

Heartland Advisors, Inc.
Form CRS Client Relationship Summary
March 1, 2024

Heartland Advisors, Inc. (“Heartland”) is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Please note that brokerage and investment advisory services and fees differ and it is important that you understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

We offer investment advisory services to retail investors, including:

- *Principal Services.* We provide investment management services to client accounts through four distinct value strategies, which differ based on market cap, number of holdings and investments in dividend paying companies. We also provide investment management services through programs sponsored by unaffiliated registered investment advisers, broker-dealers, banks and other financial intermediaries. We also serve as the investment adviser to Heartland Funds, a registered investment company.
- *Monitoring Services.* As part of our standard investment advisory services, our portfolio management team monitors your investments on an ongoing basis, usually several times a week. Your investments are also reviewed on a periodic basis by oversight controls, such as our Investment Policy Committee and Compliance Team.
- *Discretionary Authority.* Our investment advisory services are typically provided on a discretionary basis, which means we decide which investments to buy or sell for your account. You authorize Heartland to exercise discretionary authority over your account through the investment advisory agreement. Our discretionary authority is limited by conditions you impose in your investment objectives or guidelines, or by other written instructions you provide to us.
- *Non-Discretionary Authority.* From time to time, if requested by a client, we may agree to manage a client account on a non-discretionary basis. In those circumstances, you make the ultimate decision regarding the purchase and/or sale of your investments.

- *Investment Offerings.* Heartland primarily recommends common stocks defined by value-style characteristics. Equity mutual funds held in your account are generally limited to the Heartland Funds but we will on occasion recommend unaffiliated mutual funds or exchange-traded funds (ETFs).
- *Account Minimum.* Depending on the type of strategy and other relevant factors, we generally require an account minimum of \$500,000 to \$1,000,000. If you participate in a wrap fee or other program offered by another financial institution for which Heartland provides investment management services, you may not be subject to this account minimum.

For additional information, please see our Form ADV, Part 2A brochure (“Brochure”), Items 4 and 7 available at www.heartlandadvisors.com/Resources

Conversation Starters. Ask your financial professional:

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

What fees will I pay?

Principal Fees and Costs. We charge you a fee for our investment advisory services based on the percentage of assets held in your account as set forth in our current fee schedule. Your actual fee differs based on strategy, account size and other relevant factors. The asset-based fee we charge is calculated based on the value of a client’s account at the end of the monthly or quarterly billing period. The more assets in your account, the more you will pay in fees. As a result, we have an incentive to encourage you to increase your account size.

Wrap Fee and Other Program Costs. Fees for wrap fee and other managed account programs will vary and fees for our investment advisory services may be less than the fees set forth in our annual fee schedule. Asset-based fees associated with a wrap fee program will include most transaction costs and fees to a broker-dealer or bank that has custody of these assets, and therefore are higher than a typical asset-based advisory fee.

Other Fees and Costs. You will incur additional fees outside of what we charge you, including but not limited to, custodian, brokerage, and transaction

costs. You pay these fees to other entities who provide these services, not to us. You will also pay fees related to mutual funds and ETFs held in your account, which could include the Heartland Funds.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

For additional information, please see Item 5 in our Brochure available at www.heartlandadvisors.com/Resources.

Conversation Starter. Ask your financial professional:

- Help me understand how these fees and costs might affect my investments. If I give you \$500,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

From time to time, Heartland may invest part or all of a discretionary account in the Heartland Funds. In such cases, we make fee adjustments so that you pay the advisory fees charged by the Heartland Funds, but not Heartland's asset-based advisory fee normally charged to your account, which means that you will pay a higher or lower fee than we normally charge. Because Heartland Funds pays us an advisory fee for our investment management services, which increases our total fee revenue, we may be incentivized to recommend that you invest in Heartland Funds. Heartland receives reimbursement for eligible marketing expenses from the Heartland Funds' Rule 12b-1 plan.

Conversation Starter. Ask your financial professional:

- How might your conflicts of interest affect me, and how will you address them?

For additional information, please see Items 5, 6, and 11 in our Brochure, available at www.heartlandadvisors.com/Resources.

How do your financial professionals make money?

Our portfolio managers are responsible for the day to day management of your investments. Our portfolio managers are paid a base salary as well as a bonus primarily based on the relative performance of the accounts they manage in comparison to industry competitors and benchmarks. The overall bonus pool is based on our firm revenues.

Our sales professionals are responsible for attracting new clients, servicing current accounts and handling other client requests. Our sales professionals are paid a base salary as well as a bonus based on revenues our firm earns on accounts assigned to the sales professionals. They may also be eligible for a bonus based on firm revenues more broadly.

Because our financial professionals receive bonuses based on firm revenues, our financial professionals may be incentivized to increase assets under management in order to increase the firm's revenue from advisory fees.

Do you or your financial professionals have legal or disciplinary history?

Yes. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starter. Ask your financial professional:

- As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional Information

For additional information about our services, please see our Brochure. If you would like additional, up-to-date information or a copy of this disclosure, please call 414-347-7777 or <https://www.heartlandadvisors.com/Resources>.

Conversation Starters. Ask your financial professional:

- Who is my primary contact person?
- Is he or she a representative of an investment adviser or a broker-dealer?
- Who can I talk to if I have concerns about how this person is treating me?