

Mondrian International Government Fixed Income Fund



MPIFX

Investment Objective

The investment objective of the Fund is to seek long-term total return consistent with its value-oriented investment approach.

Fund Strategy

Mondrian is an active, value-oriented defensive manager. We invest in international markets that offer high income in real (inflation-adjusted) terms, measured by a market's Prospective Real Yield (PRY).

We define PRY as the 10 year government bond yield minus Mondrian's inflation forecast.

Fund Overview

Initial Investment	\$50,000
Inception Date	November 2, 2007
Total Net Assets	\$24m
Ticker Symbol	MPIFX
CUSIP	36381Y306
NAV	\$9.68
Net Expense Ratio	0.60%
Gross Expense Ratio	1.05%

Fund Performance

	Quarter	Annualized Returns				
		1 Year	3 Years	5 Years	10 Years	Since Inception
Mondrian Fund	-6.47%	6.05%	2.11%	2.43%	0.77%	2.60%
FTSE non-US Dollar World Government Bond Index	-6.42%	5.65%	0.88%	1.99%	1.11%	2.45%

Returns are annualized for periods over 1 year. Fund Inception November 2, 2007. The performance data quoted represents past performance. Past performance is no 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 more or less than their original cost and current performance may be lower or higher than performance quoted. For performance data current to the most recent month end, please call 888-832-4386. NAV returns since inception of November 2, 2007 when the Fund was the Laudus Mondrian International Government Fixed Income Fund. The Fund was reorganized into the Mondrian International Government Fixed Income Fund on September 24, 2018. It continues to be managed in the same way.

Country Allocation

	Bond Exposure (%)	Currency Exposure (%)	FTSE WGBI Index (Non-US) (%)
Asia Pacific	40.2	31.3	30.8
Australia	2.9	0.0	2.9
Japan	32.5	29.2	26.7
Malaysia	2.1	2.1	0.6
Singapore	2.7	0.0	0.6
Americas	4.8	5.5	3.7
Canada	2.0	2.0	2.6
Mexico	2.8	2.8	1.1
USA	0.0	0.7	0.0
Europe	53.8	63.2	64.9
Eurozone	49.7	49.2	54.0
Denmark	0.0	0.0	0.7
Norway	0.0	2.0	0.3
Poland	0.0	1.9	0.9
Sweden	0.0	0.0	0.5
United Kingdom	4.1	10.0	8.5
Cash	1.2	—	—

Effective September 24, 2018, Mondrian Investment Partners Limited (the Advisor) has contractually agreed to waive fees and reimburse expenses to the extent necessary to keep Total Annual Fund Operating Expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses and non-routine expenses from exceeding 0.60% of the Fund's average daily net assets until February 28, 2023.

Bond funds are subject to increased loss of principal during periods of rising interest rates. As interest rates rise, bond prices usually fall. Foreign investing involves special risks such as currency fluctuations and political uncertainty. Diversification does not eliminate the risk of experiencing investment losses. There are risks associated with investing in foreign companies, such as volatile market conditions, economic and political instability, fluctuations in currency and exchange rates, and an increased risk of price volatility associated with less uniformity in accounting and reporting requirements. Investing in emerging markets accentuates these risks. Investments in emerging markets are more likely to experience political turmoil or rapid changes in market or economic conditions than more developed countries. The Fund is non-diversified and, as such, may invest a greater percentage of its assets in the securities of a single issuer, making the Fund more susceptible to risks associated with a single economic or political event. The use of derivatives instruments involves risks different from, or possibly greater than, the risk associated with investing directly in securities.

Statistical Information (3 year, as of March 31, 2021)

	Fund	FTSE non-USD World Gov. Bond Index
Sharpe ratio	0.08	-0.12
Information ratio	1.01	0.00
Standard deviation	6.26%	6.26%
R-squared	96.29%	100%

Calculation information: All statistical information calculations are based on returns over the past 36 months for the Fund and the Index. Sharpe ratio is a measure of reward per unit of risk - the higher the Sharpe ratio, the better. It is a portfolio's excess return over the risk-free rate divided by the portfolio's standard deviation. The portfolio's excess return is its geometric mean return minus the geometric mean return of the risk-free instrument (by default, T-bills). Information ratio is a measure of the consistency of a portfolio manager's performance. It is calculated by taking the average excess return over the comparative index and dividing by the standard deviation of the excess returns. Standard deviation is a widely recognized measure of volatility of an investment portfolio, or how widely monthly returns vary from a portfolio's long-term average annual total return. R-squared indicates on a scale of 0 to 100 the percentage of a fund's performance that is explained by movements in its comparative index.

