## Q4 2025 Commentary and Market Outlook

# International and Global Growth Equities

CHAUTAUQUA CAPITAL MANAGEMENT
A DIVISION OF BAIRD

### MARKET RECAP

Global equity markets closed out 2025 on a strong note, with international equities delivering their widest annual outperformance versus U.S. equities since the Great Financial Crisis (GFC). A weakening dollar, narrowing rate differentials, and attractive relative valuations all contributed to the reversal. A significant de-escalation in U.S.-China trade tensions provided additional relief and supported risk-on sentiment. Meanwhile, central bank policy paths diverged—the Federal Reserve (Fed) continued easing, the European Central Bank (ECB) held steady, and the Bank of Japan (BOJ) raised rates to their highest level in nearly three decades.

The fourth quarter proved challenging for our international portfolios as several themes that had contributed positively earlier in the year reversed sharply. Our Greater China holdings gave back a portion of their substantial gains amid profit-taking, though they remained additive to full-year performance. Value and cyclical leadership persisted, and we had no exposure to European or Japanese banks or to materials, where commodities rallied on AI-related infrastructure demand and precious metals prices. Within information technology, the market's enthusiasm for AI-related hardware contrasted sharply with weakness in application software and IT services, where concerns about potential disruption weighed on valuations. And in health care, company-specific concerns weighed on two of our holdings.

While this environment did not favor our quality growth approach, our investment philosophy remains unchanged. Our concentrated, conviction-weighted portfolios are designed to outperform market growth rates over an investment cycle. We prioritize businesses that align with secular trends and have strong competitive advantages and market positions. Our portfolio companies are chosen for their high profit margins, strong balance sheets, and consistent cash generation. We believe these qualities will endure even in challenging macroeconomic conditions, and we remain confident in the long-term potential of the businesses we own.

In the fourth quarter of 2025, the Chautauqua International Growth Equities composite increased +0.67% (gross of fees)/+0.50% (net of fees), significantly underperforming the MSCI ACWI ex-U.S. Index® ND, which increased +5.05%. The Chautauqua Global Growth Equities composite increased +4.65% (gross of fees)/+4.47% (net of fees), during the quarter, outperforming the MSCI ACWI Index® ND, which increased +3.29%.*

### MARKET UPDATE

For the MSCI ACWI ex-U.S. Index®, growth style notably underperformed value style. Within the MSCI ACWI Index®, growth style underperformed value, and large capitalization stocks outperformed small capitalization stocks. In emerging markets, growth also underperformed value, and large-cap stocks outperformed small-cap.

Sector performance, except consumer discretionary and real estate, was positive for the quarter, and country performance was mixed but leaned positive.

**MSCI Sector and Country Performance (QTD as of 12/31/2025)**

| Sector | Performance |
|---|---|
| Health Care | 9.93% |
| Materials | 6.53% |
| Financials | 5.04% |
| Communication Services | 3.38% |
| Information Technology | 2.92% |
| Energy | 2.82% |
| Utilities | 2.38% |
| Industrials | 1.86% |
| Consumer Staples | 1.26% |
| Consumer Discretionary | -0.51% |
| Real Estate | -2.31% |

| Country | Performance | Country | Performance |
|---|---|---|---|
| Ireland | 14.23% | Netherlands | 3.60% |
| Taiwan | 10.45% | France | 3.46% |
| Switzerland | 9.83% | Japan | 3.26% |
| Canada | 7.85% | United States | 2.42% |
| Denmark | 5.39% | Singapore | 1.04% |
| India | 4.83% | Australia | -0.99% |
| Indonesia | 4.78% | China | -7.35% |

Source: FactSet. Based on MSCI country returns.

*Returns less than one year are not annualized. **The performance data quoted represents past performance. Past performance does not guarantee future results. Current performance data may be lower or higher than the data quoted. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the maximum management fee of 0.80% from inception through June 2021 and 0.70% from July 2021 forward. Actual investment advisory fees may vary across accounts and result in different net returns. For performance data to the most recent month end, contact Chautauqua directly at 303.541.1545.**

The fourth quarter capped a strong year for global equities, with the U.S., international developed, and emerging markets all posting gains. But for the full year, the bigger story was a decisive reversal of fortunes between U.S. and international equities. After more than a decade of consistent U.S. outperformance, international equities significantly outperformed this year. The dollar had a steep decline, driven by narrowing rate differentials, domestic fiscal concerns, and tariff policy uncertainty, which provided a meaningful tailwind for international assets. And international valuations remained at a substantial discount to U.S. levels, offering a more attractive starting point for returns.

Beneath the headline international outperformance, there were pronounced sector and factor rotations. Value extended its lead over growth across both developed and emerging markets, led by financials and materials. European banks posted their strongest year in nearly three decades as net interest margins expanded and return on equity recovered from post-crisis lows. Japanese banks rallied on BOJ rate normalization. Materials rose on precious metals strength and AI-related infrastructure demand. And memory semiconductors delivered outsized returns as high-bandwidth memory demand for AI datacenters rewarded players in that consolidated industry. On the other side, application software and IT services faced persistent pressure on concerns that generative AI could disrupt traditional business models.

