

Thornburg Emerging Markets Equity Strategy

Portfolio Manager Commentary

30 June 2022



Market Review

Rising rates from central banks across the globe broadly pushed stocks lower as markets moved to price in tighter credit conditions and the possibility of slowing global growth. While equities recorded one their worst quarters since the 2008 financial crisis, emerging markets proved defensive, outperforming their developed market counterparts by more than 500 basis points.

China, where regulatory uncertainty and strict lockdowns to contain COVID has weighed on performance over recent quarters, was the only global equity market in positive territory during the period. With COVID measures beginning to ease, investor sentiment improved on hopes that the world's second largest economy can help boost global growth during the second half of the year. Latin America, which was broadly buoyed by surging commodities prices during the first three months of the year, were among the weakest markets during the second quarter. Fears of a global recession, coupled with a strengthening dollar, contributed to declines.

In our opinion, emerging markets' relative durability through the variety of year-to-date shocks serves as a reminder that global uncertainty shouldn't always mean "risk-off" to Emerging Markets.

Average Annual Returns (% , as of 30 Jun 22)

In US\$ terms. Returns may increase or decrease as a result of currency fluctuations.

	QTR	YTD	1-YR	3-YR	5-YR	10-YR
Emerging Markets Equity Composite (Gross)	-13.16	-22.00	-27.98	1.41	4.60	5.60
Emerging Markets Equity Composite (Net)	-13.38	-22.38	-28.67	0.46	3.64	4.66
MSCI Emerging Markets NTR	-11.45	-17.63	-25.29	0.57	2.18	3.06

Annual Return Performance Summary

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Emerging Markets Equity Composite (Gross)	-14.18	24.66	17.37	-1.45	-14.17	4.20	37.26	-13.94	30.88	24.44	-1.61
Emerging Markets Equity Composite (Net)	-14.84	23.69	16.36	-2.30	-14.91	3.28	36.12	-14.72	29.67	23.29	-2.53
MSCI Emerging Markets NTR	-18.42	18.22	-2.60	-2.19	-14.92	11.19	37.28	-14.57	18.42	18.31	-2.54

Periods less than one year are not annualized.

Performance data for the Emerging Markets Equity Strategy is from the Emerging Markets Equity Composite, inception date of 1 January 2010. The Emerging Markets Equity Composite includes discretionary accounts invested in the Emerging Markets Equity Strategy. Returns are calculated using a time-weighted and asset-weighted calculation including reinvestment of dividends and income. Periods less than one year are not annualized. Individual account performance will vary. The performance data quoted represents past performance; it does not guarantee future results. Gross of fee returns are net of transaction costs. Net of fee returns are net of transaction costs and investment advisory fees. For periods prior to 2011, net returns for some accounts in the composite also reflect the deduction of administrative expenses. Thornburg Investment Management Inc.'s fee schedule is detailed in Part 2A of its ADV brochure. Performance results of the firm's clients will be reduced by the firm's management fees. For example, an account with a compounded annual total return of 10% would have increased by 159% over ten years. Assuming an annual management fee of 0.75%, this increase would be 142%.

Portfolio Managers

Ben Kirby, cfa

Co-Head of Investments and Portfolio Manager

Charlie Wilson, PhD

Portfolio Manager

Josh Rubin

Portfolio Manager

Supported by the entire Thornburg investment team

THORNBURG EMERGING MARKETS EQUITY STRATEGY

Portfolio Manager Commentary

30 June 2022



Second-Quarter Performance Highlights

- The Thornburg Emerging Markets Equity Strategy declined 13.4% (net of fees) and 13.2% (gross of fees), underperforming its benchmark, the MSCI EM Index, which was down 11.5%.
- Health care, communication services and financials detracted from the strategy's relative performance. In each sector, stock selection was the primary driver of underperformance. An underweight allocation to materials and stock selection within industrials contributed positively to the strategy's relative performance.
- On a geographic basis, an overweight allocation to Latin America was deductive to relative performance. Stock selection within Korea, Brazil and India also negatively contributed to performance. The strategy's underweight allocation to Emerging EMEA contributed positively to relative results.

Current Positioning and Outlook

Given the overhang of Russia/Ukraine, zero-COVID lockdowns, rising rates and inflation, there has certainly been a lot of fear and a lack of clarity in markets during the first half of 2022. In our opinion, emerging markets' relative durability through the variety of year-to-date shocks serves as a reminder that global uncertainty shouldn't always mean "risk-off" to EM. Whether during wars of the early 1990s, 9/11 and the tech bubble of early 2000s, or the Global Financial Crisis, emerging economies have often managed periods of volatility better than many expected. Emerging market equities have also provided diversification benefits when paired with developed market exposure and often help smooth 'the ride' through market cycles.

As we enter the back half of 2022, global inflation continues to dominate the headlines, but we are optimistic that many of the catalysts driving rising prices may soon begin rolling over. Supply chain disruptions should decline as China comes back online, commodity prices appear to be easing, and COVID-related stimulus measures have broadly ended. While many believe global economic growth will be the victim of central bank efforts to slow prices and normalize supply and demand dynamics, emerging markets again seem relatively well positioned vs many developed economies. EM central banks largely began raising rates before DM central banks and are not behind the inflation curve to the same degree as the U.S. and Europe. Additionally, while many EM economies are still accelerating out of COVID (e.g. China), reopening tailwinds have broadly faded across developed markets.

