Built for Uncertainty: Causeway Quantitative Beat Benchmarks in March Amid War and Oil Shock

March 2026 saw a sharp spike in volatility as markets grappled with rapidly shifting headlines around the Middle East conflict, rising oil prices, and tightening financial conditions.

Periods like these tend to test both alpha generation and risk management. Yet Causeway's quantitatively managed **Emerging Markets** and **International Small Cap Funds** generated positive alpha for the month.

What supported the Funds' resilience in volatile markets, and how do we seek to manage downside risk?

Diversified alpha sources designed to support all-weather performance

- Causeway models are built on multiple, low-correlated alpha factors, designed to generate performance across a wide range of market and macro environments.
- We do not rely on all alpha factors working simultaneously to generate excess returns. In March, Valuation and Quality—factors that tend to be more defensive and have historically performed well during periods of market stress—were the primary contributors to alpha. At the stock and sector level, exposures to Taiwan IT, aluminum producers, and more defensive financials supported relative performance across both Funds.
- Alpha generation in the EM and ISC Funds has not been driven by oil price movements. That said, periods like March—when oil prices rose—have historically coincided with slightly higher median alpha relative to each strategy's own history.
- In down markets, the ISC Fund has historically delivered approximately 3x its median up-market alpha, highlighting its defensive characteristics. This is largely

driven by its exposure to Quality alpha factors, which have tended to outperform in risk-off environments—particularly in small caps, where dispersion, volatility, and failure rates are typically higher.

Rigorous risk controls emphasize stock selection

- Causeway's in-house fundamental risk models tilt toward stocks with historically lower-volatility characteristics, while our statistical models capture less visible or transient risks (e.g., pandemic, tariffs, geopolitical shocks), enabling a more granular understanding of how individual holdings contribute to overall portfolio risk).
- Constraints on active country, currency, and sector exposures focus alpha on stock selection rather than top-down allocation, avoiding reliance on concentrated macro or country positions that can create wide performance swings.

Diversified Alpha Factors + Rigorous Risk Controls = Alpha Generation Across Diverse Market Environments

Across a wide range of market environments, the two Funds have historically generated positive median alpha and compared favorably to peers, including in regimes similar to March.

Causeway Emerging Markets Fund (Tickers: CEMIX, CEMVX)

	Causeway Emerging Markets Fund	**Morningstar Diversified Emerging Markets Peer Group**
Regimes	Median Active Monthly Return (4/2007-3/2026)	
Market Direction		
Up	0.14%	-0.30%
Down	0.11%	0.26%
Style		
Value	0.21%	-0.06%
Growth	0.10%	-0.01%
Large Cap	0.04%	-0.29%
Small Cap	0.28%	0.23%
Momentum	0.36%	0.06%

Reversal	-0.02%	-0.12%
Quality	0.21%	0.18%
Junk	0.11%	-0.32%
Macro		
Yield Curve Steepening	0.13%	-0.05%
Yield Curve Flattening	0.20%	-0.01%
Dollar Up	0.09%	-0.02%
Dollar Down	0.21%	-0.03%
Oil Price Up	0.20%	-0.04%
Oil Price Down	0.09%	0.02%
All	0.14%	-0.02%

Blue-shaded rows reflect market conditions present for March 2026. Median active monthly returns are from the Fund's first full month since inception on March 30, 2007. Past performance does not guarantee future results. Please see endnotes for peer group and regime definitions.

Causeway International Small Cap Fund (Tickers: CIISX, CVISX)

Regimes	**Causeway International Small Cap Fund**	**Morningstar Foreign Small/Mid Value Peer Group**
	Median Active Monthly Return (11/2014-3/2026)	
Market Direction		
Up	0.12%	-0.10%
Down	0.38%	0.06%
Style		
Value	0.27%	0.43%
Growth	0.08%	-0.32%
Large Cap	0.19%	0.29%
EM Outperforming DM	0.86%	-0.22%
Momentum	0.44%	-0.16%
Reversal	0.00%	0.12%
Quality	0.11%	-0.26%
Junk	0.27%	0.23%
Macro		

Yield Curve Steepening	0.11%	0.12%
Yield Curve Flattening	0.33%	-0.15%
Dollar Up	0.22%	-0.03%
Dollar Down	0.19%	-0.09%
Oil Price Up	0.24%	0.12%
Oil Price Down	0.14%	-0.22%
All	0.22%	-0.07%

Blue-shaded rows reflect market conditions present for March 2026. Median active monthly returns are from the Fund's first full month since inception on October 20, 2014. Past performance does not guarantee future results. Please see endnotes for peer group and regime definitions.

Causeway Emerging Markets and International Small Cap Funds have historically generated alpha across a wide range of market environments. March's market volatility underscores how diversified alpha sources and rigorous risk controls can support performance in turbulent markets.

To determine if the Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. Please read the full or summary prospectus carefully before you invest or send money. To obtain additional information, call 1-866-947-7000 or visit us online at www.causewayfunds.com.

