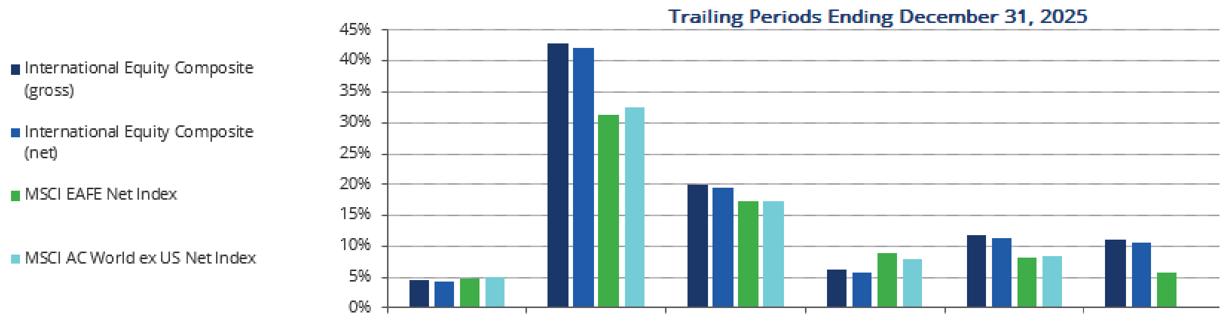
Hardman Johnston International Equity

2025 Fourth Quarter Report

Hardman Johnston Global Advisors

Performance



	4Q 2025	1 Year	3 Years	5 Years	10 Years	Inception
International Equity Composite (gross)	4.47	42.83	20.01	6.28	11.83	11.09
International Equity Composite (net)	4.34	42.10	19.39	5.70	11.21	10.49
MSCI EAFE Net Index	4.86	31.22	17.21	8.92	8.18	5.87
MSCI AC World ex US Net Index	5.05	32.39	17.32	7.90	8.41	N/A

Performance is through December 31, 2025. Periods greater than one year are annualized. **Past performance does not guarantee future results.** Net performance reflects the deduction of advisory fees and reinvestment of income (if applicable). The MSCI AC World ex US Net Index is shown as supplemental information. The MSCI AC World ex US Index inception date is 1/1/2001. Composite inception date: September 30, 1993.

Key Takeaways

- The portfolio delivered positive absolute returns but modestly underperformed the benchmark during the quarter while significantly outperforming for the year
- Healthcare and Financials were the leading sector contributors, while Industrials and Consumer Discretionary detracted from relative performance
- From a regional perspective, the United Kingdom was the largest contributor, while Europe was the largest detractor
- Overall, the Hardman Johnston International Equity Strategy delivered very strong results for the year against both MSCI EAFE Net Index and MSCI AC World ex US Net Index while modestly underperforming both indexes in the fourth quarter

Portfolio Commentary

The portfolio delivered positive absolute returns during the quarter but modestly underperformed its benchmarks, primarily due to stock selection. The Hardman Johnston International Equity Composite returned 4.34%, net of fees, compared to 4.86% for the MSCI EAFE Net Index and 5.05% for the MSCI AC World ex US Net Index.

From a sector standpoint, the main drivers of the portfolio's performance during the fourth quarter were Healthcare and Financials. Within Healthcare, **Sandoz Group Ltd.** and **AstraZeneca PLC** were the largest contributors to performance. **Sandoz's** strong biosimilar growth supported a modest increase to 2025 guidance, reflecting continued execution across key launches. The U.S. Department of Health and Human Services released streamlined guidance for biosimilar regulatory requirements, moving the U.S. framework closer to the EU regulatory model and reducing complexity for developers. This regulatory shift is expected to lower development costs, enabling Sandoz to reinvest savings into pipeline expansion and accelerate future biosimilar programs. Biosimilar launches during 2025 performed in line with investor expectations, supporting confidence in the company's launch cadence and commercial execution. The generics business remains stable with 180 launches expected throughout 2025 – management is successfully managing any price erosion pressures. Sandoz plans to launch generic semaglutide (NovoNordisk's GLP-1) in Canada in 2026, using the market as a test case ahead of larger global opportunities as semaglutide patents expire in subsequent years.

