

International Equity ADR Intra-Quarter Commentary—August 2026



International equities were higher in August, even as the global backdrop grew more complicated. The conflict in Iran continued to set the tone, keeping crude oil near recent highs and pushing an energy-driven inflation impulse into interest rate markets that repriced sharply throughout the month. Tariffs returned as a concern when U.S.-Canada trade negotiations collapsed over the final weekend of the month and Washington imposed 50% tariffs on roughly \$20 billion of Canadian goods. The more damaging measures, covering vehicles and auto parts, are deferred to January 2027, which is time enough to negotiate, but there is little incentive to do so before the midterms.

The inflation reprieve in Europe last month proved brief as year-over-year eurozone inflation rose to 2.9% in July from 2.8% in June, with energy inflation accelerating to 10.3% from 8.5%. Japan saw the same dynamic as core consumer prices rose 1.8% in July from 1.6% in June. The yen weakened further against the dollar after Federal Reserve Chairman Kevin Warsh signaled that he remains open to raising rates. Additionally, a record \$98.7 billion of joint U.S.-Japan intervention did little to stop the depreciation of the yen and markets ended the month pricing roughly an 80% chance the Bank of Japan (BOJ) tightens again in September. Amid persistent inflation concerns, sovereign yields across the developed world climbed to multi-year highs in August. Japanese 10-year yields finished at a 30-year high, and euro area and UK yields reached their highest levels in more than a decade.

Asia's growth remains narrowly concentrated in the AI supply chain. China's official manufacturing PMI rose to 49.8 in August from 49.2 in July, a second month of contraction, as production, new orders, and high-tech manufacturing all improved while chemicals, ferrous metals,

GEOGRAPHICAL EXPOSURE & PORTFOLIO CHANGES ^{(1) (2)}

Region	Ending Weight ⁽³⁾	Change from 7/31/2026	International Equity ADR Additions & (International Equity ADR Deletions) ⁽⁴⁾
Western Europe	47.6%	2.0%	Indra Sistemas
Asia/Pacific	36.0%	0.8%	SMC (Shin-Etsu Chemical)
North America	10.2%	0.4%	
Middle East & Africa	3.6%	-0.3%	
Central & South America	1.7%	-2.1%	(Bladex)
Cash	1.0%	-0.8%	
Eastern Europe	0.0%	0.0%	
Developed Markets	74.5%	3.1%	
Emerging Markets	24.5%	-2.3%	
Cash	1.0%	-0.8%	

⁽¹⁾ Based on a representative account of the strategy discussed. Portfolio characteristics (e.g., sector weights, valuation, growth rate) are based on a representative account that we believe is illustrative of the strategy. All accounts in the strategy are invested identically in the same securities unless a client has imposed restrictions. Characteristics and/or holdings on a given date may vary due to pending trades.

⁽²⁾ Renaissance determines an issuer's country classification based on company filings and data provided by third-party sources such as Bloomberg or FactSet. Renaissance considers an issuer to be located in an emerging market country if the issuer is domiciled or incorporated in an emerging market country (as defined by the iShares MSCI Emerging Markets ETF) or exhibits risk characteristics (e.g., economic, geopolitical and regulatory risks) similar to emerging market countries.

⁽³⁾ Weights as of the end of the presentation period. Cumulative total weighting may not add up to 100% due to rounding of percentages to the nearest decimal place.

⁽⁴⁾ Any securities referenced should not be considered a recommendation to purchase or sell a particular security. These securities represent a portion of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold, or recommended for this strategy. To request a complete list of holdings recommendations for this strategy over the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at compliance@reninv.com.

Sources: Renaissance Research, FactSet

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CONTRIBUTORS TO RETURN⁽¹⁾⁽²⁾

Ticker	Company Name	Average Weight ⁽³⁾	Contribution to Return
TOP FIVE CONTRIBUTORS—INTERNATIONAL EQUITY ADR			
LNVG	Lenovo	3.12%	0.75%
HBM	Hudbay Minerals	2.21%	0.48%
MRX	Marex	2.54%	0.28%
FTI	TechnipFMC	2.17%	0.18%
HTHT	H World	1.61%	0.16%
BOTTOM FIVE CONTRIBUTORS—INTERNATIONAL EQUITY ADR			
GELHY	Geely Automobile	1.71%	-0.20%
NTES	NetEase	1.78%	-0.16%
BAP	Credicorp	1.72%	-0.15%
BLX	Bladex	1.14%	-0.11%
TSEM	Tower Semiconductor	1.61%	-0.10%

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⁽²⁾ The securities listed should not be considered a recommendation to purchase or sell a particular security. These securities represent the top five and bottom five contributors by weight to the performance of a representative account in this strategy as of the date stated and are intended for informational purposes only. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold, or recommended for this strategy. To request a complete list of holdings recommendations for this strategy over the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at compliance@reninv.com.

