

Confidence  
must be earned**Amundi**  
ASSET MANAGEMENT

# Pioneer Disciplined Value SMA

## Product Profile

[amundi.com/us](http://amundi.com/us)

### Portfolio Facts

**Investment Objective**

Long-term capital growth

**Typical Holdings Range**

40 to 70

**Strategy Inception Date**

January 1, 2006

**Benchmark**

Russell 1000® Value Index

### Portfolio Management

**Craig Sterling**Managing Director  
Director of Core Equity  
Head of Equity Research  
Portfolio Manager

- Joined Amundi US in 2015
- Investment experience since 1991

**Ace Savia**Vice President  
Portfolio Manager

- Joined Amundi US in 2003
- Investment experience since 2003

**We believe in a consistent, disciplined investment process based on fundamental research, quantitative analysis and active portfolio management.**

## Key Features

Pioneer Disciplined Value SMA (“the SMA”) seeks long-term capital growth with a careful balance of risk and reward, which is applied to each of our investment portfolios:

- **“Career Analyst” Model:** We believe our team’s extensive experience allows us to leverage a deeper understanding of industry dynamics, secular and cyclical themes, and fundamental risks.
- **Consistently Applied Valuation Framework:** Fundamental valuation analysis driven primarily by proprietary economic value added (EVA) framework.
- **Disciplined Portfolio Construction:** Conviction-weighted portfolio construction process with a substantial risk overlay designed to maximize the risk-return profile.

The SMA seeks to generate these benefits by:

- **Focusing on high quality and sustainable business models** through comprehensive understanding of an evolving economic environment that has been through multiple structural changes.
- **Utilizing EVA as a profit and valuation measure** that integrates competitive analysis, financial strength and ESG (environmental, social, governance) assessment. EVA is designed to identify true operating profit across all industries and companies and ultimately generate meaningful valuations.
- **Quantitatively evaluating stocks** applying multi-factor, model ranking ideas based on quality, growth and valuation.
- **Constructing a portfolio comprised of “best ideas” from the analyst team** and seek to produce all-weather performance regardless of market conditions.

Separately managed account programs are available exclusively through a Financial Professional. Separately managed account programs may require a minimum asset level and, depending on specific investment objectives and financial position, may not be appropriate for all investors.