On the global monetary policy side, the past year marked the largest easing push since the GFC. Yet by the end of the year, there was a notable divergence among the three major central banks. In the U.S., the Fed cut rates by 25 basis points in both October and December to bring the target range to 3.50–3.75%. However, the most recent Fed meeting revealed divisions over whether supporting the softening labor market or managing above-target inflation is the bigger imperative. The ECB continued to hold rates steady at 2%, citing sticky services inflation, even though headline inflation has moved closer to target. And Japan moved in the opposite direction entirely, with the BOJ raising rates to 0.75%, its highest level in nearly three decades and less than two years removed from exiting negative rates, on solid wage growth and growing confidence in the domestic outlook.

The fourth quarter also marked a significant de-escalation in trade tensions between the U.S. and China. Presidents Trump and Xi reached an agreement in October that saw the U.S. reduce fentanyl-related tariffs on Chinese goods and extend the suspension of reciprocal tariffs for one year. In exchange, China suspended its rare earth export controls, ended semiconductor-related investigations targeting U.S. companies, and suspended retaliatory tariffs on U.S. agricultural products. Furthermore, in December, the U.S. announced a partial rollback of semiconductor export controls, allowing shipments of previously banned yet still lagging-edge datacenter chips.

While trade tensions have eased, the average effective U.S. tariff rate of 17% is significantly elevated compared to the 2–3% level at the end of 2024. The formalization of framework agreements with most large trading partners has removed the most severe tail risks. However, ongoing sector-specific investigations add to the potential for renewed volatility. Critically, the pass-through of tariffs to consumer prices has been more muted than initially feared. The Fed’s most recent study, done in October, estimated that tariffs have added approximately 50 basis points to core inflation through August. And businesses have absorbed the remainder of the impact through a combination of drawing down pre-tariff inventory buffers and accepting lower margins. The Fed acknowledged that tariff pass-through remains an upside risk to inflation in 2026, and surveys support this as businesses conclude that tariffs will endure.

In the U.S., the labor market continued to soften. The unemployment rate rose to 4.6% in November, its highest level in more than four years, and job growth has been concentrated almost entirely in health care, with employment declining in most other sectors. Consumer spending has remained resilient, but confidence is fragile. Inflation has been stubbornly persistent, with core inflation easing only modestly and remaining well above the Fed's 2% target.

In Europe, the fiscal stimulus announced earlier in the year, including Germany's €500 billion infrastructure fund and expanded E.U.-wide defense spending, has begun to flow, though the initial optimism has faded somewhat. Germany has been mired in recession for more than two years, and its growth outlook remains subdued. The ECB has held rates steady and indicated that all policy options remain open given persistent uncertainty. Meanwhile, as Chinese exports are diverted from U.S. markets, European manufacturers face intensifying competitive pressure, a structural challenge that fiscal stimulus alone cannot address.

In China, economic data remained mixed despite trade war stabilization. Exports have been resilient, but domestic demand remains stubbornly weak. The property sector downturn, now in its fifth year, continues to weigh on investment and consumer confidence. Factory activity had been contracting for most of the year before the purchasing managers index (PMI) reading showed the first expansion in nine months, offering a tentative sign of stabilization. Despite the mixed data, President Xi confirmed the economy would achieve its roughly 5% growth target for 2025. And at the December economic planning meeting, policymakers for the first time identified raising household incomes as a priority for boosting consumption, signaling recognition that the economy's reliance on exports rather than domestic demand has become increasingly precarious.

## COMPOSITE PERFORMANCE AS OF DECEMBER 31, 2025

| | Total Return (%) | Average Annual Total Returns (%) | | | | |
|---|---|---|---|---|---|---|
| | QTR | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception (01/01/2009) |
| **Chautauqua International Growth Equity - Gross** | 0.67 | 19.97 | 15.33 | 6.58 | 10.67 | 11.65 |
| **Chautauqua International Growth Equity - Net** | 0.50 | 19.13 | 14.54 | 5.83 | 9.84 | 10.80 |
| MSCI ACWI ex-U.S. - ND Index | 5.05 | 32.39 | 17.33 | 7.91 | 8.41 | 8.03 |
| MSCI ACWI ex-U.S. Growth - ND Index | 2.56 | 25.65 | 14.61 | 4.01 | 7.92 | 8.13 |
| *Excess Returns (Gross vs MSCI ACWI ex-U.S. - ND Index)* | *-4.38* | *-12.42* | *-2.00* | *-1.33* | *2.26* | *3.62* |

| | Total Return (%) | Average Annual Total Returns (%) | | | | |
|---|---|---|---|---|---|---|
| | QTR | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception (01/01/2009) |
| **Chautauqua Global Growth Equity - Gross** | 4.65 | 23.14 | 19.26 | 10.00 | 13.68 | 15.30 |
| **Chautauqua Global Growth Equity - Net** | 4.47 | 22.29 | 18.44 | 9.22 | 12.83 | 14.41 |
| MSCI ACWI - ND Index | 3.29 | 22.34 | 20.65 | 11.19 | 11.72 | 11.30 |
| MSCI ACWI Growth - ND Index | 2.84 | 22.44 | 26.54 | 11.12 | 13.99 | 13.31 |
| *Excess Returns (Gross vs MSCI ACWI - ND Index)* | *1.36* | *0.80* | *-1.39* | *-1.19* | *1.96* | *4.00* |

