Global Opportunities Strategy

CALAMOS® INVESTMENTS

KEY FEATURES

Historically, the Calamos Global Opportunities Strategy has provided:

» Strong excess returns versus the MSCI ACWI Index with less volatility

» Downside risk mitigation in most periods

» Alpha generation throughout market cycles

CALAMOS GLOBAL OPPORTUNITIES STRATEGY

Peer Group	Global Equity
Benchmark	MSCI ACWI Index
Primary securities used	Global equities and global convertible securities
Style	Growth at a reasonable price (GARP)
Markets invested in	Developed and emerging
Inception date	October 1, 1996
Strategy AUM	$582 million*

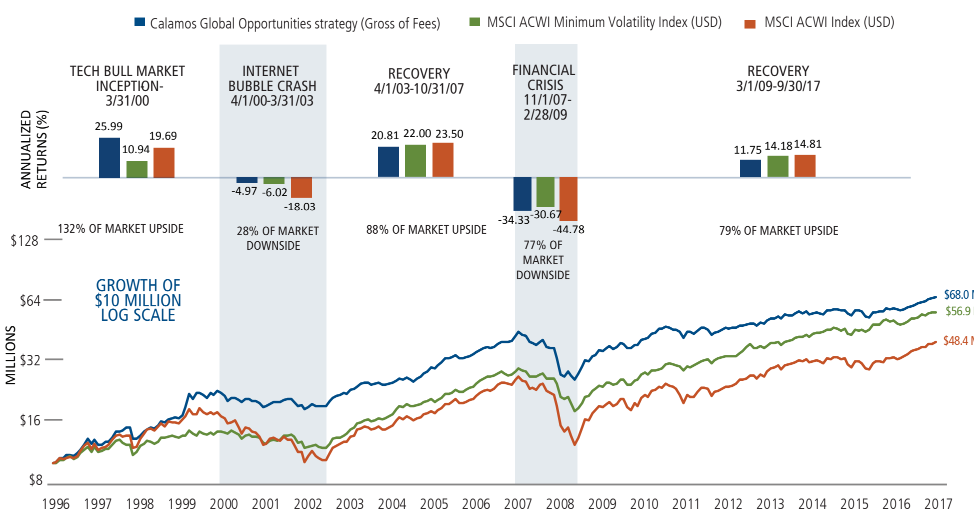
Managing Risk Using a Lower-Volatility Equity Strategy

The Global Opportunities Strategy is a fundamental, actively managed, lower volatility global equity strategy. The strategy pairs top-down, macroeconomic analysis with bottom-up fundamental research to source investment ideas, generate alpha and manage risk. The investment team leverages Calamos' holistic, capital structure research framework, and employs the use of global equities and convertible securities to generate equity returns with lower downside volatility and risk. The portfolio is constructed to provide an asymmetric risk/reward profile, lower downside capture, and a lower beta relative to the MSCI ACWI Index. The team expects to generate alpha through both bottom-up security selection, top-down decisions, and downside risk mitigation. The portfolio comprises higher quality global companies, a "GARP" style, and generally will exhibit high active share, high conviction, and higher tracking error.

A Broader Opportunity Set

The Global Opportunities strategy's investment universe includes over 11,000 global equities and 1,500 global convertible securities. By broadening the opportunity set to include convertible securities, we believe we can better manage the portfolio's overall risk/reward profile through market cycles, while maintaining the attractive upside potential of an all-stock portfolio. The broader opportunity set also provides the investment team with the ability to incorporate more of their research insights into the portfolio.

FIGURE 1. MANAGING RISK OVER MARKET CYCLES: GLOBAL OPPORTUNITIES STRATEGY VERSUS GLOBAL EQUITY MARKETS



Source: Mellon Analytical Solutions LLC and Morningstar Direct.

The Calamos Global Opportunities Strategy annualized returns net of fees during the same periods illustrated above are: Tech Bull Market 24.76%; Internet Bubble Crash -5.91%; first recovery period 19.65%; Financial Crisis -34.95% and current recovery period 10.84%.

