GLOBAL VALUE FUND

MANAGER REVIEW & ECONOMIC OUTLOOK

HWGIX | HWGAX

PERFORMANCE (%) as of March 31, 2026

	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since 12/31/12
Global Value Fund – I Shares	-3.19	-3.19	13.09	16.13	10.09	10.07	9.84
MSCI World Value Index	1.18	1.18	16.60	14.61	9.59	9.35	8.80
MSCI World Index	-3.57	-3.57	18.90	16.77	10.27	11.80	11.04

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 1.06% for I Shares; 0.70% net expense ratio. The Advisor has contractually agreed to waive advisory fees and/or reimburse expenses through August 29, 2026. 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 -3.5% in the first quarter of 2026. Geopolitical turmoil and AI-driven investment themes were the primary market drivers. Brent crude oil rose more than 100% to $127/bbl[1] following U.S.-Israel strikes on Iran and the subsequent closure of the Strait of Hormuz. As a result, the energy sector outperformed by a wide margin. More than 20% of global crude oil supply flows through the Strait, much of it destined for Asia. The impact varied meaningfully by region. US gasoline prices rose above $4 per gallon for the first time since 2022, but the shock was more severe abroad. Beyond oil, the disruption has created supply shocks across several key commodities, including natural gas, nitrogen-based fertilizer, helium, and aluminum. Despite these meaningful disruptions, the equity market reaction has been relatively muted—the S&P 500 Index is down only about 5% since the initial strikes. The VIX Index, a gauge of expected S&P 500 volatility, peaked at 31 in late March, above its 25-year median (~18) but well below levels seen during prior shocks such as Trump-era tariffs (52), the Russia/Ukraine war (36), COVID (83), and the Global Financial Crisis (81). Europe's VIX equivalent, the VSTOXX Index, was similar in both direction and magnitude.

International equities outperformed US equities slightly, with modest dispersion by region. Japan was the best-performing major developed market in the quarter, with the TOPIX Index returning +3.6% in local currency. Prime Minister Takaichi's landslide re-election was well-received given her pro-business stance. UK equities outperformed Continental Europe, largely due to its energy heavy composition.

Value stocks outperformed growth in the quarter, with the MSCI World Value Index returning +1.3% versus -8.4% for the MSCI World Growth Index. The technology sector underperformed. It comprises about 45% of the growth index but just 9% of the large value index. Within technology, software was particularly weak, and our overweight position detracted from relative performance.

Recent AI product releases have raised concerns about potential disruption to virtually all enterprise software businesses. Consensus earnings estimates for our enterprise software holdings have moved higher, not lower, suggesting the selloff reflects concerns about long-term profit durability. We are more optimistic, and believe that AI creates opportunity rather than risk for some well-positioned software businesses. Companies such as Workday and Salesforce continue to report strong customer retention (97% and 92% gross retention, respectively) and expanding product capabilities. SAP does not disclose gross retention but it is widely believed to be 98-99%. Their competitive advantages are rooted in domain expertise, deep integrations, mission-critical workflows, and years of embedded customization—not simply underlying code. We believe these businesses will be able to monetize AI through enhanced offerings rather than be displaced by it.

Health insurers also underperformed during the quarter, and our overweight detracted from performance. Stocks declined amid policy uncertainty around Medicare Advantage reimbursement rates, and higher than expected utilization rates. Unlike software, near-term earnings estimates for insurers have fallen roughly in line with share price declines. The market appears to be treating these earnings pressures as structural rather than temporary, which we believe is incorrect. Management teams remain focused on margin recovery through pricing adjustments and benefit optimization. Importantly, the structure of the market remains unchanged, with repricing occurring annually.

Energy was a bright spot. While we did not anticipate the Iran conflict, our positioning reflected the view that select energy companies offered free cash flow yields more attractive than other major market segment. More broadly, we believe the global crude market faces a risk of structural undersupply in the coming years, supporting higher oil prices over time. Additionally, a

(continued)

[1] Based on current crude prices, rather than prices for future delivery which are also frequently quoted. Based on the latter, Brent prices rose ~95% closing at ~$118/bbl.

significant portion of global supply originates from geopolitically unstable regions, and we believed this disruption risk had been underappreciated. We are roughly equal weight the benchmark, but our exposure is centered on upstream energy companies that are sensitive to the commodity price. These stocks performed well.

The Hotchkis & Wiley team remains disciplined and long-term focused. We often find the most lucrative investment ideas in market segments surrounded by near-term controversy that we believe is overstated or misunderstood. The portfolio remains appropriately diversified but also reflects our strong conviction in some of the attractive themes described above.

ATTRIBUTION ANALYSIS – 1Q26

The Hotchkis & Wiley Global Value Fund underperformed the MSCI World Value Index in the first quarter of 2026. An overweight position in software was the largest detractor by a wide margin, followed by exposure to health insurers. In contrast, positive stock selection in energy was the primary contributor to performance, with energy holdings collectively returning +46%.