Returns less than one year are not annualized. **The performance data quoted represents past performance. Past performance does not guarantee future results. Current performance data may be lower or higher than the data quoted. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the maximum management fee of 0.80% from inception through June 2021 and 0.70% from July 2021 forward. Actual investment advisory fees may vary across accounts and result in different net returns. For performance data to the most recent month end, contact Chautauqua directly at 303.541.1545.**

## PERFORMANCE ATTRIBUTION

The Chautauqua International Growth portfolios underperformed their benchmark during the quarter, as stock selection in health care, and both stock selection and a relative overweight in consumer discretionary, detracted the most from relative returns. Holdings in industrials and utilities contributed positively during the period. From a regional perspective, stock selection in Asia & the Pacific Basin, particularly China, detracted most from performance. The largest detractors were Sea Limited, KE Holdings, and WuXi Biologics, while the largest contributors were Fanuc, Temenos, and Ryanair.

The Chautauqua Global Growth portfolios outperformed their benchmark during the quarter, driven by positive stock selection, primarily in the information technology sector. Holdings in health care, and both stock selection and a relative overweight in consumer discretionary, detracted most from relative performance. Regionally, North America, led by the U.S., contributed positively to relative returns, while Asia & the Pacific Basin, particularly China, was the largest detractor. The largest contributors to relative returns were Micron Technology, Regeneron Pharmaceuticals, and Fanuc, while the largest detractors were Sea Limited, WuXi Biologics, and KE Holdings.

### Chautauqua International Growth Top & Bottom Contributors for Q4 2025

**Top 5 Contributors**

| Security | Avg. Weight (%) |
|---|---|
| Fanuc Corporation | 3.19 |
| Temenos AG | 2.71 |
| Ryanair Holdings Plc | 3.05 |
| Brookfield Renewable Holdings | 3.84 |
| DBS Group Holdings Ltd. | 4.27 |

**Bottom 5 Contributors**

| Security | Avg. Weight (%) |
|---|---|
| Sea Limited Sponsored | 3.40 |
| KE Holdings, Inc. | 2.63 |
| WuXi Biologics Inc. | 2.25 |
| Prosus N.V. | 4.17 |
| Alibaba Group Holding Limited | 3.51 |

Source: FactSet. The holdings identified do not represent all the securities held, purchased, or sold during the period; past performance does not guarantee future results. Holdings are subject to risk and can change at any time. Holdings are based on a representative account relative to the benchmark and do not reflect the impact of fees. To obtain information about the calculation methodology and a list showing all holdings and their contribution, please contact Chautauqua.

## Chautauqua Global Growth Top & Bottom Contributors for Q4 2025

**Top 5 Contributors**

| Security | Avg. Weight (%) |
|---|---|
| Micron Technology, Inc. | 4.41 |
| Regeneron Pharmaceuticals, Inc. | 2.04 |
| Fanuc Corporation | 2.05 |
| Alphabet Inc. | 3.98 |
| Ryanair Holdings Plc | 2.22 |

**Bottom 5 Contributors**

| Security | Avg. Weight (%) |
|---|---|
| Sea Limited | 2.54 |
| WuXi Biologics Inc. | 1.63 |
| KE Holdings, Inc. | 1.79 |
| Alibaba Group Holding Limited | 2.25 |
| Prosus N.V. | 2.87 |

Source: FactSet. The holdings identified do not represent all the securities held, purchased, or sold during the period; past performance does not guarantee future results. Holdings are subject to risk and can change at any time. Holdings are based on a representative account relative to the benchmark and do not reflect the impact of fees. To obtain information about the calculation methodology and a list showing all holdings and their contribution, please contact Chautauqua.

### Largest Contributors

**Fanuc Corporation**

Fanuc reported September quarter results that beat consensus estimates, raising full-year operating profit guidance by 10% on demand recovery and improved utilization rates. Robot orders were particularly strong, up 38% y/y, driven by reshoring-related automation demand in North America, European automation investments, and new energy vehicle spending in China. Furthermore, at an international robot show in December, Fanuc showcased significant advancements in AI-enabled robotics, with commercialization that may arrive in the coming years.

**Temenos (International)**

Temenos reported solid 3Q25 results and raised FY25 guidance. Management commented on several large deals in the pipeline for 4Q25 and a stable sales environment. The strong results amid negative sentiment post the recent CEO departure led to significant price appreciation.

