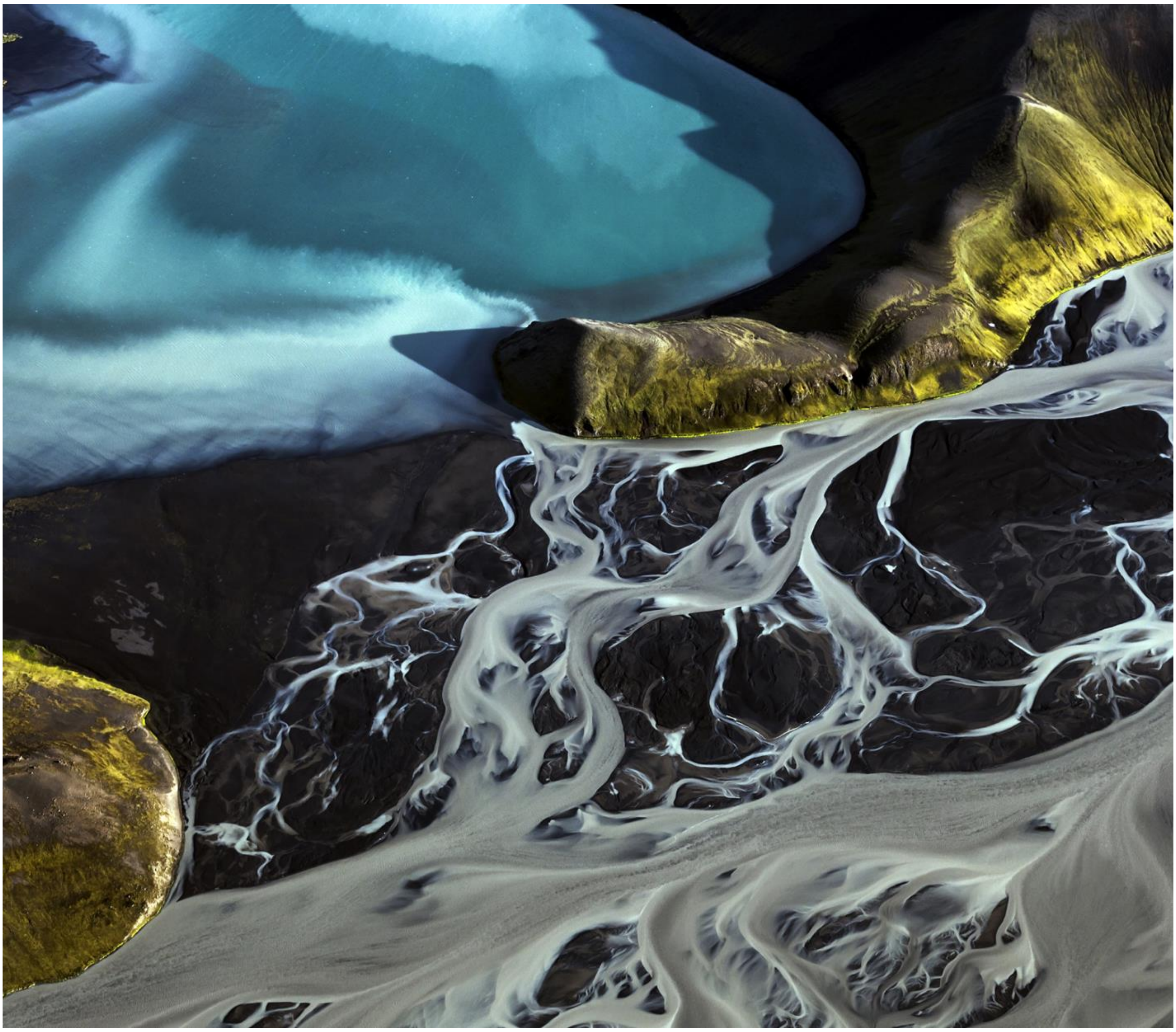
International Alpha Quarterly Update

30 June 2024



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Past Performance

Past performance is not a guide to future returns. Changes in investment strategies, contributions or withdrawals may materially alter the performance and results of the portfolio. Material market or economic conditions will have an impact on investment results. The returns presented in this document are gross of fees unless otherwise stated and reflect the reinvestment of dividends and interest.
Historical performance results for investment indexes and/or categories, generally do not reflect the deduction of transaction costs and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results.
It should not be assumed that recommendations/ transactions made in the future will be profitable or will equal performance of the securities mentioned.

