VALUE OPPORTUNITIES

COMPOSITE PERFORMANCE (%) ANNUALIZED

	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
H&W Value Opportunities (gross)	5.89	12.97	13.52	18.44	12.87	14.19	13.87
H&W Value Opportunities (net)	5.70	12.34	12.68	17.57	12.03	13.35	13.02
Russell 3000 Value Index	2.31	19.22	23.73	19.97	11.68	11.31	9.98

Commencement of VO Composite: 11/1/02. Net performance results are presented after actual management fees and all trading expenses but before custodial fees; the composite includes all Value Opportunities discretionary accounts. Additional disclosures provided in GIPS Report.

MARKET COMMENTARY

The S&P 500 Index returned +2.3% in the third quarter of 2026, bringing its year-to-date return to +12.7%. The Russell 3000 Value Index returned +2.3% compared to +0.5% for the Russell 3000 Growth Index, extending its considerable year-to-date edge: +19.2% vs. +6.4%, respectively. Market leadership continued to be narrow. Only 30% of the Russell 3000 Value's constituents outperformed the index, and the median stock declined 5.0%.

S&P 500 quarterly earnings grew more than 30% year-over-year, an exceptional pace for a non-recessionary recovery. This strength appeared to overshadow renewed conflict in the Middle East and the Federal Reserve's first rate hike in more than three years. The collapse of the US/Iran ceasefire and the subsequent campaign of tanker attacks near the Strait of Hormuz sent oil prices higher. Brent crude rose 45% to $104/barrel in the quarter. Dated Brent, a better proxy than futures for the price of a physical barrel, spiked 68% to $120/barrel. The energy sector of the Russell 3000 Value returned +16% in the quarter, making it the best performing sector. The portfolio benefited from its overweight position.

The Consumer Price Index rose 3.4% year-over-year in its most recent reading, lower than its May peak but still well above the Federal Reserve's target. Accordingly, the Federal Reserve raised the federal funds rate by 25 basis points to 4.0% (upper bound) in September, and the futures market is pricing in another hike of that magnitude before year end. Long-term Treasury yields rose even more. The 10-year climbed from 4.5% to 5.3%, its highest level since 2007, and the 30-year yield ended the quarter at 5.6%, its highest since 2002. Predictably, rate-sensitive sectors like utilities and real estate declined. The 30-year mortgage rate also rose meaningfully, eclipsing 7%. The University of Michigan's Consumer Sentiment Index fell very close to its lowest level in the history of the survey, which dates back to the late 1970s, presumably fueled by the increased cost of living. Consumer discretionary stocks performed poorly, with Amazon.com a notable exception. It comprises more than half of the value index's consumer discretionary weight and returned +5%, while the median stock in the sector declined 11% in the quarter.

After a spectacular run, enthusiasm for all things AI paused. The Philadelphia Semiconductor Index declined 11% in the quarter, and 14% from its late June peak. It was down even more in July before recovering in the latter part of the quarter. Uncertainty about how the AI buildout will be financed appeared to grow. Chair Warsh cited competition for capital from the largest AI data center spenders as one reason for higher long-term yields, and in late September Oracle issued a force majeure notice on a large data center project.

Software was the best performing industry in the Russell 3000 Value[1], returning +33%. We have long believed that the market overstated the threat AI poses to software companies with mission critical systems of record. The evidence this year—improving bookings, stable to accelerating organic growth, and sizable share repurchases—continues to undermine the so-called "SaaSpocalypse" theory. Even after the rebound, select software companies remain attractively valued. Workday, for example, trades at 14x our estimate of normal earnings, compared to 19x for the Russell 3000 Value and 24x for the S&P 500. It also has excellent fundamental risk ratings and is consequently our largest holding.

The quarter also brought a meaningful change in market disposition. In the first half of the year, high beta and high momentum stocks dominated, while value and quality lagged. In the third quarter, this largely reversed, with value and quality coming back into vogue. A single quarter does not mark the end of a speculative cycle, and we expect periods of exuberance to recur. Still, the third quarter was a reminder that valuation and fundamentals eventually matter. We believe our portfolio of high quality, attractively valued, financially sound businesses is well positioned as that reality reasserts itself.

(continued)

[1]Technically, the health care technology industry was best (+49%) but it is a 0.1% index weight.

The specific investments shown are for informational purposes only and represent the top contributors and detractors for the relevant performance time period. The selection criteria used to determine the top contributors and detractors remains the same across performance measurement periods; additional disclosures provided in Endnotes.

