MANAGER REVIEW & ECONOMIC OUTLOOK

MARCH 31, 2026

MID-CAP VALUE

COMPOSITE PERFORMANCE (%) ANNUALIZED

	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
H&W Mid-Cap Value (gross)	7.00	7.00	23.22	13.13	11.07	10.09	12.15
H&W Mid-Cap Value (net)	6.80	6.80	22.32	12.29	10.31	9.37	11.34
Russell Mid-Cap Value Index	3.68	3.68	17.62	13.14	7.94	9.75	10.04

Commencement of MCV Composite: 1/1/97. Net performance results are presented after actual management fees and all trading expenses but before custodial fees; the composite includes all Mid-Cap Value discretionary accounts. Additional disclosures provided in GIPS Report.

MARKET COMMENTARY

The Russell Midcap Index returned +1.3% in the first quarter of 2026, notably better than Russell 1000 Index's -4.2% decline. 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, and the portfolio's exposure helped performance. Approximately 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. Despite these meaningful disruptions, the equity market reaction has been relatively muted—the Russell Midcap 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). Given the inflationary nature of supply shocks, futures markets now anticipate no rate cuts for the remainder of the year. The Fed held rates steady at 3.75% (upper bound) at its mid-March meeting. Value stocks outperformed growth in the quarter, with the Russell Midcap Value Index returning +3.7% versus -6.4% for the Russell Midcap Growth Index.

As noted, energy was the primary 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.

Two areas of weak quarter performance were health insurers and software. Health insurers declined amid policy uncertainty around Medicare Advantage reimbursement rates, and higher than expected utilization rates. Near-term earnings estimates for insurers have fallen roughly in line with share price declines. The market appears to be discounting 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.

Within software, we hold only one position in Workday though it is the portfolio's third largest position. Workday declined in the quarter along with other software companies. Recent AI product releases have raised concerns about potential disruption to enterprise software businesses. For example, software stocks sold off following Anthropic's introduction of legal and finance automation tools for its Claude platform. We believe this reaction is overstated and presents opportunity rather than risk. Notably, consensus earnings estimates for Workday have moved higher, not lower, suggesting the selloff reflects concerns about long-term profit durability rather than near-term fundamentals. We do not share this view. Workday continues to report strong customer retention—an impressive 97%—and expanding product capabilities. Its competitive advantages are rooted in domain expertise, deep integrations, mission-critical workflows, and years of embedded customization—not simply underlying code. We believe it is well positioned to monetize AI through enhanced offerings rather than be displaced by it.

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.

(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.

Past performance is no guarantee of future results.

Hotchkis & Wiley

MID-CAP VALUE

ATTRIBUTION ANALYSIS – 1Q26

The Mid-Cap Value portfolio outperformed the Russell Midcap Value Index in the first quarter of 2026 (gross and net of fees). The overweight position and positive stock selection in energy was the largest positive contributor by a wide margin. The portfolio's energy stocks returned +79%[2] collectively compared to +37% for the index's energy stocks. Positive stock selection in materials and financials also helped. Stock selection in technology, healthcare, and consumer discretionary detracted from performance.

LARGEST INDIVIDUAL CONTRIBUTORS – 1Q26

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.

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.

Crescent Energy (CRGY) is an independent E&P operating in the Permian, Eagle Ford and Uinta Basins. Following their merger with Vital Energy, which expanded their geography into the Permian Basin, the Company will be the tenth largest US independent E&P. We own Crescent for its low valuation relative to free cash flow generation (over $700 million annually), improved scale and public float. Crescent outperformed in the first quarter as oil prices surged following the Strait of Hormuz closure, with Brent crude peaking near $127. The company's Eagle Ford assets benefited from the geopolitical risk premium, while its natural gas hedge book protects cash flows.

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.

American International Group (AIG) is a leading commercial property-casualty insurer that has achieved improved underwriting margins and expense discipline through a multi-year turnaround. We own AIG for its strong underwriting results and attractive valuation. AIG underperformed in the first quarter, as shares fell on the announcement that CEO Peter Zaffino would step down mid-year with Aon executive Eric Andersen taking over. Eric Andersen officially joined the company on February 16 with no further senior leadership changes. Management reaffirmed Investor Day targets including low-to-mid teens premium growth in 2026.

