



# Knights of Columbus Long/Short Equity Fund

The long/short equity fund is designed for faith-based investors and invests in accordance with the guidelines set forth by the United States Conference of Catholic Bishops (USCCB).

## FUND INFORMATION

SHARE CLASS	I Shares
TICKER SYMBOL	KCEIX
INCEPTION DATE	December 2, 2019
BENCHMARK	HFRX Equity Market Neutral Index
LONG POSITIONS	54
SHORT POSITIONS	32
MINIMUM INVESTMENT	\$25,000
GROSS EXPENSE RATIO	1.98%
NET EXPENSE RATIO	1.98%

Waivers are contractual and in effect until February 28, 2027. In the absence of current fee waivers, performance would be reduced.

## INVESTMENT OBJECTIVE

The Long/Short Equity Fund seeks to increase diversification within portfolios and pursues capital appreciation by establishing long and short positions in domestic U.S. equities. The team favors companies that have attractive valuations and exhibit high-quality financial positions with a history of strong free cash flow.

## INVESTMENT PROCESS

The Fund's selection model employs value, earnings quality, and other proprietary measures when ranking the large cap universe. The process entails a value bias when evaluating securities and places primacy on identifying undervalued firms relative to their quality (longs) and overvalued firms based on their quality (shorts). While the Fund tends to have a modest net long exposure, it can be net short and often carries large cash balances due to proceeds from the short positions.

## PERFORMANCE (As of 3/31/26, inception date: 12/2/2019)

	Annualized Returns					
	QTR	YTD	1-Year	3-Year	5-Year	Since Inception
<b>Long/Short Equity Fund</b>	<b>3.35%</b>	<b>3.35%</b>	<b>9.47%</b>	<b>9.76%</b>	<b>9.23%</b>	<b>6.42%</b>
HFRX Equity Market Neutral Index	-2.20%	-2.20%	1.97%	5.22%	2.74%	1.81%
Lipper Alternative Long/Short Equity Classification	0.27%	0.27%	11.79%	10.83%	7.19%	N/A*

The performance data quoted represents past performance. Past performance is not a guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth less than their original cost and current performance may be higher or lower than the performance quoted. The Fund charges a 2.00% redemption fee on shares held less than 30 days. Investment performance does not reflect this redemption fee; if it was reflected, the total return would be lower than shown. For performance data current to the most recent month end, please call 1-844-KC-FUNDS.

\* Lipper does not provide fund specific inception date returns.

