GCQ

GLOBAL CONCENTRATED QUALITY

23 July 2026

Investor Letter

"The four most dangerous words in investing are: 'This time it's different.'"

- Sir John Templeton

Dear Fellow Investor,

Over the year to 30 June 2026, the net return for investors in NZ PIE of the GCQ Flagship Fund was **-12.7%**[1]. The PIE Fund invests primarily in the P Class of the GCQ Flagship Fund ("P Class"). In light of the short investment period of the PIE Fund, this letter will refer to P Class's longer track record and the underlying GCQ investment strategy. Since the PIE Fund's inception to 30 June 2026, the total return for investors has been **-9.2%**.

After a tough year, we are encouraged to note that July 2026 is off to a good start, with the GCQ Flagship Fund NZ PIE up **+4.6%** month-to-date.

At GCQ, we aim to achieve a return of **+10%** to **+15%** p.a. through the market cycle.

For context, the below table outlines GCQ's returns each year relative to the MSCI World Index (NZD). This provides a reference point for the performance of a broad basket of global stocks. However, we do not seek to replicate these characteristics when constructing our portfolio of ~20 high-quality companies operating in high-quality industries that pass the **GCQ Industry Quality Checklist™**. Please refer to the Appendix for a description of our checklist process.

Returns	FY25 From Dec 2024 (6 Months)	FY26	FY27 YTD (to 21 July)
GCQ Flagship PIE Fund[1]	**3.9%**	**(12.7%)**	**4.6%**
MSCI World Index (NZD)[2]	0.8%	29.5%	(0.5%)
Outperformance	3.1%	(42.2%)	5.1%

Returns	FY23	FY24	FY25	FY26	FY27 YTD (to 21 July)
GCQ Flagship Fund (P Class)[1]	**39.0%**	**25.2%**	**26.4%**	**(22.6%)**	**4.2%**
MSCI World Index (AUD)[2]	22.4%	19.8%	18.5%	14.8%	(0.9%)
Relative Performance	16.6%	5.4%	7.9%	(37.4%)	5.1%

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This letter discusses five key topics:

- Why our returns were down this year
- The strong earnings performance and high barriers to entry of our portfolio companies
- Current market conditions, with high-quality companies trading at a discount
- Changes we have made to the portfolio over the last six months to take advantage of market conditions
- Our mistakes, and the process improvements we have made in response.

Why are returns down this year?

Whether we have good returns, or bad returns (the year ending 30 June 2026 was clearly in the latter category), we believe it is incredibly important to explain and understand exactly how those returns were generated.

The below table shows a breakdown of GCQ's returns (shown as Australia Dollar returns for P Class) over the past year. Despite continued strong business fundamentals for the high-quality, asset-light businesses we own, concerns over potential disruption from Artificial Intelligence (AI) led to an unusually sharp drop in valuation multiples in February and March. With company earnings continuing to grow strongly, this drop in valuation multiples was the key driver of negative returns for the year.

Breakdown of GCQ Portfolio Return for the Year to 30 June 2026	
GCQ Portfolio Earnings Growth	+15%
Add: Dividends	+1%
Less: Portfolio Multiple Compression	-29%
Less: Currency Headwinds	-6%
Total	**-23%**

Source: Bloomberg & GCQ Funds Management
Note: Figures in the above table do not sum due to compounding effects

As we outlined in our very first Investor Letter, at GCQ, we love owning a portfolio of high-quality businesses, because over time share price performance follows cash flow growth, leading to high-quality risk-adjusted returns. From time to time (which is fortunately not very often), the world's highest quality businesses find themselves out-of-favour with the market, and trade at depressed valuations. The reasons for this are different every time. In the recent past, they have included the **GFC**, the **COVID-19** pandemic, the **Russia-Ukraine** war, the so-called **Tariff Tantrums**, and the war in **Iran**.

These periods are painful, and sometimes last longer than a sensible investor might expect. In the case of the **Dot Com Bubble** of the late-1990s, quality companies underperformed the broader market for several years – before the tide quickly turned at the start of the 21st century.

We believe we are currently in one of those times, with the market captivated by the potential of AI. Huge amounts of capital are being raised by companies investing in the digital infrastructure build-out required to support the growth of AI, in turn leading to reduced investor focus on, and indeed the sucking of capital away from, industries that are not directly exposed to this theme.

To put the hype into context, when we joined the analyst call for the recent SpaceX IPO, the management team was promoting the opportunity they see in building communication links between cities on the moon and Mars!

The Philadelphia Semiconductor Index (SOX) delivered a total return of 145% in Australian dollar terms in the year to 30 June. This includes some of the most capital intensive, cyclical businesses in the world. Needless to say, these companies do not stack up well against our **GCQ Business Quality Checklist™**, so we did not participate in this phenomenon.