While we are sanguine on the opportunity in emerging markets over the back half of the year, we remain cognizant of the broader macro risks, and are anchoring to bottom-up fundamentals and targeting durable businesses we believe can perform across a variety of macro scenarios.

Top Performers (2Q22)

Name	Contrib. (%)	Avg. Weight (%)
Li Auto	0.52	1.07
Ctg Duty Free	0.49	1.43
Yum China Holdings, Inc.	0.38	3.17
Meituan	0.32	1.77
Huazhu Group Adr	0.29	1.45

Top Detractors (2Q22)

Name	Contrib. (%)	Avg. Weight (%)
Taiwan Semiconductor Manufacturing Co. Ltd.	-2.17	8.77
First Quantum Minerals Ltd.	-1.38	2.57
Converge Info	-0.89	2.28
Samsung Electr	-0.88	3.76
Naver	-0.81	2.07

Past performance does not guarantee future results. To obtain the calculation methodology and a list showing the contribution of each holding in the representative account to the overall account's performance during the reporting period, please email a request to bdg@thornburg.com. The holdings identified do not represent all of the securities purchased, sold or recommended for advisory clients.

THORNBURG EMERGING MARKETS EQUITY STRATEGY

Portfolio Manager Commentary

30 June 2022



Important Information

The performance data quoted represents past performance; it does not guarantee future results.

Unless otherwise noted, the source of all data, charts, tables and graphs is Thornburg Investment Management, Inc., as of 30 June 2022.

The views expressed are subject to change and do not necessarily reflect the views of Thornburg Investment Management, Inc. This information should not be relied upon as a recommendation or investment advice and is not intended to predict the performance of any investment or market.

The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed may not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities transactions or holdings discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

Portfolio holdings and characteristics shown herein are from a representative account managed within the investment composite. The representative account is selected based on account characteristics that Thornburg believes accurately represent the investment strategy as a whole. Should these characteristics change materially, Thornburg may select a different representative account. Holdings may change daily and may vary among accounts, which may contribute to different investment results.

The MSCI ACWI Net Total Return USD Index is a market capitalization weighted index that is representative of the market structure of 47 developed and emerging market countries in North and South America, Europe, Africa, the Middle East, and the Pacific Rim. The index is calculated with net dividends reinvested in U.S. dollars.

Portfolio construction will have significant differences from that of a benchmark index in terms of security holdings, industry weightings, asset allocations and number of positions held, all of which may contribute to performance, characteristics and volatility differences. Investors may not make direct investments into any index.

Portfolio construction will have significant differences from that of a benchmark index in terms of security holdings, industry weightings, asset allocations and number of positions held, all of which may contribute to performance, characteristics and volatility differences. Investors may not make direct investments into any index.

For United Kingdom: This communication is issued by Thornburg Investment Management Ltd. ("TIM Ltd.") and approved by Robert Quinn Advisory LLP which is authorised and regulated by the UK Financial Conduct Authority ("FCA"). TIM Ltd. is an appointed representative of Robert Quinn Advisory LLP.

This material constitutes a financial promotion for the purposes of the Financial Services and Markets Act 2000 (the "Act") and the handbook of rules and guidance issued from time to time by the FCA (the "FCA Rules"). This material is for information purposes only and does not constitute an offer to subscribe for or purchase any financial instrument. TIM Ltd. neither provides investment advice to, nor receives and transmits orders from, persons to whom this material is communicated nor does it carry on any other activities with or for such persons that constitute "MiFID or equivalent third country business" for the purposes of the FCA Rules. All information provided is not warranted as to completeness or accuracy and is subject to change without notice.

This communication and any investment or service to which this material may relate is exclusively intended for persons who are Professional Clients or Eligible Counterparties for the purposes of the FCA Rules and other persons should not act or rely on it. This communication is not intended for use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

For Hong Kong: This material is issued by Thornburg Investment Management (Asia) Limited ("Company"), a wholly-owned subsidiary of Thornburg Investment Management, Inc. The Company is currently licensed with the Hong Kong SFC for Type 1 regulated activity, with the CE No.: BPQ208.

This material is directed at and intended for "Professional Investors" within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance and is issued for information purposes only. It is not to be construed as an offer or solicitation for the purchase or sale of any financial instruments. This material has not been reviewed nor endorsed by any regulatory authority in Hong Kong, including the Securities and Futures Commission, nor has a copy been registered with the Registrar of Companies in Hong Kong. Hong Kong residents are advised to exercise caution in relation to this information.

Any prices referred to herein are indicative only and dependent upon market conditions. Past performance is not indicative of future results. Unless otherwise specified, investments are not bank deposits or other obligations of a bank, and the repayment of principal is not insured or guaranteed. They are subject to investment risks, including the possibility that the value of any investment (and income derived thereof (if any)) can increase, decrease or in some cases, be entirely lost and investors may not get back the amount originally invested. The contents of this presentation have not been reviewed by any regulatory authority in the countries in which it is distributed.

