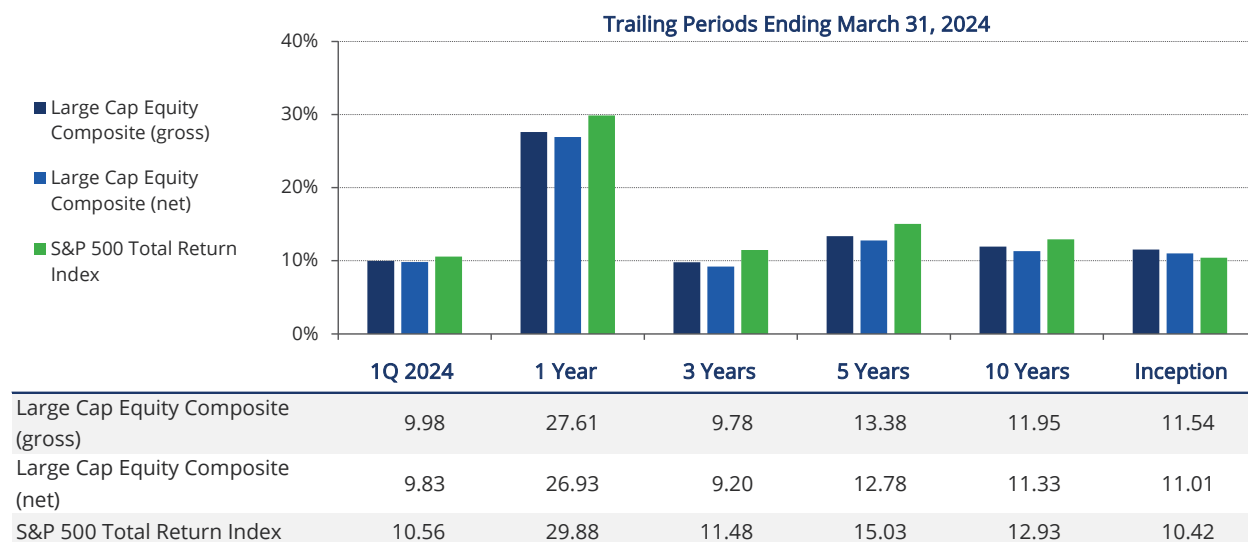

Hardman Johnston

Large Cap Equity

2024 First Quarter Report



Performance



Performance is through March 31, 2024. 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). Composite inception date: December 31, 1989.

Key Takeaways

- Remarkable US economic growth persists. Recession predictions defied again!
- Corporate profit growth outlook is good overall, but not homogeneous.
- Selectivity and discipline remain essential given the environment.

Market Review & Outlook

The US Economy keeps chugging along in aggregate, and many of those who had predicted that a recession would soon be upon us have recanted. Given the sharp increase in interest rates over the last two years, it is remarkable that the economy has not slowed more. Strong technology spending, driven primarily by artificial intelligence, reshoring investment, and a consumer whose insatiable appetite for travel and leisure has kept airports busy and dinner reservations scarce, have all buoyed the economy. However, the strength is not uniform. Electric vehicle sales have slowed in the near term, people have enough furniture and fitness apparel, and high interest rates are slowing the housing market. Critically, however, the job market remains strong. We'll see how long it holds up, but given the presidential election cycle, we are likely to see more, rather than less, fiscal and policy support for growth in the next nine months. While confidence is mixed, consumers have been willing to take on more debt to fund their lifestyles, even with high interest rates. Additionally, while hiring

has slowed, companies are still reluctant to lay workers off given a labor market that remains relatively tight.

Overall, the outlook for corporate profit growth remains reasonably strong, but is also patchy. As active managers, we have the opportunity to be choosy. We are choosy about growth. Recent performance continues to be driven by those who enable efficiency, notably AI, but is visible in other areas as well. We will remain focused on companies whose customers want more of what they are selling. We can be choosy about financial strength. We are not sure when interest rates will change, but we are confident that when they do change it will not materially affect our holdings' ability to serve their customers. Finally, we can be choosy about valuation. While markets have been strong, valuations are naturally elevated. We constantly look at our strongest holdings and our laggards to see when it makes sense to either trim back, exit, or add to new or existing positions.