At the same time, on the flip side, widespread fear of AI disruption triggered indiscriminate sell-offs within several industries in the early months of 2026. We are confident that as the market thinks this through, it will become clear that in many cases the sell-off was an over-reaction. We are starting to see the early signs of a more nuanced assessment of AI disruption risk in recent share price moves.

Our basic hypothesis is that the strongest companies are best placed to harness the advantages of AI (e.g. more efficient data collection, enhanced user experience and operational efficiencies) more quickly than human behaviour will change.

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Strong company results

Generally, but not always, the circumstances that see high-quality businesses trade at depressed valuations also cause earnings speed bumps. The GFC and the COVID-19 pandemic were two such times.

This is not the case at present. In fact, the current period of negative returns has come at a time when the results of our portfolio companies are extremely strong. The below table provides a summary of the March quarter earnings from our largest portfolio holdings.

Company	Weight	Result	Guidance	Commentary
amazon	10%	**Beat**	Beat	Amazon Web Services revenue growth accelerated to +28% YOY.
airbnb	8%	**Beat**	Raised	Revenue growth accelerated to +18% YOY, +2.3% above consensus.
Money Forward	7%	**Beat**	Raised	Revenue grew +25% YOY and +42% YOY excluding divestitures, +14.2% above consensus.
VISA	7%	**Beat**	Raised	Revenue grew +16% YOY, +4.5% above consensus.
HERMÈS	6%	**Miss**	N/A	Revenue grew +6% YOY constant currency, negatively impacted by the Middle East.
INTUIT	6%	**Mixed**	Raised	Revenue grew +10% YOY, in-line with consensus.
MSCI	6%	**Beat**	Upper-End	Revenue grew +14% YOY, +1.2% above consensus.
Uber	5%	**Beat**	Beat	Gross bookings grew +21% YOY, +1.5% above consensus.
Hemnet	5%	**Mixed**	N/A	Average Revenue Per Listing (ARPL) grew +12% YOY, while paid listings decreased -38% YOY.
Microsoft	5%	**Beat**	Beat	Azure grew +39% YOY constant currency, +1.0% above consensus.
FICO	5%	**Beat**	Raised	Scores revenue grew +60% YOY, +9.4% above consensus.
S&P Global	4%	**Beat**	Reiterated	Revenue grew +10% YOY, +2.4% above consensus.

Source: Bloomberg & GCQ Funds Management
Note: YOY refers to year-over-year

The above results are backward-looking, while the earnings multiple deratings reflect concerns of a less bright future. We are confident our portfolio companies possess very high barriers to entry, which will protect them. However, the recent market debate shifts the burden of proof to our companies. We are confident they will deliver.

A key question on the **GCQ Industry Quality Checklist™**, which needs to be completed before we make any investment, asks whether an industry is likely to suffer from technological disruption, including from AI. Identifying the nature of the barriers to entry that protect the structure of each industry is key to understanding whether disruption is likely.

We strongly believe that the GCQ Portfolio is insulated from AI-related disruption risk, protected by enduring competitive advantages including **network effects**, **industry standard positions** and **irreplaceable brand names**. We discussed in detail how the companies we are invested in benefit from these competitive advantages, and why they are insulated from AI disruption, in our March 2026 Portfolio Update.

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The below table shows the GCQ Portfolio as at 30 June 2026. This table also includes the key barriers to entry each industry exhibits. We explain the barriers to entry on the following page, and why they are important.

GCQ Portfolio as of 30 June 2026	Weight	Barriers to Entry
Real estate advertising monopolies	**14%**	
rightmove	6%	
Hemnet	5%	Network effects
Scout24	3%	
Sharing economy	**13%**	
airbnb	8%	Network effects
Uber	5%	
Cloud accounting software	**13%**	
Money Forward	7%	Network effects & switching costs
INTUIT	6%	
Global cloud computing	**10%**	
amazon.com	10%	Network effects & scale
Super-luxury goods	**10%**	
HERMÈS	6%	
LVMH	3%	Irreplaceable brands
RICHEMONT	1%	
Credit rating agencies & index providers	**10%**	
MSCI	6%	Industry standards
S&P Global	4%	
Global consumer payments	**8%**	
VISA	7%	Network effects
	1%	
Industry standard businesses	**8%**	
FICO	5%	Industry standards
Verisk	3%	
Enterprise software	**6%**	
Microsoft	5%	Network effects, scale & switching costs
SAP	1%	
Online marketplaces	**4%**	
smg swiss marketplace group	4%	Network effects
Other high-quality businesses	**2%**	
Total long	**98%**	
Shorts	**(2%)**	
Net exposure	**96%**	
Cash	**4%**	
TOTAL	**100%**	

The GCQ Portfolio’s key barriers to entry

As the previous table shows, three barriers to entry dominate our portfolio. They are very hard to create, and even harder to dislodge.

