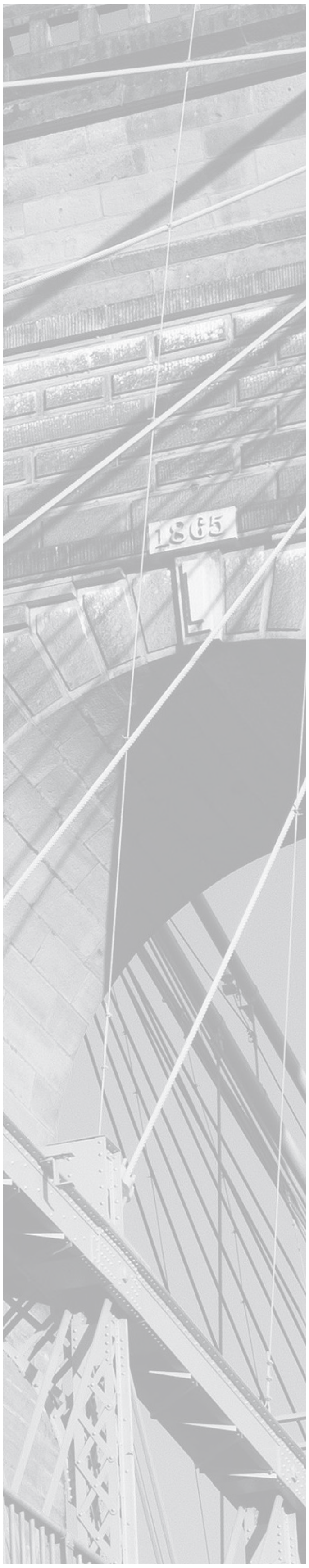
Renaissance Investment Management

Quarter Ending 6/30/2023

Emerging Markets Equity
Quarter-End Review—2Q2023



International equities trended upwards in the second quarter, marking three straight quarters of positive returns. However, foreign indices mostly lagged domestic equity markets during the quarter, with the S&P 500 ahead of the iShares MSCI ACWI ex US ETF for both the year-to-date and trailing one-year periods. Much of the difference in domestic and foreign returns can be attributed to the large overweight to information technology companies within U.S. indices, as tech and AI-related stocks were bid higher.

As measured by the U.S. Dollar Index, the U.S. dollar was slightly higher for the quarter, but several currencies, including the Mexican peso and the Brazilian real, are stronger versus the dollar for the year, helped by continued high relative interest rates which tend to support the currencies. With the major exceptions of China and Japan, central bankers have steadfastly raised interest rates in their battle to fight inflation. Meanwhile, the U.S. has indicated a pause in rate hikes in June as the U.S. Federal Reserve evaluates the economic effects of its prior ten consecutive rate increases since the beginning of 2022. Foreign indices are slightly higher this year when measured in U.S. dollars as compared to 2021 and 2022 when the U.S. Dollar index rose 15.1%, denting foreign returns.

Inflation continues to be a global issue, including in the eurozone where the European Central Bank (ECB) has been battling rising prices. Recently, however, there was good news with the eurozone headline inflation rate falling to 5.5% in June, down from 6.1% in May, and the Producer Price Index dropping into negative territory during May. Still, core inflation, which excludes food and energy, ticked higher in June from 5.3% to 5.4%, leading many analysts to predict that the ECB will raise interest rates in July and September as it works to bring inflation down to its 2% target. Overall, inflation in June fell in eighteen of the twenty eurozone countries, but with an expected 14% jump in eurozone wages by 2025, the ECB must remain vigilant. Lower commodity prices have also helped ease inflation pressure across the globe, with the Bloomberg Commodity Index down 10% year to date through the end of June. While lower

GEOGRAPHICAL EXPOSURE & PORTFOLIO CHANGES[1][2]

Region	Ending Weight[3]	Change from 3/31/2023	Emerging Markets Equity Additions & (Emerging Markets Equity Deletions)[4]
Asia/Pacific	55.4%	-2.6%	
North America	19.2%	+1.9%	Grupo Financiero Banorte
Central & South America	19.2%	-0.6%	(Companhia Brasileira de Distribuição)
Cash	2.9%	+1.3%	
Western Europe	1.6%	+0.2%	
Middle East & Africa	1.6%	0.0%	
Eastern Europe	0.0%	-0.2%	

[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

CONTRIBUTORS TO RETURN(1)(2)

Ticker	Company Name	Average Weight(3)	Contribution to Return
TOP FIVE CONTRIBUTORS—EMERGING MARKETS EQUITY			
ARCO	Arcos Dorados	2.00%	0.61%
TGLS	Tecnoglass	2.71%	0.55%
FMX	Fomento Economico Mexicano	2.83%	0.48%
ITUB	Itaú Unibanco	2.32%	0.48%
CBD	Companhia Brasileira de Distribuição	1.66%	0.41%
BOTTOM FIVE CONTRIBUTORS—EMERGING MARKETS EQUITY			
WNS	WNS Holdings	2.15%	-0.55%
ADOOY	PT Adaro Energy	1.67%	-0.34%
VALE	Vale	1.61%	-0.27%
ASR	Grupo Aeroportuario del Sureste	2.94%	-0.24%
HKXCY	Hong Kong Exchanges & Clearing	1.31%	-0.22%

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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

commodity prices alone will not solve the high inflation problem, it should help ease some headline inflationary pressures in the future and could help slow the pace of central bank interest rate increases.

