INTERNATIONAL VALUE FUND

MANAGER REVIEW & ECONOMIC OUTLOOK

HWNIX

Hotchkis & Wiley

PERFORMANCE (%) as of March 31, 2026

	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since 12/31/15
International Value Fund – I Shares	1.76	1.76	29.17	19.85	13.51	10.00	9.83
MSCI World ex-USA Value Index	2.50	2.50	32.19	20.37	12.69	9.71	9.19
MSCI World ex-USA Index	-0.94	-0.94	22.99	14.30	8.40	8.66	8.23

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 4.09% 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 ex-USA Index declined -0.9% in the first quarter of 2026. The defining event of the quarter was the US/Israel military campaign against Iran. Brent crude oil rose more than 100% to $127/bbl[1] following US/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. Beyond oil, the disruption has created supply shocks across several key commodities, including natural gas, nitrogen-based fertilizer, helium, and aluminum. The impact on international equity markets varied meaningfully by region, reflecting each economy's energy import dependence and sector composition.

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 returning +3.6% in local currency. Prime Minister Takaichi's landslide re-election was well-received given her pro-business stance. UK equities also did relatively well, largely due to its energy heavy composition.

Continental Europe fared worse. The region entered the crisis with gas storage near 30% capacity, and the Strait closure revived concerns about European energy security. European natural gas prices rose more than 70% in the quarter, pressuring energy-intensive industries. The largest performance detractor in the quarter, for example, was industrials. We had several positions that fell on concerns about supply chains and increased input costs. The European Central Bank held rates steady but revised its 2026 inflation forecast higher and cut its GDP growth estimate. Accordingly, markets shifted from pricing rate cuts to potential hikes.

Value stocks outperformed growth by a wide margin in the quarter. Sector performance explains much of the dispersion. Energy, the top-performing sector by far, comprises 9% of the value index and just 1% of the growth index. Consumer discretionary, the worst-performing sector, comprises 6% of the value index and 11% of the growth index.

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 significant portion of global supply originates from geopolitically unstable regions, and we believed this disruption risk had been underappreciated. We are slightly overweight 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 International Value Fund underperformed the MSCI World ex-USA Value Index in the first quarter of 2026. Stock selection in industrials and communication services detracted from performance, along with the overweight exposure to consumer discretionary. The overweight and positive stock selection in energy was the largest positive contributor, along with the underweight position in financials.

(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.

LARGEST INDIVIDUAL CONTRIBUTORS – 1Q26

Fuso Chemical (4368 JP), based in Osaka, Japan, has 90%+ market share in ultra-pure silica used as an abrasive particle in semiconductor polishing applications, as well as ~30% share of the global market for malic acid, a food additive. Fuso's businesses are monopolies and oligopolies selling niche, high-value products into end markets with attractive growth outlooks. Despite a benign competitive environment and HSD+ long-term EBIT growth outlook, Fuso's stock sold off from its 2021 peak as earnings were pressured by a semiconductor cycle downturn coupled with elevated new plant startup costs. As demand from the semiconductor industry recovers and Fuso's utilization rates normalize, we expect Fuso's earnings and trading multiple to continue to recover. Fuso's strong stock price performance over the past year continued following a very strong Q4 that beat consensus forecasts, with revenue growth supported by added capacity and price increases, coupled with strong underlying demand. Following Q4 earnings, Fuso announced board approval for a 20% expansion in high purity silica capacity, alongside a 5%-10% price increase for high purity silica.

TotalEnergies SE (TTE FP) is a French supermajor integrated energy company with operations across Exploration & Production, Integrated Gas/Renewables/Power, Refining & Chemicals, and Marketing & Services. We own TotalEnergies for its attractive valuation on normalized earnings, resilient balance sheet, and leadership in opportunistic capital allocation under CEO Patrick Pouyanné. TotalEnergies outperformed in the first quarter as spot Brent crude oil neared $127 following the Strait of Hormuz closure. The company's integrated business model captured value across upstream production, LNG operations, refining spreads, and retail marketing as energy prices spiked.