**Ryanair Holdings (International)**

After posting an in-line September quarter and providing a better-than-expected outlook for the holiday travel season based on forward bookings, Ryanair outlined a bullish long-term outlook. Based on continued industry capacity constraints and the company's widening unit cost advantage, Ryanair believes it can raise fares while maintaining its significant value gap to competitors and increase net profit per passenger from €10 today to €12 to €14 over the next decade.

**Micron Technology (Global)**

Micron reported strong FY4Q25 results and raised its 1Q guidance for revenues, earnings, and margins, reflecting improved pricing, particularly in DRAM. Demand continues to outpace supply, with pricing up sequentially in both DRAM and NAND. Management sees tightness in supply across CY26.

**Regeneron Pharmaceuticals, Inc. (Global)**

Regeneron reported strong 3Q25 results with both top- and bottom-line beats driven by Dupixent and Eylea HD. Issues with Eylea HD third-party manufacturing will likely be resolved in 2026. In addition, there will be important pipeline data readouts in 2026.

### Largest Detractors

**Sea Limited**

Sea reported September quarter results that beat consensus estimates, with revenue growing 38% and gross merchandise value growing 28%. However, the stock sold off as Shopee's adjusted EBITDA margin declined sequentially to 0.6% despite improving take rates. Management signaled a preference for growth over near-term margin optimization, with ongoing investments in logistics, fulfillment capabilities, and its VIP membership program. Competition in both Brazil and Taiwan, combined with lack of clarity on 2026 margin targets, further weighed on sentiment.

**KE Holdings, Inc.**

KE Holdings reported in-line revenues and better-than-expected earnings for 3Q25. Weakness in China's property market continues to weigh on its market outlook, but operational efficiency and AI integration should lead to significant margin improvements in 2026.

**WuXi Biologics Inc.**

WuXi Biologics' new order momentum remains robust, and its capex plan is progressing as scheduled. The stock had appreciated over 100% in the first three quarters of the year and faced some profit-taking in 4Q25.

## PORTFOLIO HIGHLIGHTS | BUYS AND SELLS

For the Chautauqua International Growth strategy, 76% of companies that reported earnings during the quarter were in-line with or exceeded consensus estimates.

For the Chautauqua Global Growth strategy, 80% of companies that reported earnings during the quarter were in-line with or exceeded consensus estimates.

Our conviction weighting process, which considers our estimates for growth, profitability, and valuation, is key to our portfolio management strategy and has been additive to returns over the long run.

In the International portfolios, we reduced positions in Alibaba, ASML, BeOne Medicines, Brookfield Renewable, DBS, Fairfax Financial, Fanuc, Prosus, and Ryanair. Proceeds were used to initiate a new position in Galderma and increase positions in Atlassian, Constellation Software, KE Holdings, Lululemon, and Recruit Holdings.

In the Global portfolios, we reduced positions in Alphabet, ASML, BeOne Medicines, Brookfield Renewable, Charles Schwab, DBS, Fairfax Financial, Fanuc, Mastercard, Micron Technology, Prosus, Ryanair, and TJX. Proceeds were used to initiate a new position in Galderma and increase positions in Atlassian, KE Holdings, Lululemon, and Recruit Holdings.

## OUTLOOK

Looking ahead, we enter the new year with cautious optimism. Trade agreements have removed the most severe tail risks, but the underlying picture is mixed: inflation remains above target in the U.S., labor markets are softening, and central banks are no longer moving in unison. The key question for 2026 is whether the Fed can continue easing or whether persistent inflation forces a pause. Europe offers relative stability, though structural headwinds persist. And in China, policymakers have signaled a shift in priorities toward household incomes, but execution remains uncertain as export tailwinds may fade.

In the U.S., the Fed faces a delicate balancing act. Its most recent forecasts signal just one additional rate cut in 2026, reflecting the tension between a weakening labor market and inflation that remains above target. Recent minutes revealed deepening divisions, with some officials emphasizing the Fed can afford to be patient while others argued rates should be held steady for an extended period. Adding to the uncertainty, Chair Powell's term expires in May, and a successor more inclined to President Trump's preference for lower rates would introduce a new variable for markets. Indeed, the Fed may be facing a two-sided risk, with rate hikes possible if inflation re-accelerates, and pauses or cuts if the labor market softens further.

The most likely source of such a re-acceleration is tariff pass-through to consumer prices. Businesses have thus far absorbed cost increases, but those buffers are depleting. If inflation surprises to the upside while the labor market continues to soften, the Fed's balancing act becomes considerably more difficult. The health of the U.S. consumer adds another layer of uncertainty, with unemployment at its highest level in four years and sluggish job growth.

Europe presents a more stable, if subdued, outlook. The ECB is likely to hold rates steady through 2026, with inflation near target and growth projected at a modest 1.2%, though officials have emphasized that all options remain open on the monetary policy front. Fiscal stimulus should continue to support the economy, while the tariff framework with the U.S. provides a degree of certainty to export-oriented sectors. However, structural headwinds, including competition from China and Germany's slow recovery, underlie the modest growth projection.