Network effects occur when the value of a product or service increases as more people use it. For example, drivers choose Uber because it has the most riders, maximising earnings potential, while riders choose Uber because it has the most drivers, ensuring the shortest wait times. Similarly, consumers use Visa and Mastercard cards because they are widely accepted by merchants. Merchants offer payment via Visa and Mastercard because consumers carry these cards. The concept of a network effect was beautifully explained in the excellent book *The Cold Start Problem: How to Start and Scale Network Effects*. ***Please reach out if you would like us to send you a hardcover copy of this book.***

Industry standard businesses benefit from owning the ‘benchmark’ for how things are done in an industry. For example, MSCI owns the MSCI World Index, the premier stock market index for global equity funds and ETFs. The credit rating businesses of S&P Global and Moody’s are also industry standards. If a company wants to issue debt at a favourable interest rate, bond investors demand that it must first obtain credit ratings from each of S&P and Moody’s.

Irreplaceable brand names are typically the result of decades, and sometimes even centuries, of investment in brand value. It is simply impossible to enter the super-luxury goods industry and compete with Hermès (founded in 1837), which benefits from centuries of brand heritage. *Cartier* and *Van Cleef & Arpels* (both owned by Richemont) hold similarly strong positions in luxury jewellery. AI can help you pen a love letter, but it cannot get you to the front of the waitlist for a rare Hermès Birkin bag!

At GCQ, we love investing in businesses operating in industries that are not exposed to rapid change, and which are protected by powerful competitive advantages. These businesses tend to provide the most unassailable returns to shareholders. Every now and then, however, financial markets will become over-eager to predict the demise of great businesses.

We strongly believe this to be an exceptionally good buying opportunity for some of the highest quality businesses in the world.

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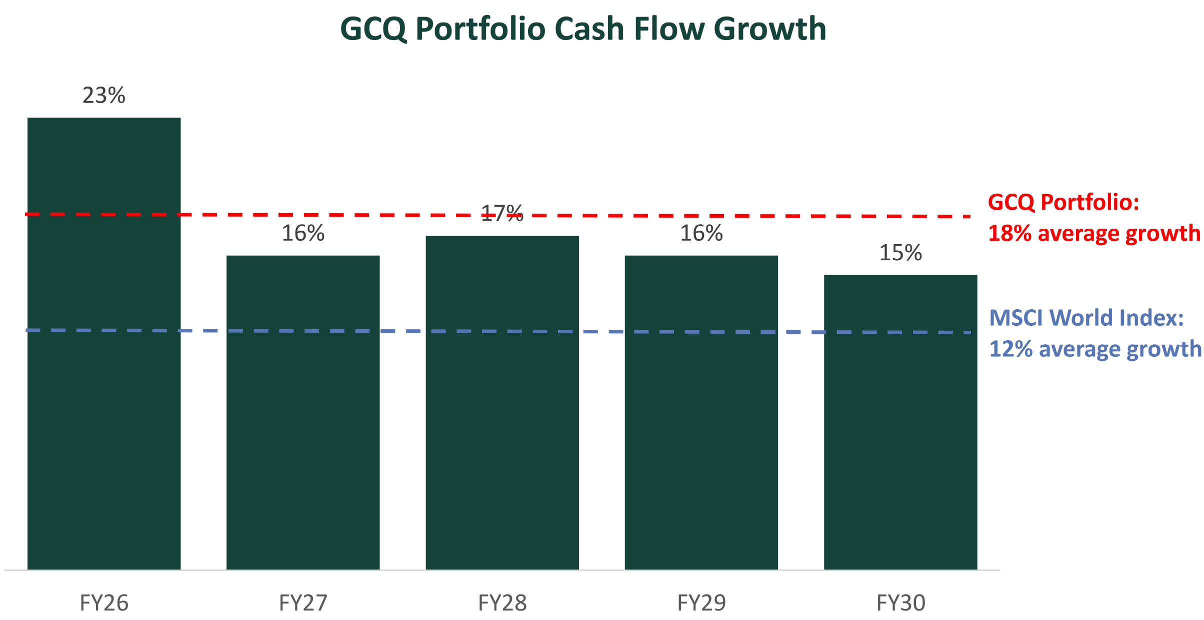
High-quality growth companies are trading at a discount

The cash flow growth prospects of the companies we own remain extremely attractive. **Over the next five years, we expect our portfolio companies to grow their cash flow by +18% p.a. on average**. We have confidence in these estimates because our portfolio companies have highly predictable, double-digit revenue growth algorithms, and have additional opportunities for margin expansion, driving cash flow growth sustainably ahead of revenue growth.