## GROWTH OF \$10,000 (As of 3/31/26)

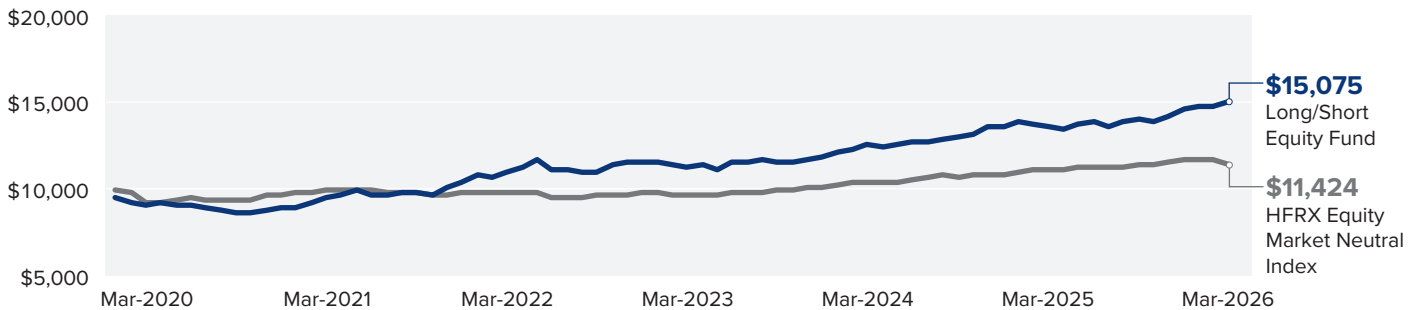
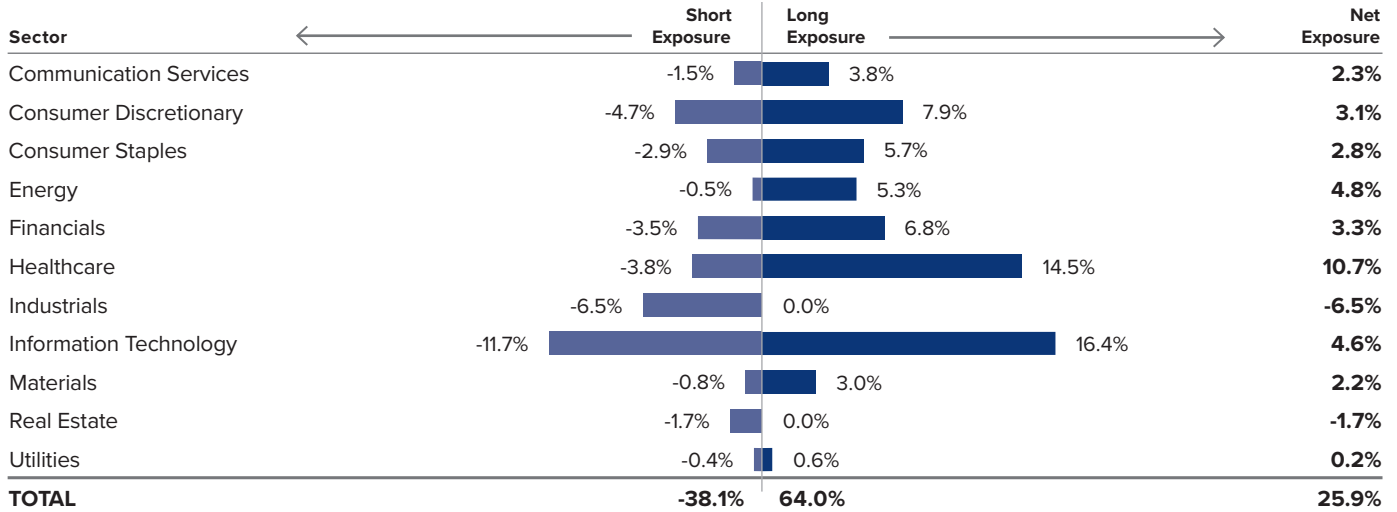


Chart depicts the value of a hypothetical \$10,000 investment in the Fund over the past 10 years (or since inception for funds lacking 10-year history). Investment performance is for Class I shares, and assumes the reinvestment of dividends and capital gains. The performance would have been lower if the Class A sales charges were deducted.

SECTOR WEIGHTINGS (Excluding cash, As of 3/31/26)



Source: Wells Fargo Prime Brokerage, Data As of 3/31/2026

TOP 10 ACTIVE LONG POSITIONS

(Excluding cash, As of 3/31/26)

CF US	2.64%	ABNB US	1.91%
UTHR US	2.29%	HOLX US	1.89%
HAL US	2.10%	EXPE US	1.86%
RPRX US	2.02%	TPR US	1.79%
FLEX US	2.00%	NTAP US	1.78%
<b>TOTAL</b>		<b>20.28%</b>	

Holdings are subject to change.

TOP ACTIVE LONG FUNDAMENTALS

(As of 3/31/26)

	Longs	Shorts
FCF/EV	5.4%	2.5%
P/E	25.3x	55.3x
Dividend Yield	1.4%	1.8%
ROE	36.8%	8.9%
Margins	33.8%	19.7%
3 Yr Sales Growth	50.6%	69.6%

QUARTERLY COMMENTARY

The benchmark HFRX Equity Market Neutral Index fell -2.20% while the Fund rose +3.35% in Q1 2026 and the S&P 500 fell -4.35%.

Market Overview:

Large-cap stocks fell in Q1 2026, with the S&P 500 down -4.33%, while small caps posted modest gains. Growth lagged due to limited Energy exposure and big losses in Information Technology. Energy drove most of the quarter's positives, supported by surging oil prices stemming from the Iran war. Materials companies also benefited as the closure of the Strait of Hormuz disrupted global supply chains, creating tailwinds for the Long/Short strategy.

