

Royce International Small-Cap Premier Quality Strategy



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Small-Cap
Core
Approach¹

MSCI ACWI x
USA SC
Benchmark

Total Strategy
AUM²

\$468M

Longevity

13+
Years of History

Average
Market Cap^{3,4}

\$1,755M

Active Share⁵

99%

Available
Vehicles

Separate Account
Sub-Advisory
Mutual Fund

Portfolio Diagnostics

Number of Holdings 61

Portfolio Company Characteristics

| | |
|----------------------------------------------------------|-------|
| Weighted Average ROIC ⁶ | 18.3% |
| Operating Margin ⁷ | 20.2% |
| Asset/Equity ⁸ | 1.7x |
| Capitalization Rate (EBIT/Enterprise Value) ⁹ | 7.2x |

Why invest in the Royce International Small-Cap Premier Quality Strategy?

- The strategy invests in a limited number of premier non-U.S. small-cap companies (generally less than 80) with discernible competitive advantages, high and consistent returns on invested capital, and sustainable franchises.
- Seeks to identify companies with notable strengths in industry structure, competitive positioning, operational efficiency, financial track record, and corporate governance.
- Focuses on consistently profitable, conservatively capitalized businesses trading at valuations that do not fully reflect these attributes.

Value of \$10,000

Invested on 12/31/10 as of 3/31/24 (\$)



Performance

Average Annual Total Return through 3/31/24 (%)

| | 1Q24* | YTD* | 1-YR | 3-YR | 5-YR | 10-YR | SINCE INCEPT. (12/31/10) |
|--------------------|-------|-------|-------|-------|------|-------|--------------------------|
| ISCQ (Gross) | -1.92 | -1.92 | -0.51 | -4.65 | 3.55 | 6.29 | 6.77 |
| ISCQ (Net) | -2.14 | -2.14 | -1.41 | -5.52 | 2.60 | 5.40 | 6.06 |
| MSCI ACWI x USA SC | 2.11 | 2.11 | 12.80 | 0.38 | 6.24 | 4.74 | 4.97 |

*Not Annualized

Important Performance Information

Performance for the Royce International Small-Cap Premier Quality Strategy is represented by the Royce International Small-Cap Premier Quality Composite performance (see GIPS Composite Report). The net-of-fees performance for the Royce International Small-Cap Premier Quality Strategy would be lower than the gross performance of the account. All net-of-fees performance information reflects past performance, is presented on a total return basis, reflects the reinvestment of distributions, and does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. Net-of-fees performance for the Royce International Small-Cap Premier Quality Strategy is represented by the Royce International Small-Cap Premier Quality Composite net-of-fees performance (see GIPS Composite Report). Past performance does not guarantee future results.

“We are long-term investors who screen for non-U.S. small-caps with high returns on invested capital and low debt that offer mission-critical products or services to a loyal customer base.”

—Mark Fischer

All Portfolio Characteristics calculations exclude Cash (5.6% of ISCQ as of 3/31/24), all non-equity securities, and investment companies. 1. Royce classifies a client account as ‘Core’ because it anticipates the client account equity holdings will have a weighted average price-to-book ratio or weighted average normalized price-to-earnings ratio that is similar to, or somewhat higher than, its general asset class. 2. Strategy assets for International Small-Cap Premier Quality include Royce International Premier Fund. 3. **Geometric Average.** This weighted calculation uses each portfolio holding’s market cap in a way designed to not skew the effect of very large or small holdings; instead, it aims to better identify the portfolio’s center, which Royce believes offers a more accurate measure of average market cap than a simple mean or median. 4. **Market Capitalization** is calculated by multiplying a company’s share price by its shares outstanding. 5. **Active Share** is the sum of the absolute values of the different weightings of each holding in the portfolio versus each holding in the benchmark, divided by two. 6. **Return on Invested Capital** is calculated by dividing a company’s past 12 months of operating income (earnings before interest and taxes) by its average invested capital (total equity, less cash and cash equivalents, plus total debt, minority interest, and preferred stock). The portfolio calculation is a simple weighted average that excludes cash, all non-equity securities, investment companies, and securities in the financials sector with the exceptions of the asset management & custody banks and insurance brokers sub-industries. The portfolio calculation also eliminates outliers by applying the inter-quartile method of outlier removal. As of 3/31/24, 17% of Portfolio holdings were excluded from the ROIC calculations. 7. **Operating Margin** is calculated by dividing a company’s past 12 months of operating income (earnings before interest and taxes) by its revenue in the most recent year. As of 3/31/24, 0% of Portfolio holdings were excluded. 8. The **Asset/Equity Ratio** is calculated by dividing a company’s total assets by stockholder’s equity (0% of Portfolio holdings were excluded as of 3/31/24). This ratio is one measurement that can be used to evaluate a company’s leverage on its balance sheet. 9. **Capitalization Rate** is calculated by dividing a company’s past 12 months of operating income (earnings before interest and taxes) by its enterprise value (market cap, less cash and cash equivalents, plus total debt, minority interest, and preferred stock). The portfolio calculation eliminates outliers by applying the inter-quartile method of outlier removal. As of 3/31/24, 0% of Portfolio holdings were excluded.

