

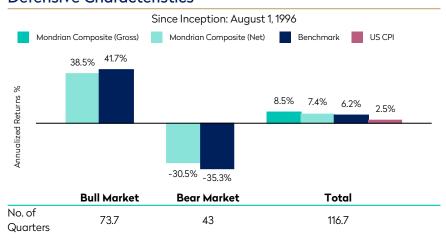
# **Our Organization**

- Founded in 1990, with over 30 years of stable, consistent leadership
- Over USD 50 billion under management and advisement
- Mondrian is employee-owned; approximately half of employees are partners today
- Consistent, income-oriented value discipline has been applied to all products since the firm's inception
- Highly experienced team of 52 investment professionals in London

## Strategy at a Glance

- Strategy Inception: September 2019
- Investment Team Size of 8
- Portfolio contains 40 60 issuers
- Annual turnover is generally 30 50%

### **Defensive Characteristics**



# **Investment Philosophy**

- We invest in stocks where rigorous dividend discount analysis isolates value in terms of the long-term flow of dividends
- Dividend yield and future real growth play a central role in our decision making process and over time the dividend component is expected to be a meaningful portion of expected total return

#### **Investment Process**

- Value-oriented dividend discount model
- Purchasing power parity currency analysis
- Risk control
- Underpinned by worldwide long-term qualitative and quantitative fundamental analysis

# Benefits to our Approach

- An approach that seeks to produce meaningful alpha and high real returns
- Client portfolios that aim to preserve capital during protracted global market declines
- Portfolio performance that has been less volatile than the relevant benchmark and most peers in the universe

# **Performance Summary**

	Composite (Gross)	Composite (Net)	Benchmark	Secondary Benchmark
Quarter 3, 2025	11.2%	10.9%	10.6%	8.7%
Year to Date	34.4%	33.5%	27.5%	24.8%
1Year	23.8%	22.7%	17.3%	13.3%
3 Years (Annualized)	21.6%	20.5%	18.2%	17.8%
5 Years (Annualized)	8.2%	7.3%	7.0%	9.9%
Since Inception (Annualized) September 1, 2019	8.7%	7.8%	7.8%	7.4%

Composite - Defensive Characteristics: Emerging Markets Equity. Composite - Performance Summary: Emerging Markets Equity ADR Composite Performance for the most recent 3 months is preliminary and subject to change.

Benchmark: MSCI Emerging Markets Index. Secondary Benchmark: MSCI Emerging Markets Value Index

Source: Mondrian Investment Partners and MSCI

All information is dated as at the end of the Quarter, unless otherwise stated. Refer to Important Notes and Disclosures. For financial professional use only. Not for further distribution.

# **Quarterly Headlines**

The MSCI EM Index gained 10.6% during the third quarter, extending the year-to-date return for the asset class to +27.5%. All regions posted solid gains as evidence of the breadth of the strong market environment.

Asia's (+10.9%) relative outperformance was led by China (+20.7%), where supportive macroeconomic data and positive AI sentiment led to outsized gains in several key names. Both Taiwan (+14.3%) and South Korea (+12.7%) were also supported by the continued AI optimism within their respective IT sectors. India (-7.6%) was the clear underperformer. Latin America saw positive returns across the board. EMEA was buoyed by South Africa (+20.4%), with both gold and PGMs miners driven higher by rising commodity prices.

The portfolio outperformed with the index return during Q3. The portfolio's large underweight to India added value from a top-down perspective, as did stock selection in Taiwan. Positioning in South Africa and Brazil were the most significant detractors.

At the sector level, the key contributors to relative performance included stock selection in Consumer Discretionary and Financials. These were offset somewhat by the underweight to IT and the overweight to Consumer Staples.

#### Senior Investment Professionals



**Andrew Miller** 



Ginny Chong, CFA Chinese Equities



Greg Halton, CFA Manager



Dan Kelly, CFA Manager



Boris Veselinovich, CFA



#### **Attribution**

Positives: Countries and Regions	Negatives: Countries and Regions
Underweight India	Positioning in South Africa
Stock selection in Taiwan	Positioning in Brazil
Stock selection in China	Positioning in the Philippines
Positives: Sectors	Negatives: Sectors
Stock selection in Consumer Discretionary	Underweight Information Technology
Stock selection in Financials	Overweight Consumer Staples

# **Top 3 Stocks**

Name	Country	Sector	Average Weight	Relative Attribution
Barrick Mining	Canada	Materials	2.4%	0.89%
Alibaba	China	Consumer Discretionary	4.6%	0.49%
Xtrackers China-A ETF	China	Other	5.0%	0.40%

#### **Bottom 3 Stocks**

Name	Country	Sector	Average Weight	Relative Attribution
HDFC Bank	India	Financials	4.0%	-0.45%
BDO Unibank	Philippines	Financials	1.8%	-0.39%
Tencent	China	Communication Services	3.9%	-0.27%

All returns in: USD

Benchmark: MSCI Emerging Markets Index

Source: Mondrian Investment Partners and MSCI

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## **Portfolio Positioning**

Countries and Regions	
Key Overweights	Key Underweights
Mexico	India
Indonesia	Taiwan
Brazil	China

#### Sectors

Key Overweights	Key Underweights
Consumer Staples	Information Technology
Financials	Utilities

