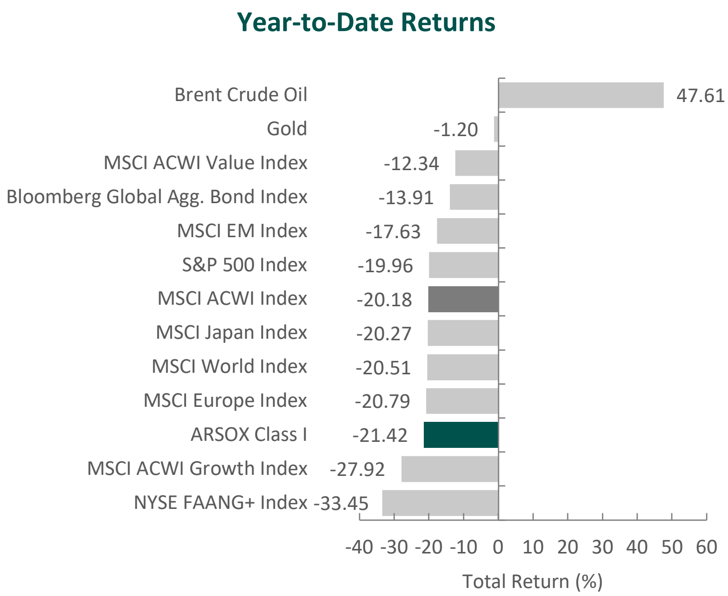
ARISTOTLE/SAUL GLOBAL EQUITY FUND

Aristotle Capital Management, LLC — 2Q 2022 Commentary

(All MSCI index returns are shown net and in U.S. dollars unless otherwise noted.)

Markets Review



Sources: UMB Fund Services; Bloomberg
Performance data quoted here represent past performance. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. To obtain performance information current to the most recent month-end, please call (844) 274-7868.

Global equity markets continued their decline during the second quarter. Overall, the MSCI ACWI Index fell 15.66% during the period. Concurrently, the Bloomberg Global Aggregate Bond Index pulled back 8.26%. In terms of style, value stocks outperformed their growth counterparts during the quarter, with the MSCI ACWI Value Index beating the MSCI ACWI Growth Index by 8.66%.

Regionally, Latin America and North America were the weakest performers during the quarter. On the other hand, Emerging Markets and Asia/Pacific ex-Japan declined the least. On a sector basis, all eleven sectors within the MSCI ACWI Index registered losses, with Information Technology, Consumer Discretionary and Materials being the worst performers. The best performers were Energy, Consumer Staples and Utilities.

Geopolitical tensions remained high as the war in the Ukraine continued. Western governments intensified their pressure on Russia through various sanctions, such as bans on Russian oil and gold, causing the country to default on its foreign debt for the first time since 1918.

The outlook for global economic activity and inflation remains complicated by the ongoing conflict. The International Monetary Fund (IMF) projects global growth to slow from an estimated 6.1% in 2021 to 3.6% in 2022. Additionally, the IMF raised its 2022 estimates for inflation to 5.7% in advanced economies and 8.7% in emerging/developing economies. In the U.S., the Consumer Price Index (CPI) rose 8.6% for the year ended in May, and average U.S. gasoline prices (briefly) breached $5 per gallon in June for the first time in history. This broad-based increase in prices, against the backdrop of continued supply-chain disruptions and geopolitical tensions, has stoked fears that a global recession may be on the horizon.

To address elevated inflation, most central banks have started to, or have plans to, enact tighter monetary policies. For example, the Bank of England increased rates by a quarter percentage point in June to 1.25%, the fifth consecutive rise and the highest level in 13 years, and the European Central Bank has confirmed plans to raise rates by a quarter point at its July policy meeting. The Federal Reserve raised the federal funds rate 0.50% in May and an additional 0.75% in June, moving the benchmark rate to a range of 1.50% - 1.75%.