The +18% p.a. expected growth for the GCQ Portfolio is well ahead of the +12% p.a. growth expected for the average company in the MSCI World Index. Over the long-term, share price performance follows one thing – cash flow growth.



Source: Bloomberg & GCQ Funds Management

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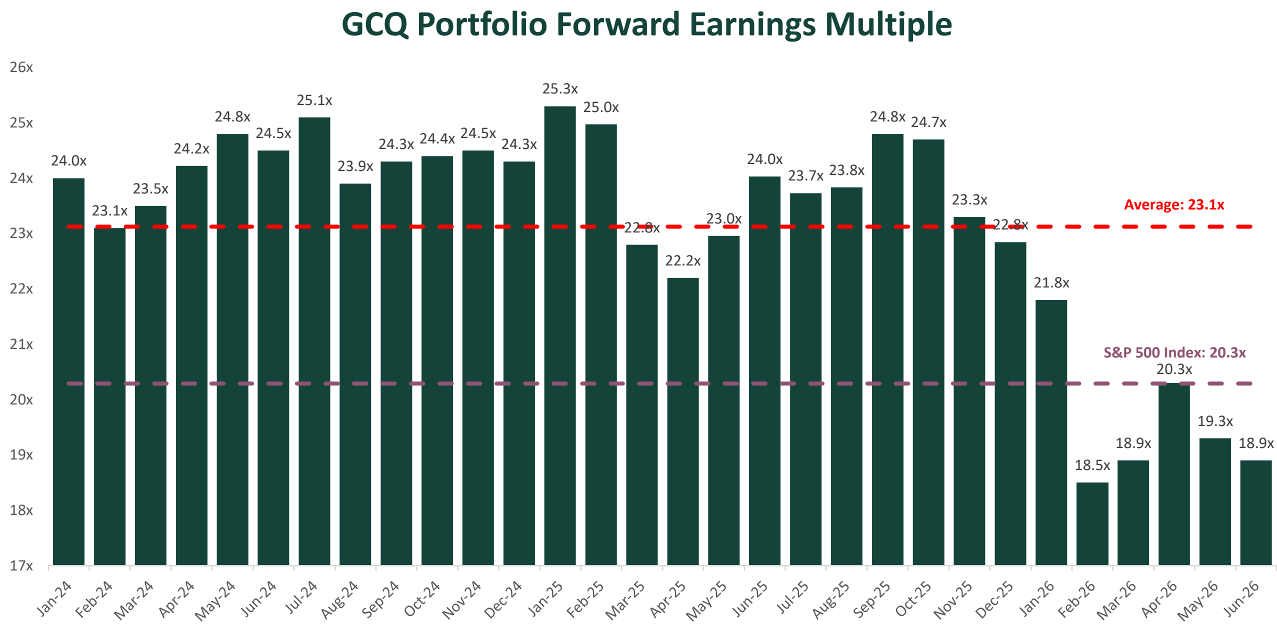
The GCQ Portfolio is currently trading at a forward earnings multiple of just 19x, which is well below its historical average of around 23x, and at a discount to the broader market.

The maths here is simple. If a company grows cash flows at 18% per year and maintains a constant earnings multiple, an investor will achieve annual investment returns that exceed our target of 10-15% p.a.

While we believe a re-rating is likely, and would see investors achieve even higher returns, it is not necessary. What is highly unlikely, is a further significant de-rating of such quality businesses. It's all about delivery from here.



Source: Bloomberg & GCQ Funds Management

At GCQ, we maintain our investment discipline no matter what market environment we are operating in. We certainly do not make any change to our strategy when the high-quality stocks that we own are out-of-favour. Instead, we see this as an opportunity to own a wonderful collection of businesses, with faster revenue growth, higher margins, and lower debt levels than the broader market, but at a substantial valuation discount.

We think the best time to buy these businesses is when they are out-of-favour, and available at attractive prices. **We have never seen more valuation upside than we do today for the companies in our portfolio.**

We think that Charlie summed it up best when he said the following:

"The wise ones bet heavily when the world offers them that opportunity. They bet big when they have the odds. And the rest of the time, they don't. It's just that simple."

- Charlie Munger

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Active management of the GCQ Portfolio

While periods of negative returns can be uncomfortable, they are also when our investment process at GCQ adds the most value. Whenever market sentiment diverges from the underlying performance of the business, we have an opportunity to further optimise the quality of the businesses that we own and the valuation upside of our portfolio.