LARGEST INDIVIDUAL CONTRIBUTORS – 1Q26

APA (APA) is an independent E&P operating in the Midland and Delaware basins of the Permian and onshore Egypt, with exploration potential in Suriname, that trades at a discount despite lucrative natural gas financial contracts. We own APA for exposure to an energy market generating significant free cash flow in a perennially undersupplied environment. APA outperformed in the first quarter as oil prices surged following the Strait of Hormuz closure and the US-Israel conflict with Iran, with Brent crude peaking near $127. The company's natural gas financial contracts—which capture differentials between Waha, the Houston Ship Channel, Henry Hub, and global LNG—became significantly more valuable as supply disruptions drove wider basis differentials.

SLB (SLB) headquartered in Houston and Paris, is one of the world's leading diversified providers of oilfield services. SLB is an established franchise in oilfield services with world-leading technology, a growing software business, and outsized exposure to higher-margin and wider moat international, offshore, and software markets, in our opinion. SLB's valuation is attractive given its risk ratings. SLB reported a sequentially improving Q4 that featured organic revenue growth in all geographies and optimistic commentary on 2026/2027.

Ericsson (ERIC) is one of the largest vendors of hardware and software for wireless networks outside China, serving edge radio, cloud software and services, and enterprise markets. Ericsson's earnings are below normal as demand for wireless equipment is low in Japan and India, management turns around its mismanaged Cloud Software & Services business, and the Enterprise business loses money even with gross margins above 50%. We own Ericsson for its attractive valuation even if competitors do not lose market share due to political or scale problems, with substantial additional upside if these possible outcomes occur. Ericsson outperformed in the first quarter following strong Q4 2025 earnings that beat estimates on 6% organic sales growth and the announcement of its first-ever share buyback of up to SEK 15 billion. The rally continued in March as AT&T announced over $250 billion in five-year US infrastructure spending, which benefits Ericsson as a major supplier.

LARGEST INDIVIDUAL DETRACTORS – 1Q26

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). Workday's formidable competitive advantages lead to compelling unit economics (97% gross retention, 38% normal EBIT margin, low-teens subscription revenue growth) and its ERP software markets are both the largest and least cloud-penetrated in the application software universe. This provides Workday with a long runway to invest at high returns while trading at a valuation that is attractive for an established franchise. Workday posted a good Q4 that slightly beat expectations. However, continued market concerns that AI agents will displace traditional software have pressured the stock, despite switching costs and compliance risks making displacement scenarios unrealistic.

WPP (WPP LN) was the world's largest ad agency holding company before its disastrous 2025 performance and the Omnicom-IPG merger, with operations across creative services (45%), media services (40%), and public relations. We own WPP for its attractive valuation and good balance sheet, believing the company can deliver positive returns as margins expand from 12.5% to normalized 16% levels. WPP shares fell to near their lowest level since 1998 as the company reported weak results driven by client assignment losses and reduced client spending. After issuing a weak sales outlook in early 2025 then cutting that outlook in Q2 and again in Q3, the company fired its CEO of 7-years with a new CEO who started in early September. Despite weak near-term outlook, WPP reported net new business wins in Q4 2025 with momentum continuing into early 2026. The company has a good balance sheet and is trading at a very low multiple of consensus earnings, which we believe are depressed.

Salesforce (CRM) is among the top five largest global software companies, with a broad portfolio that includes Sales, Service, Marketing & Commerce Clouds, Slack, MuleSoft, Tableau, and the Data & AI Cloud. Its products are deeply embedded across a large enterprise customer base, creating a long runway for growth through seat expansions, cross selling, and pricing, and supporting strong revenue growth for many years. Combined with sticky recurring revenue, high gross margins, and limited capital reinvestment needs, this creates a resilient business model with meaningful downside mitigation. Salesforce posted a good Q4 that matched growth expectations, however, market concerns that AI agents could displace traditional software have continued to pressure the stock, leaving the shares trading at an attractive valuation for an established franchise.

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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 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 **Tokyo Price Index (TOPIX)** is a capitalization-weighted stock market index that tracks the performance of all large firms listed in the first section of the Tokyo Stock Exchange. The **VSTOXX Index** (EURO STOXX 50 Volatility Index) measures real-time options prices and is designed to reflect the market expectations of near-term up to long-term volatility by measuring the square root of the implied variance across all options of a given time to expiration. The **CBOE Volatility Index (VIX)** measures the stock market's expectation of volatility over the next 30 days based on S&P 500 index option prices. The indices do not reflect the payment of transaction costs, fees and expenses associated with an investment in the Fund. 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.

Top 10 holdings as of 3/31/26 as a % of the Fund's net assets: Workday Inc. 4.6%, Ericsson 3.4%, Elevance Health Inc. 3.4%, F5 Inc. 3.0%, American Int'l Group Inc. 2.8%, GE HealthCare Technologies 2.8%, Comcast Corp. 2.7%, Akzo Nobel N.V. 2.5%, UnitedHealth Group Inc. 2.5%, and Shell PLC 2.5%.

Free cash flow represents the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets; and **Exploration and Production (E&P)** is the initial stage of oil and gas production, which involves finding and extracting oil and natural gas.

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.

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.

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