Meanwhile, in China, the government imposed a strict lockdown in Shanghai and other cities throughout the country to combat rising COVID cases, further disrupting the global supply chain. However, unlike its western counterparts, the People's Bank of China pledged to maintain accommodative policies to support China's slowing economy in the form of a new stimulus policy package and the lowering of its five-year benchmark lending rate. The Bank of Japan similarly stated it will stay the course with its ultra-easy monetary policy, as the country's economy has been less affected by inflation. (At the time of this writing, Japan and the world were saddened by the assassination of former Prime Minister Shinzo Abe, who was the longest-serving prime minister in Japan's history [2006 to 2007 and 2012 to 2020].)

The divergence in central bank policies has created sharp movements in currencies. Perhaps most prominent has been the U.S. dollar's (USD) strengthening against the Euro, Yen and Yuan. Year-to-date returns in local currency for the MSCI Europe and MSCI Japan indices were reduced by 7.22% and 14.34%, respectively, when translated into USD.

Performance and Attribution Summary

For the second quarter of 2022, the Aristotle/Saul Global Equity Fund returned -13.17% at NAV, outperforming the MSCI ACWI Index, which returned -15.66%, and outperforming the MSCI World Index, which returned -16.19%.

Performance data quoted here represents past performance. Past performance is no guarantee of future results. Investment return and principal value will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. To obtain current performance information to the most recent month-end, please call (844) 274-7868.

From a sector perspective, the Fund's outperformance relative to the MSCI ACWI Index can be attributed to both security selection and allocation effects. Security selection in Communication Services, Financials and Materials contributed the most to the Fund's relative performance. Conversely, security selection in Energy, as well as an underweight in Utilities and an overweight in Materials detracted the most from relative return.

Regionally, security selection and allocation effects both contributed to the Fund's outperformance relative to the MSCI ACWI Index. Security selection in the U.S., Japan and Europe & Middle East contributed the most to relative performance, while security selection in Canada and Emerging Markets, as well as an underweight in Emerging Markets detracted the most from relative return.

Contributors and Detractors for 2Q 2022

Relative Contributors	Relative Detractors
TotalEnergies	Nemetschek
Twitter	Carnival
AIA Group	Cameco
Otsuka Holdings	PayPal Holdings
Amgen	Microchip Technology

TotalEnergies, one of the world's largest energy companies, was a primary contributor for the quarter. The company has made progress in its strategic plan to reach net-zero emissions by 2050 which, in contrast to many European energy providers, it plans to achieve through expanding ownership of renewable power and low-carbon assets, rather than purely divestment. As such, during the quarter, it acquired a 25% stake in Adani New Industries, an Indian venture centered on green hydrogen (including solar panels and wind turbines), as well as a 50% interest in Clearway Energy Group, the fifth-largest renewable company in the U.S. Both of these acquisitions strengthen our conviction that TotalEnergies is uniquely positioned to benefit from the increase in global demand for clean energy. It is also notable that higher commodity prices and wider refining margins have been constructive for the company's financial performance. As a result, TotalEnergies increased its share-repurchase program for the first half of 2022 by $1 billion. In recent years, TotalEnergies' reduction in capex and operating expenses has improved its FREE cash flow generation, now further aided by the favorable energy environment. This has supported its continued ability to return cash to shareholders, one of our catalysts.

Amgen, the pharmaceutical company focused on biotechnology-based therapeutics, was also a top contributor for the quarter. The company reported solid results, with a variety of products, such as bone-strengthening drugs Prolia and EVENITY, contributing to overall revenue growth. Amgen continued to increase the market share for cholesterol drug Repatha (a catalyst we had originally identified), delivering record quarterly sales as the drug's usage expands with high-risk patients who have not yet had a cardiovascular event, and as barriers for prescribers, healthcare systems and patients are removed. In addition, we believe the company is poised to gain market share with its biosimilars (akin to generic versions of biologic drugs), also a previously identified catalyst. Biosimilars accounted for over $2 billion in revenue in 2021, and we believe this has the potential to more than double by the end of the decade, accelerated by six additional biosimilars (for a total of 11 products on the market). This includes the upcoming launch in the U.S. of arthritis treatment Amjetiva in January 2023. Meanwhile, the company is advancing its robust pipeline of early- and late-stage assets, with several phase III results due this year. These developments have caused us to remain enthusiastic about Amgen's ability to build on its decades of success developing novel treatments using biopharmaceuticals.