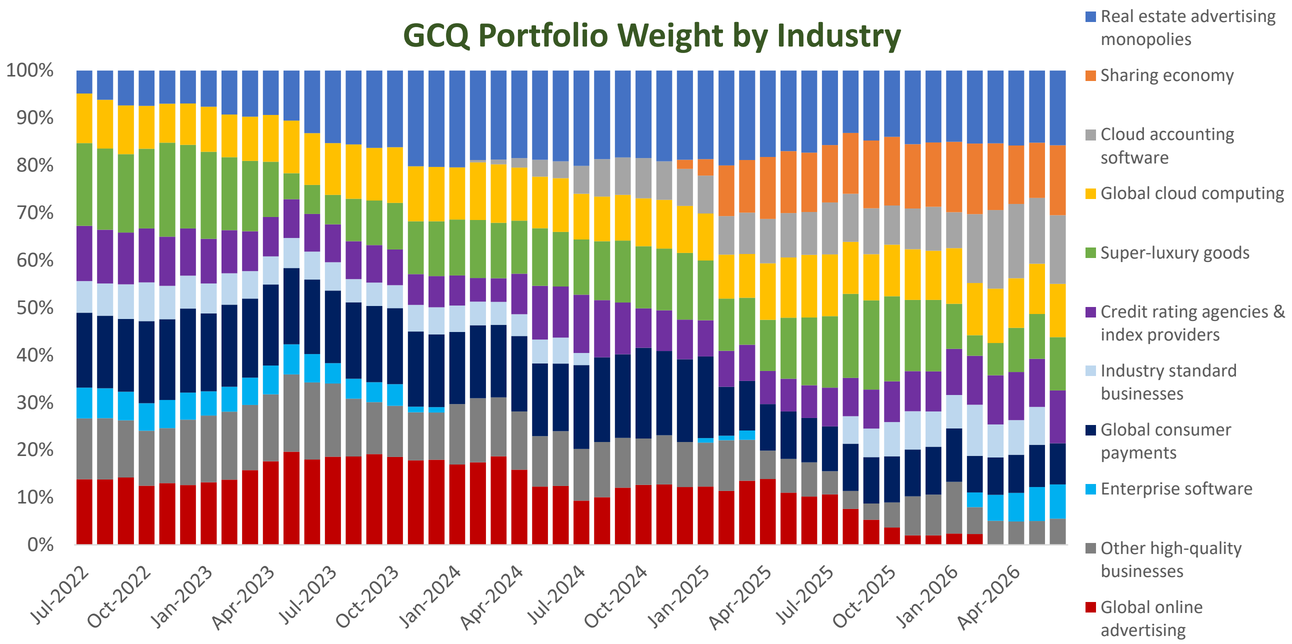
Most notably, we completely sold out of **Alphabet** and **Netflix** due to valuation discipline. We substantially reduced our weight in **Richemont** for the same reason.

We recently repurchased **FICO**, **S&P Global** and **Microsoft**. These are wonderful businesses that we have owned, sold on valuation discipline, and recently repurchased now they are out-of-favour with investors and available at attractive valuations.

We initiated new positions in **Intuit**, **Verisk Analytics**, and **Swiss Marketplace Group (SMG)**. Intuit, the dominant provider of accounting software in the US, and Verisk Analytics, a monopoly provider of mission-critical data to US insurers, are companies we have followed for many years, and have been caught up (we believe unfairly) in the debate over whether AI will disrupt their business models. SMG operates Switzerland's leading online classifieds portal for homes and cars, and listed on the Swiss Stock Exchange in September 2025.

We own a portfolio of extremely high-quality businesses that we believe are deeply undervalued, and we believe the portfolio is well-positioned for the coming years.

The below chart shows how we have actively managed the GCQ Portfolio's industry weightings since the Fund's inception, leaning into industries that are out-of-favour, and selling those that are more fully priced.



Source: GCQ Funds Management

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Mistakes, and how we have further improved the GCQ Investment Process