China faces a challenging structural transition. The most recent Chinese customs data showed its trade surplus crossed $1 trillion for the first time, a milestone no country has previously reached. Despite reduced exports to the U.S., Chinese goods have found new markets in Europe and Southeast Asia, drawing scrutiny from the E.U. and emerging economies alike. While December's economic planning meeting signaled that boosting household incomes is now a priority, the coming five-year plan still lists strengthening manufacturing as its top objective. Consensus forecasts point to growth slowing to around 4.5%, slower than the country’s likely target, as export tailwinds fade. Stimulus measures have been targeted rather than transformative, and deflationary pressures continue to weigh on confidence.

In international portfolios, roughly 15% of assets are invested in Greater China* holdings, which is overweight relative to the benchmark. In global portfolios, roughly 11% of assets are invested in Greater China* holdings, which is overweight relative to the benchmark. We believe our Chinese holdings are at valuation levels, in the context of their long-term growth outlooks and competitive positioning, that more than compensate us for the risks. Our Chinese holdings are focused on secular growth areas of the domestic economy (private consumption and health care) that align with government priorities. They have strong balance sheets, resilient cash flows, and are not reliant on restricted Western technology inputs for future growth.

*Includes China and Prosus.

Our investment strategy focuses on companies with strong competitive advantages, healthy profit margins, robust balance sheets, and consistent cash flow generation. In an environment of elevated tariffs and policy uncertainty, these characteristics matter more than usual. We believe our investment process is not affected by tariffs, and the quality profile of our portfolio companies means they are well-positioned to withstand external economic shocks.

Some of the most promising growth opportunities over long investment horizons may not be heavily influenced by current global events or specific regional circumstances. These opportunities include our investments in and around cloud computing, software-as-a-service, digital transformation, artificial intelligence, semiconductor technology, e-commerce, payment systems, industrial automation, electric vehicles, and innovative biologic and biosimilar therapies. Additionally, there are compelling growth prospects related to the rapid expansion of consumer markets, particularly in emerging economies and notably in Asia, which are driving the demand for various consumer products and financial services. In our view, slowing global economic growth should not undermine the enduring strength of these investment themes, or the business models and market positions of the companies in our portfolios.

U.S. market valuations remain significantly elevated, with the cyclically adjusted price-to-earnings (CAPE) ratio near historical peaks. In contrast, international markets trade at considerably lower valuations, offering a better starting point for future returns. A continued softening of the dollar may provide an additional tailwind. Thus, we remain strategically positioned with a preference for international equities, confident that our selective approach and emphasis on quality will effectively mitigate tariff-related risks while capitalizing on secular growth and valuation-driven opportunities.

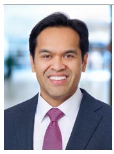
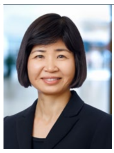
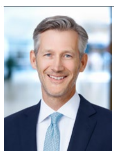
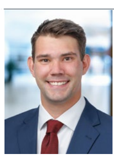
### BUSINESS UPDATE

There have been no changes to the investment team at Chautauqua Capital Management, nor have there been any changes to the ownership structure of our parent company, Baird.

Respectfully submitted,

The Partners of Chautauqua Capital Management – a Division of Baird

| INVESTMENT TEAM | KEY PILLARS OF OUR INVESTMENT PROCESS | ORGANIZED FOR INVESTMENT SUCCESS |
|---|---|---|
| ▪ **Generalists with specialized skills**<br>▪ **Average more than 20 years investment experience** | ▪ **Security selection drives returns**<br>▪ **Long-term focus**<br>▪ **Concentrated conviction-weighted portfolios** | ▪ **Autonomous institutional boutique**<br>▪ **Employee owners**<br>▪ **We invest alongside our clients**<br>▪ **Self-imposed limit of growth** |

| | Investment Professional | Educational Background | Years of Experience | Prior Experience |
|---|---|---|---|---|
|  | **Jesse Flores, CFA**<br>Partner | MBA, Stanford University<br>BS, Cornell University | 19 | Roth Capital Partners<br>Blavin & Company<br>Lehman Brothers |
|  | **Haicheng Li, CFA**<br>Managing Partner | MBA, Stanford University<br>MMSc, Harvard Medical School<br>MS, Harvard University<br>BA, Rutgers University | 24 | TCW |
|  | **David Lubchenco**<br>Partner | MBA, University of Denver<br>BA, The Colorado College | 33 | Marsico Capital Management<br>Transamerica Investment Management<br>Janus Capital |
|  | **Nate Velarde**<br>Partner | MIDS, UC Berkeley<br>MBA, University of Chicago<br>BA, University of Chicago | 24 | PIMCO<br>Nuveen Investments<br>TCW |
|  | **Brenden Coney**<br>Research Analyst | BBA, University of Colorado Boulder | 3 | Halftone Ventures |

This commentary is intended to provide you with information about factors affecting the performance of the Chautauqua International and Global Growth Equity strategies as of 12/31/2025. Information regarding market or economic trends or the factors influencing historical or future performance reflects the opinions of management as of the date of this document. These statements should not be relied upon for any other purpose. References to individual securities should not be construed as recommendations to buy or sell shares in those companies. The securities identified do not represent all securities purchased, held or sold during the period and it should not be assumed that holdings have been or will be profitable. Past performance does not guarantee future results, and any market forecasts discussed may not be realized.

