

DISTINCTIVE APPROACH

- **Value Philosophy**
Hotchkis & Wiley pursues disciplined value investing, seeking businesses trading below their intrinsic worth—a philosophy maintained since 1980.
- **Empowered Team**
The investment team’s collaborative structure and average of 27 years of industry experience and 20 years with the firm supports robust debate and consistency.
- **Risk Integration**
Every investment decision is grounded in comprehensive fundamental risk assessment, via a proprietary scoring process that incorporates ESG considerations.
- **About Hotchkis & Wiley**
Hotchkis & Wiley has focused on discovering undervalued securities through extensive internal research. The firm manages \$36 billion in value equity and high yield assets for institutional and mutual fund investors.
- **Independent Ownership**
As an employee-owned firm, Hotchkis & Wiley fosters a long-term client alignment.

EXPERIENCED TEAM

- **Investment Team**
The team includes 24 investment professionals, supported by 8 research associates.
- **Global Value Portfolio Managers**

SCOTT MCBRIDE, CFA
Chief Executive Officer & Portfolio Manager



H&W Tenure:
23 Years
Industry Experience:
26 Years

SCOTT ROSENTHAL
Portfolio Manager



H&W Tenure:
18 Years
Industry Experience:
25 Years

STRATEGY SNAPSHOT

Firm AUM	\$36 Billion
Global Value AUM*	\$1 Billion
Number of Securities	40 – 80
Benchmark	MSCI World Value Index (Net)
Market Cap Focus	All Cap (average \$134B, median \$44B)
Geographic Range	US 25–75%, Int'l 25–75%
Emerging Markets	<20% (excluding South Korea)
Sector Mix	Diversified: Information Technology, Industrials, Health Care, Financials, Consumer

*Includes Focused Global Value

PHILOSOPHY

We seek to invest in companies trading at a discount to their intrinsic value, based on the belief that markets often misprice businesses due to short-term thinking.

- **Price Fluctuates More Than Value**
Share prices are volatile in the short-term, while good businesses grow their value per share over time.
- **Bias Influences Forecasts**
Investors often overlook basic economic principles and extrapolate current conditions into the future.
- **Emotions Impact Decisions**
Investors overreact to bad news, ignoring the role that price plays in mitigating risk.

Market inefficiencies create the opportunity to buy businesses that are undervalued relative to their long-term earnings potential.

INVESTMENT PROCESS

- **Idea Generation**
Screen over 3,000 companies using sector-specific filters and over 1,000 management meetings per year.
- **Analysis & Peer Review**
Screens and meetings lead to deep analysis and sector team review of 150 companies annually.
- **Portfolio Construction**
Investments are sized according to risk/valuation and firm-level constraints.
- **Ongoing Review**
Portfolio companies are reviewed regularly, with ongoing debate and reassessment by sector teams.

SUMMARY

The Hotchkis & Wiley Global Value Strategy leverages decades of value investing expertise, a deeply experienced team, and a robust, transparent risk integration framework to identify global opportunities. The disciplined process—supported by sector specialization, rigorous peer review, and fundamental risk scoring—is designed to ensure that each investment is grounded in long-term intrinsic value and managed within carefully defined risk controls. This approach aims to generate attractive returns for clients while maintaining a strong focus on capital preservation and quality.

All investments contain risk and may lose value. There is no assurance any strategy objectives will be achieved. Investing in foreign as well as emerging markets involves additional risk such as greater volatility, political, economic, and currency risks and differences in accounting methods. 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. [Principal Risks Disclosure](#) for the firm's strategies are described in Part 2A of Form ADV of H&W.

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