

TCW Relative Value Large Cap Fund

Fourth Quarter 2025 Commentary

Investment Environment

Equities rose 2.65% (S&P 500 Total Return – USD) in the fourth quarter, finishing the year on an eight-month run of positive returns. It was a strong end to the year which saw equities rise 17.9%, including an -18.8% peak-to-trough fall between February and April on either side of Trump's sweeping tariff declaration on "Liberation Day". On a more granular level, stocks presented small gains of 0.2% and 0.1% in the final two months of the year.

On one hand, the "AI trade" has remained red-hot since the days following Trump's tariff announcements. Whispers of an "AI bubble" have permeated through the market although fears of a bubble are often mitigated by either supply/demand imbalances or continued earnings growth by hyperscalers. In short, there have been warning signs akin to that of the Dot-Com bubble, but the underlying companies seem to continue defying odds with advancements in the technology, strong financials, and reasonable valuations.

On the other hand, the macro picture remains disjointed. Third quarter GDP came in well above expectations at 4.3% year-over-year, signaling that the U.S. economy is flourishing. At the same time, consumers and the labor market weakened, although never quite as badly as feared. To make the picture even murkier, the longest government shutdown in history occurred in the quarter, leading to the delay and cancellation of some data, and the use of estimates for others. The fed ultimately cut rates by 25 bps at each of its two meetings in the quarter, and then November CPI data came in way below expectations at 2.7% YoY (versus 3.1% expected).

Information Technology, Health Care and Communication Services stocks performed strongly in the quarter, and then there was a large drop off. The Real Estate, Utilities, and Consumer Discretionary sectors were the worst performing groups in the period, and the only groups that posted negative returns. Through 2025, Communication Services and Information Technology were the two strongest performing sectors by a wide margin.

Sector Weightings¹

The Russell 1000 Value saw a fairly mixed performance across its sectors. Information Technology stocks saw a double-digit return, followed closely by the Health Care and Communication Services groups. Real Estate, Utilities, and Consumer Discretionary stocks were the only groups that produced negative returns.

On a relative basis, the portfolio benefitted most from its stock selection of Materials companies, far outperforming the index. Stock selection of Real Estate and Financials stocks also benefitted performance. The portfolio saw its weakest relative performance from its overweight Information Technology stocks, followed by stock selection of Consumer Discretionary.

Security Selection*¹

Portfolio stock selection was slightly positive (+14 bps) in the quarter. The best performing stocks in the quarter were Alphabet[†], Intel (INTC; 2.69%**), and Merck & Co (MRK; 2.70%**). Alphabet shares surged through October and November. Late in October, the company reported strong third quarter earnings with beats across Search, YouTube, and Cloud. Notably, Cloud's backlog being the biggest highlight – now at \$155 billion, up 46% sequentially. The shares jumped again November after the company unveiled semiconductors that some analysts think could rival NVIDIA's[†], as evidenced by news breaking that Meta Platforms (META; 2.83%***) was in talks to use them. At the same time, Google released Gemini 3, which received immediate praise from analysts for its reasoning and coding capabilities. Intel rose early in the quarter after the company announced a partnership with NVIDIA to bolster its ability to develop custom chips for data centers and personal computers. Merck & Co. shares jumped after the company reported better than expected third quarter revenues. Management attributed the beat to cost cutting initiatives and strong sales of its pneumonia vaccine.

Past performance does not guarantee future results.

¹ Source: Attribution versus FactSet Russell 1000 Value/S&P GICS sectors.

* It should not be assumed that an investment in the securities listed was or will be profitable.

**Portfolio securities are stated as a percentage of the Fund's total net assets including cash and cash equivalents as of December 31, 2025.

† Not held by the Fund as of December 31, 2025.