VALUE OPPORTUNITIES

ATTRIBUTION ANALYSIS – 3Q26

The Value Opportunities portfolio outperformed the Russell 3000 Value Index in the third quarter of 2026 (gross and net of fees). Security selection in information technology was the largest positive contributor, led by our enterprise software holdings, Workday, SAP, and Salesforce. An overweight position in energy also helped performance. Curiously, among the largest detractors was the late June index reconstitution. Large additions to the Russell 3000 Value, Microsoft and Apple, performed quite well after they were added to the index. Similarly, semiconductors put up remarkable returns in the first half of the year, then declined once they left the value index. The timing of the reconstitution was fortunate for passive value investors but dampened our relative performance. We estimate that the portfolio would have outperformed by more than it did had the index remained unchanged. The reconstitution had no effect, of course, on our absolute return. Security selection in materials was also a detractor.

LARGEST INDIVIDUAL CONTRIBUTORS – 3Q26

Workday is a leader in cloud software for back-office business functions, spanning human capital management, financial management, and adjacent Enterprise Resource Planning (ERP) products, with 60% of the Fortune 500 as human capital management customers. Its formidable competitive advantages produce leading unit economics — 97% gross retention, a 38% normal EBIT margin, and low-teens subscription revenue growth — and its ERP markets are both the largest and least cloud-penetrated in application software, providing a long runway to invest at potentially high returns at an attractive valuation. In mid-August, Reuters reported Silver Lake was in talks to acquire Workday, which boosted its stock price. We trimmed the position on strong performance.

APA is an independent oil and gas exploration and production operating in the Midland and Delaware basins in the Permian and Egypt. APA offers strong free cash flow generation driven by favorable natural gas price differentials and underappreciated reinvestment opportunities in Suriname, Egypt, and potentially Alaska. The stock outperformed during Q3 after August results highlighted Permian efficiency, and strong free cash flow supporting debt paydown and buybacks, with management guiding to substantial additional share repurchases through year-end. We believe structural cost improvements and favorable pipeline and liquefied natural gas contracts support continued cash generation, while progress in Alaska increases its potential contribution to normal earnings. Our investment thesis remains intact.

SAP is one of the world's largest application software vendors, headquartered in Germany. We own SAP because it operates an extremely sticky software business with an excellent balance sheet and improving governance. Shares rose sharply in the days after the company's earnings, as investors grew more confident in the cloud growth outlook. Despite these durable compounding characteristics, the stock trades at a significant discount to intrinsic value due to AI disruption fears we believe are unfounded.

LARGEST INDIVIDUAL DETRACTORS – 3Q26

Fuso Chemical, 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. The stock underperformed during the quarter, giving back some of its strong performance earlier in the year. The reasons for the decline appeared to be related to concerns about the escalating conflict in the Middle East and its impact on the flow of raw materials from the Middle East bound for Asia. We continue to find Fuso attractive as sales and EBITDA both beat and growth targets were unchanged.

Ericsson is the largest vendor of the hardware and software needed to operate wireless networks outside China. We own it because earnings are below normal as the Enterprise business continues to lose money and market share gains in Japan have yet to convert to material revenue. Valuation remains attractive even if Ericsson does not gain market share, with substantial upside if they materialize. The stock underperformed as quarterly results raised concerns that higher component costs could pressure 2027 margins in its core Network business. We believe this surge in input cost is manageable. Our investment thesis remains intact.

Aptiv is a leading global auto supplier that designs and manufactures the software, hardware, and electrical architecture that serve as the "brain" and "nervous system" of modern vehicles. Shares fell following second-quarter results, and consensus earnings estimates for the year were cut. We took advantage of the decline to add to our position in a company whose growing mix of software and systems content should drive growth well above underlying vehicle production, despite near-term cyclicality.

The specific investments shown are for informational purposes only and represent the top contributors and detractors for the relevant performance time period. The selection criteria used to determine the top contributors and detractors remains the same across performance measurement periods; additional disclosures provided in Endnotes.

Past performance is no guarantee of future results.

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Endnotes:

Portfolio managers' opinions and data included in this commentary are as of September 30, 2026. Any discussion or view of a security, an asset class/segment, industry/sector and/or investment type are not investment recommendations, should not be assumed to be profitable, and are subject to change without notice. All investments contain risk and may lose value.

Portfolio characteristics and attribution are based on a representative Value Opportunities portfolio. The representative portfolio is used for informational purposes only, does not predict future portfolio characteristics, and may differ from other portfolios in the strategy due to asset size, client guidelines, and other variables. H&W selected the representative portfolio based on non-performance criteria. The portfolio reflects the management style of the strategy, is part of the strategy's composite, and has the longest continuous duration under the Adviser's discretion. Selection of the representative portfolio considers one or more of the following factors, such as the portfolio's investment guidelines/ restrictions, cash flow activity, or continuous duration under the Adviser's discretion. Based on the selection factors, the representative portfolio may change over the period shown.