Top 10 Positions

% of Net Assets (Subject to Change)

| | |
|---------------------|-----|
| Hansen Technologies | 2.7 |
| IPH | 2.6 |
| BML | 2.6 |
| TKC Corporation | 2.5 |
| Asseco Poland | 2.1 |
| Intertek Group | 2.1 |
| Zuken | 2.0 |
| Riken Keiki | 2.0 |
| JCU | 2.0 |
| Enghouse Systems | 1.9 |

Portfolio Regional Breakdown

% of Net Assets¹

| | ISCO | MSCI ACWI X USA SC |
|---------------------------|------|--------------------|
| Western Europe | 48.9 | 31.4 |
| Asia Pacific (Developed) | 34.9 | 43.5 |
| North America | 3.5 | 7.5 |
| Latin America & Caribbean | 3.4 | 2.3 |
| Eastern Europe | 2.1 | 1.1 |
| Middle East & Africa | 1.6 | 4.3 |
| Asia Pacific (Emerging) | — | 9.9 |

¹Securities are categorized by the country of their headquarters.

Portfolio Country Breakdown

% of Net Assets^{1,2}

| | ISCO | MSCI ACWI X USA SC |
|----------------|------|--------------------|
| Japan | 25.2 | 22.0 |
| United Kingdom | 22.7 | 9.4 |
| Australia | 6.6 | 6.0 |
| Sweden | 5.8 | 3.7 |
| Switzerland | 4.2 | 2.8 |
| Italy | 4.0 | 2.2 |
| Canada | 3.5 | 6.7 |
| Brazil | 3.4 | 1.4 |

¹Represents countries that are 3% or more of net assets.

²Securities are categorized by the country of their headquarters.

Relative Returns (Net): Monthly Rolling Average Annual Return Periods

Since Inception Through 3/31/24

On a monthly rolling basis, The Strategy outperformed the MSCI ACWI x USA SC in 100% of all 10-year periods; 91% of all 5-year periods; and 61% of all 1-year periods.

| | PERIODS BEATING THE INDEX | ISCO AVG* | INDEX AVG* | |
|---------|---------------------------|-----------|------------|-----|
| 10-year | 40/40 | 100% | 8.4 | 6.2 |
| 5-year | 91/100 | 91% | 8.8 | 5.8 |
| 1-year | 91/148 | 61% | 7.6 | 6.3 |

*Average of monthly rolling average annual total returns over the specified periods.

Portfolio Sector Breakdown

% of Net Assets (Subject to Change)

| | ISCO | MSCI ACWI X USA SC |
|---------------------------|------|--------------------|
| Industrials | 38.9 | 21.1 |
| Information Technology | 26.3 | 11.9 |
| Health Care | 9.5 | 6.6 |
| Financials | 7.3 | 11.4 |
| Materials | 6.6 | 11.3 |
| Consumer Discretionary | 3.1 | 11.9 |
| Communication Services | 2.8 | 3.7 |
| Real Estate | — | 8.8 |
| Consumer Staples | — | 6.2 |
| Energy | — | 4.1 |
| Utilities | — | 2.9 |
| Cash and Cash Equivalents | 5.6 | — |

Calendar Year Total Returns (%)

| YEAR | ISCO (GROSS) | ISCO (NET) | MSCI ACWI X USA SC |
|------|--------------|------------|--------------------|
| 2023 | 9.2 | 8.2 | 15.7 |
| 2022 | -26.2 | -26.8 | -20.0 |
| 2021 | 7.3 | 6.3 | 12.9 |
| 2020 | 17.4 | 16.3 | 14.2 |
| 2019 | 36.0 | 34.8 | 22.4 |
| 2018 | -11.5 | -12.3 | -18.2 |
| 2017 | 41.8 | 40.4 | 31.6 |
| 2016 | 0.5 | -0.4 | 3.9 |
| 2015 | 17.5 | 17.0 | 2.6 |
| 2014 | -7.2 | -7.8 | -4.0 |
| 2013 | 20.3 | 20.2 | 19.7 |
| 2012 | 25.5 | 25.5 | 18.5 |
| 2011 | -15.3 | -15.3 | -18.5 |

Down Market Performance Comparison (%)

The Strategy outperformed the MSCI ACWI ex USA Small Cap during two out of three downturns of 15% or more from the index's prior historical high since the Strategy's inception.