Past performance is no guarantee of future results. Logarithmic scales can be useful when looking at performance data over a long period of time. Common percent changes are represented by an equal spacing between the numbers in the scale. For example, the distance between $1 and $2 is equal to the distance between $2 and $4 because both scenarios represent a 100% increase in price. The Calamos Global Opportunities Strategy upside and downside market participation is compared to the MSCI ACWI Index (USD).

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*Strategy AUM reflects all assets that are currently being managed (collectively) under the Calamos Global Opportunities Strategy as of September 30, 2017.

FIGURE 2. ASSET CLASS CORRELATIONS WITH GLOBAL CONVERTIBLES[1]

	BofA Merrill Lynch Global 300 Convertible Index
Global Equity	0.88
U.S. Equity	0.78
Emerging Markets	0.78
Non-U.S. Bonds	0.40
U.S. Bonds	0.13

Source: Calamos Advisors, LLC, Mellon Analytical Solutions, LLC.

[1] Since inception of the BofA Merrill Lynch Global 300 Convertible Index (July 1, 1995). Returns in USD. Data as of September 30, 2017. Calculated with monthly returns.

Asset classes represented by the following indices: Global equity: MSCI World Index; U.S. equity: S&P 500 Index; Emerging markets equity: MSCI Emerging Markets Index; Non-U.S. bonds: Citigroup World Government Bond Index Non-U.S.; and U.S. bonds: Bloomberg Barclays U.S. Aggregate Bond Index.

The use of convertibles within an equity portfolio is supported by historical correlations. Figure 2 shows the correlation of global convertibles to five asset classes. Correlations range from a low of 0.13 with U.S. bonds to a 0.88 correlation with global equities.

Convertible securities offer investors advantages particular to both equities and bonds. Like equities, convertibles have the potential for capital appreciation; and like bonds, they offer the potential for interest income and the potential for downside protection. Because convertibles can be exchanged for a specific number of shares of stock, they tend to gain or lose value along with the underlying equity.

PERSPECTIVE ON VOLATILITY

» Volatility is not the enemy – downside volatility and capital loss are. Downside volatility mitigation leads to better risk-adjusted returns.

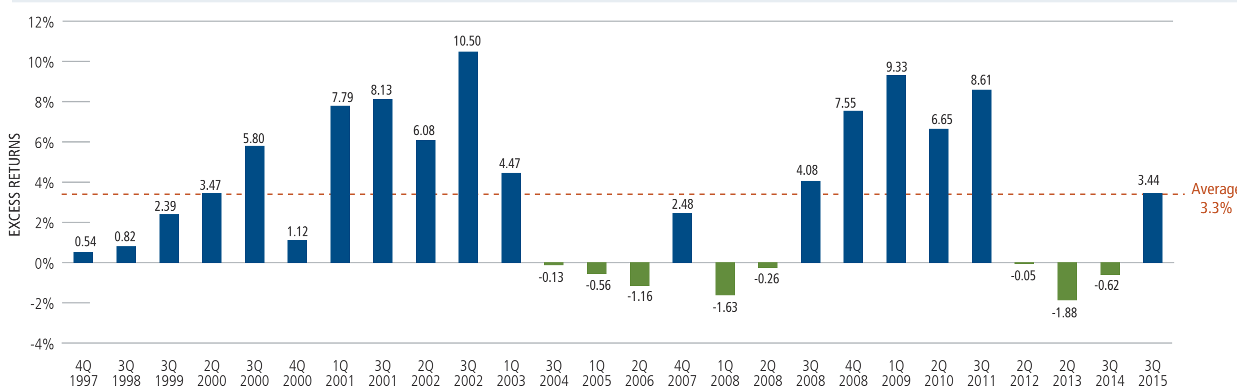
» Portfolios constructed to structurally benefit from volatility (asymmetric risk/reward profile) are better positioned than naïve, low vol approaches.