Potential for Profit and Loss

All investment strategies have the potential for profit and loss.

Stock Examples

Any stock examples, or images, used in this paper are not intended to represent recommendations to buy or sell, neither is it implied that they will prove profitable in the future. It is not known whether they will feature in any future portfolio produced by us. Any individual examples will represent only a small part of the overall portfolio and are inserted purely to help illustrate our investment style. A full list of portfolio holdings is available on request.

The commentary relates to the above mentioned strategy and not all stocks mentioned may be held in the portfolio.

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Product Overview

International Alpha is an international equity strategy that invests in quality growth companies over the long term. The strategy employs a bottom-up stock-picking approach based on the fundamental research produced by Baillie Gifford's investment teams. It has a diversified portfolio of 70-110 holdings across several shades of growth, equipped to perform throughout the cycle.

Risk Analysis

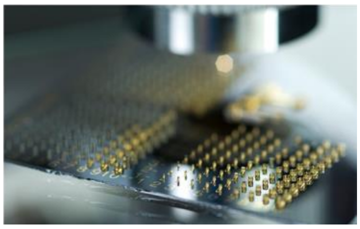
Key Statistics	
Number of Holdings	75
Typical number of holdings	70-110
Active Share	84%*
Rolling One Year Turnover	13%

*Relative to MSCI ACWI ex US Index. Source: Baillie Gifford & Co, MSCI.

International equities delivered a modest positive return during the quarter. This benign outcome masked some large variations between different countries and sectors

The portfolio was slightly behind its benchmark, despite some encouraging operational performance, most notably from rapid growth holdings which have seen improvements in profitability and cashflow generation

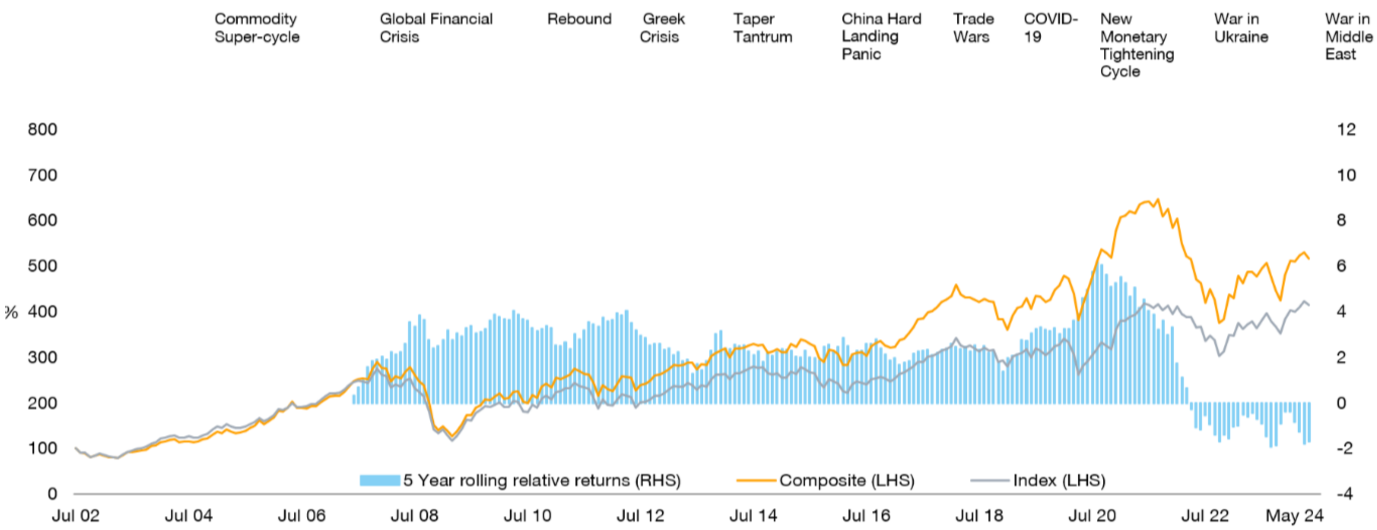
Higher forecast earnings growth and super quality characteristics remain key features of the portfolio and should be rewarded over the long-term



Baillie Gifford Key Facts

Assets under management and advice	US$283.7bn
Number of clients	649
Number of employees	1738
Number of investment professionals	372

Cumulative returns since inception* and five year rolling relative returns (net)



Source: Revolution, MSCI. As at 31 May 2024. US dollar. Five year rolling returns for the International alpha composite (30 June 2002 to 31 May 2024). The International Alpha strategy is more concentrated than the MSCI ACWI ex US Index. Net of Fees. Index: MSCI ACWI ex US. *30 June 2002. Rebased to 100.