Mutual fund investing involves risk, including possible loss of principal. In addition to the normal risks associated with equity investing, international investing may involve risk of capital loss from unfavorable fluctuations in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Current and future holdings are subject to risk. There is no guarantee that securities mentioned will remain in or out of the Fund. For further information on the risks regarding investing in Causeway's Funds, including unique risks relevant to emerging markets including China and investment structures of certain Chinese companies, please go to https://www.causewaycap.com/wp-content/uploads/Risk-Disclosures.pdf. In addition to the normal risks associated with investing, investments in smaller companies typically exhibit higher volatility. Current and future holdings are subject to risk. There is no guarantee that securities mentioned will remain in or out of the Fund. Diversification may not protect against market risk. There is no assurance that a Fund will achieve its stated objectives.

The Funds may invest in derivatives, which are often more volatile than other investments and may magnify the Fund's gains or losses.

The Causeway emerging markets and international small cap strategies use quantitative factors that can be grouped into seven categories: valuation, earnings growth, technical indicators, macroeconomic, country, sector, and currency. The return attributed to a factor is the difference between the equally weighted average return of the highest ranked quintile of companies in the strategy’s emerging markets universe based on that factor and that of the lowest ranked quintile of companies.

Causeway Capital Management LLC serves as investment adviser for Causeway Funds. The Funds are distributed by SEI Investments Distribution Co. (SIDCO), which is not affiliated with the Funds or the investment adviser.

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The MSCI Emerging Markets Index is a free float-adjusted market capitalization index, designed to measure equity market performance of emerging markets, consisting of 24 emerging country indices.

The MSCI ACWI ex USA Small Cap Index is a free float-adjusted market capitalization weighted index, designed to measure the equity market performance of smaller capitalization stocks in developed and emerging markets excluding the U.S., consisting of 46 country indices. The Index covers approximately 14% of the free float-adjusted market capitalization in each country.

Morningstar peer group definitions are as follows:

Diversified Emerging Markets: Diversified emerging-markets portfolios tend to divide their assets among 20 or more nations, although they tend to focus on the emerging markets of Asia and Latin America rather than on those of the Middle East, Africa, or Europe. These portfolios invest predominantly in emerging market equities, but some funds also invest in both equities and fixed income investments from emerging markets.

Foreign Small/Mid-Value: Foreign small/mid-value portfolios invest in international stocks that are smaller and less expensive than other stocks. These portfolios primarily invest in stocks that fall in the bottom 30% of each economically integrated market (such as Europe or Asia ex-Japan). Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow). These portfolios typically will have less than 20% of assets invested in U.S. stocks.

Regime definitions are as follows:

Emerging Markets: "Active Monthly Return" is the difference between the monthly portfolio return net of management fees and the return of the MSCI Emerging Markets Index. "Benchmark" refers to the MSCI Emerging Markets Index. "Market Direction Up/Down" refers to months in which net USD return of the MSCI Emerging Markets Index was positive/negative. "Value" / "Growth" refers to months in which the MSCI Emerging Markets Value / Growth Index outperformed the Benchmark. "Large-Cap" / "Small-Cap" refers to months in which the MSCI Emerging Markets Large Cap / Small Cap Index outperformed the Benchmark. "Momentum"/ "Reversal" refers to months in which the MSCI Emerging Markets Momentum Index outperformed / underperformed the Benchmark. "Quality"/ "Junk" refers to months in which the MSCI Emerging Markets Quality Index outperformed / underperformed the Benchmark. "Yield Curve Steepening/Flattening" refers to months in which the difference between the yield on the US 10-year Treasury Note and the yield on the US 2-year Treasury Note increased/decreased. "Dollar Up" / "Dollar Down" refers to *months in which the U.S. Dollar Index (DXY) increased/decreased. "Oil Price Up/ Down" refers to months in which the the spot price of Brent crude oil increased/decreased relative to the previous month.*

International Small Cap: "Active Monthly Return" is the difference between the monthly portfolio return net of management fees and the return of the MSCI ACWI ex USA Small Cap Index. "Benchmark" refers to the MSCI ACWI ex USA Small Cap Index. "Market Direction Up/Down" refers to months in which net USD return of the MSCI ACWI ex USA Small Cap Index was positive/negative. "Value" / "Growth" refers to months in which the MSCI ACWI ex USA Small Cap Value / Growth Index outperformed the Benchmark. "Large-Cap" refers to months in which the MSCI ACWI ex USA Small Cap Large Cap Index outperformed the Benchmark. "EM outperforming DM" refers to months in which the MSCI Emerging Markets Small Cap Index outperformed the Benchmark. "Momentum"/ "Reversal" refers to months in which the stocks in the top quintile of the MSCI ACWI ex USA Small Cap Index sorted by last-twelve months' performance outperformed / underperformed the Benchmark. "Quality"/ "Junk" refers to months in which the MSCI ACWI ex USA Quality Index outperformed / underperformed the MSCI ACWI ex USA Index. "Yield Curve Steepening/Flattening" refers to months in which the difference between the yield on the US 10-year Treasury Note and the yield on the US 2-year Treasury Note increased/decreased. "Dollar Up" / "Dollar Down" refers to months in which the U.S. Dollar Index (DXY) increased/decreased. "Oil Price Up/ Down" refers to months in which the spot price of Brent crude oil increased/decreased relative to the previous month.