Thornburg

INTERNATIONAL EQUITY ESG STRATEGY

QUARTERLY FACT SHEET | 30 JUNE 2024

$555.9M	1 Oct 15	56	28.8%
Total Strategy Assets*	Inception Date	Holdings	Top Ten Weight

INVESTMENT STRATEGY

The Strategy employs a rigorous bottom-up research process to identify promising stocks of non-U.S. companies trading below their intrinsic value. Actively integrating ESG criteria into the fundamental approach allows the Strategy to reflect ESG values through the portfolio's investments without sacrificing the potential for attractive long-term risk-adjusted performance. The portfolio is high conviction but also well diversified by sector, country and market capitalization. Our three-basket portfolio construction process aids in balancing risk across the portfolio and constructing a portfolio which has the potential to participate throughout the market cycle.

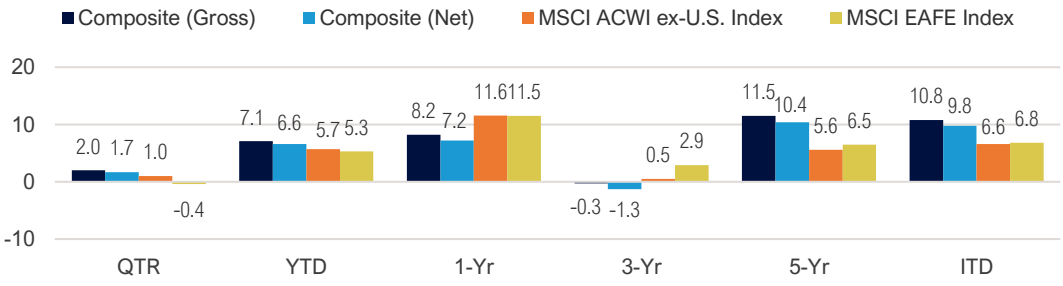
PORTFOLIO MANAGERS

Lei Wang, CFA
Began with firm in 2004.
Industry experience since 1996.

Supported by the entire Thornburg investment team.

INVESTMENT RESULTS

ANNUALIZED RETURNS (%)



CALENDAR YEAR RETURNS (%)	2016	2017	2018	2019	2020	2021	2022	2023
Composite (Gross)	8.71	23.89	-12.64	25.96	28.11	22.22	-17.22	13.70
Composite (Net)	7.67	23.46	-13.21	24.79	26.90	21.05	-17.98	12.62
MSCI ACWI ex-U.S. Index	4.50	27.19	-14.20	21.51	10.65	7.82	-15.99	15.62
MSCI EAFE Index	1.00	25.03	-13.79	22.01	7.82	11.26	-14.45	18.24
Excess Return (Gross) vs. MSCI ACWI ex-U.S. Index	4.21	-3.30	1.56	4.45	17.46	14.40	-1.23	-1.92
Excess Return (Gross) vs. MSCI EAFE Index	7.71	-1.14	1.15	3.95	20.29	10.96	-2.77	-4.54

ITD is Inceptions to Date. In US$ terms. **Returns may increase or decrease as a result of currency fluctuations.** Periods less than one year are not annualized.

Performance data for the International Equity ESG Strategy is from the International Equity ESG Composite, inception date of 1 October 2015. The International Equity ESG Composite includes discretionary accounts invested in the International Equity ESG Strategy. Returns are calculated using a time-weighted and asset-weighted calculation including reinvestment of dividends and income. Periods less than one year are not annualized. Individual account performance will vary. The performance data quoted represents past performance; it does not guarantee future results. Gross of fee returns are net of transaction costs. Net of fee returns are net of transaction costs and investment advisory fees. Thornburg Investment Management Inc.'s fee schedule is detailed in Part 2A of its ADV brochure. Performance results of the firm's clients will be reduced by the firm's management fees. For example, an account with a compounded annual total return of 10% would have increased by 159% over ten years. Assuming an annual management fee of 0.75%, this increase would be 142%.

STRATEGY PROFILE

BENCHMARK
MSCI ACWI ex-U.S. Index
MSCI EAFE Index

eVESTMENT UNIVERSE
ACWI ex-U.S. All Cap Core Equity

HOLDINGS INFORMATION
Typically 50–70 holdings

Weight at purchase less than 5%, typically 1% to 3%

TARGET TURNOVER RANGE
No explicit target, typically 40-80% depending on market environment and opportunity set

MARKET CAPITALIZATION
Large Cap, average daily trading volume of $10M or more

CASH EXPOSURE
<10% under normal conditions

INDUSTRY EXPOSURE
Maximum of 25%

COUNTRY EXPOSURE
Maximum of 25%

EMERGING MARKETS EXPOSURE
Maximum of 35%

AVAILABLE VEHICLES

Separate Account

U.S. Mutual Fund

*Includes U.S. Mutual Fund, Separate Accounts and Institutional Accounts.

