3Q 2025 COMMENTARY

CROMWELL FORESIGHT GLOBAL INFRASTRUCTURE FUND

Portfolio Manager Eric Bright provides an update on the infrastructure sector, where he is seeing opportunity, and why investors should take a closer look at infrastructure despite the strength in tech stocks.

What areas of infrastructure were strong in the third quarter of 2025? What areas were weak?

Utility stock performance was strong, with companies benefiting from grid modernization and growing exposure to data center demand. Power generation assets have rebounded as investor interest returned, supported by the expectation of lower interest rates and select merger and acquisition (M&A) activity that lifted valuations.

The most significant underperformance came from digital infrastructure. After an early-year rally in tower companies, performance moderated due to concerns around carrier spending. For example, data center holding Equinix announced a higher-than-expected investment plan to expand long-term data center capacity, which hurt the stock. While management's strategy is seen as positioning the company for future growth, near-term earnings pressure caused the share price to pull back. We consider the reaction to be driven by near-term concerns rather than fundamentals, and we believe the investment plan strengthens our long-term case for the stock.

How much of the recent strength across sectors—industrials, utilities, energy—reflects fundamentals versus spillover from AI-driven enthusiasm?

AI growth has been a key theme, however we see risks in overly optimistic projections, especially for utilities and data centers. We prefer less-speculative businesses such as Equinix, which provides global digital infrastructure services by operating co-location data centers and offering interconnection services that allow businesses to connect with partners and customers. The company focuses on proven demand and tenant-driven expansion rather than speculative large-scale builds. While Equinix is allocating more capital expenditures toward AI-related opportunities, its core strength remains in retail co-location and cloud connectivity. This disciplined approach provides exposure to AI growth without overreliance on uncertain, long-term demand.

Where are you finding new opportunities?

This quarter, the Fund expanded its exposure to essential infrastructure by adding three grid utilities, a leading rail operator and a water utility, reflecting both structural growth opportunities and attractive valuations.

On the grid side, we initiated a position in Terna, an independent electricity transmission system operator in Italy. Terna is incentivized to invest in modernizing and expanding Italy's grid. We purchased the stocks after a pullback, viewing it as a compelling entry point.

CROMWELL FUNDS

CLASS	INCEPTION	TICKER
Institutional	1/31/23	CFGIX

Fund Facts

Specialty: **Global Infrastructure**

Benchmark: **S&P Global Infrastructure Index**

Net Assets: **$49.5 million**

Holdings: **36**

Sub-Advisor

Foresight

Founded in 1984, Foresight Group is a leading listed infrastructure and private equity manager investing in innovation that drives progress. Foresight has a long-established focus on ESG and sustainability-led strategies, managing over 400 infrastructure assets across eight countries. Headquartered in London and listed on the London Stock Exchange, Foresight Group manages $17 billion in assets under management.

PORTFOLIO MANAGERS

Nick Scullion
Partner, Lead Portfolio Manager

Eric Bright, CFA
Managing Director, Co-Portfolio Manager

In the U.K., we added SSE, which combines grid transmission assets with a growing portfolio of renewables, hydro, and gas generation. We believe SSE is well positioned to deliver long-term, well-funded growth without needing to raise equity.

We also took a small position in Hydro One, Ontario's province-wide grid operator. Supported by strong demographics and population growth in Toronto, Hydro One represents what we believe to be one of the highest-quality names in the infrastructure sector, offering steady demand and attractive investment potential.

Beyond grids, we also added Canadian National Railway. While it has long been recognized as a premier operator, the stock is currently trading significantly below U.S. peers that are subject to takeover talks. This created an appealing entry point, giving us high-quality exposure to rail with some downside mitigation and long-term upside potential.

And finally, we also initiated a position in a water utility company in the U.K. Severn Trent Water is the largest utility company serving millions of customers in England and Wales, and we believe the highest quality of its peers.

Following these purchases, digital infrastructure remains the largest portion of the portfolio, at approximately 30%, followed by energy generation and storage at 25%. Diversified infrastructure and utilities each comprise approximately 15% and transport and health care stocks each make up about 7% of the portfolio.

In the face of continued tech strength, why should investors take a closer look at infrastructure?

We believe infrastructure could provide defensive cash flows and exposure to long-term growth themes such as artificial intelligence and the need to diversify energy sources. In a slowing macro environment, this balance of resilience and opportunity potential is appealing, along with attractive valuations. We have also seen correlations between infrastructure and global stocks fall in 2025, offering diversification beyond tech stocks.

About Cromwell Funds

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- Aristotle Pacific Capital
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- Corbyn Investment Management
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- Mutual of America Capital Management
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Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing. For this and other information, please call 855.625.7333 or visit thecromwellfunds.com for a prospectus. Read it carefully before investing or sending money.

Earnings growth is not representative of the fund's future performance.

Mutual fund investing involves risk. Principal loss is possible. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. Environmental, Social and Governance (ESG) and Sustainable investing may take into consideration factors beyond traditional financial information to select securities, which could result in relative investment performance deviating from other strategies or broad market benchmarks, depending on whether such sectors or investments are in or out of favor in the market. Further, ESG and Sustainable investing strategies may rely on certain values-based criteria to eliminate exposures found in similar strategies or broad market benchmarks, which could also result in relative investment performance deviating. There is no assurance that employing ESG and Sustainable strategies will result in more favorable investment performance. The Sub-Adviser utilizes its own company research, additional external research and the portfolio manager's judgment to determine if a company is contributing positively to sustainable development. Infrastructure companies may be subject to a variety of factors that may adversely affect their business, including high interest costs, high leverage, regulation costs, economic slowdown, surplus capacity, increased competition, lack of fuel availability and energy conversation policies. The Fund is non-diversified and therefore a greater percentage of holdings may be focused in a small number of issuers or a single issuer, which can place the Fund at greater risk. The Fund is new with no operating history. Investing in Master Limited Partnerships (MLPs) involves certain risks related to investing in the underlying assets of the MLPs and risks associated with pooled investment vehicles. Investing in ETFs are subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of the shares may trade at a discount to its net asset value (NAV), an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a Fund's ability to sell its shares.

The S&P 500 Index is a capitalization-weighted index of 500 stocks. The S&P Global Infrastructure Index is designed to track 75 companies from around the world that represent the listed infrastructure industry while maintaining liquidity and tradability. Indices are unmanaged, are not available for investment and do not incur expenses. Cash flows is the total amount of money being transferred in and out of a business. Correlation measures the extent to which two or more variables move in relation to each other.

Holdings can be found here. Fund holdings are subject to change and should not be considered recommendations to buy or sell any security. Current and future holdings are subject to risk.

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