Long-Term Risk/Return Profile

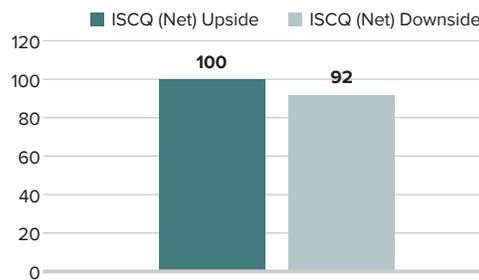
Strategy's First Full Month (12/31/10) to 3/31/24 (%)

The Strategy had a higher return than the MSCI ACWI x USA SC with lower volatility.



Upside/Downside Capture Ratio

Strategy's First Full Quarter (12/31/10) to 3/31/24



Tracking Error

| | |
|------------|------|
| Three-Year | 6.9% |
| Five-Year | 7.5% |
| Ten-Year | 6.1% |

For Institutional and Financial Professional Use Only. Not for Distribution with the General Public. Portfolio characteristics are based on a representative portfolio managed by Royce Investment Partners since 12/31/10, using the International Small-Cap Premier Quality Strategy. The account selected to represent the strategy is the oldest account that is currently in the Royce International Small-Cap Premier Equity Composite. Individual client accounts may differ from the representative accounts. Portfolio holdings and characteristics are subject to change at any time. Portfolio holdings may not be representative of the portfolio manager's current or future investments and are subject to change at any time. The information provided is for informational purposes only and should not be construed as a recommendation to purchase or sell a particular security or be used as the sole basis for an investor to make an investment decision. For illustrative purposes only. **Upside Capture Ratio** measures a manager's performance in up markets relative to the client account's benchmark (MSCI ACWI x USA SC). It is calculated by measuring the client account's performance in quarters when the benchmark goes up and dividing it by the benchmark's return in those quarters. **Downside Capture Ratio** measures a manager's performance in down markets relative to the client account's benchmark (MSCI ACWI x USA SC). It is calculated by measuring the client account's performance in quarters when the benchmark goes down and dividing it by the benchmark's return in those quarters. **Tracking Error** measures the volatility of a portfolio's excess returns relative to a benchmark in which volatility is shown by the standard deviation of the excess returns. A high tracking error percentage means there has been a greater divergence in monthly performance between the portfolio and the benchmark. Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. The MSCI ACWI ex USA Small Cap Index is an unmanaged, capitalization-weighted index of global small-cap stocks, excluding the United States. Index returns include net reinvested dividends and/or interest income. The performance of an index does not represent exactly any particular investment, as you cannot invest directly in an index. Any information, statements, and opinions set forth herein are general in nature, are not directed to or based on the financial situation or needs of any particular investor, and do not constitute, and should not be construed as, investment advice, a forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

