GLOBAL VALUE FUND

MANAGER REVIEW & ECONOMIC OUTLOOK

HWGIX | HWGAX

Hotchkis & Wiley

PERFORMANCE (%) as of March 31, 2025

	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since 12/31/12
Global Value Fund – I Shares	5.96	5.96	7.33	9.81	20.90	8.05	9.58
MSCI World Value Index	4.81	4.81	8.69	7.02	14.98	7.14	8.18
MSCI World Index	-1.79	-1.79	7.04	7.58	16.13	9.50	10.43

The performance shown represents past performance. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, access our website at www.hwcm.com.

The Fund's total annual operating gross expense ratio as of the most current prospectus is 1.24% for I Shares; 0.95% net expense ratio. The Advisor has contractually agreed to waive advisory fees and/or reimburse expenses through August 29, 2025. Expense ratio shown is gross of any fee waivers or expense reimbursements. I Shares sold to a limited group of investors. Periods over one year are average annual total return. Average annual total returns include reinvestment of dividends and capital gains. Expense limitations may have increased the Fund's total return.

MARKET COMMENTARY

The MSCI World Index declined -1.8% in the first quarter of 2025. The market had been positive until March, when investors appeared to grapple with the uncertainty around tariffs. The decline was led by mega-cap growth stocks. The Magnificent Seven comprised more than 22% of the MSCI World Index during the quarter and declined -14% collectively. Unsurprisingly, value trounced growth in the quarter. The MSCI World Value Index returned +4.8% compared to -7.8% for the MSCI World Growth Index. The nearly 13 percentage point advantage represents value's largest calendar quarter outperformance since the early 2000s. Like then, we observe large differences in valuation across different segments of the market. In addition, European equities exhibited significant strength, with the MSCI Europe Index increasing +10.5% vs. -4.3% for the S&P 500 Index. This was the largest quarterly outperformance by the Europe index looking at data going back to 2000.

Treasuries rallied during the equity market selloff, with the yield on the U.S. 10-year note declining from 4.6% to 4.2% over the quarter. The US dollar weakened by about 4% relative to a basket of other major currencies, which along with the absence of the Magnificent Seven helps explain the significant outperformance of non-US equities over US equities. Performance deviations by sector were significant. Only 3 of the 11 MSCI World Index GICS (Global Industry Classification Standard) sectors were negative, though these three sectors comprise 44% of the index. Technology (25% of index, -12% decline), consumer discretionary (11%, -10%), and communication services (8%, -4%) were the decliners. Energy was the top-performing sector (+10%). Oil prices were little changed, but natural gas prices rose in the quarter. Less cyclical sectors also performed well: utilities (+7%), consumer staples (+6%), and healthcare (+5%). While we are underweight this group of sectors relative to the MSCI World Value (24% vs. 27%), we have increased our exposure by about 7 percentage points over the past year.

The valuation spread between the growth and value indices continues to be wide on a price to normal earnings basis (27x vs. 15x), suggesting a promising outlook for value. By comparison, our portfolio trades at much more attractive price to normal earnings ratio of 9x. The portfolio's considerable valuation advantage relative to the index, combined with good underlying businesses and healthy balance sheets leaves us confident about the portfolio's prospects, particularly compared to passive alternatives.

ATTRIBUTION ANALYSIS – 1Q25

The Hotchkis & Wiley Global Value Fund outperformed the MSCI World Value Index in the first quarter of 2025. Stock selection in industrials and healthcare were the largest positive contributors to relative performance. Stock selection in technology and financials also worked well. Conversely, stock selection in communication services detracted the most from relative performance during the quarter. The overweight in technology and stock selection in energy and consumer discretionary also detracted in the period.

(continued)

Portfolio managers' opinions and data included in this commentary are as of March 31, 2025 and are subject to change without notice. Any forecasts made cannot be guaranteed. **Diversification does not assure a profit nor protect against loss in a declining market. Past performance is no guarantee of future results.**

LARGEST INDIVIDUAL CONTRIBUTORS – 1Q25

CVS Health Corp. (CVS) is a diversified healthcare company operating a Pharmacy Benefits Manager, health insurer, and retail stores and pharmacies. CVS outperformed in Q1 on improved earnings and forward guidance. We believe CVS is on a sustainable path to improved profitability, which will help reduce debt and restore margins.