AstraZeneca signed a deal with the U.S. administration to offer most-favored-nation (MFN) drug pricing to Medicaid patients and to participate in TrumpRx, a direct-to-consumer platform for purchasing prescription drugs. As part of the agreement, AstraZeneca received a three-year exemption from tariffs while committing to increased investment in its U.S. footprint. In our view, this outcome represents a best-case scenario for AstraZeneca and does not impact either near-term guidance or the company's 2030 financial targets. The company reiterated guidance, supported by broad-based strength across oncology, cardiology & renal, and rare disease despite macro headwinds throughout 2025. 2025 was a strong year of clinical success with more than 15 positive phase III trial readouts at major medical conferences. This data further underpins AstraZeneca's $80B revenue target for 2030. AstraZeneca is well positioned heading into 2026, with numerous additional Phase III readouts expected, providing continued momentum and further visibility toward achieving the 2030 $80B revenue goal.

Within Financials, **Standard Chartered PLC** was the strongest outperformer. Standard Chartered has continued to deliver strong earnings growth that has beaten consensus expectations over the past year and consistently raised its guidance and share buyback goals over that period. A major business driver has been their Wealth Management platform that has taken share from competitors and is benefiting from expanding AUM. This business is contributing to rising fee income that diversifies the bank away from traditional net interest income as the major profit driver. Given the rising wealth in key markets in Asia, the Middle East, and Africa – regions with rising incomes and strong demographic growth, the trajectory of Standard Chartered is bright. In addition, Standard Chartered is benefiting as a global bank providing services to major global customers for cross-border services to facilitate business in their markets. Strong management and a focus on cost discipline, alongside the integration of cutting-edge technology, are driving profitability. Given the strong cash flow and exceptionally strong balance sheet, the bank should continue to return capital to shareholders in the form of buybacks and increasing dividends while raising their ROE over the coming years.

The top sector detractors from relative performance during the quarter were Industrials and Consumer Discretionary. Within Industrials, **Rheinmetall AG** and **Mitsubishi Heavy Industries Ltd.** were the largest detractors. Shares of **Rheinmetall** underperformed as renewed news flow around a potential Ukraine–Russia peace deal weighed on the broader defense sector, pressuring sentiment despite unchanged long-term fundamentals. At the company's Investor Day in November, management reinforced confidence in Rheinmetall's superior earnings growth outlook through 2030 and beyond, with a EUR 50bn 2030 sales target above consensus estimates. While there were some government procurement delays pushing orders into later periods, this appears to be a timing issue, with a strong surge of orders toward year-end.

Mitsubishi Heavy Industries Ltd. underperformed during the quarter after the company reported a headline earnings miss. However, this included some one-off provisions and excluding these items, results were in line. More importantly, the company revised up its full year order guidance driven by the energy and A&D businesses. Some of the stock weakness was due to profit-taking given shares had been a very strong outperformer due to trends in the gas turbine and defense segments. Meanwhile, the implications from Investor Days at GE Vernova and Siemens Energy only confirmed the strong medium-term outlook for the company. Lastly, the election of Takaichi as Japan's next Prime Minister is supportive of continued defense spending, given her historically hawkish stance on national security.

Within Consumer Discretionary, the largest detractors were **Prosus N.V. Class N** and **MercadoLibre, Inc.** After nine months of strong performance, **Prosus** gave back some gains during the fourth quarter and was a modest detractor. Earnings were largely in line with expectations and reflected continued strong momentum in e-commerce profitability, alongside progress toward building an AI-enabled lifestyle commerce platform anchored by food delivery. During the quarter, Prosus signaled that its approach to capital allocation will become more dynamic. While reiterating strong conviction in Tencent as a long-term holding and a leading AI platform in China, management indicated a slower pace of Tencent share sales and greater reliance on non-core asset disposals and cash reserves to fund its $6–7 billion buyback program. Under this framework, Tencent share sales are expected to fund only around half of buybacks in the coming year. We interpret this shift as a sign of growing management confidence in its ability to deploy retained earnings productively, efficiently, and responsibly. In our view, any future moderation in share buybacks would be driven by demonstrated success in reinvesting capital at attractive returns, with a clear focus on long-term shareholder value creation as Prosus continues to build a differentiated, AI-focused platform.