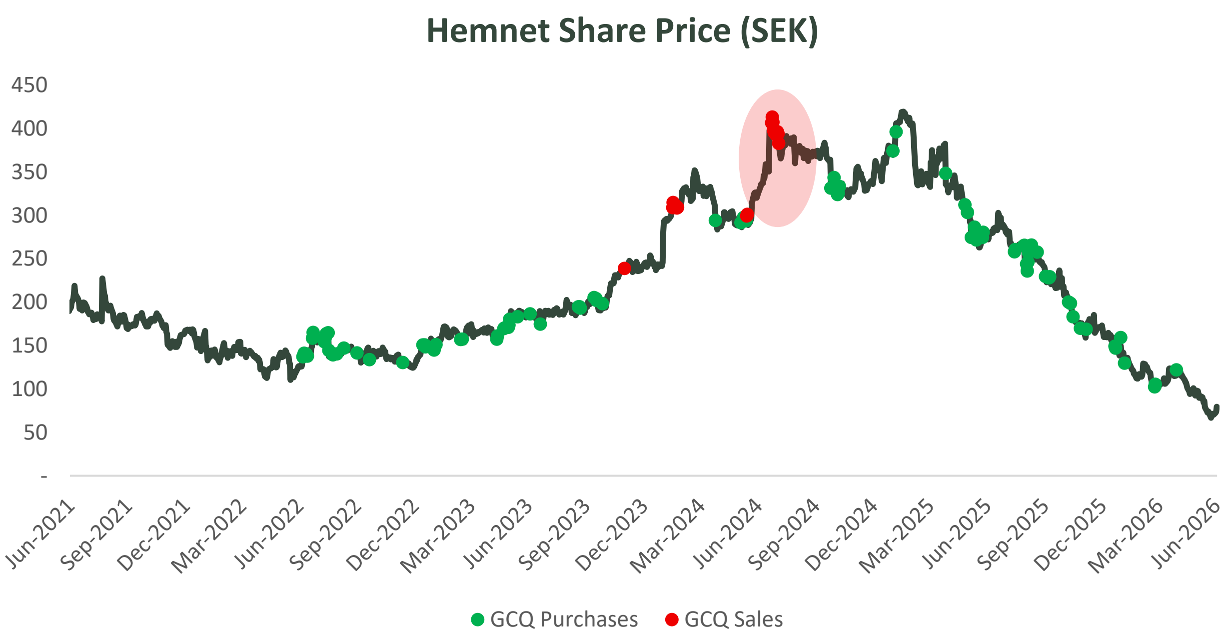
"The most important lesson in investing is humility."

- Sir John Templeton

We think it is important to recognise and be transparent about the mistakes we make. Our most recent mistake has been not selling enough Hemnet when it was trading at all-time highs in 2024 and early-2025.

Hemnet operates the dominant real estate advertising portal in Sweden. It is the Swedish equivalent of realestate.com.au in Australia, but with an even greater lead against the #2 property portal (Domain in Australia, and Booli in Sweden). For background, we discussed Hemnet in detail in our prior investor letter [here](), as well as in monthly updates [here]() and [here]().

We followed our process at the time and cut the position meaningfully (refer to the red dots in the chart below) following a period of strong share price performance, but we should have sold more. We were also too early to add to our position on the way down. To say the least, the magnitude of Hemnet's listing volume contraction and share price decline has surprised us.



Source: Bloomberg & GCQ Funds Management

When we first bought Hemnet in mid-2022, we did not expect listings volume growth to do much of the heavy lifting in driving company earnings and the share price. Nor did we expect a decline in listings to have much impact if they did go into reverse.

Hemnet was already dominant, with almost all the homes sold in Sweden already listed on Hemnet, and with the average Swede already spending approximately 40 minutes per month scrolling through listings. We expected listing volumes would show some volatility, but with a long-term trend of growth in-line with household formation, or roughly +1% per annum. The underlying assumption here is that the average period of ownership of a property would remain constant over time.

Having first purchased Hemnet in mid-2022, when listing volumes were falling from pandemic-era highs, we thought we had seen the worst of the Swedish property cycle. We were wrong. In 2026, home transaction volumes are on track to be far worse than the levels we saw in 2023, though in recent weeks there have been some tentative signs of a bottom.

Hemnet's weak listing volumes have also added fuel to a narrative that Hemnet is losing share of both consumer eyeballs and home listings to Booli, an alternative Swedish property portal that sources its listings by scraping the websites of real estate agents. Based on our research, we believe these competitive concerns are drastically overblown. The negative narrative is built on a quirk of the current softer property market, whereby sellers are tending not to commit to a paid listing until they are confident they will be able to sell. Before they develop this confidence, a seller will quietly list their property with an agent to sound out demand in what is known as a "pre-market" listing. Our detailed proprietary work on transaction volumes shows that Hemnet remains a commercial monopoly with well above 80% of all properties that sell in Sweden being listed on Hemnet.

We have written about this in more detail here and here.

Whenever a share price moves against us by 25%, we drop everything and completely re-evaluate our investment thesis. This includes speaking with the short sellers in the stock and challenging ourselves to disprove the bear thesis. If we cannot disprove the bear thesis, we sell the stock and move on.

Hemnet is no exception. We continue to test our investment thesis to ensure that Hemnet's market share and brand strength remain intact. What we see from the facts tells us that Hemnet remains the most dominant local residential property portal anywhere in the world, even more dominant than REA Group is in Australia.