The strategies may hold fewer securities than other diversified strategies, which increases the risk and volatility because each investment has a greater effect on the overall performance. The strategies invest in equity securities of foreign companies. Foreign investments involve additional risks such as currency rate fluctuations and the potential for political and economic instability, and different and sometimes less strict financial reporting standards and regulations.

Portfolio holdings and sector, region, or country exposures reflect a representative account as of the date listed above and are subject to change without notice. A representative account is selected based on accounts with substantially similar investment policies, objectives, and strategies that closely resemble, or are most representative of, the strategy it represents. Individual accounts may differ from a representative account due to asset size, market conditions, and client guidelines.

The MSCI ACWI Index® is a free float-adjusted, market capitalization-weighted index designed to represent performance of large- and mid-cap stocks across developed and emerging markets. The MSCI ACWI Growth Index® is a free float-adjusted, market capitalization-weighted index designed to represent performance of large- and mid-cap stocks exhibiting overall growth style characteristics across developed and emerging markets. The MSCI ACWI ex-U.S. Index® is a free float-adjusted, market capitalization-weighted index designed to represent performance of large- and mid-cap stocks across developed and emerging markets excluding the United States. The MSCI ACWI ex-U.S. Growth Index® is a free float-adjusted, market capitalization-weighted index designed to represent performance of large- and mid-cap stocks exhibiting overall growth style characteristics across developed and emerging markets excluding the United States. Indexes are unmanaged and direct investment is not possible. "ND" represents net of dividends returns for the benchmark.



The Chautauqua International Growth Equities Composite is comprised of accounts whose objective is to outperform the benchmark over the long term by investing in approximately 25 to 35 securities in leading companies that possess sustainable competitive advantages and are positioned to benefit from long-lived thematic growth opportunities. For comparison purposes, the composite is measured against the MSCI ACWI ex-U.S. Index. The Chautauqua Global Growth Equities Composite is comprised of accounts whose objective is to outperform the benchmark over the long term by investing in approximately 30 to 50 securities in leading companies that possess sustainable competitive advantages and are positioned to benefit from long-lived thematic growth opportunities. For comparison purposes, the composite is measured against the MSCI ACWI Index. Robert W. Baird & Co. Incorporated is an independent registered investment advisor. Registration does not imply a certain level of skill or training. Baird Equity Asset Management, including Chautauqua Capital Management, claims compliance with Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of content contained herein. To receive a complete list and description of composites and/or a GIPS Composite Report, please contact Chautauqua at 303.541.1545. The U.S. Dollar is the currency used to express performance.

## CHAUTAUQUA INTERNATIONAL GROWTH EQUITIES COMPOSITE

Full Composite GIPS Report as of 12/31/2024

| Period Ended | Annual Returns (%) Chautauqua Pure Gross | Chautauqua Net | MSCI ACWI ex-U.S. ND | Composite Dispersion[1] | 3-Year Annualized Standard Deviation (%) Chautauqua Pure Gross | MSCI ACWI ex-U.S. ND | Assets & Accounts Baird EAM (U.S.$ millions) | Chautauqua (U.S.$ millions) | Total Composite (U.S.$ millions) | # of Accounts |
|---|---|---|---|---|---|---|---|---|---|---|
| 2024 | 12.85 | 12.08 | 5.53 | N/A | 18.67 | 16.25 | 10,809 | 1,720.35 | 1,347.27 | 3 |
| 2023 | 13.31 | 12.52 | 15.62 | N/A | 18.77 | 16.30 | 10,697 | 1,447.82 | 1,124.30 | 3 |
| 2022 | -17.56 | -18.14 | -16.00 | N/A | 21.17 | 19.53 | 7,928 | 1,015.64 | 252.74 | 2 |
| 2021 | 8.74 | 7.91 | 7.82 | N/A | 17.98 | 17.03 | 9,291 | 1,113.18 | 322.99 | 2 |
| 2020 | 38.68 | 37.59 | 10.65 | N/A | 20.03 | 18.19 | 7,717 | 858.07 | 386.60 | 3 |
| 2019 | 27.15 | 26.14 | 21.51 | N/A | 14.87 | 11.51 | 6,100 | 617.98 | 372.68 | 3 |
| 2018 | -17.28 | -17.95 | -14.19 | N/A | 13.96 | 11.54 | 4,336 | 514.67 | 350.32 | 4 |
| 2017 | 37.57 | 36.49 | 27.19 | N/A | 13.39 | 12.04 | 4,200 | 617.97 | 445.72 | 4 |
| 2016 | -0.09 | -0.89 | 4.50 | 0.12 | 14.14 | 12.69 | 3,488 | 417.08 | 338.13 | 5 |
| 2015 | 5.15 | 4.31 | -5.66 | 0.36 | 13.72 | 12.30 | 2,848 | 723.00 | 570.42 | 8 |

[1] N/A information is not statistically meaningful due to an insufficient number of portfolios for the entire period.