The weakness in **MercadoLibre Inc.** during the fourth quarter reflected increasing competitive pressure from Amazon and the company's commitment to reinvest and the corresponding impact on margins. During the quarter, Amazon launched two new initiatives to attract new merchants to the platform, including promotions around fulfillment fees for merchants and reduced commissions for new merchants. Competition from Amazon cannot be taken lightly but we do not believe that Amazon's activity erodes the moat around MercadoLibre's business in Brazil given the ecosystem strengths around MercadoLibre's best-in-class logistics network in the region, and the synergistic ecosystem effects of their commerce, fintech, advertising, loyalty, and content distribution offerings. We view the increased competitive pressure as an acknowledgement of both the fertile opportunity in Brazilian ecommerce and MercadoLibre's leadership position. Separately, MercadoLibre continues to reinvest in its core offerings through lower free shipping thresholds, greater social commerce spend, and expansion of its credit card portfolio. MercadoLibre's spending intentions weigh on the near-term margin outlook and led to modest negative revisions. Historically, higher investment has strengthened MercadoLibre's competitive position.

From a regional standpoint, the United Kingdom was the portfolio's strongest contributor, and **Standard Chartered PLC** was the best performer within the region. Europe was the largest detractor, with **Rheinmetall AG** being the largest detractor of performance in the region.

The top individual contributors to relative performance during the quarter were **Standard Chartered PLC, Sandoz Group Ltd.** and **AstraZeneca PLC.**

The top individual detractors from relative performance were **Rheinmetall AG, Prosus N.V.** and **Mitsubishi Heavy Industries Ltd.**

During the quarter we initiated one new position, **Weir Group PLC. Weir** is a leading global mining equipment company known for its high exposure to aftermarket (75% of sales), driving resilience through the cycle, with recurring demand from upstream ground engaging tools (excavator bucket "teeth") and mid-stream processing solutions such as slurry pumps which have a high replacement rate given its extreme usage. The global mining cycle remains supportive, with capex momentum improving after several years of troughing, underpinned by elevated commodity prices. In particular, the company's largest exposures are to copper (where demand drivers are secular) and gold (which tends to be found in similar deposits and where demand is also increasing due to geopolitics). Share price performance has historically been correlated with copper prices. While there is some debate on the split of capex between greenfield or brownfield, Weir is well positioned in any scenario. If greenfield capex materializes, it may represent a temporary OE mix margin headwind, but this only serves to grow the installed base, while sustained brownfield activity has positive earnings implications given Weir's high aftermarket exposure (which is higher-margin). Structural margin expansion continues, following the divestment of the more volatile Oil & Gas business in 2021. While the main cost-cutting program is largely complete, incremental efficiency gains persist, and the acquisition of MicroMine (software) is margin-accretive and improves revenue quality. Indeed, the software business of Weir is its fastest growing and highest margin business. Improved business mix supports higher-quality returns through the cycle, combining strong aftermarket exposure, software content, and disciplined capital allocation, positioning Weir well for sustained earnings growth.

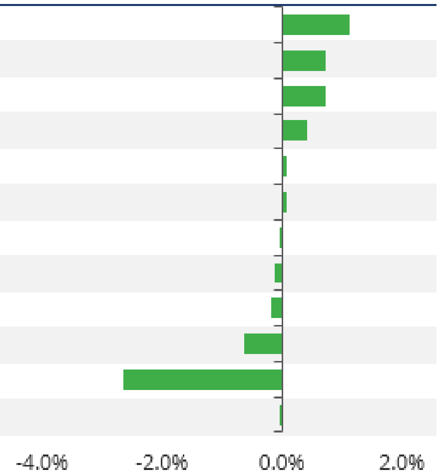
During the quarter we liquidated two positions in the portfolio, **Nexans SA** and **Deutsche Telekom AG**. We exited our position in **Nexans**, as we see increasing uncertainty around near-term catalysts and a less favorable risk-reward relative to peers. While Q3 sales were reassuring overall, led by strong growth in Transmission (+33% y/y) and Grid (+9% y/y), the weaker-than-expected performance in the Connect (low voltage) segment (+4% y/y) raised questions given prior guidance for a second-half acceleration. The ongoing overhang from the Great Sea Interconnector (GSI) project remains a key concern. Although Nexans has received €250mm of cash payments through September in line with prior guidance and continues to produce and invoice as normal, the absence of additional payments in October and discussions around milestone adjustments increase the risk of delays. While we agree cancellation is unlikely given the project's strategic importance to EU energy security, any delay would disproportionately impact higher-margin earnings. Additionally, the abrupt CEO transition introduced incremental uncertainty, and we have detected a subtle shift in management's tone regarding orders, with commentary increasingly pointing to a potential pause in 2026 before re-acceleration. Given these factors, and despite Nexans' attractive long-term exposure to grid and electrification themes, we chose to reallocate capital toward industry leader Prysmian which is a major section 232 tariff beneficiary.