Kosmos Energy (KOS) is an independent E&P focused on offshore operations in the U.S. Gulf of Mexico, Ghana, and Equatorial Guinea, with development potential in the Mauritania/Senegal LNG project. We own Kosmos for its competitive advantage in offshore expertise, with the stock trading at a discount to the value of existing production. Kosmos outperformed in the first quarter as spot Brent crude oil neared $127 following the Strait of Hormuz closure. The company's offshore producing assets in the Gulf of Mexico, Ghana, and Equatorial Guinea benefited from the geopolitical risk premium on oil prices, while higher global LNG prices increased revenue from the recently-commissioned Greater Tortue Ahmeyim project.

LARGEST INDIVIDUAL DETRACTORS – 1Q26

Akzo Nobel (AKZA NA) is the #3 global paints & coatings company behind PPG and Sherwin Williams. The company has leading positions in decorative paints in Europe and a variety of performance coatings businesses including refinish, marine & protective, and industrial & powder. Over the past five years, Akzo has simplified its business, increased shareholder returns, and partially narrowed its profitability and ROIC gap to Western peers like PPG. Akzo's margin should increase to our estimate of a normal margin through a combination of low volume growth, pricing discipline, portfolio pruning, and opex efficiency focused mainly on formulation simplification and procurement optimization. Akzo reported a soft Q4 and set 2026 EBITDA guidance ~3% below consensus expectations, driving down the stock. However, mid-term targets remain unchanged, and the mid-term EBITDA margin target of "above 16%" supports our normal margin assumption.

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.

Qantas (QAN AU) is Australia's dominant airline with roughly 60% domestic market share and a deeply embedded loyalty program covering over 35% of all Australian credit card spending. Qantas emerged from Covid with a structurally stronger cost base and a weakened sole domestic competitor, offering attractive valuation with diversification benefits against oil & gas exposure. Qantas underperformed as surging jet fuel prices from the Iran war pressured airline shares worldwide. The selloff came despite shareholder-friendly actions announced with earnings, including a 20% dividend increase and a surprise buyback announcement, as investors focused on near-term fuel cost headwinds overshadowing the capital return program.

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 ex-USA 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 ex-USA Index** is a free float-adjusted weighted index capturing large and mid cap stocks. The **MSCI World ex-USA Value** and **MSCI World ex-USA Growth** Indices are free float-adjusted weighted indices capturing large and mid cap stocks, exhibiting overall value or growth style characteristics, respectively. The MSCI indices represent stocks across 22 of 23 Developed Markets (DM) countries, excluding the United States and include reinvestment of dividends, net foreign withholding taxes. 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 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 ten holdings as of 3/31/26 as a % of the Fund's net assets: SAP SE 4.1%, Ericsson 4.0%, Shell PLC 4.0%, TotalEnergies SE 3.8%, Akzo Nobel N.V. 3.7%, Fuso Chemical Co. NPV 3.3%, Henkel AG & Co. KGaA 3.1%, Heineken Hldg N.V. 3.0%, Nippon Sanso Hldgs Corp. 2.7%, and Qantas Airways Ltd. 2.6%.

LNG-Liquefied natural gas; Earnings before interest and taxes (EBIT) measures a company's net income before income tax and interest expenses are deducted; **Free cash flow yield** measures the financial performance of a company by comparing its free cash flow per share to its market price per share; **Gross Domestic Product (GDP)** is a monetary measure of the value of all goods and services produced within a country during a specific time period. It's a key indicator of a country's economic health and is often used to evaluate economic growth; **Earnings before interest, taxes, depreciation, and amortization (EBITDA)** uses EBIT without depreciation and amortization expenses when calculating profitability; and **Global Industry Classification Standard (GICS)** is a system for categorizing every public company by economic sector and industry group.

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.