Portfolio Commentary

The Large Cap Equity Composite returned 9.83%, net of fees, compared to 10.56% for the S&P 500 in the first quarter. The greatest contributors to portfolio appreciation were Vertiv Holdings Co., Howmet Aerospace, Inc., and NVIDIA Corp. While most are familiar with NVIDIA's critical role in enabling the rollout of artificial intelligence, Vertiv has played a lower profile role. Vertiv and its peers provide the critical data center infrastructure to keep the servers we rely on for cloud computing powered up and cooled. Howmet, the provider of high specification aircraft parts, continues to benefit from the recovery in, and future growth of, the commercial aerospace market.

The top detractors from performance were Adobe Inc., Universal Display Corp., and Wolfspeed, Inc. Universal Display sold off slightly during the quarter, but demand for its organic LED products is still expected to accelerate over the coming years. Adobe has been addressing questions about the threat, or opportunity, posed to its business from AI. We remain firmly in the latter camp, but some shareholder turnover is natural. Finally, Wolfspeed has sold off as near-term sentiment around electric vehicles has softened. We think the long-term growth trend is intact and believe their competitive advantages remain unchallenged.

Portfolio turnover was low, and driven in large part by position size management, but we started a new position in Charles Schwab Corp. We expect Schwab to deliver steady double-digit earnings growth driven by demographics and market share gains. The entry point was provided by a sell-off following last spring's mini bank crisis. We also added Suzuki Motor Corp., which is experiencing strong demand for its vehicles in emerging markets, notably India.

We exited positions in Meituan, Aptiv plc, and Boeing Company, mostly to make room for the new holdings, but also due to concerns about near term disruptions to their businesses.

Quarterly Attribution* & Portfolio Activity

Sector Attribution	Average Weight		Total Return		Total Effect
	Rep. Portfolio	S&P 500	Rep. Portfolio	S&P 500	
Industrials	21.4	8.7	28.5	11.0	
Cons. Discretionary	2.5	10.5	0.0	5.0	
Real Estate	0.0	2.4	0.0	-0.6	
Consumer Staples	0.0	6.1	0.0	7.5	
Utilities	0.0	2.2	0.0	4.6	
Financials	10.9	13.0	12.0	12.5	
Energy	1.7	3.8	10.5	13.7	
Materials	4.7	2.3	6.2	8.9	
Comm. Services	7.4	8.9	4.6	15.8	
Info. Technology	24.4	29.5	7.5	12.7	
Health Care	23.7	12.7	3.3	8.8	
Cash	3.3	0.1	1.3	1.3	

-2.0% 0.0% 2.0% 4.0%

Contributors & Detractors

First Quarter	Average Weight (%)	Total Effect (%)	Last Twelve Months	Average Weight (%)	Total Effect (%)
Largest Contributors			Largest Contributors		
Vertiv Holdings Co.	4.77	2.30	Vertiv Holdings Co.	4.05	7.85
Howmet Aerospace, Inc.	4.72	0.74	NVIDIA Corp.	4.51	1.98
Apple Inc.	3.95	0.57	Howmet Aerospace, Inc.	4.55	1.36
Largest Detractors			Largest Detractors		
Adobe Inc.	3.70	-0.86	FMC Corp.	2.13	-2.67
Universal Display Corp.	2.89	-0.73	Albemarle Corp.	1.82	-1.77
Wolfspeed, Inc.	0.96	-0.60	Wolfspeed, Inc.	1.06	-1.54