“A picture is worth a thousand words” is a well-known adage first attributed to advertiser Fred R. Barnard, who coined the phrase in his 1920s trade journal, The Printers Ink. We believe the picture above, which shows the performance record of the International Alpha strategy since its inception in June 2002 (a period that has encompassed a multitude of cycles, macroeconomic headwinds, and crises), speaks a thousand words to our clients.

The blue bars show the rolling 5-year relative performance (net of fees) for the International Alpha strategy and demonstrate that the long-term track record of alpha generation is strong. However, more recent investment performance has been disappointing, and there is a strong likelihood that numbers will deteriorate further as the gains from 2020 and 2019 drop out.

There have only been two occasions in the history of the International Alpha strategy when it has underperformed its benchmark index for two consecutive calendar years: from mid-2021 to the end of 2022, and back in 2003-2004. On both these occasions, the market backdrop was characterised by rising interest rates, rising commodity prices, and the outperformance of lower-quality cyclical stocks. In between these periods, the strategy outperformed in thirteen out of seventeen calendar years.

At the same time, the record of outperformance over rolling five-year periods was unblemished until the middle of 2022. Although during the strategy’s outset, and in recent times, macroeconomic factors have weighed heavily, it is the earnings growth of underlying companies that has driven returns over the long term and will continue to do so in the future.

The portfolio’s forecast earnings growth for the next few years is significantly higher than the market's. At the same time, superior levels of profitability and returns on capital are evidence of durable competitive positions. This is a strong position to be in and underpins our optimism that performance will recover.

For the most part, we are very pleased with how portfolio holdings have been faring from an operational perspective against what continues to be a challenging backdrop. Portfolio positioning reflects the unique attractions and growth drivers of individual companies across a range of industries, countries, and growth types; however, some overarching positive developments have shone through recently.

First, several rapid-growth businesses have proven their ability to increase profitability and cash flow generation, without compromising their growth, demonstrating the strength of their product offerings.

Southeast Asian e-commerce and gaming platform, Sea Limited, has seen profits and cashflows rise, thanks to higher transaction-based fees and advertising revenues. Korean e-commerce portal, Coupang, has had a similar experience, helped by a recent price increase for its premium membership offering. Latin American internet business, MercadoLibre, has now reached double-digit operating margins on the back of continued efficiency gains and strong growth in its highly profitable Fintech business. Perhaps the most striking example is Swedish music and audio streaming business Spotify, which has pivoted from a strategy of growth at all costs to profitable growth—a feat it has achieved without a slowdown in subscriber growth. It has also implemented yet another price increase for its premium offering and outlined plans to charge a higher fee for a super-premium tier that will include higher-quality audio alongside some additional features.

Second, it has been a strong period for several capital allocators held within the strategy. Our experience has taught us that the potential for exceptional management teams to add value through bolt-on deals or well-thought-through investments is consistently underestimated by the market, creating an inefficiency for us to take advantage of.

Lumine, a media and communications-focused software company that spun out of the holding in Constellation Software, reported exceptional numbers for the opening quarter of the year, with earnings nearly doubling year on year. A meeting with the CEO in Toronto confirmed our thesis that the combination of Lumine's technical expertise and access to Constellation's deal playbook afford an overwhelming competitive edge.

Generalist vendor management software franchise, Topicus, another spin-off from the Constellation stable that shares similar traits to Lumine, is also executing well. Although delivered earnings growth has been more modest - rising 16% year on year - two-thirds of this was generated from recurring maintenance revenues which support high levels of profitability and speaks to the resilience of the business model. The runway of value-added deals available for both Lumine and Topicus also remains vast. In a different example, recently purchased Italian holding company Exor reported much better results than the market expected for the first half of the year, largely due to continued strong execution from its holding in luxury sports car maker Ferrari, which reported record orders and a waiting list that extends to 2026. Exor's investment in Dutch medical technology conglomerate, Phillips, has also performed well since it was purchased in August last year.