We also continue to engage constructively with Hemnet's management team on ways to improve both the business and the equity market's perception of it.

Today, Hemnet is trading on just ~13x forward earnings after tax – a valuation that we could not have believed if you told us a year ago.

This setup leaves us optimistic about the future for our investment in Hemnet. We expect that cyclically depressed listing volumes will rebound over the next few years, while Hemnet will continue to grow Average Revenue Per Listing through a combination of premiumisation and like-for-like price increases.

We were pleased to see that Sprints, one of the original private equity firms involved in Hemnet prior to its initial public offering in 2021, bought back a 3% stake in the company at SEK 73 per share earlier this month. Sprints are highly experienced investors in the industry and were involved in transforming Hemnet from an industry co-operative into the business it is today.

While we do not know when listing volumes will recover, we expect they *will* recover to normalised levels, driving a meaningful increase in revenue and earnings growth – and an accordant receding of the negative narratives in the market. This suggests material upside to the stock, which is why we continue to own Hemnet.

We are happy to share our internal research with any GCQ investors. Please reach out to us directly if you are interested in receiving this.

Reflecting upon this situation, we introduced new position sizing rules for small cap stocks, for risk management purposes. At most, we will invest up to 5% of the Fund's assets in a small cap stock (previously 10%) and will allow this to grow to no more than 10% of the Fund (previously 15%). Had we done this with Hemnet, we would have achieved similar returns through the journey, but with far less volatility.

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GCQ Business Update

It is five years since we established GCQ, and our small initial team has grown to 20 with the addition of **Douglas Isles** and **Christian Walsh** to the investment team. Douglas joined as an Investment Director in February 2026, while Christian joined as an Investment Analyst in March 2026.

Douglas joined us after two decades with Platinum Asset Management, where he was most recently Head of Investment and a member of the Management Committee. At GCQ, Douglas has responsibility for the day-to-day management of the workflow and professional development of the analysts and portfolio managers, and also works closely with the distribution team. Christian joined GCQ from Hyperion Asset Management, and is providing additional bandwidth to the investment team, allowing more time to be spent travelling internationally for company visits and researching new ideas.

In the past six months, we have also welcomed a significant number of new investors to the Fund, many of whom had been following us for some time. We know that it requires courage to take advantage of a sell-off in some of the highest-quality companies in the world, and we appreciate the confidence that these new investors – and others who have added to their existing investments – have shown in us.

1Q26 saw record first quarter net inflows into the GCQ Flagship Fund. This is testament to the clarity and simplicity of our investment process, and the thoroughness of our distribution team in educating new investors and their advisors of what to expect when they invest with GCQ. This follows an exceptionally strong year for inflows in 2025 with net inflows into the strategy in excess of A$800 million. GCQ currently manages A$1.8 billion in a single investment strategy.

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In Closing

We believe that a clear and consistent investment process is one of the keys to long-term investing success. We believe that investing in companies that pass through our checklist process when they are trading at attractive valuations is the best way to compound our clients' capital over time.

We have seen several periods in history when the highest-quality companies in the world have been sold off broadly and unjustifiably. We believe that now is one of those times.

We have taken advantage of the current market environment to add to our investments in high-quality industries and businesses when they are relatively unloved. Importantly, our portfolio companies are currently trading at valuations well below our appraisal of fair value.

We are confident that the businesses we own will continue to compound intrinsic value at attractive rates over the next 3-5 years.

We would like to thank you for the support you have shown us by investing with GCQ. We look forward to a long-term partnership.

Yours faithfully,

GCQ Funds Management

"The stock market is the only market where things go on sale and all the customers run out of the store."

- Cullen Roche

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Appendix: The GCQ Quality Checklists™

"Checklists seem able to defend anyone, even the experienced, against failure in many more tasks than we realized."

- Atul Gawande

For the benefit of readers who are new to our investment strategy, we think it worthwhile including a discussion of the checklists in each of our letters.

Our objective is for our investment strategy to deliver high-quality investment returns over the longer term and through various economic and market cycles.

At the heart of the strategy is a portfolio of approximately 20 investments in what we believe to be some of the highest-quality listed companies in the world, trading at valuations that offer attractive future returns to shareholders.

We have discussed in prior letters that we place great emphasis on analysing the industry that a company operates within before progressing our work on a particular company, and the role of our **GCQ Quality Checklists™** in ensuring discipline and consistency in our approach.

Our research process begins with the **GCQ Industry Quality Checklist™,** which provides a snapshot of whether an industry has a structure and growth outlook supportive of sustainably strong shareholder returns.

