

Thornburg International Growth Fund

Portfolio Manager Commentary

31 December 2025



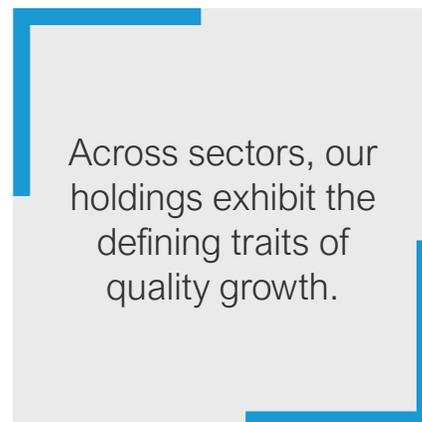
Market Review

International equities posted strong returns in the fourth quarter of 2025, shaped by a notable inflection in U.S. monetary policy and diverging central-bank paths elsewhere, amid persistent geopolitical risk. In December, the Federal Reserve delivered its second rate cut of the year, citing cooling inflation, a softening labor-market, and tighter financial conditions. Importantly, the Fed had ended its quantitative tightening one month earlier, and investors widely interpreted its subsequent balance-sheet guidance—renewed liquidity injections and reinvestment flexibility—as a shift back to quasi-“quantitative easing.”

Outside the U.S., monetary policy was less synchronized. The ECB signaled a cautious bias toward further easing as growth softened in the Eurozone and inflation drifted toward target. The Bank of Japan kept its gradual normalization, allowing yields to stay more market-driven while emphasizing patience. In China, policy combined targeted fiscal measures with incremental monetary support to stabilize its property markets and bolster domestic consumption, boosting investor sentiment toward Chinese and broader EM equities.

But geopolitical risks also weighed on sentiment. Ongoing conflicts in the Middle East and Russia/Ukraine reinforced energy security and defense spending globally, while strategic competition around advanced technology and supply chains remained a focal point of trade and industrial policy. These dynamics supported select industrial, defense, and infrastructure-related firms, even as headline risk spurred market volatility, which we welcomed.

Equity leadership broadened during the quarter. Cyclical sectors tied to financials and industrials benefited from improving liquidity, while growth stocks with strong balance sheets and visible earnings trajectories regained momentum—particularly in IT and select consumer and health care segments. Currency markets were relatively stable. The U.S. dollar’s 7.3% decline on a trade-weighted basis last year helped international equities. As volatility resurfaced around policy shifts and geopolitical developments, we selectively added to high-quality growth businesses at attractive valuations.



Portfolio Managers

Sean Koung Sun, CFA

Portfolio Manager

Nicholas Anderson, CFA

Portfolio Manager

Supported by the entire Thornburg investment team

AVERAGE ANNUAL TOTAL RETURNS (%)

AS OF 31 DECEMBER 2025

	QTR	YTD	1-YR	3-YR	5-YR	10-YR	ITD
A Shares TIGAX (Incep: 1 Feb 07)							
Without sales charge	-1.67	10.24	10.24	9.89	-1.36	5.24	6.05
With sales charge	-6.09	5.30	5.30	8.21	-2.26	4.76	5.80
I Shares TINGX (Incep: 1 Feb 07)	-1.60	10.64	10.64	10.30	-1.00	5.62	6.52
MSCI ACWI ex-U.S. Growth Index	2.56	25.65	25.65	14.61	4.01	7.92	4.84

EXPENSE RATIOS (%)

GROSS	NET
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1.38	1.38
1.04	0.99

Returns for less than one year are not annualized. ITD is inception to date.

Class I shares may not be available to all investors. Minimum investments for the I share class may be higher than those for other classes.

Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than quoted. For performance current to the most recent month end, visit thornburg.com or call 877-215-1330. The maximum sales charge for the Fund's A shares is 4.50%. There is no up-front sales charge for class I shares. Thornburg Investment Management and/or Thornburg Securities LLC have contractually agreed to waive fees and reimburse expenses through at least 1 February 2027 for some of the share classes; these are reflected in the net expense ratio. For more detailed information on fund expenses and waivers/reimbursements, please see the fund's prospectus.

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Fourth Quarter 2025 Performance Highlights

- In 4Q25 the portfolio (I share class) returned -1.6%, -416 basis points behind the MSCI ACWI ex-U.S. Growth Index. Year to date the portfolio (I share class) returned 10.64%, -1501 basis points behind the MSCI ACWI ex-U.S. Growth Index.
- The portfolio's leading contributors to fourth-quarter relative performance by sector were stock picking in and an overweight allocation to Health Care, followed by the portfolio's overweight in Information Technology. Stock selection in Consumer Discretionary and both allocation and selection effects in Communication Services were the main drags on relative results.
- From a geographic perspective, strong stock picking in the U.K., an overweight to Taiwan and an underweight to Australia led relative performance in the fourth quarter. Both allocation and selection effects in Singapore and Italy were the largest detractors.

Current Positioning and Outlook

While the portfolio continues to differ meaningfully from the benchmark in pursuit of high-conviction opportunities, it remains broadly diversified and resilient across economic environments. Over the course of 2025, we increased exposure to financials, reflecting improving earnings visibility and attractive risk-reward profiles. This exposure extends well beyond traditional banking franchises to include stock and derivatives exchanges, fintech platforms, and payments networks, where secular growth, operating leverage, and rising transaction volumes support durable earnings compounding across market cycles.