Lennar (LEN; 0.93%**), Qnity Electronics[†], and Xylem (XYL; 2.70%***) were the weakest performers in the quarter. Lennar shares fell late in the quarter after the company offered weaker-than-expected guidance across orders, deliveries, and margins in the company's fiscal first quarter. Management noted that the housing market remains challenging, despite interest rates continuing to come down. Qnity shares fell following the company's spinoff from DuPont (DD; 1.50%**). We eliminated Qnity in November

Representative Buys & Sells*

BUYS (Ticker; Weight; Sector)

Meta Platforms Inc (META; Communication Services)

MSCI ESG² Overall Score: B

Meta Platforms is a \$1.8 trillion internet company headquartered in Menlo Park, CA. Meta is the largest social media company in the world with more than 3.5 billion unique users across Facebook, Instagram, and WhatsApp. Meta's applications and technologies help people connect, find communities, and grow businesses. Meta Platforms is also involved in advertisements, augmented, and virtual reality, and more recently began offering AI products like chatbots and image generation tools. At initiation in October 2025, shares of Meta met one valuation factor, price-to-cash flow.

The investment catalyst is new products/markets. Meta is integrating AI into every part of its offering, both on the user side and with advertisers. On the user side, the company switched from a followed account model to algorithmically ranked content surfacing, allowing users to discover more relevant content than ever before and engage more with their apps. On the advertiser side, Advantage+ and other AI tools have made it far easier for small and medium businesses to get excellent returns on their advertising spend. This has accelerated growth in the core advertising business and there remains more opportunity as the company leverages generative AI tools to create ad copy and offer customer service chatbots. Click to Message and WhatsApp now account for more than \$10 billion in revenues annually, and we see substantial growth potential over the medium term that should support higher cash flow and earnings.

Amazon (AMZN; 2.69%**; Consumer Discretionary)

MSCI ESG Overall Score: BBB

Amazon is a \$2.3 trillion internet company headquartered in Seattle, WA. Amazon.com is an online retailer that also offers personalized shopping services, web-based credit card payment, and direct shipping to customers. AMZN is the largest e-commerce platform in the US with a ~40% market share. Amazon's secret sauce is their logistics infrastructure that allows for superior delivery times and lower costs than peers, which they use to delight their loyal Prime membership base. Amazon also operates a cloud platform offering services globally through Amazon Web Services (AWS), a fantastic second business with growth opportunities in cloud migrations and AI workloads. Advertising is increasingly important to the overall business with nearly \$70 billion of annualized revenues, driven by Sponsored Listings as well as Fire TV/Prime Video ad inventory (e.g., during Thursday NFL games). At initiation in October 2025, shares

of AMZN met two of the five valuation factors (price-to-sales; price-to-cash flow).

The investment catalyst is new products/markets. AWS has been less impacted by the wave of AI spending than its hyperscale peers as they have top heavy clients that are particularly driving growth (i.e., OpenAI for MSFT[†] Azure). However, it is set to close the gap as corporates and start-ups begin to scale their inference workloads as they introduce AI-powered products. Additionally, AWS is supply constrained but is set to get significantly more capacity in the next 6-12 months, both from third party providers like NVDA as well as their own custom-designed silicon (Trainium 2). On the retail side, the company is demonstrating operational excellence with consistent improvements in its cost to serve. We expect this to continue and receive a mix benefit as advertising continues to grow as a percent of its North America and International segments. As Amazon leadership execute these strategic initiatives, the company can grow cash flow and earnings materially over the medium term.

AMETEK Inc (AME; 2.55%**; Industrials)

MSCI ESG Overall Score: BBB

AMETEK is a \$43 billion industrial technology company headquartered in Berwyn, PA. AMETEK provides electronic instruments and electromechanical devices for a diverse set of niche end markets. Revenue split between its Electromechanical Group (EMG) and Electronic Instruments Group (EIG) is approximately 33% and 67%, respectively. The EMG segment develops and manufactures precision motion controls, highly engineered medical components/devices, heat exchangers, and electrical interconnects serving the aerospace/defense, medical, automation, and general industrial verticals. The EIG segment provides test & measurement products for the power, process, industrial, and aerospace market verticals. At initiation in October 2025, shares of AME met one of the five valuation factors, price/book value.