Thornburg Investment Management, Inc. accepts no liability whatsoever for any direct, indirect or consequential loss arising from or in connection with any use of, or reliance on, this presentation which does not have any regard to the particular needs of any person. Thornburg Investment Management, Inc. takes no responsibility whatsoever for any use, reliance or reference by persons other than the intended recipient of this presentation.

The opinions and views herein do not take into account your individual circumstances, objectives, or needs and are not intended to be recommendations of particular financial instruments or strategies to you. This presentation does not identify all the risks (direct or indirect) or other considerations which might be material to you when entering any

Ten Largest Holdings (as of 31 May 2022)

Holding	Rep. Acct.
Taiwan Semiconductor Manufacturing Co. Ltd.	9.1%
Tencent Holdings Ltd.	4.9%
Petroleo Brasileiro S.A.	4.2%
Samsung Electronics Co. Ltd.	4.0%
Yum China Holdings, Inc.	3.4%
AIA Group Ltd.	2.9%
First Quantum Minerals Ltd.	2.6%
Bank Rakyat Indonesia Persero Tbk PT	2.5%
Micron Technology, Inc.	2.4%
Hon Hai Precision Industry Co. Ltd.	2.4%

THORNBURG EMERGING MARKETS EQUITY STRATEGY

Portfolio Manager Commentary

30 June 2022



financial transaction. You are advised to exercise caution in relation to any information in this document. If you are in doubt about any of the contents of this document, you should seek independent professional advice.

For Australia: This material has been prepared by Thornburg Investment Management, Inc. (**Thornburg**). Thornburg is regulated, as a registered investment adviser, by the Securities and Exchange Commission of the United States of America ("**US**") under U.S. laws which differ from Australian laws. Thornburg holds a foreign AFSL 526689.

This material contains general information only and is intended for viewing only by wholesale clients for the purposes of section 761G of the Corporations Act 2001 (Cth). It must not be distributed to retail clients in Australia (as that term is defined in the Corporations Act 2001 (Cth)) or to the general public. This document may not be reproduced in any form or distributed to any person without the prior written consent of Thornburg.

This material is not intended to provide you with financial product advice. It is for the use of researchers, licensed financial advisers and their authorised representatives. It does not take into account the objectives, financial situation or needs of any person. For this reason, you should, before acting on this material, obtain professional advice and consider whether this information is appropriate having regard to your investment needs, objectives, and financial situation.

Past performance is not an indication of future performance. Any economic or market forecasts are not guaranteed. Any references to particular securities or sectors are for illustrative purposes only. It is not a recommendation in relation to any named securities or sectors.

To the extent permitted by law, no liability is accepted by Thornburg, its officers or directors or any affiliates of Thornburg for any loss or damage as a result of any reliance on this information. While efforts have been made to ensure the information is correct, no warranty of accuracy or reliability is given, and no responsibility is accepted for errors or omissions. Any opinions expressed are those of Thornburg as of the date noted on the material and are subject to change without notice.

For Austria, Belgium, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Lichtenstein, Lithuania, Luxembourg, Netherlands, Norway, Portugal, Poland, Singapore, Slovenia, Spain, South Korea, Sweden, Switzerland, Taiwan and Thailand: This is a marketing communication. This material is directed at and intended for institutional investors (as such term is defined in each jurisdiction). This material does not constitute investment advice or an offer or solicitation to sell or a solicitation of an offer to buy any product or service (nor shall any product or service be offered or sold to any person) in any jurisdiction in which an offer, solicitation, purchase or sale would be unlawful under the securities law of that jurisdiction. Any products or services referenced in this material may not be licensed in all jurisdictions, and, unless otherwise indicated, no regulator or government authority has reviewed this document, or the merits of the products and services referenced herein. If you receive a copy of this material, you may not treat this as constituting a public offering, and you should note that there may be restrictions or limitations to whom these materials may be made available.

This material is provided on a confidential basis for informational purposes only and may not be reproduced in any form or transmitted to any person without authorization. This material was prepared without considering the specific investment objectives, financial situation or particular needs of any particular person and does not identify all the risks (direct or indirect) or other considerations which might be material to you when entering any financial transaction. Before acting on any information in this material, prospective clients should inform themselves of and observe all applicable laws and regulations of any relevant jurisdictions. Prospective clients should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the ongoing provision of services, and any foreign exchange restrictions that may be relevant thereto. Prospective clients are advised to exercise caution in relation to any information in this document. If you are in doubt about any of the contents of this document, you should seek independent professional advice. Thornburg Investment Management, Inc. does not accept any responsibility and cannot be held liable for any person's use of or reliance on the information and opinions contained herein. Any entity responsible for forwarding this material to other parties takes responsibility for ensuring compliance with applicable securities laws.

Thornburg is regulated by the U.S. Securities and Exchange Commission under U.S. laws, which differ from the above jurisdictions' laws.