
Mondrian Investment PartnersInternational Equity: MSCI EAFE Benchmark

For the month of: **January** **2025**

Manager Performance Calculations

* Annualized returns

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Mondrian	4.51%	1.47%	11.58%	6.12%	6.36%
MSCI EAFE	5.26%	2.28%	8.65%	5.12%	6.25%

Country Allocation Comparison

<u>Over-weight</u>	<u>Mondrian</u>	<u>EAFE</u>	<u>Under-weight</u>	<u>Mondrian</u>	<u>EAFE</u>
UK	22.20%	14.90%	Australia	1.41%	7.37%
Italy	6.54%	2.80%	Switzerland	4.81%	9.56%
Singapore	5.23%	1.67%	Sweden	0.00%	3.65%

Performance Attribution & Strategy Comments

International equity markets started the year strongly despite encountering some volatility over the month. European markets led Asia Pacific markets on strong results in the luxury goods sector and a rate cut by the ECB, while China-USA tariff headlines weighed on Hong Kong. Despite disruption from the DeepSeek AI model, the IT sector outperformed on optimism around AI infrastructure investment and strong company earnings. The Bank of Japan's third rate hike in a year drove strength in Japanese banks and the Japanese yen.

In a robust month for equity markets, the portfolio delivered attractive absolute returns; consistent with Mondrian's defensive investment philosophy, the returns lagged the strong market.

Relative returns were held back by stock selection in Europe and the overweight position to the weak Hong Kong equity market. While most of the challenge in European markets arose from not holding a handful of strong stocks, WPP, the UK advertising and communications group, did lag on announcement of some client account losses. These returns were partially offset by strong stock selection in the financials sector driven by Lloyds, the UK bank, on easing concerns around potential UK motor finance redress costs.

Manager Style Summary

Mondrian (formerly Delaware International) employs a top-down/bottom-up approach, with focus on security selection. The firm identifies attractive investments based on their fundamental, long-term flow of income. Dividend yield and future growth prospects are critical to the decision making process. The portfolio is expected to be fairly concentrated (40-60 securities), with a value bias. As such, we can expect the portfolio characteristics to exhibit low P/B, low P/E and high dividend yield ratios relative to the market.

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Portfolio Guideline Compliance

Portfolio Guideline:	Index	Mondrian	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		53		40	60	ok
B5. Normal Regional Exposures:						ok
United Kingdom		22%		0%	45%	ok
Europe ex U.K.		40%		0%	75%	ok
Japan		25%		0%	45%	ok
Pacific ex Japan		12%		0%	40%	ok
Non-Index Countries		0%		0%	20%	ok
Cash		1%		0%	5%	ok
Total		100%				
B6. Normal Portfolio Characteristics						
Capitalization	91,254	60,394	66%	25%	100%	ok
Price/Book Value	1.9	1.3	70%	50%	125%	ok
Price/Earnings (Trailing)	15.1	11.9	79%	50%	100%	ok
Price/Cash Flow	9.7	5.8	60%	50%	100%	ok
Dividend Yield	3.1	4.1	133%	100%	200%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Annual turnover		25%			40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines						<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management (\$m) as of:

Qtr 4 \$ 41,475

Organizational/Personnel Changes

No Changes.

Account Turnover

Gained:	Number of Accounts:	1	Total Market Value (\$m) \$	245.0
Lost:	Number of Accounts:	1	Total Market Value (\$m) \$	70.2

Reason(s): Mondrian lost one International Equity separate account when the client decided to remove all active equity exposure given the corporate DB plan was now overfunded.