» The "Low Volatility Anomaly" is susceptible to overcrowding and unforeseen risks (price risk, interest rate risk style, sector/geographic biases).

» The hybrid characteristics of convertibles paired with higher quality equities results in a differentiated and effective, active low volatility solution and outcome.

When the price of the underlying stock rises, the price of the convertible tends to rise as well. When a stock's price falls, however, the convertible bond price typically declines only as far as the "floor" established by the convertible's bond component. While convertibles are sensitive to their underlying equity's price movements, as bondholders, convertible investors still receive the interest income and the guarantee of principal that bonds offer (except in cases of default).

FIGURE 3. STRATEGY'S EXCESS RETURNS FOR QUARTERS IN WHICH THE MSCI ACWI INDEX (USD) HAD NEGATIVE RETURNS



Source: Calamos Advisors, LLC, Mellon Analytical Solutions, LLC. Performance shown since inception of the Calamos Global Opportunities strategy 10/1996. Gross of fee returns. Returns shown are excess returns. Actual returns for the periods shown may have been negative.

Past performance is no guarantee of future results.

CASE STUDY: CAPITALIZING ON THE HYBRID BENEFITS OF CONVERTIBLES

We believe our positioning during recent years in the energy and material sectors serve as an excellent example of how convertible securities can be incorporated advantageously into a strategy. While we believed a sustained period of oil prices in the $100-plus range was unlikely, we did not presume to be capable of forecasting energy prices with certainty. Selective investments in convertible securities enabled us to maintain exposure to this cyclical area of the market yet with a more defensive risk posture, which helped our portfolio mitigating the downdraft when prices did drop in 2014 and 2016. Following significant past declines in energy prices, we were able to tilt toward equities, thus increasing the portfolio sensitivity to a potential rebound. This also benefited our portfolio approach with respect to the increasing prices of commodities during the first half of 2008. Accordingly, we wished to maintain opportunistic exposure and diversification in materials, for example, while limiting our downside risk. Given their relatively defensive characteristics, convertibles provided an excellent means for accomplishing these goals.

However, the convertible universe is not uniform, as characteristics of individual securities can vary widely from fixed income-like to more equity-sensitive. This variability adds flexibility, allowing investors to structure portfolios to meet a range of investment objectives. In this portfolio, we can include convertibles that maintain equity-like returns while potentially providing downside protection.

The potential for downside protection can be illustrated by looking at quarters in which the MSCI ACWI Index reported negative returns, which is shown in Figure 3. The benchmark has recorded 26 quarters of negative performance since the strategy's inception. Of those, the Global Opportunities strategy has seen positive excess returns in 18 quarters. The strongest outperformance, gross of fees, was 10.50% (3Q 2002) and the most significant underperformance was -1.88% (2Q 2013).

Another advantage of a broader opportunity set is that it allows us to find underpriced convertibles that have little equity exposure or "upside," and pair them with the issuing company's common equity. This provides the advantage of appreciation of the bond component if it comes back to fair value, as well as the coupon interest from the bond and the appreciation of the equity if the stock rallies. By pairing the two securities together, the portfolio maintains the desired equity exposure or upside potential, often with less risk than the straight equity. While this is not the predominate means of generating returns, it illustrates one of the benefits of combining the securities in a portfolio.

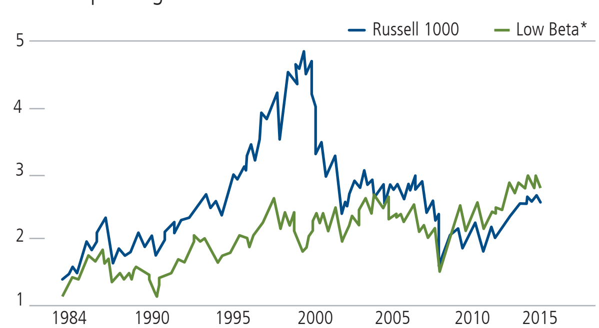
We believe the inclusion of convertible securities, and the potential for downside protection that they historically have provided investors, differentiates the strategy from other global equity portfolios. This dynamic creates a risk/reward profile that is compelling to an investor who desires equity participation but is willing to exchange maximum upside for potential downside protection.