After making a strong run in the beginning of the year, Cameco, the world's largest publicly traded uranium producer, was a primary detractor for the quarter. As countries focus on energy security and increasingly rely on nuclear energy, market dynamics are shifting in Cameco's favor. Supply has tightened as the developed world pivots from Russia, a large supplier of uranium, while demand for non-Russia-linked uranium has increased. While we recognize there has been, and will likely continue to be, short-term volatility in uranium prices, we admire Cameco's prior actions of operational discipline, which we believe have positioned the company to benefit from the current market dynamics. Cameco remains focused on prudently and profitably increasing production of its Canada-based assets, including an increase of its ownership stake in the Cigar Lake joint venture, as well as the planned start of production at the McArthur River/Key Lake mines in 2024. As these operations come online, we believe Cameco will be able to meet its utilities customers' demand for long-term supply at higher equilibrium prices.

Microchip Technology, the microcontroller (MCU) and analog semiconductor producer, was also a primary detractor for the period. Shares declined during the quarter despite strong fundamentals, as the company posted its fifth consecutive quarter of record revenues. After years of industry consolidation and cost cutting, led by Microchip's disciplined and frugal executives, the business is executing on our catalyst of enhanced profitability, with operating margins exceeding 40%. FREE cash flow generation has continued to improve, allowing the company to pay out $1.6 billion in dividends and repurchase $426 million shares since fiscal year 2019. Having paid down $5 billion in debt during the same period, Microchip's credit rating was upgraded to investment grade in 2021, reflecting its higher-quality balance sheet. While we recognize Microchip operates in a cyclical industry, we admire the company's history of strong FREE cash flow generation through the cycles. Moreover, our conviction remains in Microchip's ability to grow its market share while uniquely benefiting from the secular trend of expanded usage of MCUs across segments that include 5G products, Internet of Things (IoT), data centers, electric vehicles and autonomous driving systems.

Recent Fund Activity

Buys	Sells
Munich Re Group	Twitter

We first invested in Twitter in the third quarter of 2018. During our holding period, the company executed on some catalysts that include improving the health of the platform (though more improvements can certainly be made) and enhancing the advertising server to allow for a greater mix of direct response ads. However, Twitter disappointed on others, chief among them being the company's inability to gain market share. Furthermore, we recently began evaluating the strategy of new CEO Parag Agrawal (appointed at the end of 2021), but the prospect of changes under his leadership was overcome by Elon Musk's $44 billion offer ($54.20 per share) to acquire Twitter. As the investment case became more reliant on a merger-arbitrage scenario – and less about Twitter's business fundamentals – we exited our position in late April/early May and invested the proceeds in Munich Re Group, which is discussed below.

Munich Re Group

Founded in 1880, Munich Re Group is the world's largest reinsurance company.[1] The company is globally active across all lines of the insurance industry, with reinsurance accounting for ~70% of gross premiums. Munich Re's reinsurance policies cover a wide variety of risks, including the impacts of natural disasters, cybersecurity breaches and agricultural shortfalls, as well as life and health. The company also offers primary insurance through its subsidiary ERGO (~30% of gross premiums), predominately to retail customers in Germany.

Reinsurance is insurance for insurers and typically purchased by primary insurers (those that insure a life, car, home, building or business). This allows primary insurers to diversify and limit the size of risk, protect against extreme outcomes, and tap into expertise that a primary insurer may not possess internally. Reinsurers can be seen as among the purest form of insurance companies, as they are paid premiums to underwrite risk and manage conservative investment portfolios.

Quality

Some of the quality characteristics we have identified for Munich Re include:

- Robust brand, market position and client relationships have allowed it to achieve scale, with over €300 billion in assets and nearly €60 billion in gross premiums written in 2021;
- Well diversified across product lines, sectors and geographies;
- Financial strength, as evidenced by its low debt leverage relative to its peers and strong solvency, with incurred-but-not-yet-reported[2] reserves having increased from 45% to 63% of total claims reserves between 2005 and 2020; and
- Experienced management team with a focus on innovation in the business that is unusual for an insurer of its size.

Attractive Valuation

In our view, based on our estimates of higher normalized earnings and market share, Munich Re's current share price does not fully reflect the company's intrinsic value. More specifically, given its current ~5% dividend yield and consistent ability to return profits to shareholders – increasing or maintaining its dividend for over 50 years – we believe the current valuation of ~10x earnings is attractive.