Babcock International (BAB.LN) is a UK government outsourcer with ~60% of revenue from Ministry of Defense (MoD) contracts. The company performed well in Q1 after guiding for higher revenue growth. Revenue growth and profitability should continue as the UK and other European countries invest more in defense spending.

Siemens (SIE.GR) is a global leader in electrical engineering. The company focuses on industry (automation, software and drives), healthcare, and infrastructure (transport, building technologies, power distribution). Shares moved higher in the quarter as reported earnings exceeded expectations. Siemens continues to trade at a discount to the market and a significant discount to competitors due to its complexity and conglomerate discount.

LARGEST INDIVIDUAL DETRACTORS – 1Q25

WPP (WPP) is a large ad agency holding company. WPP's stock price came under pressure following weaker-than-expected Q424 earnings results. The company trades at a low multiple of consensus earnings with a good balance sheet, we believe WPP can deliver near mid-teens returns from the combination of capital return and capital-free organic growth.

Alphabet's Google (GOOGL) declined in the quarter after reporting mixed Q4 earnings results. Shares continue to trade at an attractive valuation despite healthy growth potential, an overcapitalized balance sheet, and significant value in Cloud, Other Bets, and new advertising products.

Workday (WDAY) is a leader in cloud application software for back-office business functions including human capital management, financials management, and ERP (enterprise resource planning). Stock price was negatively impacted by a reduction in 2025 revenue guidance. Management noted the pressure on current year sales is macro-related. We believe Workday has a formidable competitive advantage that trades at an attractive valuation for a company with premier franchise potential.

GLOBAL VALUE FUND

MANAGER REVIEW & ECONOMIC OUTLOOK

HWGIX | HWGAX

You should consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. This and other important information is contained in the Fund's summary prospectus and prospectus, which can be obtained by calling 1-800-796-5606 or visiting our website at www.hwcm.com. Read carefully before you invest.

The Fund may invest in foreign and emerging markets securities, which subjects the Fund to increased risk. Please read the fund prospectus for a full list of fund risks. All investments contain risk and may lose value. Equities, bonds, and other asset classes have different risk profiles, which should be considered when investing.

Fund holdings and/or sector allocations are subject to change and are not buy/sell recommendations. Current and future portfolio holdings are subject to risk. Specific securities identified are the largest contributors (or detractors) on a relative basis to the MSCI World Value Index. Securities' absolute performance may reflect different results. The Fund may not continue to hold the securities mentioned and the Advisor has no obligation to disclose purchases or sales of these securities. Attribution is an analysis of the portfolio's return relative to a selected benchmark, is calculated using daily holding information and does not reflect the payment of transaction costs, fees and expenses of the Fund.

The **MSCI World Index** is a free float-adjusted weighted index capturing large and mid cap stocks. The **MSCI World Value** and **MSCI World Growth Indices** are free float-adjusted weighted indexes capturing large and mid cap stocks, exhibiting overall value or growth style characteristics, respectively. The MSCI indices represent stocks across 23 Developed Markets (DM) countries and include reinvestment of dividends, net foreign withholding taxes. The indices do not reflect the payment of transaction costs, fees and expenses associated with an investment in the Fund. The **MSCI Europe Index** captures large and mid cap representation across 15 Developed Markets (DM) countries in Europe. Any indices and other financial benchmarks shown are provided for illustrative purposes only, are unmanaged, reflect reinvestment of income and dividends and do not reflect the impact of advisory fees. The **S&P 500® Index** is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The Fund's value disciplines may prevent or restrict investment in major stocks in the benchmark indices. It is not possible to invest directly in an index.

A value-oriented investment approach involves the risk that value stocks may remain undervalued or may not appreciate in value as anticipated. Value stocks can perform differently from the market as a whole or from other types of stocks and may be out of favor with investors and underperform growth stocks for varying periods of time.

Top 10 holdings as of 3/31/25 as a % of the Fund's net assets: F5 Inc. 4.8%, Workday Inc. 3.9%, Elevance Health Inc. 3.6%, Ericsson 3.4%, Heineken Hldg N.V. 3.4%, Comcast Corp. 2.6%, American Int'l Group Inc. 2.5%, Dominion Energy Inc. 2.3%, FIS 2.3%, and Shell PLC 2.2%. The **Magnificent Seven** represents Meta, Alphabet, Tesla, Nvidia, Apple, Amazon, and Microsoft.

Certain information presented based on proprietary or third-party estimates are subject to change and cannot be guaranteed. Information obtained from independent sources is considered reliable, but H&W cannot guarantee its accuracy or completeness.