The investment catalyst is new products/markets and cost cutting/restructuring. AMETEK's asset-light business model drives strong and consistent cash flow. Its Growth Model enables AMETEK to expand into niche, adjacent markets aligned with secular growth trends and its Operational Excellence strategy deploys lean manufacturing tools and shared services to improve profitability of acquired companies. Organically, ~26% of sales are derived from products released in the past three years, underpinned by a healthy RD&E/sales ratio of ~5.5 percent. As AMETEK refines its Growth Model flywheel, acquires tuck-in acquisitions opportunistically, improves profitability, and advances in its continuous operational improvement activities across the manufacturing base, the resulting improvement in margins and ROE can improve meaningfully over the medium term.

SELLS (Ticker; Sector)[†]

Alphabet Inc (GOOG; Communication Services)

MSCI score: BBB

The investment in Alphabet was eliminated in the fourth quarter in an orderly fashion after having appreciated to the point where the shares met none of the five valuation characteristics. GOOG

² MSCI ESG Score as of December 31, 2025 and subject to change. Please see additional MSCI ESG disclosures at the end of this document.

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[†] Not held by the Fund as of December 31, 2025.

entered 2025 as a perceived AI loser, with investors fearing that its search business was at risk of disruption from generative AI queries, where upstart OpenAI held a seemingly large lead. This perception changed throughout the year because of a few key catalysts. On its new products/markets catalyst, Google had two lauded releases with its Nano Banana image generation model and Gemini 3 general purpose LLM, both of which garnered millions of users and helped close the gap with OpenAI. Financially, search revenue growth remained steady, and its Cloud business accelerated, driven by TPUs, Alphabet's unique AI chips that lower model training and inference costs. Finally, on the regulatory side, the trial for GOOG's search antitrust case resolved without any worst-case structural remedies, clearing an overhang for the stock. The stock outperformed and re-rated higher as a result and is now garnering an above-market "AI winner" multiple.

Seagate Technology Holdings PL (STX; Information Technology)

MSCI score: AA

Seagate Technology, incorporated in Dublin, Ireland and with operational headquarters in Fremont, CA, is engaged in the development, production, and distribution of data storage products and electronic data storage solutions. Its products include hard disk drives, solid state hybrid drives, solid state drives, peripheral component interconnect express cards, and serial advanced technology attachment controllers, storage subsystems, and computing solutions. STX is experiencing robust demand driven by hyperscalers aggressive adoption of AI.

Flex Ltd (FLEX; Information Technology)

MSCI score: A

Flex, based in Singapore (for tax purposes but domiciled in the U.S. with functional headquarters in Silicon Valley), is a leading provider of electronics manufacturing services (EMS) and outsourced design and engineering. The company operates in two segments: Flex Agility Solutions (Communication, Enterprise, Cloud, Lifestyle and Consumer Devices) and Flex Reliability Solutions (Automotive, Industrial and Health Solutions). FLEX is benefiting from the build

out of AI data infrastructure. Flex maintains a leading-edge global network of manufacturing sites that offers customers the ability to relocate final assembly from high-tariff geographies in a timely and cost-efficient manner enabling customers to reduce or avoid tariffs. Despite the success of the FLEX data center business, end market uncertainty around its automotive and industrial end markets, led us to eliminate the position.

Market Outlook

Looking forward, we expect the equity market to remain highly sensitive to policy signals and earnings delivery as valuations hover near historically elevated levels. At roughly 22x forward earnings, the margin for error is thin, and investor conviction will hinge on whether corporate America can deliver the ~15% EPS growth implied for 2026 in consensus estimates. Secular themes—artificial intelligence, digital infrastructure, and the energy transition—continue to provide durable support, but near-term risks include a weak labor market and still-fragile consumer sentiment. These worries are likely to be offset to a considerable degree by the stimulative impact of OBBB and the associated expected boost in tax refunds. Against this backdrop, our focus remains on resilient, cash-generative businesses with disciplined capital allocation—companies positioned to compound value where earnings delivery, not additional multiple expansion, does more of the lifting.

We value your support and thank you for your trust.

Iman H. Brivanlou, PhD

Portfolio Manager
Managing Director
Equities

Matthew J. Spahn

Managing Director
Equities

Characteristics

As of December 31, 2025

Top Ten Securities ¹	Ending Weight (%)
JPMorgan Chase	4.40
Salesforce Inc	3.86
Bank of New York Mellon Corp	3.72
Intercontinental Exchange Inc	3.58
Apollo Global Management Inc	3.53
Walt Disney	3.26
International Business Machines Co	3.25
Morgan Stanley	2.93
Procter & Gamble	2.88
Johnson Controls International Plc	2.88

Source: TCW, FactSet

Portfolio characteristics and securities are subject to change at any time. It should not be assumed that an investment in the securities listed was or will be profitable.