Information Technology declined about 9%, significantly benefiting the strategy's short positions, while Tech longs still produced gains. Investors increasingly questioned the scale of AI spending, and all Mag 7 stocks fell at least 5% during the quarter.

Contributors & Detractors:

CF Industries Holdings, Inc. (CF, +68.8%, +111bps) was a very strong contributor for the fund this quarter. CF's earnings and cash flow should soar in 2026. Despite the unique assets, advantaged feedstock, and management's relentless commitment to repurchasing stock, CF still trades at a P/E multiple of only 13x.

Dell Technologies, Inc. (DELL, +31.0%, +39bps) makes products such as

PCs and servers and offers computer, network, and information security services. In late February, DELL reported financial results that handily exceeded analysts' forecasts based on strong AI demand. DELL has been among the best performing stocks so far in 2026, jumping about 25% in a very volatile market. Despite the increase, the stock's forward P/E ratio is still only ~12x.

HubSpot, Inc. (HUBS, -39.1%, +40bps) is an AI-powered software platform. HUBS may be the poster child of investors' concerns that privately-owned AI giants will take market share from legacy software vendors. HUBS has been an extremely successful short position in our portfolio. The stock has dropped 40% year to date and 61% over the last twelve months. Despite this, it still looks overpriced and vulnerable to us.

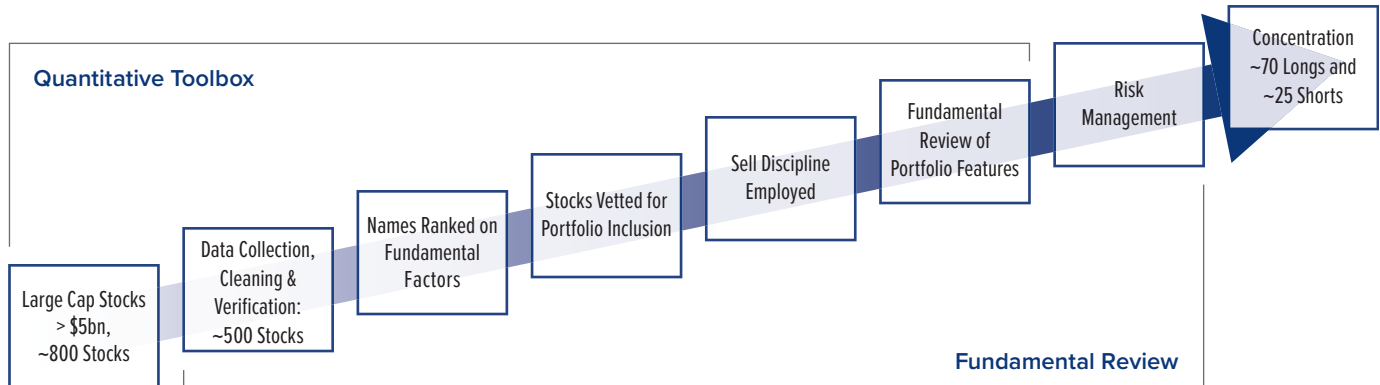
Fox Corporation (FOXA, -19.7%, -40bps) produces news, sports and entertainment content. Despite beating numbers in February, FOXA's stock price declined ~19% primarily due to investor concerns about stagnant television advertising revenue and sports rights costs. Factoring in the drop in its share price, FOXA trades at P/E of just 12.7x<sup>1</sup>, consistently generates enormous free cash flow and has nearly an 8% FCF yield.<sup>2</sup>

TopBuild Corp. (BLD, -15.8%, -17bps), leading installer and distributor of insulation and commercial roofing, has grown rapidly over the last ten

continued on next page >>

The information provided herein represents the opinion of the manager at a specific point in time and is not intended to be a forecast of future events, a guarantee of future results nor investment advice.