Quarterly Initiations

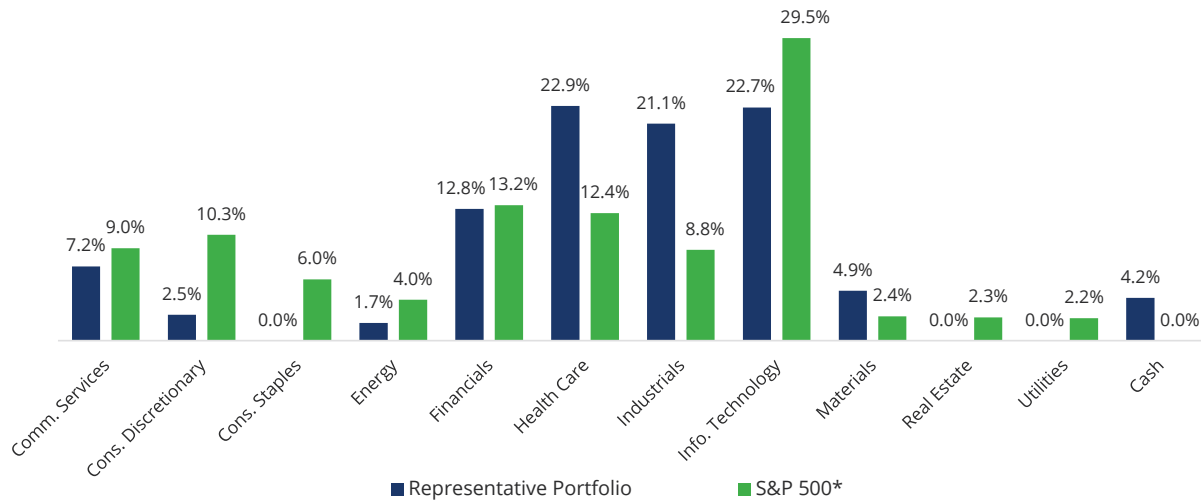
Suzuki Motor Corp.	Meituan
Charles Schwab Corp.	Aptiv plc
	Boeing Company

Quarterly Liquidations

Data for the quarter ending March 31, 2024. Source: FactSet, Hardman Johnston Global Advisors LLC®. **Past performance does not guarantee future results.** *Information for S&P 500 attribution, exposures, and characteristics are derived from the iShares S&P 500 ETF. The data shown is of a representative portfolio for the Hardman Johnston Large Cap 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.

Exposures & Characteristics*

Exposure by Sector



	Representative Portfolio		S&P 500 Total Return Index	
	1Q 2024	5 Year Average	1Q 2024	5 Year Average
Capitalization				
Weighted Average Market Cap (\$B)	538.7	349.2	804.4	504.1
Median Market Cap (\$B)	64.5	57.3	35.4	28.5
Growth Fundamentals				
EPS Growth: 3 to 5 year forecast (%) ¹	12.6	14.1	12.5	11.8
Revenue Growth: 3 to 5 year forecast (%) ¹	8.2	9.2	7.5	7.5
Value Fundamentals				
P/E Ratio: 12 Months - forward ¹	24.5	24.4	25.3	23.4
P/E Ratio: 12 Months - trailing ¹	29.3	28.2	29.5	25.5
PEG Ratio: forward ²	1.9	1.7	2.0	2.0
Dividend Yield (%) ³	0.9	1.0	1.4	1.7
Price/Book ⁴	4.9	5.1	4.5	3.8
Quality Fundamentals				
Return on Equity: 5 Year (%) - trailing ¹	20.8	19.6	24.9	23.1
Return on Invested Capital: 5 Year (%) - trailing	16.1	14.5	17.7	14.8
Long-Term Debt / Equity (%) ¹	82.2	75.1	77.0	88.4
Other				
Number of Positions	52	52	503	505
Beta: 3 year portfolio ⁵	0.9	0.9	1.0	1.0
Tracking Error: 5 Year - trailing (%)	3.5	--	--	--
Turnover: 12 Months - trailing (%)	15.1	14.1	--	--