PORTFOLIO CHARACTERISTICS

PORTFOLIO STATISTICS	REP. ACCT.	MSCI ACWI EX-U.S. INDEX
Active Share	87.5%	--
Weighted Average Market Cap.	$120.4B	$115.7B
Median Market Cap	$45.2B	$9.5B
Price to Earnings (Forecast 1-Fiscal Year)	19.2x	14.0x
Est 3-5 Yr EPS Growth	14.6%	14.8%
Price-to-Book	2.7x	1.9x
Price-to-Cash Flow	12.2x	8.8x
Return on Assets	6.4%	6.7%

TEN LARGEST HOLDINGS (%) (AS OF 31 MAY 24)	REP. ACCT.
Hitachi Ltd.	3.3
Constellation Software, Inc./Canada	3.1
L'Oreal S.A.	3.1
Canadian Pacific Kansas City Ltd.	3.0
Schneider Electric SE	2.9
Mitsubishi UFJ Financial Group, Inc.	2.8
Sony Group Corp.	2.7
BNP Paribas S.A.	2.7
Samsung Electronics Co. Ltd.	2.6
Novo Nordisk A/S	2.6

TOP REGIONS† (%)	REP. ACCT.	RELATIVE WEIGHT
Eurozone	24.5	3.3
Developed North America	22.9	15.2
Japan	20.7	6.2
Other Developed Europe & MidEast	13.5	1.9
Emerging Asia	8.4	-15.0
Pacific ex-Japan	3.0	-3.9

FIVE LARGEST COUNTRIES† (%)	
Japan	20.7
France	16.5
United States	14.5
Switzerland	10.4
Canada	8.4

SECTOR ALLOCATION (%)	REP. ACCT.	RELATIVE WEIGHT
Industrials	25.9	12.2
Health Care	15.6	6.1
Consumer Staples	14.9	7.6
Financials	11.2	-10.4
Information Technology	10.7	-3.3
Consumer Discretionary	8.8	-2.3
Utilities	3.6	0.5
Materials	3.0	-4.1
Communication Services	1.8	-3.5
Cash	4.4	4.4

† Holdings are classified by country of risk as determined by MSCI and Bloomberg.

Thornburg is a global investment firm delivering on strategy for institutions, financial professionals and investors worldwide. The privately held firm, founded in 1982, is an active, high-conviction manager of fixed income, equities, multi-asset solutions and sustainable investments with $44.7** billion in total assets across mutual funds, closed-end funds, institutional strategies, managed accounts, and UCITS.

Our client teams are here to support you:

Principal Office
us@thornburg.com
(800) 276-3930

Melbourne
www.terrainplacement.com
Mobile: +61 417 163 260
Mobile: +61 432 887 707

Shanghai
asia@thornburg.com
+86-21-61577596

Hong Kong
asia@thornburg.com
+852 3796-3325

Americas
americas@thornburg.com
(505) 467-7103

Signatory of:

www.thornburg.com

The PRI is the world's leading proponent of responsible investment. It works to understand the investment implications of environmental, social and governance (ESG) factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.

**Includes assets under management ($43.6B) and assets under advisement ($1.2B).

IMPORTANT INFORMATION

Source: FactSet, and Thornburg.

Unless otherwise noted, all data is as of 30 June 2024.

Investments in the Strategy carry risks, including possible loss of principal. Carefully consider the Strategy's investment objectives, risks, and expenses before investing. There is no guarantee that the portfolio will meet its investment objectives.

Investing in an ESG-focused strategy does not assure or guarantee better performance and cannot eliminate the risk of investment losses.

Environmental, social and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

A strategy's adherence to its ESG ratings process may affect its exposure to certain companies, sectors, regions, and countries and may affect its performance depending on whether such investments are in or out of favor. This process may result in the strategy foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, or selling securities for ESG reasons when it might be otherwise disadvantageous for it to do so. Additionally, the process may result in incorrectly evaluating a company's commitment to positive ESG practices and may result in investment in companies with practices that are not consistent with the strategy's aspirations.

Diversification does not assure or guarantee better performance and cannot eliminate the risk of investment losses. Portfolio characteristics are derived using currently available data from independent research resources that are believed to be accurate. Portfolio attributes can and do vary. Portfolios invested in a limited number of holdings may expose an investor to greater volatility. There is no guarantee that the Strategy will meet its investment objectives or expectations. Cash may also include cash equivalents and currency forwards.

Portfolio holdings and characteristics shown herein are from a representative account managed within the investment composite. The representative account is selected based on account characteristics that Thornburg believes accurately represent the investment strategy as a whole. Should these characteristics change materially, Thornburg may select a different representative account. Holdings may change daily and may vary among accounts, which may contribute to different investment results.

The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed may not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities transactions or holdings discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

The MSCI ACWI ex USA Net Total Return USD Index is a market capitalization weighted index representative of the market structure of 46 developed and emerging market countries in North and South America, Europe, Africa, the Middle East, and the Pacific Rim, excluding securities of United States' issuers. The index is calculated with net dividends reinvested in U.S. dollars.

The MSCI EAFE (Europe, Australasia, Far East) Net Total Return USD Index is an unmanaged index. It is a generally accepted benchmark for major overseas markets. Index weightings represent the relative capitalizations of the major overseas developed markets on a U.S. dollar adjusted basis. The index is calculated with net dividends reinvested in U.S. dollars.

Portfolio construction will have significant differences from that of a benchmark index in terms of security holdings, industry weightings, asset allocations and number of positions held, all of which may contribute to performance, characteristics and volatility differences. Investors may not make direct investments into any index.

Active Share – A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.

P/E – Price/Earnings ratio (P/E ratio) is a valuation ratio of a company's current share price compared to its per-share earnings. P/E equals a company's market value per share divided by earnings per share. Forecasted P/E is not intended to be a forecast of the fund's future performance.

Return on Assets (ROA) – An indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings.

Price/Book ratio (P/B ratio) - A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.

Price/Cash Flow - The measure of the market's expectations regarding a firm's future financial health. It is calculated by dividing price per share by cash flow per share.

Earnings per Share (EPS) - The total earnings divided by the number of shares outstanding.

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