ROYCE INVESTMENT PARTNERS
ROYCE INTERNATIONAL SMALL-CAP PREMIER QUALITY COMPOSITE
GIPS COMPOSITE REPORT

| YEAR END | TOTAL FIRM ASSETS (USD) (BILLIONS) | COMPOSITE ASSETS (USD) (MILLIONS) | NUMBER OF ACCOUNTS | COMPOSITE RETURNS GROSS | COMPOSITE RETURNS NET | BENCHMARK RETURNS | COMPOSITE DISPERSION | COMPOSITE 3-YR STD DEV | BENCHMARK 3-YR STD DEV |
|----------|------------------------------------|-----------------------------------|--------------------|-------------------------|-----------------------|-------------------|----------------------|------------------------|------------------------|
| 2022 | 11.28 | 739.90 | ≤5 | -26.15% | -26.82% | -19.97% | N/A ¹ | 22.21% | 22.72% |
| 2021 | 16.05 | 1,252.94 | ≤5 | 7.31% | 6.31% | 12.93% | N/A ¹ | 18.37% | 19.85% |
| 2020 | 14.55 | 1,132.59 | ≤5 | 17.42% | 16.34% | 14.24% | N/A ¹ | 18.67% | 20.98% |
| 2019 | 13.72 | 808.64 | ≤5 | 36.00% | 34.75% | 22.42% | N/A ¹ | 11.51% | 11.61% |
| 2018 | 12.77 | 362.25 | ≤5 | -11.49% | -12.28% | -18.20% | N/A ¹ | 11.97% | 12.34% |
| 2017 | 17.40 | 161.03 | ≤5 | 41.84% | 40.45% | 31.65% | N/A ¹ | 11.50% | 11.53% |
| 2016 | 17.65 | 63.60 | ≤5 | 0.48% | -0.42% | 3.91% | N/A ¹ | 11.86% | 12.14% |
| 2015 | 18.51 | 15.77 | ≤5 | 17.47% | 16.98% | 2.60% | N/A ¹ | 9.89% | 11.34% |
| 2014 | 31.87 | 10.23 | ≤5 | -7.24% | -7.81% | -4.03% | N/A ¹ | 11.61% | 13.16% |
| 2013 | 39.70 | 9.47 | ≤5 | 20.33% | 20.15% | 19.73% | N/A ¹ | 15.41% | 16.68% |
| 2012 | 35.29 | 6.44 | ≤5 | 25.51% | 25.51% | 18.52% | N/A ¹ | N/A ² | N/A ² |
| 2011 | 35.29 | 4.09 | ≤5 | -15.34% | -15.34% | -18.50% | N/A ¹ | N/A ² | N/A ² |

NA¹ - Composite dispersion is not presented for periods with five or fewer portfolios in the composite for the entire year.

NA² - The three-year annualized standard deviation is not presented for periods before 36 consecutive months of data is available.

Royce International Small-Cap Premier Quality Composite: The Royce International Small-Cap Premier Quality Composite contains portfolios that invest primarily in small-cap stocks with market caps up to \$5.0 billion, at the time of purchase. Prior to November 2020 the composite was described as investing primarily in small-cap stocks with market caps up to \$3.0 billion, at the time of purchase. The portfolios generally hold less than 80 stocks and invest primarily in non-U.S. equities. Portfolios follow a high-quality core approach that invests primarily in what Royce believes are “premier” small-cap companies with discernible competitive advantages, high returns on capital, and a sustainable, moat-like franchise. This strategy seeks to identify companies with notable strengths in industry structure, competitive positioning, operational efficiency, financial track record, and corporate governance. This strategy will not invest more than 35% of each portfolio’s net assets in companies headquartered in developing countries, also known as emerging markets. The strategy does not intend to purchase or sell foreign currencies to hedge against declines in the U.S. dollar or to lock in the value of any foreign securities that it purchases. The Royce International Small-Cap Premier Quality composite is compared against the MSCI ACWI ex USA Small Cap Index. The Royce International Small-Cap Premier Quality composite was created in October 2018 and inception on December 31, 2010.

For the purpose of complying with the GIPS standards, the Firm is defined as Royce & Associates, LP, which primarily conducts its business under the name Royce Investment Partners. Royce is registered with the U.S. Securities and Exchange Commission (the “SEC”) as an investment adviser (SEC File No. 801-8268). Royce has been investing in smaller-company securities with a value approach for more than 40 years. Royce & Associates, LP began primarily conducting its business under the name Royce Investment Partners effective December 16, 2019. The firm’s full list of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds are available upon request.

Royce claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Royce has been independently verified for the periods January 1, 2008 through December 31, 2022.

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 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. The Royce International Small-Cap Premier Quality has had a performance examination for the periods January 1, 2011 through December 31, 2022. The verification and performance examination reports are available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite and benchmark performance is presented net of foreign withholding taxes on dividends, interest income, and capital gains. Past performance is not indicative of future results. Returns include the reinvestment of all income.

The currency used to express performance is USD. Gross-of-fee returns are reduced by trading costs. For segregated accounts within the composite, net-of-fee returns are reduced by trading costs and each portfolio’s actual investment management fee. For pooled funds within the composite, net-of-fee returns are reduced by trading costs and all actual investment management fees. Composite dispersion is measured by the asset-weighted standard deviation of annual gross returns of those portfolios included in the composite for the full year. The 3-year annualized standard deviation measures the variability of the composite gross returns and benchmark returns over the preceding 36-month period. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The investment management fee schedule for separate account investors is tiered at: first \$100mil 0.90%, next \$150mil 0.85%, and above \$250mil 0.80%. Actual investment advisory fees incurred by clients are negotiable and may vary.

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Benchmark: MSCI ACWI ex USA Small Cap Index - The MSCI ACWI ex USA Small Cap Index is an unmanaged, capitalization-weighted index of global small-cap stocks, excluding the United States. Index returns include net reinvested dividends and/or interest income.