## INVESTMENT PROCESS



## QUARTERLY COMMENTARY (continued)

years. Investor concerns about housing-related stocks caused BLD's stock price to drop ~16% in 1Q 2026, pushing BLD's forward-year P/E ratio well below the market's.<sup>iv</sup> Despite our belief that BLD's current profits may be at trough levels, the company continues to generate significant free cash flow.<sup>v</sup> We think the stock is undervalued and offers significant upside optionality.

FTAI Aviation Ltd. (FTAI, +24.7%, -37bps) manufactures aftermarket components for and repairs commercial aircraft engines. FTAI's stock price has soared since announcing that it intends to launch a new business. Valued at a 31.5x P/E multiple based on analysts' consensus 2026 earnings estimates<sup>vi</sup> we believe the stock is overvalued.<sup>vii</sup> In our view, these elevated multiples reflect most of the potential reward from FTAI's data center generation business, but little of the associated risks. Consequently, we maintain our short position in the stock.

**Final Thoughts:**

L2's risk management on both the long and short sides has effectively

supported the strategy over the last 14 years. On the long side, we think the portfolio is in a good position as many of the investments have superb fundamentals and modest if not cheap valuations. On the short side, we see amazing opportunities as our stable of cash burning story-stocks must now reckon with a world awash in inflation shocks and deglobalization.

History is clear: hedged strategies matter most in periods like this. They can play an important role in asset allocation when markets are uncertain and valuations are stretched.

<sup>i</sup> <https://www.morganstanley.com/insights/articles/ai-market-trends-institute-2026#:~:text=Morgan%20Stanley%20Research%20estimates%20that,earnings%20and%20capital%20markets%20activity.>

<sup>ii</sup> Yahoo Finance.

<sup>iii</sup> Fox Corporation FY 2025 10-K.

<sup>iv</sup> Yahoo Finance.

<sup>v</sup> Top Build Corp. 2025 10-K.

<sup>vi</sup> Yahoo Finance.

<sup>vii</sup> FTAI Aviation Q4 2025 Earnings Supplement investor slides, February 2026.

## ABOUT KNIGHTS OF COLUMBUS ASSET ADVISORS

Knights of Columbus Asset Advisors, LLC ("KoCAA"), an SEC registered investment advisor, is the investment advisor to the Knights of Columbus Funds and serves as the investment arm of Knights of Columbus, the world's largest Catholic fraternal organization. KoCAA offers a suite of faith-based investment solutions that are managed in accordance with USCCB investment guidelines. As of 3/31/26, KoCAA managed approximately \$30 billion in total assets. For more information about KoCAA's business operations, please consult the Firm's Form ADV disclosure documents, the most recent versions of which are available on the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or call a KoCAA representative at 844-523-8637

**HFRX EMN (Equity Market Neutral)** — Equity Market Neutral strategies employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities, select securities for purchase and sale. These can include both Factor-based and Statistical Arbitrage/Trading strategies. Equity Market Neutral Strategies typically maintain characteristic net equity market exposure no greater than 10% long or short.

**S&P 500 Index** — The S&P 500 or Standard & Poor's 500 Index is a market-capitalization-weighted index that measures the value of the stocks of the 500 largest U.S. publicly traded companies.

**Lipper Alternative Long/Short Equity Classification** — Funds that employ portfolio strategies combining long holdings of equities with short sales of equities, equity options or equity index options. The funds may be either net long or net short, depending on the portfolio manager's view of the market.

Knights of Columbus Asset Advisors serves as the investment adviser to the fund and oversees the activities of L2 Asset Management LLC, as the fund's investment sub advisor.

**This material must be preceded or accompanied by a current prospectus. Investors should read it carefully before investing or sending money.**

Investing involves risk, including possible loss of principal. There is no guarantee that the investment objective will be achieved.

The Knights of Columbus Funds are distributed by SEI Investments Distribution Co. (SIDCO) (1 Freedom Valley Dr., Oaks, PA 19456), which is not affiliated with Knights of Columbus Asset Advisors or L2 Asset Management.

© 2026 Knights of Columbus Asset Advisors. All rights reserved.

Knights of Columbus Asset Advisors, 1 Columbus Plaza, New Haven, CT 06510

11327 (4/26)