Baird Equity Asset Management, formerly Baird Investment Management, claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Baird Equity Asset Management has been independently verified for the periods January 1, 2016 through December 31, 2023 by ACA Group, Performance Services Division and for the period January 1, 1993 through December 31, 2015 by previous Verifiers.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Chautauqua International Growth Equities Composite has had a performance examination for the periods January 1, 2016 – December 31, 2023 by ACA Group, Performance Services Division and for the period January 1, 2009 through December 31, 2015 by previous verifiers. The verification and performance examination reports are available upon request.

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1. On January 15, 2016, Baird Equity Asset Management acquired Chautauqua Capital Management, LLC. Performance presented prior to this date conforms to the GIPS guidelines regarding the portability of investment results.
2. The composite was created in the first quarter of 2009 and has an inception date of January 1, 2009.
3. Chautauqua was established to provide investment advisory services in the marketable securities area.
4. The composite includes accounts managed in accordance with the International Growth Equities Strategy, except for accounts subject to material client restrictions, which are, therefore, deemed non-discretionary.
5. Results are time-weighted and geometrically linked to yield quarterly returns, and include all items of income and reinvestment of all income including realized and unrealized gains and losses.
6. The firm maintains a complete list and description of composites and limited distribution pooled funds and list of broad distribution pooled funds, which are available upon request.
7. The dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns (gross of fees) represented within the composite for the full year. Dispersion is not shown for years with five or fewer accounts.
8. The currency used to express performance is the U.S. dollar.
9. Pure gross of fee returns are supplemental to net of fee returns. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the maximum management fee of 0.80% from inception through June 2021 and 0.70% from July 2021 forward. Actual investment advisory fees may vary across accounts and result in different net returns. Pure gross returns have not been reduced by advisory fees, performance-based fee and other custodial fees, but have been reduced by transaction costs for non-bundled accounts. Pure gross of fee returns also do not reflect the deduction of transactions costs for bundled fee accounts. Including these costs would reduce the shown returns. Net results do not include the deduction of custodial fees or other administrative expenses, which will also reduce returns.
10. Baird Equity Asset Management makes no representation that future investment performance will conform to past performance and it should never be assumed that past performance foretells future performance.
11. Policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request.
12. The minimum asset level for accounts included in the composite is $500,000 and was established in the first quarter of 2011.
13. The composite is comprised of accounts whose objective is to outperform the benchmark over the long term by investing in approximately 25 to 35 securities in leading companies that possess sustainable competitive advantages and are positioned to benefit from long-lived thematic growth opportunities. The strategy will hold positions in several, but not necessarily all, economic sectors. Individual issuers will be headquartered in various regions around the world, primarily excluding the United States. The weightings are not expected to equate to these regions in terms of the countries portion of the Gross World Product. While Chautauqua's objective is to outperform the stated benchmark, it does not imply that this strategy shall share, or attempt to share, the same or similar characteristics of the benchmark or attempt to track the benchmark. A full composite definition is available upon request.
14. As of 12/31/2019, the benchmark is the MSCI ACWI ex-U.S. Index® - ND (net of dividend withholding taxes). Previously, the MSCI EAFE Index was also shown on this page for context. Portfolio management believes the MSCI ACWI ex-U.S. Index® - ND is a more accurate comparison to the composite. The MSCI ACWI ex-U.S. Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets excluding the United States. Prior to 9/30/18, the benchmark was stated as the MSCI EAFE Index - GD and did not reflect the addition of the MSCI ACWI ex-U.S. Index.
15. The fee schedule at December 31, 2024 was as follows: Separate Accounts: 0.70% on the first $100 million; 0.50% thereafter.
    All accounts existing prior to July 30, 2021 were grandfathered at their previous fee schedule.
16. Withholding tax is deducted from dividends for the accounts contained in the composite, resulting in a net dividend return.
17. As of January 1, 2007, the firm is defined as Baird Equity Asset Management, a department of Robert W. Baird & Co., Incorporated that manages equity and balanced portfolios. Prior to January 1, 2007, the firm was defined as Robert W. Baird & Co., Incorporated. Robert W. Baird & Co., Incorporated is registered as an Investment Advisor. The firm maintains a complete list and descriptions of composites, which is available upon request. Total firm assets reflect the 1/15/2016 acquisition of Chautauqua Capital Management, LLC.