⁽³⁾ Average weights over the presentation period.

Sources: Renaissance Research, FactSet

and construction lagged. South Korea showed the same division more starkly, with exports up 68.7% year-over-year led by record semiconductor shipments, even as vehicle and shipbuilding exports fell sharply.

Portfolio performance was positive on an absolute basis but trailed our benchmark. Strong selection in Energy and Consumer Discretionary was not enough to offset weak selection in Industrials and Materials. As has been the case for most of the year, our developed markets holdings outperformed our emerging markets holdings, which is the opposite of our benchmark. Finally, strong selection in our North American holdings was not enough to offset weak selection in our Asia/Pacific holdings.

Our best performing stock during August was **Lenovo** (China), which rallied to a record after delivering the strongest quarter in the company's history. Growth was broad-based across every business group, adjusted profitability more than doubled, and AI-related revenue now represents roughly a third of the total. Lenovo's hybrid AI strategy gives it exposure to AI adoption across devices, data centers, and services, rather than dependence on any single layer.

Our worst performing stock during August was **Geely** (China), where record interim revenue and core profit were not enough to offset concerns about continued weak auto sales in China. Volumes were roughly flat as Chinese passenger car sales fell for a tenth consecutive month and Geely's domestic deliveries declined sharply, leaving investors to question the durability of the margin improvement. That concern overlooks the export engine, which more than doubled in the first half and is supported by capital-light European expansion through partnerships such as Ford's plant in Spain.

It has been seven months since the Iran conflict began, and its effects are compounding rather than fading, having moved from energy markets to bond markets. The ECB and BOJ are both expected to tighten further in September, the Fed commentary has turned hawkish, and the long

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end of the curve is arguing that elevated inflation will not resolve quickly. Despite this, international equities are attractively valued relative to the U.S., with earnings growth supported by structural demand for AI, energy security, renewables, and infrastructure.

DISCLOSURES

The opinions stated in this presentation are those of Renaissance as of August 31, 2026 and are subject to change at any time due to changes in market or economic conditions.

GICS® SECTOR INFORMATION

Sector Listing according to MSCI and S&P Dow Jones data: MSCI and S&P Dow Jones do not make any express or implied warranties or representations and shall have no liability whatsoever with respect to any GICS data contained herein.

PERFORMANCE

If Renaissance or benchmark performance is shown, it represents historically achieved results, and is no guarantee of future performance. All performance is shown in U.S. dollars unless otherwise stated. Future investments may be made under materially different economic conditions, in different securities and using different investment strategies and these differences may have a significant effect on the results portrayed. Each of these material market or economic conditions may or may not be repeated. Therefore, there may be sharp differences between the benchmark or Renaissance performance shown and the actual performance results achieved by any particular client. Benchmark results are shown for comparison purposes only. The benchmark presented represents unmanaged portfolios whose characteristics differ from the composite portfolios; however, they tend to represent the investment environment existing during the time periods shown. The benchmark cannot be invested in directly. The returns of the benchmark do not include any transaction costs, management fees or other costs. The holdings of the client portfolios in our composites may differ significantly from the securities that comprise the benchmark shown. The benchmark has been selected to represent what Renaissance believes is an appropriate benchmark with which to compare the composite performance.

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REFERENCED ETF

iShares MSCI Emerging Markets ETF—The iShares MSCI Emerging Markets ETF seeks to track the investment results of an index composed of large- and mid-capitalization emerging market equities.

REFERENCED INDICES

(Indices are unmanaged and are not available for direct investment.)

Purchasing Managers' Index (PMI)—Purchasing Managers Index (PMI) is an indicator of economic health for manufacturing and service sectors. A reading above 50 indicates expansion in the sector; below 50 indicates contraction.

STOCK REFERENCES

Any securities referenced should not be considered a recommendation to purchase or sell a particular security. These securities represent a portion of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. Nonperformance-based criteria have been used to select the securities listed unless otherwise stated. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold, or recommended for this strategy. To request a complete list of holdings recommendations for this strategy over the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at compliance@reninv.com.