Zabor purchased substantially all of the assets and assumed all of the liabilities necessary for EIC's continuous operation from Mr. Barksdale. That new registrant succeeded to all of EIC's business. As planned, Mr. Barksdale's tenure at EIC ended in August of 2019 when his transitional employment agreement expired.

Our investment team has been responsible for achieving the performance results shown in the tables.

Performance numbers are the value-weighted, time-weighted, total return composite results of fully discretionary Large-Cap Value equity wrap fee (SMA) accounts managed in the style of the firm's traditional value methodology with a large-cap bias. The strategy employs a flexible framework of investing in high-quality, well-managed companies, while at the same time avoiding those that look inexpensive relative to their historical record but are actually in structural decline. Prior to January 1, 2013, the composite was called the Large-Cap Value Wrap Composite. Returns are generally presented net of foreign withholding taxes on dividends, interest income, and capital gains; however, returns for some accounts are presented gross of foreign taxes depending on the treatment by their custodian. The composite creation and inception date is January 1, 2001, and SMA accounts comprise 100% of the composite. The benchmark index is the Russell 1000® Value Index (which excludes an advisory fee), and was chosen because it is representative of the composite's investment style. The Russell 1000 Value Index measures the performance of the large-cap value segment of the US equity universe. It is a subset of the Russell 3000® Value Index and includes those Russell 1000® companies with lower price-to-book ratios and lower expected long-term mean earnings growth rates. The Russell 1000 represents approximately 90% of the investable US equity market.

Performance has been measured on a monthly basis from January 1, 2001, to present. Periods are geometrically linked to obtain the quarterly and annual results. Eligible new accounts are added to the composite at the beginning of the first full quarter under EIC management. Trade-date accounting with monthly valuations and adjustments for large cash flows are used. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. The US Dollar is the currency used to express performance. Returns include the reinvestment of all income. During 2002, 2% of the assets are non-fee paying accounts. There are no non-fee paying accounts during any other period. Economic and market conditions have differed over the time period displayed, and likewise will be different in the future. Policies for valuing investments, calculating performance and preparing GIPS Composite Reports are available upon request.

Equity Investment Corporation
Large-Cap Value SMA Composite Report

Year Ended Dec - 31	Gross* Rate of Return[1] (Supplemental)	Assumed 3% Annual Fee Net Rate of Return[1]	Benchmark Return of Russell 1000® Value Index	Composite 3-Yr St Dev	Benchmark 3-Yr St Dev	Dispersion[2] of Annual Returns (St Dev)	Number of Portfolios[3]	Composite Assets ($ Millions)	Advisory-Only (UMA) and Managed Assets: UMA Assets[4] ($ Millions) (Supplemental)	GIPS® Firm Assets ($ Millions)	Total[4] ($ Millions) (Supplemental)
2024	13.1%	9.8%	14.4%	14.8%	16.7%	0.4%	1185	$490.3	$3,441.9	$3,051.2	$6,493.1
2023	13.8%	10.4%	11.5%	15.4%	16.5%	0.7%	938	$365.5	$2,818.0	$2,654.3	$5,472.3
2022	2.6%	-0.4%	-7.5%	19.0%	21.3%	0.6%	689	$258.5	$2,392.5	$2,267.8	$4,660.4
2021	30.9%	27.1%	25.2%	17.1%	19.1%	0.8%	548	$235.1	$2,108.2	$2,027.4	$4,135.6
2020	4.3%	1.2%	2.8%	17.3%	19.6%	0.8%	590	$206.6	$1,694.6	$1,607.6	$3,302.2
2019	22.6%	19.1%	26.5%	10.6%	11.8%	0.6%	786	$279.4	$1,942.4	$2,245.1	$4,187.5
2018	-6.4%	-9.2%	-8.3%	9.1%	10.8%	0.4%	898	$262.8	$1,721.0	$2,219.9	$3,940.9
2017	15.6%	12.3%	13.7%	7.8%	10.2%	0.7%	902	$301.6	$2,044.9	$2,790.7	$4,835.6
2016	11.9%	8.6%	17.3%	8.5%	10.8%	0.5%	938	$289.0	$2,044.5	$2,994.4	$5,038.9
2015	-4.5%	-7.3%	-3.8%	8.9%	10.7%	0.4%	1146	$318.5	$1,590.0	$3,658.9	$5,248.9
2014	15.0%	11.6%	13.5%	8.1%	9.2%	0.5%	361	$159.4	$1,657.7	$3,862.6	$5,520.3
2013	24.8%	21.2%	32.5%	9.4%	12.7%	0.5%	863	$328.7	$1,009.2	$3,286.3	$4,295.5
2012	10.0%	6.8%	17.5%	11.5%	15.5%	0.3%	658	$197.2	$665.6	$2,301.1	$2,966.7
2011	8.2%	5.0%	0.4%	15.9%	20.7%	0.3%	465	$130.1	$314.5	$1,127.9	$1,442.5
2010	16.8%	13.4%	15.5%	18.5%	23.2%	0.4%	409	$98.2	$77.9	$836.9	$914.8
2009	25.0%	21.4%	19.7%	17.2%	21.1%	1.0%	386	$80.0	$10.5	$541.2	$551.8
2008	-22.8%	-25.2%	-36.9%	12.1%	15.4%	N/A	3	$0.9	$0.0	$362.6	$362.6
2007	2.1%	-0.9%	-0.2%	6.9%	8.1%	N/A	3	$1.1	$0.0	$448.1	$448.1
2006	17.7%	14.3%	22.2%	6.0%	6.7%	N/A	3	$1.0	$0.0	$487.2	$487.2
2005	5.7%	2.6%	7.1%	8.7%	9.5%	0.4%	18	$9.3	$0.0	$463.6	$463.6
2004	13.1%	9.8%	16.5%	12.7%	14.8%	0.4%	18	$8.9	$0.0	$388.1	$388.1
2003	23.3%	19.7%	30.0%	14.2%	16.0%	1.1%	21	$8.5	$0.0	$231.0	$231.0
2002	-9.0%	-11.7%	-15.5%	N/A	N/A	0.5%	42	$11.0	$0.0	$110.7	$110.7
2001	14.6%	11.3%	-5.6%	N/A	N/A	1.2%	45	$12.4	$0.0	$82.2	$82.2

Table Notes:

[1] *Gross returns, presented as supplemental information, are "pure" gross and do not reflect the deduction of any expenses, including trading costs, for SMA accounts. Net returns are calculated by reducing gross returns by an assumed maximum annual SMA fee of 3.0% (0.75%/quarter during 2001 and 0.25%/month thereafter).

[2] Dispersion is an asset-weighted standard deviation for the accounts in the composite the entire year (or year-to-date) and is calculated using gross returns. "N/A" represents when dispersion is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

[3] Number of Portfolios/Composite Assets significantly decreased in Q4 2014 and Q4 2016 due to transitioning of two major SMA programs to model based (UMA) programs.

[4] "Total Assets" include our regulatory assets under management ("GIPS® Firm Assets") and our advisory-only "UMA Assets". EIC has no trading discretion for UMA accounts and provides a model portfolio to the program sponsor or overlay manager. The "UMA Assets" and "Total Assets " amounts are shown as supplemental information.

Additional Note: The three year annualized standard deviation measures variability of the composite (gross of fees) and the benchmark returns over the preceding 36-month period.

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