Deutsche Telekom delivered solid near-term results, including a modest earnings beat and a guidance upgrade, while subsidiary T-Mobile US posted strong subscriber growth and another EPS beat, however, competitive pricing pressures raised concerns about ARPU stability, and management's 2026 outlook pointed to slower profit and cash flow growth. Rising competitive risks—particularly in the U.S., where leadership changes at Verizon introduced uncertainty around future pricing dynamics—added to our caution. In Germany, mild wireless softness and higher cost pressures further weighed on margin expectations. While we continue to view Deutsche Telekom as a high-quality operator with a strong long-term track record, growing competitive uncertainty and emerging cost headwinds led us to exit the position.

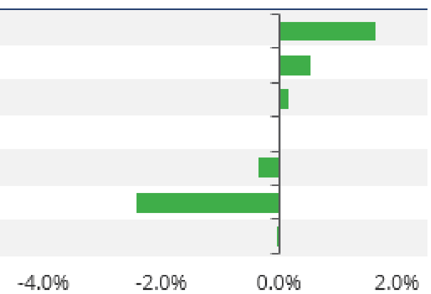
Overall, portfolio activity during the quarter reflected our continued focus on high-quality businesses with durable competitive advantages and attractive long-term risk-adjusted return potential.

Quarterly Attribution

Sector Attribution	Average Weight		Total Return		Total Effect
	Rep. Portfolio	EAFE	Rep. Portfolio	EAFE	
Health Care	15.7	11.3	16.2	9.7	
Financials	14.9	24.5	14.6	7.6	
Info. Technology	17.8	8.5	8.6	4.1	
Comm. Services	0.9	4.7	-9.6	-7.4	
Consumer Staples	0.0	7.6	0.0	3.7	
Real Estate	0.0	1.9	0.0	1.0	
Energy	0.0	3.2	0.0	5.6	
Materials	0.0	5.5	0.0	7.2	
Utilities	0.0	3.6	0.0	10.1	
Cons. Discretionary	16.4	10.1	-1.1	1.3	
Industrials	33.5	19.2	-3.7	3.1	
Cash	0.8	0.0	-0.1	0.0	



Regional Attribution	Average Weight		Total Return		Total Effect
	Rep. Portfolio	EAFE	Rep. Portfolio	EAFE	
United Kingdom	12.6	14.8	22.2	7.0	
Pacific ex Japan	0.0	10.5	0.0	0.0	
Japan	14.5	22.4	3.4	3.2	
North America	0.0	0.0	0.0	0.0	
Emerging Markets	12.1	0.0	2.0	0.0	
Europe	60.1	52.3	1.9	6.0	
Cash	0.8	0.0	-0.1	0.0	



Contributors & Detractors

Fourth Quarter	Average Weight	Total Effect (%)
Largest Contributors		
Standard Chartered PLC	5.69	1.11
Sandoz Group Ltd.	5.79	0.93
AstraZeneca plc	5.21	0.63
Largest Detractors		
Rheinmetall AG	4.76	-1.38
Prosus NV	5.51	-0.94
Mitsubishi Heavy Industries, Ltd.	4.96	-0.52

Last Twelve Months	Average Weight	Total Effect (%)
Largest Contributors		
Rheinmetall AG	4.86	4.57
Standard Chartered PLC	5.39	3.20
Commerzbank AG	3.53	2.45
Largest Detractors		
Prysmian S.p.A.	2.38	-1.80
Atlassian Corp.	1.14	-1.16
Novo Nordisk AS	1.53	-1.15