Compelling Catalysts

Catalysts we have identified for Munich Re, which we believe will cause its stock price to appreciate over our three- to five-year investment horizon, include:

- Continued underwriting discipline, along with the benefits of scale and utilization of technology, should improve profitability;
- Further penetration across many of its reinsurance segments due to investment in research & development (R&D) and product development; and;
- Market share gains in a variety of areas, including cybersecurity and fast-growing economies in Asia, where the market is large but insurance penetration remains relatively low.

[1] Based on net reinsurance premiums written in 2020.

[2] Incurred-but-not-reported is a type of reserve account used in the insurance industry as the provision for claims and/or events that are estimated to have transpired but have not yet been reported to an insurance company.

Conclusion

In the first half of 2022, we witnessed a new, significant geopolitical conflict, soaring inflation and tighter monetary policy. As usual, every period (up or down) brings its own "news of the day" questions, which at the time may seem critical: *Is the economy entering a recession? If so, how long will it last? What will central banks do next?* ... and so on. Instead of spending our time making predictions or analyzing the "news of the day" (which can change rapidly), we continue to direct our efforts toward understanding the long-term fundamentals of businesses. Before investing in a company, we spend time understanding its experience in prior times of adversity, its ability (or inability) to express pricing power, management's ability to react to changing conditions and many other factors that may impact a company's sustainable competitive advantages. Today, we continue to focus on the ***long-term*** fundamentals of businesses, as we believe this is the best way for us to serve our clients.

Aristotle/Saul Global Equity Fund

All Periods Ended June 30, 2022

Total Return	2Q22	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Annualized Since Inception (3/30/12)	Gross / Net Expense Ratio
ARSOX Class I	-13.17	-21.42	-16.48	5.78	6.37	6.86	6.81	6.01	0.95% / 0.80%
MSCI ACWI Index (net)	-15.66	-20.18	-15.75	6.20	7.00	6.98	8.75	7.93	N/A
MSCI World Index (net)	-16.19	-20.51	-14.34	6.99	7.66	7.53	9.51	8.71	N/A

Performance results for periods greater than one year have been annualized.

Performance data quoted here represents past performance. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. To obtain current performance information to the most recent month-end, please call (844) 274-7868.

The Fund's Advisor has contractually agreed to waive certain fees and/or absorb expenses through April 30, 2023 to the extent that the total annual operating expenses do not exceed 0.80% of the Fund's average daily net assets. The Fund's Advisor may seek reimbursement from the Fund for waived fees and/or expenses paid for three years from the date of the waiver or payment. Without these reductions, the Fund's performance would have been lower. A redemption fee of 1.00% will be imposed on redemptions of shares within 30 days.

On May 1, 2020, the Fund's name changed from Aristotle/Saul Global Opportunities Fund to Aristotle/Saul Global Equity Fund. Also, on May 1, 2020, the Fund's Principal Investment Strategies changed and performance prior to May 1, 2020 represents a different fund strategy.

Important Information:

There can be no guarantee that any strategy (risk management or otherwise) will be successful. All investing involves risk, including potential loss of principal.

The views in this letter were as of the date stated and may not necessarily reflect the same views on the date this letter is first published or any time thereafter. These views are intended to help shareholders in understanding the Fund's investment methodology and do not constitute investment advice.

Past performance is not indicative of future results. You should not assume that any of the securities transactions, sectors or holdings discussed in this report are or will be profitable, or that recommendations Aristotle Capital makes in the future will be profitable or equal the performance of the securities listed in this report. There is no assurance that any securities, sectors or industries discussed herein will be included in or excluded from the Fund. The opinions expressed are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Aristotle Capital reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs. This is not a recommendation to buy or sell a particular security. Recommendations made in the last 12 months are available upon request.

An investment in the Fund is subject to risks, and you could lose money on your investment in the Fund. The principal risks of investing in the Fund include, but are not limited to, investing in foreign securities, emerging markets, small-capitalization and mid-capitalization companies. **Market Turbulence Resulting from COVID-19** – The outbreak of COVID-19 has negatively affected the worldwide economy, individual countries, individual companies and the market in general. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the Fund. To learn more about the Principal Risks of Investing in the Fund, please reference the prospectus.