Our portfolio saw positive returns on an absolute basis and was ahead of our benchmark for the second quarter. The Consumer Discretionary and Consumer Staples sectors contributed the most to portfolio returns, while the Energy and Materials sectors detracted the most. The Central & South America region was a positive contributor to performance while the Middle East & Africa was least additive.

China's stock market index returns this year are flat, and this reflects in part the uncertainty of their economic recovery. Geopolitical tensions between China and the United States have showed no signs of slowing down, with the battle for semiconductor supremacy taking much of the headlines. The government has been providing support for the economy with various stimulus measures such as tax breaks and lower interest rates, but issues such as high youth unemployment, which is four times the overall unemployment rate of 5.2%, leave investors wondering if the government's target of around 5% GDP growth in 2023 is achievable.

For the trailing 12 months, emerging markets have underperformed developed market indices, with China, the largest country in the emerging markets, negatively impacting returns. Investors are rewarding developed markets which are expected to grow earnings 3% in 2023 while EPS in emerging markets are expected to decline 9% year-over-year, according to estimates compiled by FactSet. From a portfolio positioning perspective, China remains the largest country allocation in

our emerging markets portfolio, as many Chinese companies are trading at multi-year lows. Positively, other emerging market countries, such as Mexico and Brazil, may lower interest rates going into the end of the year. Lower rates could spur economic growth which may lead to more favorable market returns. Moreover, EPS growth rates for emerging markets are expected to rebound in 2024 and outpace developed markets.

After a very poor showing in 2022, international equity markets have staged a moderate comeback, despite uncertainty across a number of fronts, including strained U.S. relations with China, the ongoing Ukraine/Russia war, and lingering global inflation. As the markets have climbed a wall of worry this year, investors should remain focused on company fundamentals, including valuations. In good news, relative valuations of non-U.S. stocks look attractive going into the end of 2023. Based on next-twelve-months price-to-earnings ratios, international markets trade at a 34% discount to the S&P 500 compared to an average 22% discount over the last 10 years. Another plus for international markets is the possibility of a weakening U.S. dollar, which may decline as the U.S. Fed looks to scale back its pace of interest rate increases. Markets will likely continue to be volatile, but we believe that our focus on investing in companies trading at reasonable valuations with better-than-average earnings growth will lead to positive returns.

DISCLOSURES

The opinions stated in this presentation are those of Renaissance as of June 30, 2023 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.

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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.

The value of an investment may fall as well as rise. Please note that different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will either be appropriate or profitable for a client or prospective client's investment portfolio. Investor principal is not guaranteed and investors may not receive the full amount of their investment at the time of sale if asset values have fallen. No assurance can be given that an investor will not lose invested capital. Consultants supplied with these performance results are advised to use this data in accordance with SEC guidelines. The actual performance achieved by a client portfolio may be affected by a variety of factors, including the initial balance of the account, the timing and amount of any additions to or withdrawals from the portfolio, changes made to the account to reflect the specific investment needs or preferences of the client, durations and timing of participation as a RIM client, and a client portfolio's risk tolerance, investment objectives, and investment time horizon. All investments carry a certain degree of risk, including the loss of principal and are not guaranteed by the U.S. government.

REFERENCED ETFs

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.

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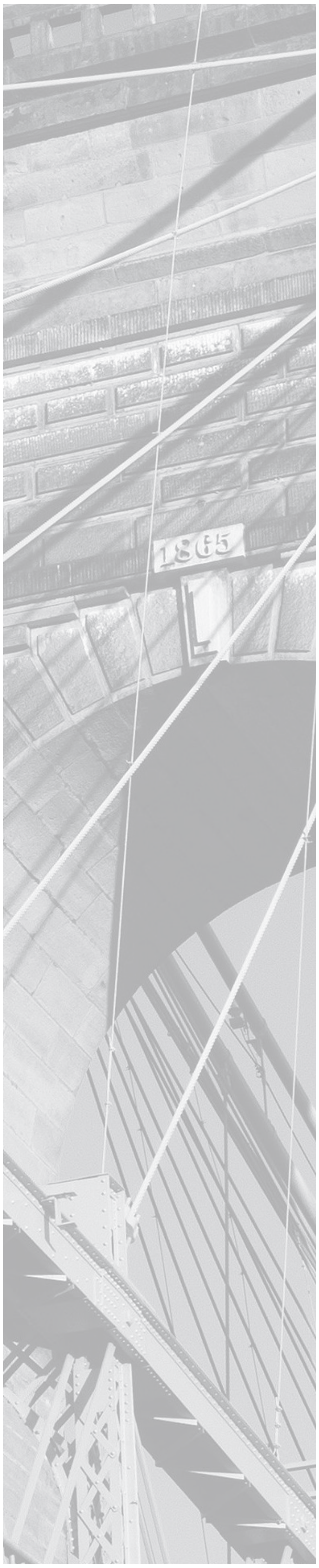

iShares MSCI ACWI ex US ETF—The iShares MSCI ACWI ex U.S. ETF seeks to track the investment results of an index composed of large- and mid-capitalization non-U.S. equities. iShares ETF names are registered trademarks of Blackrock, Inc.

REFERENCED INDICES

S&P 500 Index—The S&P 500 Stock Index is a market capitalization weighted index and consists of 500 stocks chosen for market size, liquidity and industry group representation.

U.S. Dollar Index—The U.S. Dollar Index is a measure of the value of the U.S. dollar relative to the value of a basket of currencies of the majority of the U.S.'s most significant trading partners.

S&P DATA

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.