Attribution is an analysis of a portfolio's gross of fee returns (without the deduction of fees and expenses) relative to the Index. Bloomberg calculates returns using daily holdings information. Returns calculated using this buy-and-hold methodology can differ from actual client portfolio returns due to data differences, cash flows, trading, and other activity (report is generated at a point in time and will not include any adjustments thereafter). Sector performance only covers the subset of investments specific to that sector. Analysis for different time periods and/or market environments can result in significantly different results.

Specific securities identified are the three largest contributors (or detractors) to the portfolio's performance, relative to the index, for the relevant performance time period. Other securities may have been the best and worst performers on an absolute basis. The selection criteria used to determine the top contributors and detractors remains the same across performance measurement periods. There is no assurance that the securities discussed will remain in the portfolio or that securities sold have not been repurchased. The securities discussed do not represent the entire portfolio, may only represent a small portion of the portfolio and should not assume the securities discussed were or will be profitable or that recommendations made in the future will be profitable or will equal the performance of the securities discussed. H&W's opinions regarding these securities are subject to change at any time, for any reason, without notice. Certain client portfolio(s) may or may not hold the securities discussed due to each account's guideline restrictions and other relevant considerations.

The value discipline used in managing accounts in the Value Opportunities strategy may prevent or limit investment in major stocks in the Russell 3000 Value and returns may not be correlated to the index. Composite performance is available at www.hwcm.com, located on the strategy's Performance tab; quarterly characteristics and portfolio holdings are located on the Portfolio and Literature tabs. For a list showing every holding's contribution to the overall account's performance and portfolio activity for a given time period, contact H&W at hotchkisandwiley @hwcm.com. Portfolio information is subject to the firm's portfolio holdings disclosure policy.

The Russell 3000® Value Index includes stocks from the Russell 3000® Index with lower price-to-book ratios and lower expected growth rates. The Russell 3000® Growth Index includes companies that display signs of above average growth. The index is used to provide a gauge of the performance of growth stocks in the U.S. 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 Consumer Price Index measures the overall change in consumer prices based on a representative basket of goods and services over time. The University of Michigan's Consumer Sentiment Index (MCSI) is a monthly economic survey that measures how optimistic or pessimistic American consumers feel about their personal finances and the overall U.S. economy. The Philadelphia Semiconductor Index, is the global benchmark index tracking the performance of the semiconductor industry. 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. It is not possible to invest directly in an index. Russell Investment Group is the source and owner of the Russell Index data contained herein (and all trademarks related thereto), which may not be redistributed. The information herein is not approved by Russell. H&W and Russell sectors are based on the Global Industry Classification Standard (GICS) by MSCI and S&P.

Artificial Intelligence (AI); Basis point (bp) is a unit equal to 1/100th of 1% and is used to denote the change in a financial instrument; **Beta** is a measure of a stock's volatility in relation to the overall market; **Brent Crude** oil is a major light, sweet crude oil extracted from offshore fields in the North Sea; **Earnings Before Interest and Taxes (EBIT)** measures a company's net income before income tax and interest expenses are deducted; **Dated Brent** is the daily physical spot price assessment for physical cargoes of North Sea crude oil that have been assigned a specific loading-date window for delivery; **Free cash flow** represents the cash a company generates after accounting for cash outflows to support operations and maintain its capital assets; **Normal Earnings** refers to a company's income that has been adjusted to remove revenue, expenses, or effects of seasonality; and **SaaSpocalypse** is a market term used to describe the sharp sell-off and valuation crash in software-as-a-service (SaaS) and enterprise tech stocks driven by fears of artificial intelligence disruption.

Information contained in this material may represent or be based on forward-looking statements. Due to various risks and uncertainties, actual events/results or performance of the strategy may differ materially from those reflected or contemplated in such forward-looking statements. Information based on forecasts, proprietary or third-party estimates cannot be guaranteed and are subject to change. Information obtained from independent sources is considered reliable, but H&W cannot guarantee its accuracy or completeness.

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. Investing in smaller, medium-sized and/or newer companies involves greater risks not associated with investing in large company stocks, such as business risk, significant stock price fluctuations and illiquidity. Investing in debt securities typically decreases in value when interest rates rise. This risk is usually greater for longer-term debt securities. 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 (www.hwcm.com/wp-content/uploads/HW-Principal-Risks.pdf).