# **Country Allocation**

Country	Portfolio Weight	Relative Weight
China		27.9% -3.3%
South Korea	12.2%	+1.2%
Taiwan	11.6%	-7.8%
Other EMEA	7.7%	+4.4%
Brazil	6.5%	+2.2%
India	6.5%	-8.8%
Mexico	6.0%	+4.0%
Other North America	4.7%	+4.7%
Indonesia	4.2%	+3.0%
Saudi Arabia	2.5%	-0.8%
Philippines	1.8%	+1.4%
Peru	1.5%	+1.2%
Other Asia Pacific	1.5%	-0.7%
UAE	1.3%	-0.2%
South Africa	1.3%	-2.2%
Greece	1.1%	+0.5%
Other Latin America	0.0%	-0.6%

#### **Sector Allocation**

Sector	Portfolio Weight	Relative Weight
Financials	23.9%	+1.6%
Information Technology	19.2%	-6.2%
Consumer Discretionary	13.2%	-0.3%
Consumer Staples	10.8%	+6.7%
Communication Services	10.3%	-0.3%
Materials	7.5%	+1.0%
Industrials	7.0%	+0.4%
Energy	3.7%	-0.2%
Health Care	2.4%	-1.0%
Utilities	0.2%	-2.1%
Real Estate	0.0%	-1.4%
Cash	1.9%	+1.9%

## **Strategy Characteristics**

	Portfolio	Benchmark
Weighted Average P/E (trailing 12 months)	14.1x	16.4x
Weighted Average P/B	2.0x	2.1x
Weighted Average Dividend Yield	3.4%	2.4%
Number of Holdings	48	1,189
Weighted Average Market Cap (USD, billion)	205.9	228.1
Median Market Cap (USD, billion)	20.1	6.6

### **Market Returns Commentary**

- The MSCI EM Index rose 10.6% in another strong quarter for emerging markets.
- Theme of increasing AI capital expenditure a key factor in the outperformance of China, Taiwan, and South Korea.
- South Africa led by gold and PGMs miners given strength of underlying commodity prices.

#### Sector Returns Commentary

- Materials sector underpinned by price increases across various commodities. including gold, copper, and PGMs.
- IT gains linked to the expansion of the AI tech cycle, particularly in major Asian markets.
- More typically defensive sectors such as consumer staples and utilities lagged in the strong market conditions.

All returns in: USD Benchmark: MSCI Emerging Markets Index Source: Mondrian Investment Partners and MSCI All information is dated as at the end of the Quarter, unless otherwise stated. Refer to Important Notes and Disclosures. For financial professional use only. Not for further distribution.

#### **Selected Transactions**

Buy			
Stock	Country	Sector	Activity
FEMSA	Mexico	Consumer Staples	New
Qualcomm	USA	Information Technology	Add
BDO Unibank	Philippines	Financials	Add
Jeronimo Martins	Portugal	Consumer Staples	Add
Bank Rakyat	Indonesia	Financials	Add

Stock	Country	Sector	Activity
Patria Investments	Brazil	Financials	Eliminate
Micron Technology	USA	Information Technology	Eliminate
Credicorp	Peru	Financials	Reduce
CSPC Pharmaceutical	China	Health Care	Reduce
Shinhan Financial	South Korea	Financials	Reduce

## **Transaction Commentary**

Initiated a position in leading Mexican C-store retailer FEMSA following a period of stock price weakness. The company has recently undergone a restructuring of operations, following which it intends to increase shareholder returns.

Sell

- Sold the position in Brazilian Asset Manager Patria following a reassessment of the investment case.
- Sold the position in memory semiconductor IDM Micron following strong performance and reduced upside to estimated Fair Value.
- Added to banks in ASEAN following weak performance and increased upside to estimated Fair Value.
- Reduced banks in Korea and Peru following strong performance and reduced upside to estimated Fair Value.

### Important Notes and Disclosures

Mondrian claims compliance with the Global Investment Performance Standards (GIPS®). Mondrian is a value-oriented defensive manager seeking to achieve high real returns for its clients. All products utilize an income-oriented value discipline. Mondrian's methodology is applied consistently to markets and individual securities, both bonds and equities. The Emerging Markets Equity and Emerging Markets Equity ADR Composites include US dollar based discretionary fee paying portfolios, measured against the MSCI Emerging Markets Index net of US withholding taxes. The portfolios are invested in non-US based equities with the allowance for hedging. The MSCI Emerging Markets Index assumes the reinvestment of dividends after the deduction of withholding tax and approximates the minimum possible dividend re-investment. To receive a complete list and description of composites and/or a presentation that adheres to the GIPS standards, contact Mondrian Investment Partners (U.S.), Inc at 215-825-4500.

Gross returns for all time periods presented do not reflect the deduction of the management fee and are gross of transactions costs but net of witholding taxes. Net returns are calculated by subtracting the highest applicable management fee (currently 0.9% annually, or 0.075% monthly) on a monthly basis from the gross composite monthly return. The performance quoted represents past performance and does not predict future returns. Index performance returns do not reflect any management fees, transaction costs or expenses. Indices are unmanaged, and one cannot invest directly in an index. The benchmark is a Performance Comparator, and the Strategy may bear little resemblance to its benchmark. Inception date for the Emerging Markets Equity ADR composite was September 1, 2019.

All portfolio data is based on the Mondrian Representative Account for the strategy.

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Further information on the services Mondrian provides to its Emerging Markets Equity ADR Product can be found in Mondrian's Form ADV Part 2A Brochure

(https://adviserinfo.sec.gov/firm/summary/107432) under the headings of Managed Account Programs: SMA & Model Delivery. Mondrian claims compliance with the Global Investment Performance Standards (GIPS®).

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