Data for the quarter ending December 31, 2025. Source: FactSet, Hardman Johnston Global Advisors LLC®. **Past performance does not guarantee future results.** The data shown is of a representative portfolio for the Hardman Johnston International Equity strategy and is for informational purposes only. Results are not indicative of future portfolio characteristics/returns. Actual results may vary for each client due to specific client guidelines and other factors. Portfolio holdings and/or allocations shown above are as of the date indicated and may not be representative of future investments. Future investments may or may not be profitable.

Portfolio Activity

Quarterly Initiations	Quarterly Liquidations
Weir Group PLC	Deutsche Telekom AG
	Nexans SA

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Market Outlook

After a year that delivered double-digit returns across most regions, despite renewed trade uncertainty and persistent price rises, hope for further gains has been running high. We engage in neither speculation nor unfounded optimism. However, we are confident in our ability to identify growth – and avoid value traps – which we believe enables us to deliver long-term outperformance. We see persistence in many positive themes, such as increased global defense spending, while remaining cautious around portfolio risk concentration tied to broader AI investment and infrastructure build-out.

The past year was neither as dire for international growth as many economists predicted, nor as positive for U.S. economic performance as the administration had suggested. Trade posturing has largely given way to pragmatism, which should mean the continuation of tariff policies that are less severe than feared in April 2025. Both China and India have weathered the fallout well, despite the absence of a trade agreement with the U.S. Global economic growth is likely to decline modestly over the coming year but should not grind to a halt, thanks also to positive fiscal impulses in the U.S. and Germany, as well as Japan and India.

The first days of 2026 have shown that the Trump administration has lost none of its ability to surprise. The capture of Venezuela's President Nicolas Maduro and claims that the U.S. would "run" the country in the short-term underline Trump's approach to exercise executive power and to act outside of international channels, such as the UN. The move injected additional volatility into already depressed global oil prices, introducing another source of uncertainty for markets. It also sends a clear signal: even with a fragile ceasefire in Gaza and increased impetus behind a Ukraine-Russia peace deal, there is unlikely to be any ratcheting down of global geopolitical tension.

At home in the U.S., there is just as much uncertainty. While there is political will to avert another government shutdown, appetite for compromise remains limited. Preparations for mid-term elections in November 2026 may encourage the administration to pursue crowd-pleasing initiatives, such as a mooted tariff dividend check for low-to-middle-income families. Such one-off payouts, however, have little enduring stimulus impact. More consequential for the consumer will be the reshaping of the labor market, driven by forces including supply chain reconfiguration and companies' desire to boost productivity. Graduate-level hiring for white-collar professions remains challenging, but there is no significant sign of AI disrupting the market yet. Short-term employment weakness may give the Federal Reserve scope to continue easing policy despite inflation remaining far from vanquished. A potential positive for business is the ongoing rollback of regulatory oversight. For instance, looser antitrust enforcement means fewer deals challenged and could boost corporate M&A and investment. International markets have remained resilient—and at times bullish—in the face of economic weakness. The final quarter of 2025 saw increased volatility, even if most major indices were positive. With stocks trading at or near record levels, large swaths of investors frequently see more cause for concern than confidence in themes like AI. For large technology firms, earnings growth has been a more significant driver of returns than multiple expansion. We see companies with strong growth forecasts delivering strong earnings, and trading on multiples that are a fraction of their growth rates. In our view, companies involved in AI development remain attractively valued relative to their growth trajectories.