FIGURE 4. PRICE-TO-BOOK RATIO

LOW VOLATILITY, HIGH VALUATIONS

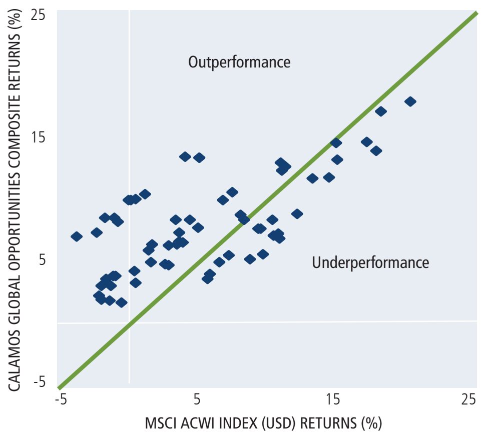
» Low Vol, "Defensive" stocks are trading at a significant premium relative to history and broader market

» Glut of new low volatility and smart beta products have stretched valuations for "low volatility" stocks, sectors and corresponding inflows.



*Low beta refers to lowest fifth by beta of top 1000 stocks. Source: Research Affiliates via ft.com, October 2, 2015. Past performance is no guarantee of future results. The Russell 1000 Index measures the performance of large-cap U.S. stocks. Indexes are unmanaged, not available for direct investment and do not include fees or expenses. Price-to-book ratio is calculated as current closing price of a stock by latest quarter's book value per share. Beta is a measure of volatility versus the market as a whole.

FIGURE 5. ROLLING FIVE-YEAR RETURNS



Source: Calamos Advisors, LLC, Mellon Analytical Solutions, LLC. Please see included standard time period performance data and/or supplemental information. Performance shown since inception of the Calamos Global Opportunities strategy 10/1996. Gross of fees returns. Returns are calculated from monthly returns and shown for every three-month interval.

Past performance is no guarantee of future results.

CASE STUDY: A BENEFIT OF A BROADER OPPORTUNITY SET

An electronics retailer's convertible security was trading significantly below fair value, based on proprietary Calamos estimate, and trading more like a straight bond than a hybrid security. At the same time, the issuing company's common stock also was priced significantly below our fair value estimate. The common stock, like much of the equity market, was exhibiting high volatility. By adding both the convertible and common stock to the portfolio, we helped improve the risk/reward profile of investing in this company. We also provided a means to take advantage of the undervalued nature of its securities, allowing ourselves to participate in the upside while limiting downside risk.

Risk and Reward

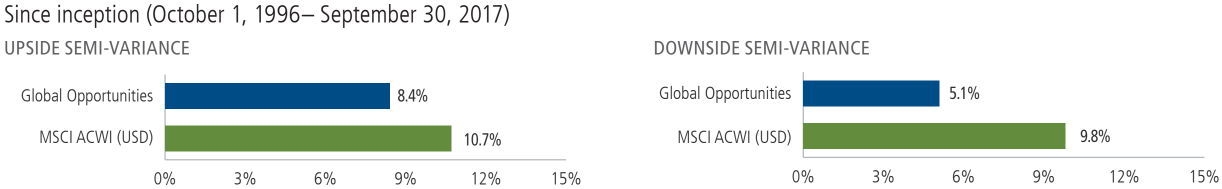
Returns. A comparison of performance of the Calamos Global Opportunities strategy to its benchmark, the MSCI ACWI Index, provides a frame of reference for understanding half of the risk/reward profile. Figure 5 shows the rolling five-year returns for the Global Opportunities strategy and the MSCI ACWI Index for each quarter since the strategy's inception through September 30, 2017. The x-axis shows the index returns and the y-axis shows the strategy's returns for the corresponding time period. Dots above the bold diagonal line are periods when the portfolio outperformed and below the line are periods in which the portfolio underperformed.