¹ Security percentages are calculated on the total net asset value, including cash and cash equivalents.

Please see additional disclosures on the following page(s).

Sector Weights	Ending Weight (%)
Financials	20.02
Health Care	15.07
Industrials	13.34
Information Technology	12.98
Consumer Staples	7.30
Communication Services	6.09
Real Estate	5.78
Consumer Discretionary	5.30
Energy	4.97
Utilities	4.42
Materials	3.17
Cash	1.57

Performance

As of December 31, 2025

Inception Date	December	YTD	4Q	1 Year	Annualized				Since Inception ¹
					3 Year	5 Year	10 Year	(%)	
12/31/2003	0.18	19.32	4.29	19.32	18.04	14.71	11.56	9.02	
8/26/2025	0.28	-	4.29	-	-	-	-	9.51	
12/31/1997	0.24	19.23	4.27	19.23	17.87	14.51	11.36	7.78	
Russell 1000® Value Index	0.68	15.91	3.81	15.91	13.90	11.33	10.53	8.62-I; 5.99-I3; 7.94-N	

Inception Date	Expense Ratio [‡]	
	Gross	Net ^{‡‡}
12/31/2003	0.77	0.70
8/26/2025	0.92	0.80
12/31/1997	1.05	0.85

Source: TCW, FactSet, State Street B&T

1 The annualized since inception return for the index reflects the inception date of the TCW I Share (12/31/2003-12/31/2025), I-3 Share (8/26/2025-12/31/2025), and N Share (12/31/1997-12/31/2025) Funds, respectively.

2 For the TCW Relative Value Large Cap N Share Fund, the performance data includes the performance of the Fund's predecessor investment company, ("SG Cowen Predecessor Fund"), which prior to December 14, 2001, was managed by SG Cowen Asset Management Company, Inc. The SG Cowen Predecessor Fund has investment objectives and strategies that are substantially similar to the Fund. The SG Cowen Predecessor Fund's performance was calculated using the fees and expenses of the A Share not including the 4.75% sales charge for A Share of the SG Cowen Predecessor Fund.

‡ Annual fund operating expenses as stated in the I & N Share Prospectus dated February 28, 2025 and the I-3 Share Prospectus dated August 25, 2025, excluding interest and acquired fund fees and expenses, if any. I-3 Share is only available through select financial intermediary platforms.

‡‡The Advisor has contractually agreed to cap the expenses (excluding interest, brokerage, extraordinary expenses and acquired fund fees and expenses, if any) effective February 28, 2025, to 0.70% of average daily net assets with respect to I Share, 0.85% of average daily net assets with respect to N Share, and effective August 25, 2025, to 0.80% of average daily net assets with respect to I-3 Share. The contractual fee waiver/expense reimbursement will remain in place through March 1, 2026 for the I & N Shares and through August 24, 2026 for the I-3 Shares, and before those dates, the investment advisor may not terminate these arrangements without approval of the Board of Directors.

The performance data presented represents past performance and is no guarantee of future results. Returns assume all income items are reinvested. Current performance may be lower or higher than the performance data presented. Performance data current to the most recent month end is available on the Fund's website at tcw.com. Investment returns and principal value will fluctuate with market conditions. The value of an investment in the Fund, when redeemed, may be worth more or less than its original purchase cost.

Important Disclosure

You should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. A Fund's Prospectus and Summary Prospectus contain this and other information about the Fund. To receive a Prospectus, please call 800-241-4671 or you may download the Prospectus from the Fund's website at tcw.com. Please read it carefully.

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MSCI ESG RATINGS

An MSCI ESG Rating is designed to measure a company's resilience to long-term, industry material environmental, social and governance (ESG) risks. MSCI uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. MSCI's ESG Ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC). Leader: A company leading its industry in managing the most significant ESG risks and opportunities; Average: A company with a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers; Laggard: A company lagging its industry based on its high exposure and failure to manage significant ESG risks. ESG risks and opportunities can vary by industry and company. The MSCI ESG Ratings model identifies the ESG risks (called Key Issues), that are most material to a GICS[®] sub-industry or sector.

