

ABOUT LOCORR

LoCorr was founded in 2003 on the belief that non-traditional investments with low correlation to equities and fixed income can improve diversification, reduce risk, and enhance portfolio returns. We believe in a different approach to asset allocation by incorporating strategies that sophisticated institutions (sovereign wealth funds, endowments, foundations, and family offices) have used for decades. Our deep research background allows us to analyze the immense number of alternative investment strategies and the thousands of alternative investment managers to help us bring carefully crafted, low-correlation products to market.

We are dedicated to collaborating with great managers. To identify these managers, we utilize a comprehensive research and selection process consisting of five critical steps, which aim to ensure manager excellence by conducting thorough due diligence and ongoing monitoring of the managers and their strategies. Our extensive due diligence process allows us to offer advisors and their clients access to premier institutional money managers that might otherwise be unavailable to them.

| STEP 1 Identification | STEP 2 Manager Due Diligence | STEP 3 Operational Due Diligence | STEP 4 Manager Approval | STEP 5 Ongoing Monitoring |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Market and Strategy Opportunities Manager Sourcing – Quantitative Screens / Qualitative Screens Narrow to short list | Quantitative Analysis Document Review Discussions with Manager | Identify Non-Investment Risks Document / Systems / Infrastructure Review 3rd Party Service Providers Review | Recommendation by Research Team Operational Committee / Investment Committee Review Operational Committee / Investment Committee Approval Board Review / Approval | Funds Sub-Advisers Key Third Party Vendors Frequency: Daily / Monthly / Quarterly / Annually |

Diversification strategies moving independently of long-only stocks and bonds:

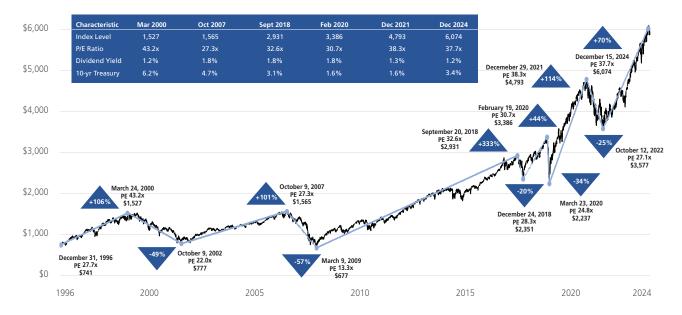
"It's the only thing we do!"

THE INVESTMENT LANDSCAPE HAS CHANGED

EQUITIES

Since 2009, equities have been on an upward trajectory with brief periods of market drawdowns, causing some to ask if stocks are overvalued and whether they can continue on this path.

Investment Growth (as measured by the S&P 500 Index) - December 1996 - December 2024

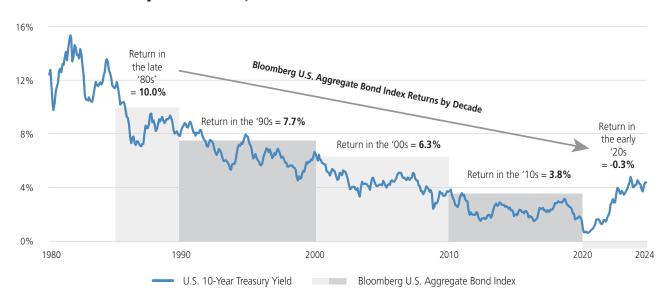


Sources: Standard & Poor's, Shiller's Irrational Exuberance Book, and the U.S. Treasury. The PE Ratio and Dividend Yield are based on closest month-end to inflection point. The PE Ratio is represented by the Shiller PE ratio for the S&P 500. Price earnings ratio is based on average inflation-adjusted earnings from the previous 10 years, known as the Cyclically Adjusted PE Ratio (CAPE Ratio), Shiller PE Ratio, or PE 10.

FIXED INCOME

Fixed income has historically been used to generate additional sources of income and provide diversification for investors. However, since peaking in the 1980s, the 10-year Treasury Yield has declined over the last four decades leaving bonds unable to contribute to a portfolio as much as they have in the past.

U.S. 10-Year Treasury Yield - February 1980 - December 2024



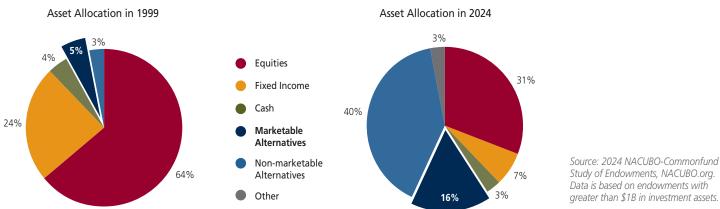
Sources: FRED, Morningstar Direct. U.S. 10-Year Treasury Yields shown from February 1980 - December 2024. Bloomberg U.S. Aggregate Bond Index shown since inception on January 3, 1986. Past performance is not a guarantee of future results.

THE NEED FOR DIVERSIFICATION

Some of the brightest investment minds are employed by large college and university endowments. In the past, these institutions allocated the vast majority of their portfolios to traditional investments (stocks, bonds, and cash). However, that mix of assets often did not provide the desired level of risk reduction when trying to grow and preserve capital.

