Carillon Eagle Growth & Income Fund

Investment Team

David Blount, CFA[†]
Portfolio Co-Manager

Brad Erwin, CFA
Portfolio Co-Manager

Jeffrey D. Bilsky
Portfolio Co-Manager

Characteristics

Total Net Assets
(millions): $528.25

Number of holdings: 41

Top 10 Holdings

JPMorgan Chase

Microsoft

Procter & Gamble

T-Mobile

McDonald's

AbbVie

Goldman Sachs

Chevron

UnitedHealth

Duke Energy

†Effective as of close of business April 30, 2025, David Blount, CFA®, will retire and no longer serve as a Managing Director and Portfolio Manager for the Carillon Eagle Growth & Income Fund. Effective May 1, 2025, Brad Erwin, CFA®, currently Portfolio Manager for the Carillon Eagle Growth & Income Fund is scheduled to become Managing Director and Portfolio Manager for the fund. In addition, effective May 1, 2025, Michael Rich, CFA®, currently Senior Research Analyst for the Carillon Eagle Growth & Income Fund is scheduled to become a Portfolio Manager for the fund.

Market Overview

The S&P 500 Index concluded the first quarter down 4.3%, marking a turbulent start to 2025 following two years of robust gains. This period of heightened volatility began in February and was precipitated by a confluence of factors: escalating policy uncertainties, indications of decelerating economic momentum, and mounting concerns regarding the sustainability of the rapid pace of investment related to artificial intelligence (AI). Notably, the quarter witnessed the market's first intra-quarter drawdown exceeding 10% in more than 28 months, underscoring the increased market sensitivity.

As uncertainty intensified, we observed a corresponding decline in the 10-year U.S. Treasury yield, moving from 4.8% to 4.25% alongside a weakening U.S. dollar. This shift also catalyzed an equity market rotation that favored defensive sectors, quality stocks, and dividend-yielding equities over growth and momentum-driven investments. Specifically, the top-performing sectors – energy, healthcare, financials, and consumer staples – all exhibit defensive characteristics and offer above-average dividend yields. Conversely, the sectors that experienced the most significant underperformance – consumer discretionary, information technology, and communication services – were the market leaders in 2023 and 2024 and are heavily weighted toward growth and momentum factors.

Furthermore, the quarter demonstrated a continued broadening of market participation, with index leadership transitioning from a concentrated group of mega-cap technology companies to a more diversified base of stocks. This trend is evidenced by the S&P 500® Equal Weight Index's outperformance of the market cap-weighted S&P 500 benchmark by 370 basis points.

Portfolio Review

Top Holdings	Average Weight (%)	Contribution to return (%)	Bottom Holdings	Average Weight (%)	Contribution to return (%)
T-Mobile	3.07	0.57	Broadcom	3.08	-0.82
Chevron	3.05	0.50	Hewlett Packard	2.65	-0.76
AbbVie	2.69	0.43	Eaton	2.91	-0.53
Abbott Laboratories	2.57	0.39	Microsoft	4.67	-0.52
IBM	2.59	0.31	Oracle	2.51	-0.42

As of March 31, 2025. The information provided above should not be construed as a recommendation to buy, sell, or hold any particular security. The data are shown for informational purposes only and are not indicative of future portfolio characteristics or returns. Portfolio holdings are not stagnant and may change over time without prior notice. Past performance does not guarantee future results. Please note that the holdings identified do not represent all of the securities purchased, sold, or recommended for the fund. They are provided for informational purposes only. Carillon Tower Advisers, ClariVest Asset Management, its affiliates, or their respective employees may have a position in the securities listed. Please contact Carillon at 800.421.4184 to obtain the calculation's methodology and/or a list showing every holding's contribution to the overall fund's performance during the measurement period.

Portfolio Review (continued)

Top securities

T-Mobile continued to trade higher after reporting better service revenue, faster growth, and better free cash flow. The company continues to lead its peers in wireless and broadband growth.

Chevron performed well due to improving commodity prices, particularly natural gas, tied to weather and an improving sentiment following the election around liquefied natural gas (LNG) and power demand prospects. Investors continue to be optimistic regarding capital deployment supported by lower capital expenditures and higher dividend and share repurchases.