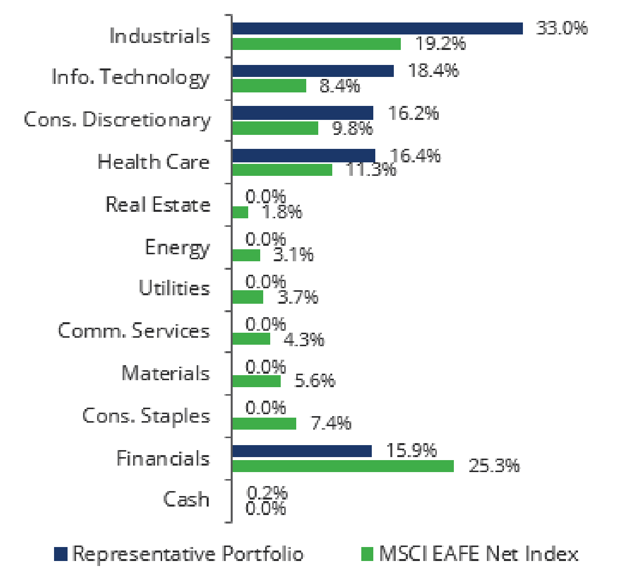
The challenge is that excitement about AI has now stretched far beyond the IT sector, fueling energy stocks, utilities and a raft of other businesses in – or perceived to be in – the AI value chain. This creates the risk that portfolios that appear to be diversified can be overly concentrated around AI. We remain constructive on AI's long-term potential to drive productivity gains and we position ourselves to take advantage of that growth. However, we remain cautious about AI becoming the 'only game in town' and continue to monitor exposure closely.

We have seen sporadic pullbacks in other sectors and themes, most notably defense-focused industrials, yet we remain positive on fundamentals and long-term growth potential. A peace agreement in Ukraine would be unlikely to alter the broader trend of increased defense spending across NATO countries, as well as Asia Pacific nations including Japan, South Korea or Taiwan. Of course, spending pledges are not contracts and there are many other demands on government finances, but there is a clear structural and ethical shift toward defense after arguably years of underinvestment. When it comes to stocks like Rheinmetall AG and Leonardo SpA, we see visible growth stretching years into the future: orders are strong, backlogs are high, and there is political and public will to invest in national security.

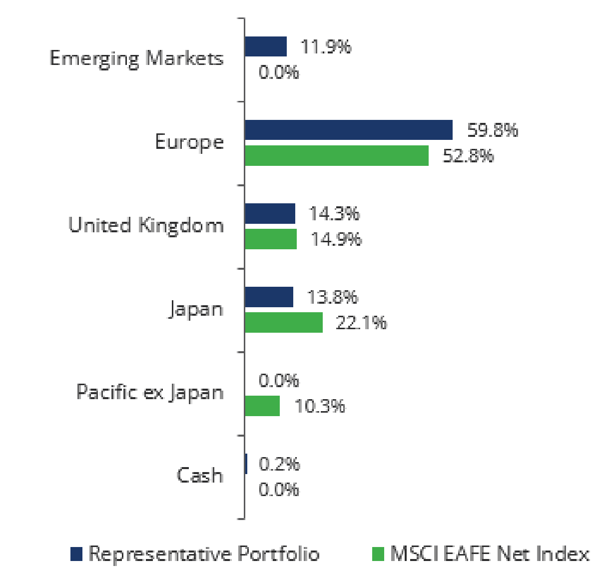
There can be little doubt we are in an era of unprecedented global turbulence, geopolitical uncertainty, and huge strategic shifts. Yet, this remains an environment rich with opportunity. Our focus on fundamentals and visible, predictable growth positions us to identify resilient companies capable of delivering outperformance across market cycles.

Exposures & Characteristics

Exposure by Sector



Exposure by Region



	Representative Portfolio		MSCI EAFE Net Index	
	4Q 2025	5 Year Average	4Q 2025	5 Year Average
Capitalization				
Weighted Average Market Cap ($B)	186.5	125.4	106.8	87.3
Median Market Cap ($B)	82.3	55.5	20.0	14.5
Growth Fundamentals				
EPS Growth: 3 to 5 year forecast (%)[1]	13.5	18.9	7.9	9.7
Revenue Growth: 3 to 5 year forecast (%)[1]	12.0	11.5	6.6	5.3
Value Fundamentals				
P/E Ratio: 12 Months - forward[1]	22.0	23.7	18.3	18.0
P/E Ratio: 12 Months - trailing[1]	27.1	29.2	20.6	20.1
PEG Ratio: forward[2]	1.6	1.3	2.3	1.9
Dividend Yield (%)[3]	1.1	1.0	2.7	2.9
Price/Book[4]	3.2	3.6	2.2	1.8
Quality Fundamentals				
Return on Equity: 5 Year (%) - trailing[1]	15.3	14.4	14.5	14.0
Return on Invested Capital: 5 Year (%) - trailing[1]	9.9	9.8	9.1	9.4
Long-Term Debt / Equity (%)[1]	58.4	59.0	78.0	71.4
Other				
Number of Positions	23	26	693	776
Beta: 3 year portfolio[5]	1.1	1.0	1.0	1.0
Tracking Error: 5 Year - trailing (%)	8.4	--	--	--
Turnover: 12 Months - trailing (%)	45.9	36.5	--	--