Fund Characteristics

	Fund	FTSE non-USD World Gov. Bond Index
Number of Securities	46	832
Portfolio Turnover (1 Year Trailing)	19.49%	—
Average Maturity	10.5 years	10.8 years
Average Duration	9.1 years	9.7 years

Investment Strategy

Our investment strategy is as follows:

Overweight Positions

Malaysia and Mexico

Norwegian krone and Polish zloty

Underweight Positions

Eurozone (broadly neutral to Italy and underweight Spain)

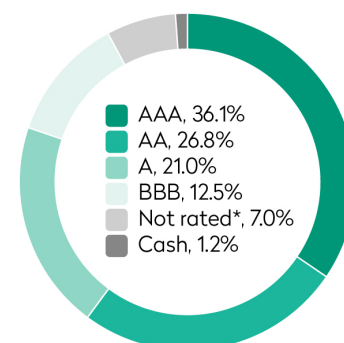
Underweight UK market

Top Ten Holdings

	Net Assets
Japan Govt 30yr 0.3% 20-Jun-46 (051)	4.8%
Kingdom of Belgium 1% 22-Jun-26	4.7%
Republic of Austria 6.25% 15-Jul-27	4.6%
European Fin Stability 0.95% 14-Feb-28	4.6%
Japan Govt 30yr 2.4% 20-Dec-34 (017)	4.6%
Italy BTPS 2% 01-Feb-28	4.5%
Japan Govt 20yr 0.2% 20-Jun-36 (157)	4.3%
KFW Intl Finance 2.05% 16-Feb-26	4.3%
Asian Dev Bank 2.35% 21-Jun-27	4.3%
Euro Inv Bank 2.15% 18-Jan-27	4.2%
TOTAL	44.9%

Holdings are subject to change.

Credit Rating Distribution *



The credit quality breakdown depicts the credit quality ratings of the Fund's securities. All rated securities are rated by Nationally Recognized Statistical Rating Organizations (NRSRO) Standard & Poor's (S&P), Moody's and/or Fitch. We progress down the hierarchy S&P followed by Moody's followed by Fitch. When a security is not rated by any NRSRO, it is classified as 'Not Rated'. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest).

* There are currently two Netherlands, two Italian, one Japanese and one Singapore government bonds that are not rated by any NRSRO, but the issuers of these securities (the governments of the Netherlands, Italy, Japan and Singapore) are rated by all three NRSROs.

FTSE non-US Dollar World Government Bond Index: A market capitalization index that measures the total rate of return performance for the government bonds of 22 countries, excluding the U.S., with a remaining maturity of at least 1 year. U.S. Dollar Index is an index (or measure) of the value of the United States dollar relative to a basket of foreign currencies, often referred to as a basket of U.S. trade partners' currencies.

Prospective Real Yield is the return that you expect to get from an investment, adjusted for the effects of inflation.

Maturity of a bond will generally be determined using a portfolio security's final maturity date (date on which the final principal payment of a bond is scheduled to be paid); however, for securitized products, such as mortgage-backed securities and certain other asset-backed securities, maturity will be determined on an average life basis (weighted average time to receipt of all principal payments) by the investment adviser. Because pre-payment rates of individual mortgage pools vary widely, the average life of a particular pool cannot be predicted precisely. For securities with embedded demand features, such as puts or calls, either the demand date or the final maturity date will be used depending on interest rates, yields and other market conditions. The weighted average maturity (WAM) of a fund is dollar-weighted based upon the market value of a fund's securities at the time of the calculation. Duration is a measure of an individual bond's sensitivity to interest rates, expressed in years. Calculations of duration generally take into account the bond's yield, interest payments, maturity date and call features. Weighted Average Duration is a measure of the duration of all bonds in a fund's portfolio, also expressed in years, based on the market value weighted average duration of each bond in the portfolio. Standard Deviation - A measure of the volatility of returns. Beta - A measure of a fund's sensitivity to market movements.

Performance Review

Over the first quarter, the FTSE World Government ex-US Bond Index fell 6.4% in US dollar unhedged terms. In local currency terms the index fell 2.5%, with benchmark international currencies falling 4.0% on average against the US dollar. The strongest performing markets were Norway (-1.5%), Canada (-3.2%) and Israel (-5.3%). Currency was the main driver of outperformance in the case of Norway and Canada, whereas for Israel it was local bond market outperformance. The weakest performing markets were Denmark (-7.6%), Sweden (-7.4%) and Mexico (-7.1%). Currency was the chief detractor in the case of Sweden, whereas for Denmark and Mexico it was local bond market underperformance.

The Mondrian International Government Fixed Income Fund slightly underperformed the performance of the benchmark index over the first quarter with the Fund down 6.47% against a fall in the FTSE World Government ex-US Index of 6.42%. The modest overweight positions to the Singaporean market and to Mexico detracted from relative performance over the quarter. These positions were broadly offset by the underweight to the weak UK market and the overweight position to the Japanese market, which both added to relative performance over the quarter.

Investment Outlook

Almost without exception, government bond yields across the world rose in the first quarter. Amongst developed markets, this rise was most acute in the US. For instance, the US 10-year government bond yield rose by just over 80 basis points. This is a large move but certainly not unprecedented historically and only natural given the large fall in yields last year and the expectation of economic recovery this year, primed by fiscal stimulus.