¹Interquartile weighted mean, ²PEG Ratio is calculated as "P/E Ratio: 12 Months - forward" divided by "EPS Growth: 3 to 5 year forecast", ³MPT beta (daily). ⁴Based on aggregate purchases and sales over prior 12 months. Data as of March 31, 2024. **Past performance does not guarantee future results.** *Information for S&P 500 attribution, exposures, and characteristics are derived from the iShares S&P 500 ETF. Source: FactSet, Hardman Johnston Global Advisors LLC®. The data shown is of a representative portfolio for the Hardman Johnston Large Cap 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 Large Cap 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
Communication Services			
Alphabet Inc.	United States	4.4	Interactive Media & Services
Comcast Corp.	United States	2.2	Media
Deutsche Telekom AG	Germany	0.7	Diversified Telecommunication Services
Consumer Discretionary			
LVMH	France	0.7	Textiles, Apparel & Luxury Goods
Melco Resorts & Entertainment Ltd.	Hong Kong	0.1	Hotels, Restaurants & Leisure
MercadoLibre, Inc.	Brazil	0.6	Broadline Retail
Prosus NV	Netherlands	0.5	Broadline Retail
Suzuki Motor Corp.	Japan	0.7	Automobiles
Energy			
Schlumberger NV	United States	1.2	Energy Equipment & Services
TechnipFMC plc	United Kingdom	0.5	Energy Equipment & Services
Financials			
Charles Schwab Corp.	United States	2.6	Capital Markets
ICICI Bank Ltd.	India	0.5	Banks
Marsh & McLennan Cos. Inc.	United States	4.1	Insurance
Mastercard Inc.	United States	4.3	Financial Services
PayPal Holdings, Inc.	United States	0.6	Financial Services
Standard Chartered PLC	United Kingdom	0.5	Banks
T&D Holdings, Inc.	Japan	0.3	Insurance
Health Care			
AstraZeneca plc	United Kingdom	0.8	Pharmaceuticals
Becton, Dickinson & Co.	United States	2.0	Health Care Equipment & Supplies
Dentsply Sirona, Inc.	United States	2.0	Health Care Equipment & Supplies
Edwards Lifesciences Corp.	United States	2.4	Health Care Equipment & Supplies
Grifols, S.A.	Spain	0.2	Biotechnology
Illumina, Inc.	United States	0.9	Life Sciences Tools & Services
IQVIA Holdings Inc.	United States	3.4	Life Sciences Tools & Services
Johnson & Johnson	United States	2.0	Pharmaceuticals
Medtronic plc	United States	1.4	Health Care Equipment & Supplies
Novo Nordisk A/S	Denmark	0.8	Pharmaceuticals
UnitedHealth Group Inc.	United States	2.9	Health Care Providers & Services
Vertex Pharmaceuticals Inc.	United States	4.2	Biotechnology
Industrials			
Automatic Data Processing, Inc.	United States	2.3	Professional Services
Curtiss-Wright Corporation	United States	3.1	Aerospace & Defense
Daifuku Co., Ltd.	Japan	0.3	Machinery
Howmet Aerospace, Inc.	United States	4.3	Aerospace & Defense
Leidos Holdings Inc.	United States	2.6	Professional Services
Prysmian S.p.A.	Italy	0.6	Electrical Equipment
Rheinmetall AG	Germany	1.0	Aerospace & Defense
Safran S.A.	France	0.8	Aerospace & Defense
Stanley Black & Decker Inc.	United States	1.3	Machinery
Vertiv Holdings Co.	United States	4.8	Electrical Equipment
Information Technology			
Adobe Inc.	United States	3.1	Software
Advanced Energy Industries	United States	1.1	Electronic Equipment, Instruments & Components
Apple Inc.	United States	3.5	Technology Hardware, Storage & Peripherals
ASML Holding N.V.	Netherlands	1.2	Semiconductors & Semiconductor Equipment
Atlassian Corp.	United States	0.6	Software
Microsoft Corp.	United States	4.5	Software
NVIDIA Corp.	United States	4.6	Semiconductors & Semiconductor Equipment
Taiwan Semiconductor Mfg. Co., Ltd.	Taiwan	0.8	Semiconductors & Semiconductor Equipment
Universal Display Corp.	United States	2.6	Semiconductors & Semiconductor Equipment
Wolfspeed, Inc.	United States	0.9	Semiconductors & Semiconductor Equipment
Materials			
Albemarle Corp.	United States	1.2	Chemicals
Corteva, Inc.	United States	2.2	Chemicals
FMC Corp.	United States	1.5	Chemicals
Cash & Equivalents			
Cash		4.2	

Green text indicates the security has been in the portfolio for greater than five years.

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