Data source: H&W, Russell, Bloomberg

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GIPS Report:

Hotchkis and Wiley Capital Management, LLC (the "Firm" or "H&W") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. H&W has been independently verified for the periods October 9, 2001 through December 31, 2024. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Value Opportunities Composite has had a performance examination for the periods November 1, 2002 through December 31, 2024. The verification and performance examination reports are available upon request.

H&W is an independent investment management firm registered with the U.S. Securities and Exchange Commission and manages value equity and high yield assets for institutional and mutual fund investors. Its predecessor firm was established in 1980. The equity team of the predecessor firm established H&W in October 2001.

H&W refers to itself as a "registered investment adviser" in materials distributed to current and prospective clients. As a registered investment adviser with the SEC, H&W is subject to the rules and regulations adopted by the SEC under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Registration as an investment adviser is not an indication that H&W or its directors, officers, employees or representatives have attained a particular level of skill or ability.

Valuations and returns are stated in U.S. dollars. Investment returns include reinvestment of dividends, interest, and capital gains. Gross performance results are presented before management and custodial fees but after all trading expenses. Net performance results are presented after actual management fees and all trading expenses but before custodial fees. H&W's management fees are described in Part 2A of its Form ADV. The standard Value Opportunities management fee schedule is 75 basis points on the first $25 million and 65 basis points thereafter.

Internal dispersion is calculated using the equal-weighted standard deviation of all portfolios (gross returns) that were included in the Composite for the entire year. A list of composite and broad distribution pooled fund descriptions and policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance is no guarantee of future performance. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Composite: The Composite includes all Value Opportunities discretionary accounts. The Value Opportunities strategy seeks capital appreciation primarily through investments in equity securities, such as common stock, preferred stock and convertible securities, of any size market capitalization, and investment grade and high yield ("junk bonds") fixed income securities. Companies that is believed to have strong capital appreciation potential and may invest in foreign (non-U.S.) securities. It may enter into currency contracts (such as spot, forward and futures) to hedge foreign currency exposure. As of December 31, 2025, there was one non-fee paying account in the composite, which represented 0.2% of composite assets. Applied standard fee schedule to calculate net of fee returns. The typical market cap range of the strategy is consistent with the market cap range of the Russell 3000® Index. (Composite creation & inception date: 11/1/2002)

Index: The Russell 3000® Value Index ("R3000V") includes stocks from the Russell 3000® Index with lower price-to-book ratios and lower expected growth rates. The index assumes reinvestment of dividends and capital gains, and assumes no management, custody, transaction or other expenses. The value disciplines used in managing the accounts in the Composite may prevent or limit investment in major stocks in the R3000V and returns may not be correlated to the index. Benchmark returns are not covered by the report of independent verifiers.

The 3-year annualized standard deviation measures the variability of the composite (using gross returns) and the benchmark(s) returns over the preceding 36-month period ended.

	% Total Return Gross of Fees	% Total Return Net of Fees	% Total Return R3000V	No. of Accts	Internal Dispersion (%)	Comp. Assets ($M)	Total Firm Assets ($M)
2025	15.6	14.7	15.7	<6	n/m	838	36,906
2024	12.7	11.9	14.0	<6	n/m	689	33,144
2023	27.9	27.0	11.7	<6	n/m	650	31,220
2022	-7.1	-7.8	-8.0	<6	n/m	508	28,330
2021	35.9	34.9	25.4	<6	n/m	602	34,902
2020	6.4	5.6	2.9	<6	n/m	465	31,687
2019	26.8	25.9	26.3	<6	n/m	818	33,623
2018	-10.1	-10.8	-8.6	<6	n/m	599	27,191
2017	14.8	13.9	13.2	<6	n/m	653	32,037
2016	20.8	19.9	18.4	<6	n/m	566	29,952

n/m – not considered meaningful for composites with five accounts or less for the full year.

3-Year Annualized Standard Deviation (%)		
	Composite	R3000V
2025	13.2	12.7
2024	20.7	16.9
2023	21.2	16.7
2022	27.9	21.5
2021	24.2	19.3
2020	24.9	20.0
2019	14.5	12.0
2018	14.8	11.1
2017	13.5	10.3
2016	14.0	11.0

As of December 31, 2025 (%)

	1 Yr	5 Yr	10 Yr
Composite - Gross	15.6	16.0	13.5
Composite - Net	14.7	15.2	12.6
R3000V	15.7	11.2	10.5

Average annual total returns for periods greater than one year.

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