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INVESTMENT RISKS

Equity investments entail equity risk and price volatility risk. The value of stocks and other equity securities will change based on changes in a company's financial condition and in overall market and economic conditions.

All investing involves risk including the potential loss of principal. Market volatility may significantly impact the value of your investments. Recent tariff announcements may add to this volatility, creating additional economic uncertainty and potentially affecting the value of certain investments. Tariffs can impact various sectors differently, leading to changes in market dynamics and investment performance.

Please see the Fund's Prospectus for more information on these and other risks.

INDEX DISCLOSURE

Russell 1000[®] Value Index – Measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The index is not available for direct investment; therefore its performance does not reflect a reduction for fees or expenses incurred in managing a portfolio. The securities in the index may be substantially different from those in the Fund.

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GLOSSARY OF TERMS

AI (Artificial Intelligence) – The theory and development of computer systems able to perform tasks that normally require human intelligence, such as visual perception, speech recognition, decision-making, and translation between languages. **BPS (Basis Points)** – A unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument. The basis point is commonly used for calculating changes in interest rates, equity indexes and the yield of a fixed-income security. **Consumer Staples** – Referring to essential products such as foods, beverages, and hygiene items required in daily life. These goods are non-cyclical, meaning they remain in demand regardless of economic fluctuations. **Corporate** – Of or relating to a bond issued by a corporation as opposed to a bond issued by the U.S. Treasury, a non-U.S. government or a municipality. **CPI (Consumer Price Index)** – Measures the average change in prices over time that consumers pay for a basket of goods and services. **Dot-com** – A company that relies largely or exclusively on Internet commerce. **Expense Ratio** – A measure of what it costs an investment company to operate a mutual fund. **Federal Reserve (the Fed)** – The central bank of the United States which regulates the U.S. monetary and financial system. **Fiscal** – Relating to government revenue, especially taxes. **GDP (Gross Domestic Product)** – The market value of all final goods and services produced within a country in a given period of time. **Growth** – A diversified portfolio of stocks that has capital appreciation as its primary goal, with little or no dividend payouts. Portfolio companies would mainly consist of companies with above-average growth in earnings that reinvest their earnings into expansion, acquisitions, and/or research and development. **Interest Rate** – The proportion of a loan that is charged as interest to the borrower, typically expressed as an annual percentage of the loan outstanding. **Liberation Day** – On April 2, 2025, President Donald Trump introduced the term "Liberation Day" to describe the rollout of a broad package of tariffs. **NASDAQ** – Nasdaq is a global electronic marketplace for buying and selling securities, as well as the benchmark index for U.S. technology stocks. Nasdaq was created by the National Association of Securities Dealers (NASD) to enable investors to trade securities on a computerized, speedy and transparent system, and commenced operations on February 8, 1971. The term "Nasdaq" is also used to refer to the Nasdaq Composite, an index of more than 3,000 stocks listed on the Nasdaq exchange that includes the world's foremost technology and biotech giants such as Apple, Google, Microsoft, Oracle, Amazon, Intel and Amgen. **Outperform** – Outperform is when an investment is expected to perform better than the return generated by a particular index or the overall market. Since the performance of many investments is compared to a benchmark index, outperform refers to generating a higher return than a particular benchmark over time. Outperform also refers to an analyst's rating on a security, and outperform is a better rating than neutral and worse than a strong buy recommendation. **Revenue** – The value of all sales of goods and services recognized by a company in a period. **S&P 500 Index (SPX)** – A capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. **Tariff** – A tax imposed on imported goods and services. **Valuation** – The process of determining the current worth of an asset or company. There are many techniques that can be used to determine value, some are subjective and others are objective. **Value** – A fund that primarily holds stocks that are deemed to be undervalued in price and that are likely to pay dividends. **Volatility** – A measure of the risk of price moves for a security calculated from the standard deviation of day-to-day logarithmic historical price changes. **YTD** – Year-to-date.

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