INTERNATIONAL SMALL CAP DIVERSIFIED VALUE FUND

MANAGER REVIEW & ECONOMIC OUTLOOK HWTIX

Hotchkis & Wiley

PERFORMANCE (%) as of June 30, 2026

	QTR	YTD	1 Yr	3 Yr	5 Yr	Since 6/30/20
Int'l Small Cap Diversified Value Fund – I Shares	8.43	9.08	19.50	18.30	10.69	16.64
MSCI World ex-USA Small Cap Index	7.94	7.54	19.36	16.51	6.03	11.35
MSCI World ex-USA Small Cap Value Index	5.46	5.32	20.20	17.84	8.37	13.74

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 4.84% for I Shares; 0.89% net expense ratio. The Advisor has contractually agreed to waive advisory fees and/or reimburse expenses through August 29, 2027. 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 Small Cap Index rose 7.9% in the second quarter of 2026, while the MSCI World ex-USA Small Cap Value Index rose 5.5%. International equity markets posted strong returns, though they lagged a US market driven higher by the AI complex. The defining macro event of the first quarter—the spike in oil to $144/bbl following the US and Israeli campaign against Iran—reversed sharply. As the Strait of Hormuz reopened, Brent crude fell back to roughly $71/bbl by quarter-end. The energy sector, last quarter's standout, gave back much of its gains as a result. Regional dispersion remained meaningful, reflecting each market's sector composition and sensitivity to the swing in energy prices.

Japan was among the best-performing major developed markets. Prime Minister Takaichi's pro-growth agenda, following her landslide election victory, continued to support sentiment through expectations of fiscal expansion and political stability. Continental Europe performed well, recovering from the first-quarter selloff. The European Central Bank, having revised its inflation forecast higher last quarter, maintained a hawkish posture, and markets now anticipate the possibility of further rate increases rather than cuts. The UK lagged, as did other more commodity-heavy countries like Australia and Canada.

As in the United States, the strongest returns accrued to the AI complex. We believe artificial intelligence is already a powerful tool whose efficacy will increase over time. Historically, however, investments in fast-growing technologies like AI don't always result in great economic reward to the companies investing in the technology. Often markets overbuild, competition is fierce, and the winners are the users of the technology and perhaps society overall. Accordingly, we have an aversion to the perceived beneficiaries whose valuations are excessive and risky—the richly valued hardware and semiconductor names that led the index this quarter, and which we did not own. We favor instead businesses we believe to be high quality with attractive valuations.

ATTRIBUTION ANALYSIS – 2Q26

The Hotchkis & Wiley International Small Cap Diversified Value Fund outperformed the MSCI World ex-USA Small Cap Index in the second quarter of 2026. Stock selection in industrials, real estate, and materials contributed, while selection in consumer discretionary, consumer staples, and health care detracted.

Portfolio managers' opinions and data included in this commentary are as of June 30, 2026 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.**

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. Investing in smaller and/or newer companies involves greater risks than those associated with investing in larger companies. 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. Attribution is an analysis of the portfolio's return relative to a selected benchmark, is calculated using daily holdings information and does not reflect the payment of transaction costs, fees and expenses of the Fund.

The **MSCI World ex-USA Small Cap Index** is a free float-adjusted weighted index capturing small cap representation across 22 of 23 Developed Markets countries, excluding the United States. The **MSCI World ex-USA Small Cap Value Index** is a free float-adjusted weighted index capturing small cap representation, exhibiting overall value style characteristics, across 22 of 23 Developed Markets (DM) countries, excluding the United States. 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.

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.

Mutual fund investing involves risk. Principal loss is possible.
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