Since its inception, the strategy has outperformed its benchmark in 44 of 65 rolling five-year periods, gross of fees. The greatest period of outperformance reported annualized excess returns of 11.43% and the most significant period of underperformance was an annualized -4.12%, gross of fees.

One example period that saw the most excess returns was from the second quarter of 1998 through the first quarter of 2003. During this period, equity markets saw steep declines while the portfolio had mildly positive returns due, in part, to the inclusion of convertibles. The

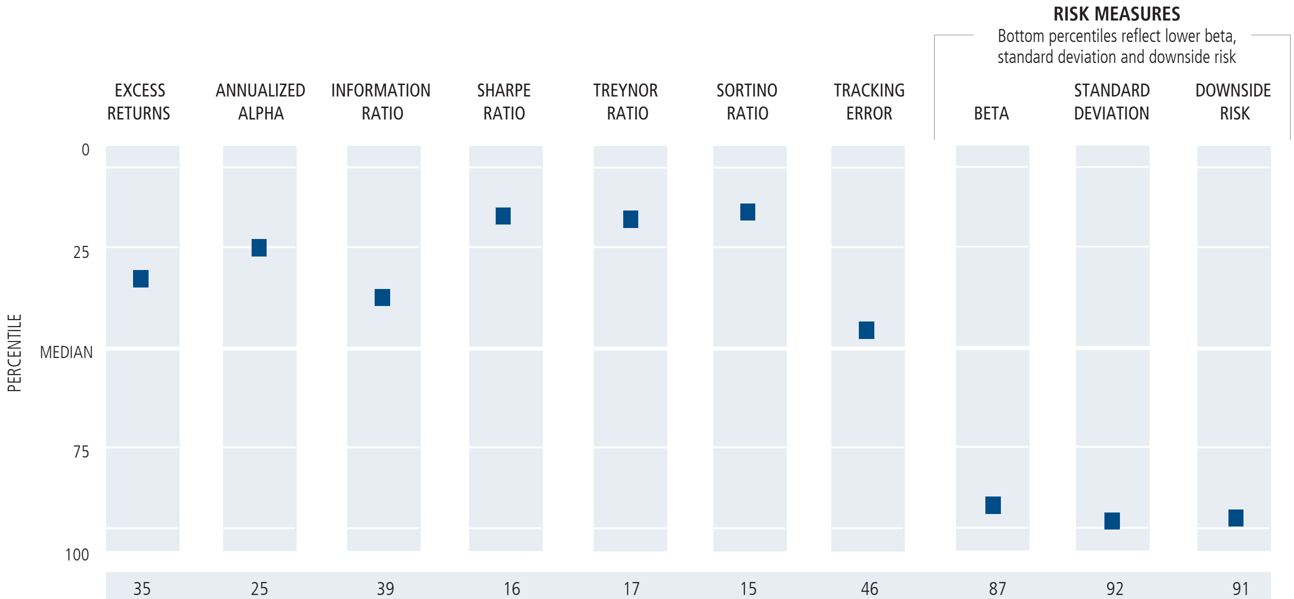
FIGURE 6. UPSIDE/DOWNSIDE SEMI-VARIANCE

Since inception (October 1, 1996– September 30, 2017)



Source: Calamos Advisors, LLC and Mellon Analytical Solutions, LLC.

FIGURE 7. SINCE INCEPTION PEER GROUP RANKINGS WITHIN THE GLOBAL EQUITY UNIVERSE[2,3]



[2] The Calamos Global Opportunities Composite is based on portfolios that have been hedged between 70% to 100% from a currency perspective.

[3] Source: Rankings from eVestment Alliance's All Global Equity universe. Benchmark: MSCI ACWI Index. Data based on monthly returns of 116 investment portfolios for the since inception rankings. Data as of September 30, 2017.