AbbVie issued better than expected initial 2025 guidance and raised the long-term sales outlook for its two most important drugs. The stock also benefited from the broader equity market rotation into the healthcare sector, including into more defensive industries like biopharmaceuticals.

Abbott Laboratories shares outperformed following the release of solid fourth-quarter results and initial 2025 guidance that was slightly better than analysts' expectations. The stock also benefited from the broader equity market rotation into the healthcare sector and, more specifically, into the medical device industry.

IBM was up after its best earnings move in a decade due to continued success accelerating the growth of Red Hat, along with proving to be a real beneficiary of AI spending.

Bottom securities

Broadcom was weak due to concern over newer AI language models and their potential to need less graphics processing unit (GPU) power, along with increased technology restrictions on China from the Trump administration.

Hewlett Packard was weak after concerns that its planned acquisition of a network solutions company might get blocked, followed by its latest earnings report, which missed analysts' expectations as the company adjusted for expected headwinds from tariffs.

Pressure on Eaton shares stemmed from concerns about the possibility that reduced capital spending in the data center market could affect the entire AI supply chain. As a critical supplier of power connection products, the company's multi-year growth prospects are affected by overall data center capital spending trends that continue to be favorable.

Microsoft was also weak due to concerns that the Chinese DeepSeek large language AI model would create increased competition for OpenAI, in which Microsoft owns a significant stake. Additionally, Microsoft was left out of the joint venture financing the multi-national Stargate Project, though the company claims this was its choice.

Oracle's earnings guidance fell short of expectations after the stock's strong run in 2024. Bookings were strong, but investors were still skeptical about the company's ability to execute. The company did lose a small government contract, which created consternation about additional government cancellations.

Outlook

Market sentiment has demonstrably softened as we transition into the second quarter of 2025, reflecting investor apprehension regarding several unresolved macroeconomic questions. Chief among these concerns are:

- the potential magnitude and duration of global tariffs under the Trump administration;

- the labor market's capacity to absorb job losses resulting from the Department of Government Efficiency's initiatives; and

- the prospects for a near-term resolution to the conflict in Ukraine, and its broader global macroeconomic implications.

Beyond geopolitical uncertainties, the U.S. economy continues to exhibit moderate growth, albeit with emerging signs of deceleration. While the Consumer Price Index (CPI) has moderated to below 3%, it remains persistently above the U.S. Federal Reserve's 2% target. According to Bloomberg, consensus economic forecasts project healthy U.S. gross domestic product (GDP) growth of approximately 2% for 2025, and S&P 500 earnings estimates suggest a 10% year-over-year increase. However, the latest data points for both GDP and S&P 500 earnings growth have shown a downward trend. Concurrently, retail sales and consumer spending data have fallen short of expectations year to date, the housing market remains subdued, and Institute for Supply Management Purchasing Managers' Index readings have struggled to retain momentum. While these conditions might typically prompt the Federal Reserve to consider resuming interest rate cuts, which could bode well for equity markets, the Fed does not appear to be in a rush as it balances the risk of an economic slowdown against the potential for policy-induced inflationary pressures.

Despite these uncertainties, we still see reasons for optimism. Potential policy initiatives, such as reduced regulations and corporate and personal tax cuts, could provide a tailwind for equities. Investment in AI and AI-enabling infrastructure also remains robust, and we would not be surprised to see this reemerge as a dominant

investment theme for the market. Moreover, the management teams of many companies within our investment universe, particularly in the healthcare, technology, and financial sectors, express confidence in the resilience of their respective end markets.

While the prevailing market narrative is one of uncertainty, we remain steadfast in our commitment to a fundamental research-driven, long-term investment approach focused on dividend-paying equities. We believe that companies with sound business models and a consistent track record of returning value to shareholders through growing dividends represent attractive investment opportunities, and we are confident that this strategy can deliver favorable outcomes for our clients throughout the year and beyond.

Risk Considerations:

International investing presents specific risks, such as currency fluctuations, differences in financial accounting standards as well as potential political and economic instability.

Because the fund normally will hold a focused portfolio of stocks of fewer companies than many other diversified funds, the increase or decrease of the value of a single stock may have a greater impact on the fund's net asset value and total return.