We also added exposure to industrials, particularly within aerospace and defense, emphasizing companies with meaningful commercial end markets alongside defense-related revenues. Against a backdrop of rising global defense budgets and renewed focus on supply-chain security, these businesses benefit from long-cycle demand visibility while maintaining diversified revenue streams tied to commercial aviation and advanced manufacturing. We believe this combination supports a multi-year runway for earnings growth without reliance on purely military spending.

The portfolio remains constructive on the AI investment cycle and selectively increased exposure to the high-bandwidth memory (HBM) ecosystem. HBM has become a critical bottleneck in AI inference, particularly during the decode phase of token generation where performance is constrained by the bandwidth required to repeatedly load model weights from memory rather than compute throughput. As models scale in size, context length, and user concurrency, AI systems require both materially higher HBM bandwidth and greater on-package memory capacity to accommodate expanding KV-cache storage. With demand well ahead of supply, this imbalance continues to support strong pricing and utilization, while reinforcing a favorable outlook for semiconductor capital equipment as memory manufacturers expand and upgrade fab capacity to meet next-generation HBM requirements.

Within e-commerce, AI adoption is increasingly translating into tangible economic value. Leading platforms are optimizing advertising placement and targeting with machine learning tools that enhance conversion rates and monetization efficiency. These improvements effectively require minimal incremental capital investment, driving returns on invested capital that approach 100% as revenue per user and per merchant rises without commensurate increases in fixed costs.

Overall, the portfolio remains positioned around high-quality growth businesses with strong competitive advantages, expanding end markets, and visible earnings trajectories. While macro and geopolitical uncertainties persist, we continue to believe that disciplined fundamental research and a focus on company-specific drivers—rather than top-down forecasting—provide the most reliable path to attractive long-term outcomes for international growth investors.

TEN LARGEST HOLDINGS

AS OF 30 NOVEMBER 2025	% FUND
Taiwan Semiconductor Manufacturing Co. Ltd.	10.0
Tencent Holdings Ltd.	7.6
AstraZeneca plc	5.3
Mastercard, Inc.	4.6
MercadoLibre, Inc.	3.3
Lonza Group AG	3.1
Air Liquide S.A.	3.1
Hoya Corp.	3.0
E.ON SE	3.0
ASML Holding N.V.	2.9

TOP 5 CONTRIBUTORS (%) 4Q25

	AVERAGE WEIGHT	CONTRIB. TO RETURN
Taiwan Semiconductor Manufacturing Co. Ltd.	10.17	1.38
AstraZeneca plc	5.07	1.01
Advanced Micro Devices, Inc.	2.30	0.41
ASML Holding N.V.	2.86	0.30
Hoya Corp.	3.10	0.25

BOTTOM 5 DETRACTORS (%) 4Q25

	AVERAGE WEIGHT	CONTRIB. TO RETURN
Sea Ltd.	3.01	-1.05
Tencent Holdings Ltd.	7.74	-0.80
Ferrari N.V.	2.92	-0.75
MercadoLibre, Inc.	3.29	-0.51
SMG Swiss Marketplace Group AG	1.72	-0.35

Source: FactSet

BASKET ALLOCATION

	% FUND
Growth Industry Leaders	39.0
Consistent Grower	35.1
Emerging Growth	23.6
Cash & Equivalents	2.3

Cash and Equivalents includes cash, short-term securities, other assets less liabilities, accruals, derivatives and forwards. It may also include investments in money market or similar funds managed by Thornburg that are not offered to the public.

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Important Information

Unless otherwise noted, the source of all data, charts, tables and graphs is Thornburg Investment Management, Inc., as of 31 December 2025.

Investments carry risks, including possible loss of principal. Additional risks may be associated with investments outside the United States, especially in emerging markets, including currency fluctuations, illiquidity, volatility, and political and economic risks. Investments in small- and mid-capitalization companies may increase the risk of greater price fluctuations. Investments in the Fund are not FDIC insured, nor are they bank deposits or guaranteed by a bank or any other entity.

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.

Funds invested in a limited number of holdings may expose an investor to greater volatility.

There is no guarantee that the Fund will meet its investment objectives.

Any securities, sectors, or countries mentioned are for illustration purposes only. Holdings are subject to change. Under no circumstances does the information contained within represent a recommendation to buy or sell any security.

Consistent Growers: generally exhibit steady earnings and revenue growth, often with subscription or other recurring revenue profiles. These firms tend to buoy the portfolio in weak markets.

Emerging Growth Companies: are often addressing a new market or carving out a niche in an existing market. Companies in this basket tend to be smaller, earlier-stage companies. Successful emerging growth companies are often reclassified as their businesses mature.

Growth Industry Leaders: often have leadership positions in growing markets. These firms tend to be larger, more established, and have dominant market share.

Basis Point (bp) – A unit equal to 1/100th of 1%. 1% = 100 basis points (bps).

The MSCI ACWI ex-U.S. Growth Index (MSCI ACWI ex US Growth NTR) is a market capitalization weighted index that includes growth companies in developed and emerging markets throughout the world, excluding the United States.

The performance of any index is not indicative of the performance of any particular investment. Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index.

Not FDIC Insured. May lose value. No bank guarantee.

Before investing, carefully consider the Fund's investment goals, risks, charges and expenses. For a prospectus or summary prospectus containing this and other information, contact your financial advisor or visit thornburg.com. Read them carefully before investing.

Active by Design

Thornburg is a privately owned, global investment firm delivering active, high-conviction portfolios to institutions, advisors, and investors. Founded in 1982, we specialize in income and global equity strategies—each designed to support long-term goals and deliver alpha—available through institutional strategies, mutual funds, ETFs, closed-end funds, managed accounts, CITs, and UCITS.