[2] Gross return without the deduction of fees and expenses. Total strategy gross and net performance shown above.

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.

Endnotes:

Portfolio managers' opinions and data included in this commentary are as of March 31, 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 Mid-Cap Value 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. Other securities may have been the best and worst performers on an absolute basis. 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 Mid-Cap Value strategy may prevent or limit investment in major stocks in the Russell Midcap 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 color@hwcm.com. Portfolio information is subject to the firm's portfolio holdings disclosure policy.

The Russell Midcap® Index, an unmanaged index, measures the performance of the 800 smallest companies in the Russell 1000® Index. The Russell Midcap® Value Index measures the performance of those Russell Midcap® companies with lower price-to-book value ratios and lower forecasted growth values. The Russell Midcap® Growth Index measures the performance of US midcap growth stocks. The Russell 1000® Index measures the performance of the large-cap segment of the US equity universe. 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 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.

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.

Liquefied natural gas (LNG) is natural gas that has been cooled to liquid form for ease and safety of non-pressurized storage or transport; **Exploration and Production (E&P)** is the initial stage of oil and gas production, which involves finding and extracting oil and natural gas; and **Earnings before interest and taxes (EBIT)** measures a company's net income before income tax and interest expenses are deducted.

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. 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

MID-CAP VALUE

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 Mid-Cap Value Composite has had a performance examination for the periods January 1, 1997 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 Mid-Cap Value management fee schedule is 75 basis points on the first $15 million, 70 basis points on the next $35 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 Mid-Cap Value discretionary accounts. The Mid-Cap Value strategy seeks capital appreciation primarily through investments in equity securities of mid-cap companies and may invest in the securities of small capitalization companies and in foreign (non-U.S.) securities. The typical market cap range of the strategy is consistent with the market cap range of the Russell Midcap® Index. Accounts with significant cash flows (≥ 10% of beginning of the month assets for the periods January 1, 2006 through December 31, 2010, and ≥ 25% effective January 1, 2011) are excluded from the respective month's composite calculation and included in the subsequent month. (Composite creation & inception date: 1/1/1997)

Index: The Russell Midcap® Value Index ("RMidcapV") measures the performance of those Russell Midcap® companies with lower price-to-book value ratios and lower forecasted growth values. 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 RMidcapV 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 returns over the preceding 36-month period ended.

	% Total Return Gross of Fees	% Total Return Net of Fees	% Total Return RMidcapV	No. of Accts	Internal Dispersion (%)	Comp. Assets ($M)	Total Firm Assets ($M)
2025	9.0	8.1	11.0	<6	n/m	379	36,906
2024	4.7	3.9	13.1	<6	n/m	417	33,144
2023	21.1	20.2	12.7	<6	n/m	491	31,220
2022	2.6	1.9	-12.0	<6	n/m	491	28,330
2021	40.6	39.9	28.3	<6	n/m	993	34,902
2020	0.7	0.2	5.0	<6	n/m	746	31,687
2019	14.0	13.3	27.1	7	0.4	1,578	33,623
2018	-18.4	-18.9	-12.3	10	0.2	2,093	27,191
2017	8.9	8.2	13.3	13	0.2	3,235	32,037
2016	22.2	21.4	20.0	15	0.2	3,633	29,952

	3-Year Annualized Standard Deviation (%)	
	Composite	RMidcapV
2025	17.6	15.3
2024	23.1	19.8
2023	23.2	19.3
2022	35.3	24.4
2021	34.8	22.0
2020	35.5	22.6
2019	20.7	12.8
2018	19.0	12.0
2017	17.0	10.3
2016	17.3	11.3

As of December 31, 2025 (%)			
	1 Yr	5 Yr	10 Yr
Composite - Gross	9.0	14.8	9.5
Composite - Net	8.1	14.0	8.8
RMidcapV	11.0	9.8	9.8

Average annual total returns for periods greater than one year.

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