Past performance is no guarantee of future results. *Portfolios are managed according to their respective strategies, which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of the benchmark(s). Portfolio performance, characteristics and volatility may differ from the benchmark(s) shown.*

portfolio's excess returns tend to be highest when the index is experiencing negative or single-digit returns and decreases as the market returns grow stronger.

Risk. The portfolio's volatility, as measured by the standard deviation of returns, is about three percentage points less on an annualized basis, since inception, than its benchmark. The Global Opportunities strategy has seen annual volatility of 12.4%, while the annual volatility of the MSCI ACWI Index is 15.6%.

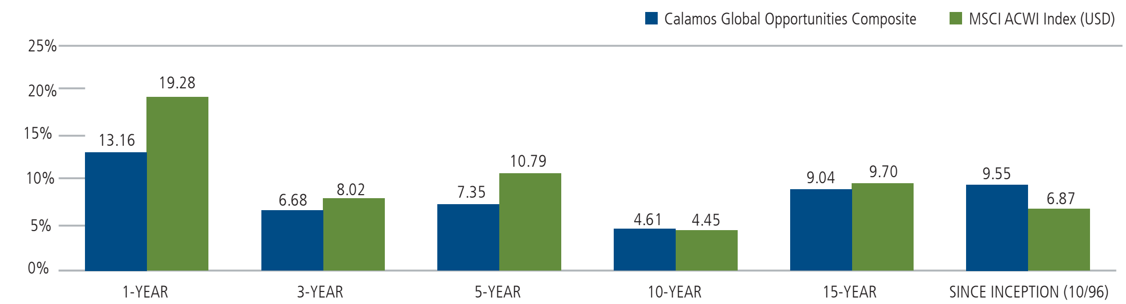
Another risk metric, upside/downside semi-variance, is particularly valuable for understanding the type of volatility experienced by the portfolio and the index. Risk is generally thought of in negative terms, but not all risk is undesirable. If the risk is asymmetric, with more expected upside volatility than downside, then the probability of a positive return outcome is increased. The upside/downside semi-variance looks at risk in this framework, and is more consistent with how the Global Opportunities strategy is managed. As Figure 6 illustrates, since inception, upside semi-variance has been slightly less than the benchmark, 8.4% versus 10.7%, respectively. The downside semi-variance of the portfolio has been notably less, with 5.1% for the strategy versus 9.8% for the index.

One final risk measure worth noting is beta, or market exposure. The beta of the Global Opportunities strategy in relation to the MSCI ACWI Index (USD) is 0.71, since inception. The lower beta is largely a result of the potential for downside protection inherent in the Global Opportunities portfolio.

Active Share & Tracking Error

The strategy generally exhibits higher active share (79% vs MSCI ACWI) and tracking error (7.2% since inception) and will typically look different from the index or typical equity peer.

FIGURE 8. GLOBAL OPPORTUNITIES ANNUALIZED TOTAL RETURNS



Performance as of September 30, 2017.

Source: Calamos Advisors, LLC and Mellon Analytical Solutions LLC.

Composite returns are gross of fees. Net of fees returns for 1-year, 3-year, 5-year, 10-year, 15-year and since inception periods are 12.25%, 5.84%, 6.51%, 3.74%, 8.08% and 8.56%, respectively. ***Past Performance does not guarantee or indicate future results.*** Portfolios are managed according to their respective strategies which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of the benchmarks. Portfolio performance, characteristics and volatility may differ from the benchmarks shown.

Global Equity Peer Group Rankings

In Figure 7, we provide the Global Opportunities strategy's peer group rankings since inception. In all categories the strategy falls in the first or second quartile. Notable exceptions are in the risk measures, such as beta, standard deviation, and downside risk, where it falls into the desirable bottom quintile. Figure 8 provides the strategy's performance over standard time periods.