We then assess potential investments using the **GCQ Business Quality Checklist™**. This is a separate set of 15 questions that seek to drill down on similar themes to the industry questions, but at a company level. In addition, the GCQ Business Quality Checklist™ includes questions around the balance sheet (we prefer to see minimal financial leverage), the capability of management, and whether corporate governance is friendly to minority shareholders.

Finally, for certain industries, we pass potential investments through **GCQ Industry-Specific Checklists™**, which capture the factors that determine success *within* industries. The **GCQ Super-Luxury Goods Checklist™** is shown below as an example.

Much like a pilot completing a take-off and landing checklist, these simple questions are designed to keep us out of trouble.

Any time we have made an investment mistake in the past, we have analysed the cause of the error and updated our checklists in an effort to ensure the same mistake is not made again.

GCQ Industry Quality Checklists™

- ☑ Durable secular growth
- ☑ High margins
- ☑ Limited competition
- ☑ Low disruption risk
- ☑ Bargaining power with customers
- ☑ Bargaining power with suppliers
- ☑ Durable industry structure
- ☑ Predictable
- ☑ Low regulatory risk

GCQ Business Quality Checklists™

- ☑ Strong organic secular growth
- ☑ Sustainable competitive advantages
- ☑ Pricing power
- ☑ High margins
- ☑ High returns on incremental invested capital
- ☑ Durable cash flows
- ☑ Predictable
- ☑ Low operational risks
- ☑ Balance sheet strength
- ☑ Capable management
- ☑ Manageable ESG risks

GCQ Industry-Specific Checklists™ (e.g., super-luxury goods)

- ☑ **Brand heritage**: Has the brand been around for >100 years?
- ☑ **Discounting**: Does the brand avoid discounting?
- ☑ **Distribution**: Does the brand control its distribution?
- ☑ **Category durability**: Preference for leather goods and jewellery
- ☑ **Predictability**: Is the brand immune to fashion cycles?
- ☑ **Pricing power**: Does the brand increase prices regularly?

Our team focuses its time on around 20 industries that meet the requirements of our **GCQ Industry Quality Checklist™**. Within these industries, there are around 200 companies whose performance and valuation we monitor for potential inclusion in the GCQ Portfolio.

The decision to formalise the use of Quality Checklists came about when we were establishing GCQ, and our Investment Team looked back over our collective investment successes and failures over the decades to see if we could identify any themes.

What stood out was that, almost without exception, our mistakes were made when we were seduced by company-specific factors while paying insufficient attention to the quality of the industry in which a company operated. We might have been attracted to a compelling valuation argument, a turnaround opportunity spearheaded by a talented CEO, or an attractive quirk to a business model. It was only with the benefit of hindsight that we realised issues in the broader industry – whether the rate of industry growth or the competitive landscape – meant the investment was destined to fall short of our expectations.

Learning from these mistakes, we introduced the **GCQ Quality Checklists™** to help our team identify attractive industries where the leading companies are highly likely to deliver fundamental outperformance over a five-year period.

Coupled with rigorous valuation analysis and a commitment to only invest at an attractive price, this process is central to our efforts to sift out the roughly 70% of companies that will underperform index benchmarks over our investment time horizon.

We do not pretend to be able to identify every company that will outperform. Instead, our focus is on investing in simple, predictable businesses with durable competitive advantages arising from some combination of network effects, scale, position as an industry standard and brand differentiation.

At GCQ, we are not afraid to miss "hot" sectors in relatively young industries where the competitive landscape is rapidly changing. For this reason, we tend to avoid investing in hypergrowth stocks, and instead focus our time on high-quality industries and companies.

"The first principle is that you must not fool yourself, and you are the easiest person to fool."

- Richard P. Feynman

[1] Net performance figures are shown after all fees and expenses and assume reinvestment of distributions.

[2] Certain information contained herein (the "Information") is sourced from/copyright of MSCI Inc., MSCI ESG Research LLC, or their affiliates ("MSCI"), or information providers (together the "MSCI Parties") and may have been used to calculate scores, signals, or other indicators. The Information is for internal use only and may not be reproduced or disseminated in whole or part without prior written permission. The Information may not be used for, nor does it constitute, an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product, trading strategy, or index, nor should it be taken as an indication or guarantee of any future performance. Some funds may be based on or linked to MSCI indexes, and MSCI may be compensated based on the fund's assets under management or other measures. MSCI has established an information barrier between index research and certain Information. None of the Information in and of itself can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user assumes the entire risk of any use it may make or permit to be made of the Information. No MSCI Party warrants or guarantees the originality, accuracy and/or completeness of the Information and each expressly disclaims all express or implied warranties. No MSCI Party shall have any liability for any errors or omissions in connection with any Information herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.