Although there has been much debate about what this stimulus means for inflation, our forecasts have only risen modestly. Inflation prints will almost inevitably step up during the course of this year as a consequence of a return towards normality and the possibility of pent-up demand meeting supply bottlenecks as COVID related restrictions gradually become relaxed. However, any rise should be limited. There is still a great deal of spare capacity in the global economy. Unemployment continues to be above long-run averages, keeping a lid on wage growth and the vast build-up of both private and public debt in the face of the pandemic will likely weigh on economic expansion as balance sheets are repaired. In addition to this, the same secular forces that have driven a decline in trend inflation over the past forty years, such as globalization, the weakened bargaining power of labor in deindustrialized, service-dominated economies and technology-driven competition, are still very much in place. So, although we have increased our inflation forecasts, including that of the US, and have been reducing duration across portfolios to reflect the improving economic outlook, we continue to emphasize that our inflation forecasts remain modest. That said, our forecast for US inflation (although modest) is among the highest of all high-income economies translating into a relatively low Prospective Real Yield (PRY) for the US and a duration underweight to its bond market. As well as being underweight to US duration, we are modestly underweight to US credit on global and US aggregate mandates as credit spreads have tightened. We also continue to be underweight to the US dollar on global mandates since it remains expensive according to our Purchasing Power Parity (PPP) valuations amply reinforcing the tactical case for international fixed income.

In the Eurozone and Japan, bond yields have also risen, but not to the same extent as in the US. The 10-year government bond yields of Germany and Japan were up by around 26 and 7 basis points respectively over the first quarter. Recovery in the Eurozone looks further off, threatened by a third wave of the Coronavirus and in Japan, long term bond yields are targeted directly by the central bank. In fact, given its lower inflation outlook, Japanese government bond yields continue to look relatively attractive at the moment with a PRY higher than that of most other developed markets. Other developed global bond markets with attractive PRYs currently include those of China, Singapore, Mexico and Malaysia.

To determine if the Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk, and charges and expenses. This and other information can be found in the funds full and summary prospectus which can be obtained by calling 888-832-4386 or by visiting www.mondrian.com/mutualfunds. Please read the prospectus carefully before investing.

Investing involves risk, including the possible loss of principal. International investments entail risks not ordinarily associated with U.S. investments including fluctuation in currency values, differences in accounting principles, or 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. The Fund may invest in derivatives, which are often more volatile than other investments and may magnify the Fund's gains or losses.

Indices are unmanaged and do not include the effect of fees. One cannot invest directly in an index.

The Mondrian Investment Partners Limited Funds are distributed by SEI Investment Distribution Co. (SIDCO). SIDCO is not affiliated with the advisor, Mondrian Investment Partners Limited. Mondrian Investment Partners Limited is Authorised and Regulated by the Financial Conduct Authority.

Mondrian Investment Partners Limited

Our Organization

Successful and Well-Managed

- Founded in 1990
- 30 years of stable, consistent leadership
- Approximately USD 60 billion* under management and advisement

Independent, Employee-Owned

- Equity ownership plan designed to attract, retain and motivate highly skilled people
- Mondrian is employee owned
- Approximately half of employees are partners

Time-Tested Investment Philosophy and Process

- All products utilize an income-oriented value discipline
- Consistently applied since the company's founding in 1990
- In-depth global fundamental research

Well-Resourced Team

- Highly experienced team of 58 investment professionals in London
- Low turnover of professional staff
- Strong culture of client service and support

* As of March, 2021, Mondrian has total assets under management of USD 57.2 billion. In addition, the firm also had USD 4.2 billion of model delivery assets under advisement.

Company Overview

Mondrian is an independent, employee-owned, global value-oriented manager with almost 30 years' experience in managing a range of equity and fixed income products for a variety of clients based around the World. During this period the business has been managed in a stable, successful fashion, and is controlled by an employee partnership. This ownership structure ensures alignment of interests with clients and reinforces the long-term approach to investment that Mondrian has used since the firm was founded in 1990. Prior to a management buyout in 2004, the business was affiliated with US-based Delaware Investments. Mondrian's value style products have had a track record of producing consistent, strong risk-adjusted performance in a variety of different market environments.

People: Our Best Resource

The most important resource of any investment organization, and Mondrian in particular, is the investment team and staff. Mondrian's investment team has been working together for almost 30 years. We have a low turnover of professional staff, and a strong culture of client service and support.

Philosophy

Mondrian follows a highly disciplined and repeatable process: it overweight markets that it believes will provide a high risk-adjusted real income stream. To do so, Mondrian calculates each market's Prospective Real Yield (PRY), factoring in its own inflation forecasts and analysis of sovereign credit risk.

This is overlaid with a separate assessment of relative currency valuations employing Mondrian's own real exchange rate analysis