

QUARTERLY MANAGER COMMENTARY

Global Concentrated Strategy

September 30, 2025

MARKET ENVIRONMENT

Global equities finished higher during the quarter, with 10 of 11 GICS sectors posting positive returns. By sector, information technology and financials contributed the most to market returns while consumer staples were the sole detractor. By country, the U.S. contributed the majority of positive market momentum, followed by Japan. Denmark and Germany were slight detractors.

PORTFOLIO PERFORMANCE

The portfolio's return was 1.83% (net) for the reporting period. This compares to the MSCI World Index that returned 7.27% for the same period.

Top contributors:

- Alibaba Group was a contributor during the quarter. The China-headquartered technology conglomerate's stock price rose significantly following earnings that reflected rapid Chinese AI growth. Its Cloud segment posted healthy revenue growth, and management indicated that this momentum is expected to continue in the coming quarters. Additionally, Alibaba has solid traction in both its International and Instant Commerce businesses. We continue to believe the company is well-positioned for long-term growth, having been one of the early investors in Chinese AI. Over time, we believe it can leverage its advanced capabilities and leading market position to unlock further value.
- Alphabet was a contributor during the quarter. The technology conglomerate's stock price appreciated following a favorable ruling in the Google Search antitrust case and second-quarter earnings that exceeded expectations across the board. Innovations in the Google Search experience are driving both engagement and

Performance highlights

Contributors

- Alibaba Group
- Alphabet CI C
- IQVIA Holdings

Detractors

- Charter Communications CI A
- Centene*
- CNH Industrial

revenue benefits. Moreover, Cloud growth is accelerating thanks to robust demand for AI workloads. We continue to believe Alphabet is undervalued on a sum-of-the-parts basis and see potential for the company's AI leadership to drive further upside across the portfolio.

- IQVIA Holdings was a contributor during the quarter. The U.S.-headquartered provider of advanced analytics, solutions, and clinical research services saw its stock price appreciate after having delivered solid second-quarter results amidst a challenging pharma environment. The results reaffirmed our thesis that the technology and analytics solutions (TAS) segment is underappreciated and poised for future growth. Further the R&D solutions business showed signs of gaining share, with its win rate improving significantly. We believe forward-looking indicators are encouraging and think the company can extract further value as it leverages next-gen trends.

Top detractors:

- Charter Communications was a detractor during the quarter. The broadband leader's stock

price declined after it reported weak second-quarter earnings. Year-over-year earnings before interest, tax, depreciation and amortization were flat, and the closely watched decline in broadband subscriptions fell at a greater pace than anticipated. However, broadband average revenue per user (ARPU) growth accelerated, reaffirming one of the core points of our thesis. We expect continued near-term volatility in subscriber results but believe the company's high-capacity network is well positioned to compete over the long-term.

- Centene was a detractor during the quarter. The U.S.-headquartered managed care company's stock price declined after it withdrew its 2025 earnings per share guidance and subsequently reinstated it at a much lower level. This negative revision was caused by cost pressure in the company's Medicaid and Marketplace businesses. While today's valuation seems to imply that the headwinds impacting Centene are structural, we believe they're attributable to temporary factors and expect a meaningful earnings recovery in the coming years.
- CNH Industrial was a detractor during the quarter. The agricultural and farm equipment company's stock price declined as it delivered weak results but reaffirmed guidance amidst a difficult environment. Soft end user demand – especially in the U.S. – and inventory destocking are the primary reasons for the current challenges. Still, management has emphasized that they believe 2025 marks the bottom for the industry and expect a rebound over the medium term. Management has also presented a credible case for significant margin expansion, which when coupled with an improving market could lead to significant profit growth. CNH is the number two player in a consolidated equipment market that exhibits structural, long-term growth. Given this and an improved management team focused on improving operations – leveraging their improving technology position and allocating

capital intelligently – we believe the company is well-positioned for the future.

PORTFOLIO POSITIONING

We initiated the following position(s) during the period:

- Dassault Systèmes is a French software company at the forefront of virtual twin technology, enabling customers to simulate the behavior of real-world products and systems in a digital environment. By allowing ideas to be tested, refined, and optimized virtually, in our view, Dassault's solutions help accelerate innovation, reduce costs, and drive superior product outcomes. The company primarily operates in oligopolistic niches, where it maintains what we view as a strong competitive position driven by high switching costs and distinguishes itself from peers through superior innovation and a sustained commitment to R&D. We like that these niches offer attractive growth prospects, expanding margins, and robust ROIC, which we think Dassault can capture as it fully realizes the benefits of recent initiatives, particularly its migration to the cloud and related advantages that the modernized platform can provide in the coming years. Despite solid fundamentals, cyclical downturns have led the share price to decline nearly 40% from its peak, providing the opportunity to purchase shares in what we view as one of the higher quality and well-managed European companies at an attractive valuation.

We eliminated the following position(s) during the period:

- Centene

OUTLOOK

For more than a decade, those of us who practice “value investing”—especially in overseas markets—witnessed U.S. growth/momentum stocks soar. We

asserted that this trend was unsustainable as it was mostly driven by both weak foreign currencies as well as valuation expansion by U.S. growth stocks. Year-to-date, we are witnessing the unraveling of this paradigm. At the same time, the fundamentals of what we view as the most attractively priced global region, European equities, have improved thus driving more investor interest. As the valuation

spread expanded during the last 10 years, our view was that the greater the spread was, the harder it would be to maintain it. We remain confident in our belief that given the large valuation spread that still exists, we will continue to benefit from this change.

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AVERAGE ANNUALIZED TOTAL RETURNS (%)

	QTD	YTD	1 yr	3 yrs	5 yrs	10 yrs	Since inception
Global Concentrated Strategy Gross of Fees	2.02	13.21	9.05	19.87	13.99	10.55	8.69
Global Concentrated Strategy Net of Fees	1.83	12.56	8.21	18.95	13.11	9.69	7.79
MSCI World Index	7.27	17.43	17.25	23.72	14.41	12.43	7.84
MSCI World Value Index	5.83	16.89	11.98	18.57	13.90	9.36	5.42

Returns for periods less than one year are not annualized. Composite inception: 03/31/2007

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Glossary

The MSCI World Index (Net) is a free float-adjusted, market capitalization-weighted index that is designed to measure the global equity market performance of developed markets. The index covers approximately 85% of the free float-adjusted market capitalization in each country. This benchmark calculates reinvested dividends net of withholding

taxes. This index is unmanaged and investors cannot invest directly in this index.

The MSCI World Value Index (Net) captures large- and mid-cap securities exhibiting overall value style characteristics across 23 Developed Markets. The value investment style characteristics for index construction are defined using three variables: book value-to-price, 12-month forward earnings-to-price, and dividend yield. The Total Return Index (Net) includes reinvested dividends net of foreign withholding tax. This index is unmanaged and investors cannot invest directly in this index.

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