During the last two decades, the focus of larger endowments (\$1 billion and above) has shifted to a greater allocation of low-correlating assets to help them reach their investment objective. The pie charts below illustrate how these endowments have changed the way they construct portfolios, embracing alternative investments while reducing exposure to traditional stocks and bonds.

Growth of Low-Correlating Investments



Study of Endowments, NACUBO.org. Data is based on endowments with greater than \$1B in investment assets.

CORRELATION MATTERS

Analyzing correlation among positions during the portfolio construction process is paramount to obtaining optimal portfolio diversification. Correlations range on a scale from 1 (perfectly correlated) to -1 (perfectly inversely correlated). As the correlation between equities and fixed Income has been steadily rising, reaching a level not seen since the inception of the Bloomberg U.S. Aggregate Bond Index in 1986, it is likely your portfolio will need the addition of low-correlating strategies to properly hedge equity risk.

Stock and Bond Correlation* During Negative and Positive Regimes - January 1929 - December 2024



Source: LoCorr Fund Management and Morningstar Direct. Monthly data as of December 31, 2024. Past performance is not a guarantee of future results. *Average 3-yr rolling correlation between IA SBBI U.S. Large Stock TR Index and IA SBBI U.S. Long-Term Government TR Index, which transitioned to the Bloomberg U.S. Government Long Index on 12/31/1975

IS YOUR PORTFOLIO BUILT WITH THE DIVERSIFICATION YOU DESIRE?

Correlation Matrix

| | Systematic Trend | Stocks | Bonds | REITs | Energy | Private Equity | Private Credit |
|------------------|---------------------|--------|-------|-------|--------|-------------------|-------------------|
| Systematic Trend | 1.00 | | | | | | |
| Stocks | 0.06 | 1.00 | | | | | |
| Bonds | -0.28 | 0.48 | 1.00 | | | | |
| REITs | -0.13 | 0.60 | 0.82 | 1.00 | | | |
| Energy | 0.28 | 0.32 | -0.20 | 0.10 | 1.00 | | |
| Private Equity | 0.05 | 0.91 | 0.53 | 0.72 | 0.30 | 1.00 | |
| Private Credit | 0.09 | 0.78 | 0.26 | 0.62 | 0.52 | 0.85 | 1.00 |

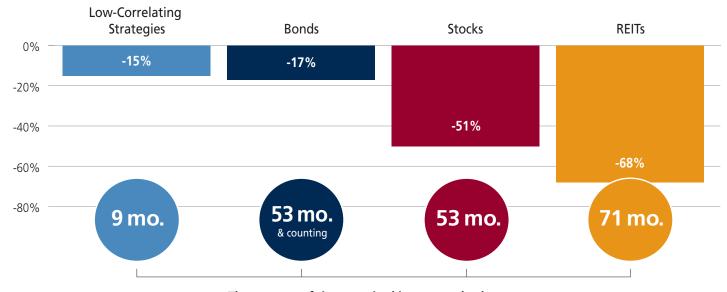
Time period 2/1/19-12/31/24. Systematic Trend is represented by CISDM CTA Index, Stocks represented by S&P 500 Index, Bonds represented by Bloomberg U.S. Aggregate Bond Index, REITs by the ICE BofA U.S. Real Estate Index, Energy by the Bloomberg Energy Subindex, Private Equity by the Red Rocks Global Listed Private Equity Index, and Private Credit by Index Private Credit Index, using monthly data. Source: LoCorr Fund Management.

DO YOU HAVE TIME TO RECOVER?

What lessons have we learned since 2000? For many, the big take away was that nearly any investment can decline, *sometimes significantly*. Furthermore, different investments can decline at the same time, just as we saw in 2008 and 2022. These "drawdowns" (the amount of decline from a previous peak) can create large losses that may take years to recover from. To generate positive returns and preserve capital, it is important to reduce significant losses.

The chart below shows the maximum drawdowns different investments have experienced since early 1986 and the amount of time it took for each to recover or get back to where they were pre-drawdown. Spending time catching back up to even slows the portfolio's opportunity for growth.

Maximum Drawdowns of Various Investments - February 1986 - December 2024



The amount of time required just to get back to even.

Source: Morningstar Direct. Low-Correlating strategies are represented by the CISDM CTA Index, Stocks represented by S&P 500 Index, Bonds represented by Bloomberg U.S. Aggregate Bond Index, and REITs represented by FTSE Nareit All REITs Index. Calculated using monthly returns.

SEEKING A BETTER APPROACH TO INVESTING

Low-correlating strategies that move independently of both equities and fixed income can offer portfolios added diversification and risk mitigation. We believe the traditional 60% stock/40% bond portfolio needs to evolve to include a sleeve of low-correlating strategies. (An alternative "sleeve" combines two or more investments with no correlation to stocks and bonds, nor to each other.) Whether this evolution comes through a 60% stock/20% bond/20% blend of low-correlating strategies or a 50/30/20 mix depends on the investor's risk tolerance. By including a sleeve of low-correlating strategies, the portfolio seeks to provide stronger diversification to better insulate from equity risk.