## CHAUTAUQUA GLOBAL GROWTH EQUITIES COMPOSITE

Full Composite GIPS Report as of 12/31/2024

| | Annual Returns (%) | | | | 3-Year Annualized Standard Deviation (%) | | Assets & Accounts | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Period Ended | Chautauqua Pure Gross | Chautauqua Net | MSCI ACWI ND | Composite Dispersion[1] | Chautauqua Pure Gross | MSCI ACWI ND | Baird EAM (U.S.$ millions) | Chautauqua (U.S.$ millions) | Total Composite (U.S.$ millions) | # of Accounts |
| 2024 | 17.50 | 16.68 | 17.49 | N/A | 18.12 | 16.43 | 10,809 | 1,720.35 | 370.64 | 2 |
| 2023 | 17.25 | 16.42 | 22.20 | N/A | 18.28 | 16.50 | 10,697 | 1,447.82 | 321.46 | 2 |
| 2022 | -19.94 | -20.51 | -18.36 | N/A | 20.30 | 20.14 | 7,928 | 1,015.64 | 1.13 | 1 |
| 2021 | 18.58 | 17.71 | 18.54 | N/A | 16.69 | 17.08 | 9,291 | 1,113.18 | 1.44 | 1 |
| 2020 | 36.96 | 35.88 | 16.25 | N/A | 19.28 | 18.38 | 7,717 | 858.07 | 8.81 | 1 |
| 2019 | 32.26 | 31.22 | 26.60 | N/A | 15.01 | 11.38 | 6,100 | 617.98 | 10.68 | 1 |
| 2018 | -13.07 | -13.77 | -9.42 | N/A | 14.78 | 10.62 | 4,336 | 514.67 | 40.87 | 2 |
| 2017 | 38.97 | 37.90 | 23.97 | N/A | 13.77 | 10.51 | 4,200 | 617.97 | 78.13 | 2 |
| 2016 | 2.26 | 1.44 | 7.86 | N/A | 14.93 | 11.21 | 3,488 | 417.08 | 55.88 | 2 |
| 2015 | 9.64 | 8.77 | -2.36 | N/A | 13.58 | 10.94 | 2,848 | 723.00 | 136.54 | 3 |

[1] N/A information is not statistically meaningful due to an insufficient number of portfolios for the entire period.

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2. The composite was created in the first quarter of 2009 and has an inception date of January 1, 2009.
3. Chautauqua was established to provide investment advisory services in the marketable securities area.
4. The composite includes all accounts that are managed in accordance with the Global Growth Equities Strategy, except for accounts subject to material client restrictions, which are, therefore, deemed non-discretionary.
5. Results are time-weighted and geometrically linked to yield quarterly returns, and include all items of income and reinvestment of all income including realized and unrealized gains and losses.
6. The firm maintains a complete list and description of composites and limited distribution pooled funds and list of broad distribution pooled funds, which are available upon request.
7. The dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns (gross of fees) represented within the composite for the full year. Dispersion is not shown for years with five or fewer accounts.
8. The currency used to express performance is the U.S. dollar.
9. Pure gross of fee returns are supplemental to net of fee returns. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the maximum management fee of 0.80% from inception through June 2021 and 0.70% from July 2021 forward. Actual investment advisory fees may vary across accounts and result in different net returns. Pure gross returns have not been reduced by advisory fees and other custodial fees, but have been reduced by transaction costs for non-bundled accounts. Pure gross of fee returns also do not reflect the deduction of transactions costs for bundled fee accounts. Including these costs would reduce the shown returns. Net results do not include the deduction of custodial fees or other administrative expenses, which will also reduce returns.
10. Baird Equity Asset Management makes no representation that future investment performance will conform to past performance and it should never be assumed that past performance foretells future performance.
11. Policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request.
12. The minimum asset level for accounts included in the composite is $500,000 and was established in the first quarter of 2011.
13. The composite is comprised of accounts whose objective is to outperform the benchmark over the long term by investing in approximately 30 to 50 securities in leading companies that possess sustainable competitive advantages and are positioned to benefit from long-lived thematic growth opportunities. The strategy will hold positions in several, but not necessarily all, economic sectors. Individual issues will be headquartered in various regions around the world, but the weightings are not expected to equate to these regions in terms of the countries portion of the Gross World Product. While Chautauqua's objective is to outperform the stated benchmark, it does not imply that this strategy shall share, or attempt to share, the same or similar characteristics of the benchmark or attempt to track the benchmark. A full composite definition is available upon request.
14. As of 9/30/2018, the corrected benchmark is the MSCI ACWI Index® - ND (net of dividend withholding taxes). Portfolio Management believes this index is a more accurate comparison to the composite. The previous benchmark was the MSCI ACWI Index® - GD (gross of dividend withholding taxes). The MSCI ACWI Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance across developed and emerging markets, including the United States.
15. The fee schedule at December 31, 2024 was as follows: Separate Accounts: 0.70% on the first $100 million; 0.50% thereafter.
    All accounts existing prior to July 30, 2021 were grandfathered at their previous fee schedule.
16. Withholding tax is deducted from dividends for the accounts contained in the composite, resulting in a net dividend return.
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