Conclusion

The Calamos Global Opportunities strategy seeks to outperform the MSCI ACWI Index over a full market cycle with less downside volatility. Since the strategy's inception, it has provided excess positive returns in 44 of 65 rolling five-year periods, and in 18 of the 26 quarters that the MSCI ACWI Index has experienced negative returns. By broadening the investment universe to include convertibles, the portfolio has historically provided upside appreciation, downside protection, and dampened volatility. We believe that by loosening the country and security constraints, the portfolio is able to achieve its investment objective and provide investors with a global investing option with the potential for lower volatility that seeks to enhance their overall equity allocation.

Past performance does not guarantee or indicate future results. Portfolios are managed according to their respective strategies which may differ significantly in terms of security holdings, industry weightings, and asset allocation from those of the benchmark(s). Portfolio performance, characteristics and volatility may differ from the benchmark(s) shown.

Index Information: The **BofA Merrill Lynch Global 300 Convertible Index** is a global convertible index composed of companies representative of the market structure of countries in North America, Europe, and the Asia/Pacific Region. The **MSCI ACWI Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The index is calculated in both U.S. dollars and local currencies. The **MSCI ACWI Minimum Volatility Index** is calculated by optimizing the MSCI ACWI Index, its parent index, in USD for the lowest absolute risk (within a given set of constraints). Historically, the index has shown lower beta and volatility characteristics relative to the MSCI ACWI Index. The **S&P 500 Index** is a market-value weighted index and is widely regarded as the standard for measuring U.S. stock-market performance. The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The **Bloomberg Barclays U.S. Aggregate Bond Index** comprises long-term government and investment grade corporate debt securities and is generally considered representative of the performance of the broad U.S. bond market. Indexes are unmanaged and returns assume reinvestment of dividends and do not reflect any fees, expenses or sales charges. Investors cannot invest directly in an index. **Citigroup World Government Bond Index Non-U.S. Index** includes the most significant and liquid government bond markets globally outside of the United States that carry at least an investment grade rating.

Composite Information: The composite was created February 16, 2006, calculated with an inception date of October 1, 1996. Returns presented for Global Opportunities strategy reflect those of the institutional composite. The Calamos Global Opportunities Composite is an actively managed composite primarily investing in a globally diversified portfolio of equity, convertible and fixed income securities, with equal emphasis on capital appreciation and current income and includes all fully discretionary fee paying accounts including those no longer with the Firm.

Terms

Alpha: The incremental return of a manager when the market is stationary, or the return due to non-market factors. **Beta:** a measure of the sensitivity of a portfolio's rate of return to fluctuations in the benchmark index. **Downside risk:** semi-variance breaks total variability into two segments—risk and uncertainty—and shows the degree to which a portfolio's returns have fluctuated around the mean return in down markets. It differentiates between "good risk" (upside volatility or "uncertainty") and "bad risk" (downside volatility or "risk"). Semi-variance only measures the periods where the portfolio returns underperform the target, whereas standard deviation treats both upside and downside risk the same. **Excess returns:** Returns in excess of the benchmark. A positive excess return indicates that the manager outperformed the benchmark for that period. **Information ratio:** A measure of the value added per unit of active risk by a manager over the index. A positive ratio indicates "efficient" use of risk by the manager. **Sharpe ratio:** This ratio is calculated by finding the portfolio's excess return and then dividing by the portfolio's standard deviation. **Sortino Ratio:** a downside risk-adjusted measure of value added. This ratio is calculated by first finding the portfolio's excess return of the target and then dividing the portfolio's semi-deviation of active returns. An important benefit of this measure is that it offers an indication of both the likelihood of failing to achieve the target return and also the consequences of the shortfall. **Standard deviation:** a measure of the variability or volatility of monthly rates of return of a portfolio; standard deviation shows the degree to which a portfolio's returns have fluctuated around the mean. **Tracking error:** A measure of the amount of active risk that is being taken by a manager. Tracking error accounts for the deviation away from the benchmark and does not indicate in which direction it occurred, either positive or negative. **Treynor Ratio:** This ratio is calculated by first finding the portfolio's return in excess of the risk-free return and then dividing by the portfolio's beta.

Source: eVestment Alliance.

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