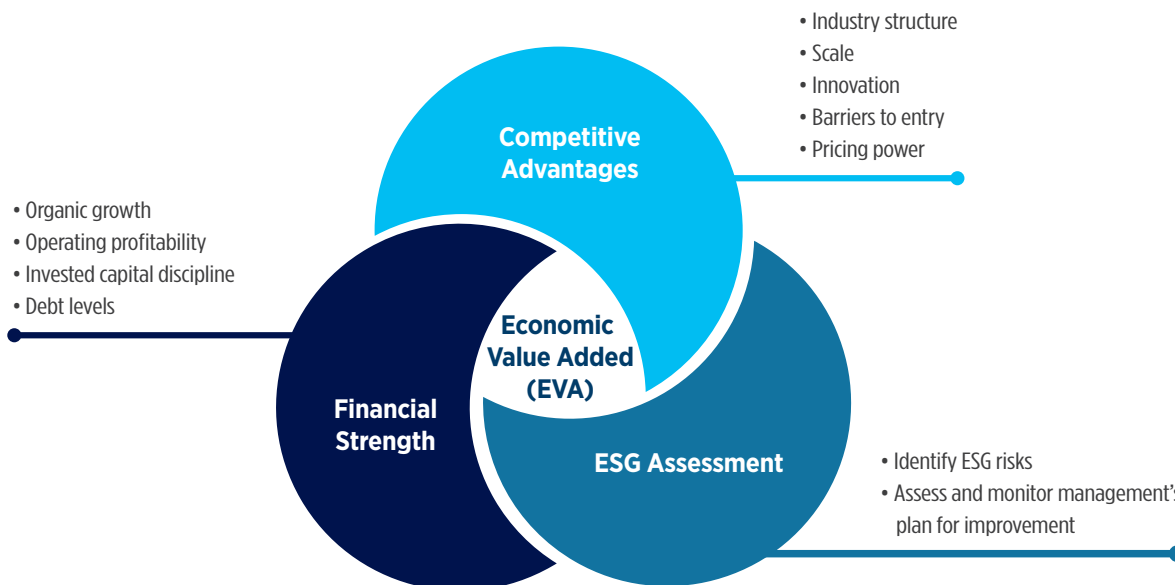
# Investment Philosophy

Pioneer Disciplined Value SMA integrates a structured portfolio construction process with the foundation of strong fundamental research and a disciplined approach to valuation. We believe this is the best way to aggregate our equity research team's highest conviction ideas and pursue long-term outperformance.

We adhere to three primary philosophical tenets:

- 1. Identify Quality Companies:** Focus on high quality and sustainable business models with an emphasis on understanding evolving business model economics
- 2. Trade at Attractive Valuations:** Utilize EVA as an enhanced measure for profit and valuation. Appreciate that quantitative easing (QE) policies and increasingly rapid structural industry changes have made valuation much more nuanced.
- 3. Thoughtful Portfolio Construction:** Analyst conviction-weighted portfolio of our best ideas. Comprehensive quantitative overlay and risk management guide portfolio construction.

## A focus on quality companies with competitive advantages and sustainable business models that are positioned for long-term growth



## Experienced Management Team

Craig Sterling and Ace Savla are co-portfolio managers on the portfolio. Together they average over 20 years of industry experience. Craig is a Managing Director, Head of Equity Research, US, while Ace is a Vice President, Team Leader of US Equity Quantitative Research.

An 11-person central research team also supports the portfolio managers. The analysts are industry specialists and typically follow the same industries during their entire career at Amundi US in order to build deep expertise.

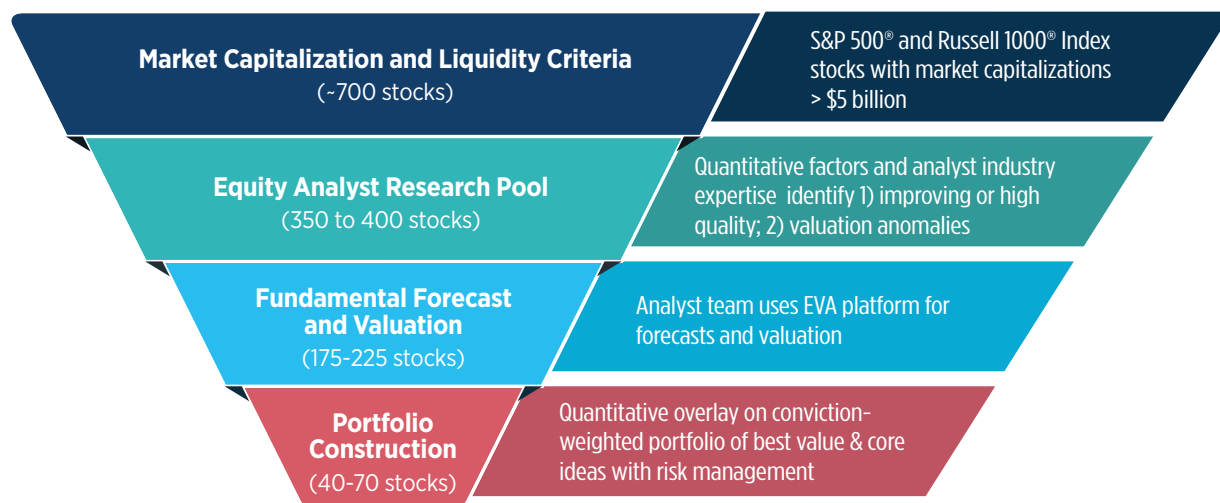
# Disciplined Investment Process

The investment team operates with an appreciation of how companies make money for shareholders and how investors and markets behave. They seek out companies with very distinctive characteristics, subject them to intensive fundamental research and carefully value their stocks, while focusing on a long-term investment horizon.