Foreign securities have additional risks, including currency rate changes, political and economic instability, lack of comprehensive company information, less market liquidity, less-efficient trading markets, and differing auditing controls and legal standards. The use of ETFs may cause the Fund to have higher expenses than those of other equity funds. Investments in emerging markets involve even greater risks. The securities of small-capitalization and mid-capitalization companies may be subject to more abrupt or erratic market movements and may have lower trading volumes or more erratic trading than securities of larger, more established companies or market averages in general. On the other hand, larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion. Definitions:

- The MSCI All Country World Index (ACWI) captures large and mid capitalization representation across 23 developed markets and 25 emerging markets countries. With approximately 3,000 constituents, the Index covers approximately 85% of the global investable equity opportunity set.
- The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index consists of 23 developed market country indices.
- The MSCI ACWI Value Index captures large and mid cap securities exhibiting overall value style characteristics across 23 developed markets countries and 25 emerging markets countries.
- The MSCI ACWI Growth Index captures large and mid cap securities exhibiting overall growth style characteristics across 23 developed markets countries and 25 emerging markets countries.
- The MSCI Europe Index captures large and mid cap representation across 15 developed markets countries in Europe. With over 430 constituents, the Index covers approximately 85% of the free float-adjusted market capitalization across the European developed markets equity universe.
- The MSCI Emerging Markets Index captures large and mid cap representation across 25 emerging markets countries. With approximately 1,400 constituents, the Index covers approximately 85% of the free float-adjusted market capitalization in each country.

- The MSCI Japan Index is designed to measure the performance of the large and mid cap segments of the Japanese market. With over 250 constituents, the Index covers approximately 85% of the free float-adjusted market capitalization in Japan.
- The S&P 500® Index is the Standard & Poor's Composite Index of 500 stocks and is a widely recognized, unmanaged index of common stock prices.
- The NYSE FAANG+ Index is an equal-dollar-weighted index designed to represent a segment of the Information Technology and Consumer Discretionary sectors consisting of highly traded growth stocks of technology and tech-enabled companies such as Facebook, Apple, Amazon, Netflix and Alphabet's Google.
- The Bloomberg Global Aggregate Bond Index is a flagship measure of global investment grade debt from 28 local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.
- The Brent Crude Oil Index is a major trading classification of sweet light crude oil that serves as a major benchmark price for purchases of oil worldwide.
- Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.
- Alpha is the excess return of an investment relative to the return of a benchmark index.
- FREE cash flow is generally calculated as cash flow from operations less capital expenditures.
- Cash flow refers to the net amount of cash and cash equivalents a company receives and disburses during a period of time.
- Capital expenditures (CapEx) are funds used by a company to acquire, upgrade and maintain physical assets such as property, plants, buildings, technology or equipment.
- Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.
- Dividend yield is the ratio of a firm's dividends each year relative to its share price.

The volatility (beta) of the Fund may be greater or less than that of the benchmarks. An investor cannot invest directly in these indices. Portfolio composition will change due to ongoing management of the Fund. References to specific securities or sectors should not be construed as recommendations by the Fund, its Advisor or Distributor. The companies identified herein are examples of holdings and are subject to change without notice. The companies have been selected to help illustrate the investment process described herein. A complete list of holdings is available upon request. It should not be assumed that any of the holdings listed have been or will be profitable, or that investment decisions made in the future will be profitable.

As of June 30, 2022, the 10 largest holdings in the Fund and their weights as a percent of total net assets exclusive of cash were: Microsoft, 4.41%; Danaher, 2.97%; Lennar, 2.95%; Sony Group, 2.88%; Microchip Technology, 2.78%; Martin Marietta Materials, 2.74%; TotalEnergies, 2.73%; Amgen, 2.72%; GSK plc, 2.68%; Samsung Electronics, 2.65%.

Please consider the Fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus or summary prospectus that contains this and other information about the Fund is available by calling (844) 274-7868, or by visiting aristotlefunds.com, and should be read carefully prior to investing.

The Aristotle/Saul Global Equity Fund is distributed by IMST Distributors, LLC.

ACM-2207-154

ARISTOTLE FUNDS