As with all equity investing, there is the risk that an unexpected change in the market or within the company itself may have an adverse effect on its stock. The biggest risk of equity investing is that returns can fluctuate and investors can lose money.

There are risks associated with dividend investing, including that dividend-issuing companies may choose not to pay a dividend, may not have the ability to pay, or the dividend may be less than what is anticipated. Dividend issuing companies are subject to interest rate risk and high dividends can sometimes signal that a company is in distress.

Growth companies are expected to increase their earnings at a certain rate. When these expectations are not met, investors may punish the stocks excessively, even if earnings showed an absolute increase. Growth company stocks also typically lack the dividend yield that can cushion stock prices in market downturns. The companies engaged in the technology industry are subject to fierce competition and their products and services may be subject to rapid obsolescence. The values of these companies tend to fluctuate sharply.

Investments in mid-cap and small-cap companies generally involve greater risks than investing in larger capitalization companies. Mid-cap companies often have narrower commercial markets, more limited managerial and financial resources, and more volatile trading than larger, more established companies.

Real Estate Investment Trusts (REITS) may be affected by economic conditions including credit risk, interest rate risk and other factors that affect property values, rents or occupancies of real estate.

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Definitions

Breadth describes the relationship between the median and the mean of a data set, such as market index. When a few data outliers result in a mean that is substantially larger (or smaller) than the median of the full data set, then the performance of the entire index is being driven by a "narrow" selection of companies.

Capital expenditures are used to buy, improve, or maintain physical assets such as real estate, facilities, technology, or equipment.

The U.S. Consumer Price Index (CPI) measures the change in prices paid by consumers for goods and services. The U.S. Bureau of Labor Statistics bases the index on prices of food, clothing, shelter, fuels, transportation, doctors' and dentists' services, drugs, and other goods and services that people buy for day-to-day living.

DeepSeek is a Chinese artificial intelligence startup that in January 2025 became a leading free downloadable app in the United States. This followed DeepSeek's announcement that its AI model performed as well as market-leading models and that it was developed at a significantly lower cost.

Defensive sectors provide consistent dividends and stable earnings regardless of whether the overall stock market is rising or falling. Defensive companies are believed to have operations that are more stable during different phases of the business cycle.

Growth investing is a stock-buying strategy that focuses on companies expected to grow at an above-average rate compared to their industry or the market.

Guidance refers statements from the managers of publicly traded companies that indicate whether they expect to realize near-term profits or losses and why.

Headwind is a term used to describe events or market forces hindering the performance of investments.

The Institute for Supply Management (ISM) Purchasing Managers' Index (PMI) measures the prevailing direction of economic trends in the manufacturing sector. It consists of an index summarizing whether market conditions as reported in a monthly survey of supply chain managers are expanding, staying the same, or contracting.

Large language models (LLMs) are artificial intelligence algorithms that can recognize, summarize, translate, predict, and generate text, as well as respond to questions in a conversational manner, by massively large sets of data. Large language models learn context and meaning by tracking relationships in sequential data, such as words in a sentence.

Momentum investing is a strategy that aims to capitalize on the continuance of an existing market trend. It is a trading strategy in which investors buy securities that are already rising and look to sell them when they look to have peaked. It entails taking long positions on financial instruments

with prices trending up and short positions on instruments with prices trending down.

Rotation describes the movement of investments in securities from one industry, sector, factor, or asset class to another as market participants react to or try to anticipate the next stage of the economic cycle.

The Stargate Project is a joint venture between OpenAI, SoftBank, Oracle, and MGX that intends to invest $500 billion in artificial intelligence (AI) infrastructure projects over a four-year period.

Tailwind is a term used to describe events or market forces assisting an investment's performance.

Underweight describes a portfolio position in an industry sector or some other category that is less than the corresponding weight level in a benchmark portfolio.

Index

The S&P 500 Index, the Fund's benchmark index, measures change in stock market conditions based on the average performance of 500 widely held common stocks. It is a market-weighted index calculated on a total return basis with dividend reinvested. The S&P 500 represents approximately 80% of the investable U.S. equity market.

The S&P 500® Equal Weight Index (EWI) includes the same constituents as the capitalization-weighted S&P 500 Index, but each company in the S&P 500 EWI is allocated a fixed weight.

Indices are unmanaged, and one cannot invest directly in an index.

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