[1]Interquartile weighted mean, [2]PEG Ratio is calculated as "P/E Ratio: 12 Months - forward" divided by "EPS Growth: 3 to 5 year forecast", [3]MPT beta (daily). [4]Based on aggregate purchases and sales over prior 12 months. Data as of December 31, 2025. **Past performance does not guarantee future results.** Source: FactSet, Hardman Johnston Global Advisors LLC®. The data shown is of a representative portfolio for the Hardman Johnston International Equity strategy and is for informational purposes only and is not indicative of future portfolio characteristics/returns. Actual results may vary for each client due to specific client guidelines and other factors. The representative portfolio was chosen as most representative of the International Equity strategy. Portfolio holdings and/or allocations shown above are as of the date indicated and may not be representative of future investments. Future investments may or may not be profitable. In the event the portfolio holds multiple share classes of a company, the total number of positions reflects the multiple share classes as a single position. Hardman Johnston Global Advisors generally uses Global Industry Classification Standard ("GICS") to determine sector classification. Hardman Johnston may reclassify a company into a more suitable sector if it believes that the GICS classification for a specific company does not accurately classify the company from our perspective.

Portfolio Holdings

	Country	Weight (%)	Industry	Initiation Date
Consumer Discretionary				
LVMH	France	4.9	Textiles, Apparel & Luxury Goods	Jul. 2022
MercadoLibre, Inc.	Brazil	2.0	Broadline Retail	Jan. 2023
Prosus NV	Netherlands	4.5	Broadline Retail	Oct. 2021
Suzuki Motor Corp.	Japan	4.7	Automobiles	Nov. 2023
Financials				
Commerzbank AG	Germany	5.2	Banks	Apr. 2025
HDFC Bank Ltd.	India	2.0	Banks	Dec. 2023
ICICI Bank Ltd.	India	2.3	Banks	Aug. 2018
Standard Chartered PLC	United Kingdom	6.4	Banks	Aug. 2023
Health Care				
AstraZeneca plc	United Kingdom	5.4	Pharmaceuticals	Oct. 2017
Sandoz Group Ltd.	Switzerland	6.2	Pharmaceuticals	Nov. 2024
UCB S.A.	Belgium	4.8	Pharmaceuticals	Apr. 2024
Industrials				
Airbus SE	France	5.0	Aerospace & Defense	Jan. 2019
Hitachi, Ltd.	Japan	4.7	Industrial Conglomerates	Apr. 2025
Leonardo SpA	Italy	2.4	Aerospace & Defense	Apr. 2025
Mitsubishi Heavy Industries, Ltd.	Japan	4.4	Machinery	Apr. 2024
Prysmian S.p.A.	Italy	4.8	Electrical Equipment	Sept. 2025
Rheinmetall AG	Germany	4.4	Aerospace & Defense	Feb. 2023
Safran S.A.	France	4.8	Aerospace & Defense	Jun. 2017
Weir Group PLC	United Kingdom	2.5	Machinery	Oct. 2025
Information Technology				
ASML Holding N.V.	Netherlands	5.4	Semiconductors & Semiconductor Equipment	Jun. 2003
Infineon Technologies AG	Germany	5.1	Semiconductors & Semiconductor Equipment	Mar. 2025
STMicroelectronics NV	France	2.3	Semiconductors & Semiconductor Equipment	Jul. 2025
Taiwan Semiconductor Mfg. Co., Ltd.	Taiwan	5.6	Semiconductors & Semiconductor Equipment	Jan. 2021
Cash & Equivalents		0.2		

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