As shown below, a diversified portfolio has historically outperformed the 60/40 portfolio, while providing higher risk-adjusted returns, and increasing assets 34% versus the traditional portfolio. Incorporating a sleeve of low-correlating strategies can turn a traditional portfolio into a more resilient, all-weather portfolio.

Growth of a Hypothetical \$100,000 Investment* – January 1986 - December 2024



Source: Morningstar Direct. *Assumes reinvestment of dividends and capital gains. The CISDM CTA Index represents a low-correlating sleeve. Data calculated using monthly returns. **Past performance is not a guarantee of future results.**

There are a multitude of global macroeconomic issues abound from domestic fiscal policy to international trade to rising geopolitical tensions. These serve as a reminder that markets are unpredictable and waiting until market uncertainty arises to make changes to a portfolio is often too late. Portfolios need to be constructed from the beginning with a risk mitigation plan in place. We believe low-correlating strategies that provide a differentiated return stream are needed now to properly hedge equity risk.



By incorporating strategies with differentiated styles in a multi-manager approach, LoCorr seeks to improve return consistency, mitigate drawdowns, reduce volatility, and improve risk-adjusted returns of portfolios. Our experienced team works with advisors to help them construct low-correlating sleeves based on unique investor needs. Let us help you design an optimal mix of strategies based on investor goals.

To learn more about how LoCorr can help you reach your investment goals, contact us at:

952.767.6900 | Sales desk: 888.628.2887 | www.LoCorrFunds.com

Mutual fund investing involves risk. Principal loss is possible. The Funds invest in foreign investments which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for emerging markets. Investing in commodities may subject the Funds to greater risks and volatility as commodity prices may be influenced by a variety of factors including unfavorable weather, environmental factors, and changes in government regulations. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in Asset-Backed, Mortgage-Backed, and Collateralized Mortgage-Backed Securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. Derivative contracts ordinarily have leverage inherent in their terms which can magnify the Fund's potential for gains or losses through increased long and short position exposure. The Funds may access derivatives via a swap agreement. A risk of a swap agreement is the risk that the counterparty to the agreement will default on its obligation to pay the Funds. The Funds will incur a loss as a result of a short position if the price of the short position instrument increases in value between the date of the short position sale and the date on which an offsetting position is purchased. Investments in lower-rated and nonrated securities presents a greater risk of loss to principal and interest than higher rated securities. Underlying Funds are subject to management and other expenses, which will be indirectly paid by the Funds. The Fund's portfolio will be significantly impacted by the performance of the real estate market generally, and the Fund may be exposed to greater risk and experience higher volatility than would a more economically diversified portfolio. Small and mid-sized companies

S&P 500 Total Return Index is a capitalization weighted unmanaged benchmark index that includes the stocks of 500 large capitalization companies in major industries. This total return index includes net dividends and is calculated by adding an indexed dividend return to the index price change for a given period. **S&P/Case-Shiller Home Price Index** is the leading measure for the U.S. residential housing market, tracking changes in the value of residential real estate both nationally as well as in 20 metropolitan regions. **S&P GSCI Index** (formerly the Goldman Sachs Commodity Index) is a composite index of commodity sector returns which represents a broadly diversified, unleveraged, long-only position in commodity futures. **MSCI World Index** is a market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world. **Barclays Long Term Treasury Index** is an unmanaged benchmark index of all publicly issued debt of agencies of the U.S. government, quasi-federal corporations and corporate debt guaranteed by the U.S. government, with maturities ranging from 10 to 30 years. **Bloomberg U.S. Aggregate Bond Index** is a broad-based bond index comprised of government, corporate, mortgage and asset-back issues rated investment grade or higher. **CISDM Equity Long/Short Index** demonstrates the median return of hedge funds with long and/or short directional strategies in equities. Such hedge funds typically take long or short positions in equities and may simultaneously use hedging strategies with futures and options. Only hedge funds that have reported net returns for the particular month are included in the index calculation. **Morningstar Long/Short Commodity Index** is a fully collateralized commodity futures index that uses the momentum rule to determine if each commodity is held long, short, or flat. **CISDM CTA Equal Weighted Index** is designed to broadly represent the performance of all CTA programs in the Morningstar database that meet the inclusion requirements. Fee

The Fund's investment objectives, risks, charges, and expenses must be considered carefully before investing. The summary and statutory prospectuses contain this and other important information about the investment company, and it may be obtained by calling 1.855.LCFUNDS, or visiting www.LoCorrFunds.com. Read it carefully before investing.

Diversification does not assure a profit nor protect against loss in a declining market. Correlation measures how much the returns of two investments move together over time. Sharpe Ratio measures the amount by which a set of values differs from the arithmetical mean, equal to the square root of the mean of the differences' squares. Dividend Yield is the dividend per share divided by the price per share. It is also a company's total annual dividend payments divided by its market capitalization, assuming the number of shares is constant. Price/Earnings Ratio (P/E) - measure of the price paid for a share relative to the annual net income or profit earned by the firm per share.

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