There are four distinctive elements that characterize a typical portfolio candidate:

- Return on incremental invested capital
- Strong fundamental characteristics and sustainable competitive advantage
- Long-term opportunities for growth
- Attractive valuations

## Investment Process



**PLEASE NOTE:** The Internal Guidelines referenced do not necessarily represent prospectus/statutory limitations. These internal guidelines are used as guidance in the daily management of the Portfolio's investments. These guidelines are subject to change and should not be relied upon as a long term view of the Portfolio's exposures, limitations, and/or risks.

## Integrated Risk Management

Risk management tools, based on BARRA risk analytics, are used as a guide in the portfolio construction process to assure that individual securities, sectors, industries and factors are appropriately contributing to the portfolio's risk-return profile and objective. The Portfolio Management team also reviews the risk/return profile prior to all trades and on an ad hoc basis to evaluate potential portfolio effects. The models are designed to not only aid in the constant monitoring of total risk exposures at multiple levels and ensure proper diversification<sup>1</sup>, but also to confirm that risks assumed are intended and to avoid taking unintended risks.

<sup>1</sup>Diversification does not assure a profit or protect against loss.

**For more information about this portfolio, contact your financial professional.**

#### Important Information

**The market prices of securities** may go up or down, sometimes rapidly or unpredictably, due to general market conditions, such as real or perceived adverse economic, political, or regulatory conditions, recessions, inflation, changes in interest or currency rates, lack of liquidity in the bond markets, the spread of infectious illness or other public health issues or adverse investor sentiment. **The portfolio may invest in fewer than 40 securities**, and as a result, the portfolio's performance may be more volatile than the performance of portfolios holding more securities.

**Investing in small and mid-sized companies** may offer the potential for higher returns, but are also subject to greater short-term price fluctuations than larger, more established companies.

**Investing in foreign and/or emerging market securities** involves risks relating to interest rates, currency exchange rates, economic, and political conditions. **At times, the portfolio's investments** may represent industries or industry sectors that are interrelated or have common risks, making it more susceptible to any economic, political, or regulatory developments or other risks affecting those industries and sectors.

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Amundi US acts as a discretionary investment manager or non-discretionary model provider in a variety of separately managed account or wrap fee programs (each, an "SMA Program") sponsored either by Amundi US or a third party investment adviser, broker-dealer or other financial services firm (a "Sponsor"). When acting as a discretionary investment manager, Amundi US is responsible for making and implementing all investment decisions in SMA Program accounts. When acting as a non-discretionary model provider, Amundi US's responsibility is limited to providing investment recommendations (in the form of model portfolios) to the SMA Program Sponsor who may or may not, in their sole discretion, utilize such recommendations in connection with its management of SMA Program accounts. In such "model-based" SMA Programs ("Model-Based Programs"), it is the Sponsor, and not Amundi US, which serves as the investment manager to, and has trading responsibility for, the Model-Based Program accounts.

There is no guarantee that the portfolio will continue to hold any particular security and securities are held in varying percentages. Holdings are subject to change since the portfolio is actively managed. Holdings are intended to illustrate the composition and characteristics of the SMA for separately managed accounts. Across client portfolios, there may be variations in holdings and the percentage of holdings as dictated by diversification needs, specific client guidelines, account size, cash flows within accounts and restrictions on accounts.

The Model Portfolio/SMA securities holdings information provided is intended solely for your use in evaluating the Model Portfolio/SMA portfolio(s). Under no circumstances does the information contained within represent a recommendation to buy, hold or sell securities and it should not be assumed that the securities transactions or holdings presented were or will prove to be profitable.

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