Lastly, there have been some encouraging signs of improvement for holdings that had encountered some bumps in the road and have weighed on performance recently.

Ambu, the manufacturer of single-use endoscopes which has struggled in common with other medical device manufacturers amidst a difficult backdrop for the industry, made an upward revision to its earnings. It is now expecting 15% earnings growth during the first half of the year and all the key financial metrics that are monitored by management are improving.

The outlook is also brightening for some of the Japanese names which have been in the doldrums. We took an initial holding last year in M&A advisory firm, Nihon M&A, under the premise that it could successfully navigate a temporary setback and previously strong deal activity would recover. This thesis has started to come through, with strong growth in higher-margin direct deals providing a positive surprise. Provider of premium skincare Shiseido, which has languished around the weakest performers over the past few years has also begun to see light at the end of the tunnel. Boycotts from the Chinese consumer of Shiseido's products, in protest to Japan's dumping of spent nuclear fuel into the Pacific Ocean, have now stopped and the longed-for rebound of inbound tourism to Japan – a key source of demand for the company - is now finally taking place.

During the most recent quarter, we have maintained a high tempo of stock discussions, debating a wide range of companies – both existing holdings and new ideas – but portfolio changes have been characteristically low. We have taken one new position in the Japanese medical device business Olympus and increased the size of some existing holdings where our view has become increasingly differentiated. Olympus is a world leader in the manufacture of endoscopes and its business is protected by regulatory approval and surgical familiarity that leads to customer stickiness and a strong incumbent advantage. We expect continued consistent growth in endoscope sales for gastrointestinal procedures (an area where it enjoys dominance), continued high levels of profitability, and expansion into other procedural areas. Negative sentiment towards Japanese quality growth names, coupled with a weak product cycle has provided us with an excellent entry point.

Additions have included UK discounter B&M Retail, Danish freight forwarder, DSV, and Italian wealth manager, Fineco Bank. Recently purchased B&M reported strong results which appear to support our investment thesis, with revenue growing at double-digit rates both in the UK and France. Freight forwarder, DSV is making great progress increasing the wallet share of its customers, whilst at the same time freight rates (which had fallen sharply after the pandemic) have begun to normalise. Fineco Bank has seen an uptick in new clients and money moving into higher-return assets, both of which are feeding through into stronger profits.

These deals have been funded by the sale of Chinese online conglomerate Alibaba, Japanese tier-one parts supplier, Denso, and French-listed luxury goods conglomerate Kering. Both Alibaba and Denso have been held within the strategy since 2015. During Alibaba's initial period of ownership, it benefitted from a dominant position within the Chinese domestic market and delivered exceptional levels of growth. In more recent year's growth has slowed to single-digit levels, as e-commerce penetration has risen and the competitive landscape has become more challenging. Regulatory headwinds have also thwarted the company's ambitions. Its shares have fallen against this backdrop, and it had become a small position. In contrast, Denso's shares have performed strongly in recent years as the profit margin has improved through a mixture of self-help and a weak yen. However, in the longer term, we have concerns about the positioning of Toyota (its largest customer) in battery electric vehicles amid rising competition from the Chinese players. Kering has been owned for a much shorter period than we are accustomed to and the investment case has not played out as we expected. Continued churn among the management team and an ongoing deterioration in brand perception and creativity at Gucci have led us to move on and concentrate luxury exposure on other names where we have higher conviction such as Richemont and LVMH.

We are pleased with our recent efforts to broaden the range of ideas being considered by the portfolio construction group with a Chinese industrial conglomerate, Swiss chocolate manufacturers, a Canadian uranium producer, a Swiss pharmaceuticals business, and a Swedish bank featuring in recent stock discussions. As always, the bar is high for a place in the portfolio, and our starting point is one of confidence in the long-term growth prospects of the companies we currently own.

Performance Objective

+2% - 3% p.a. over rolling 5 year periods vs index.
The performance objective is aspirational and is not guaranteed. We don't use it to compile the portfolio and returns will vary. A single performance objective may not be appropriate across all vehicles and jurisdictions. We may not meet our investment objectives if, for example, our growth investment style is out of favour, or we misjudge the long-term earnings growth of our holdings.

Periodic Performance

GBP	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	0.6	1.1	-0.5
1 Year	8.6	12.8	-4.2
3 Year	-3.1	4.0	-7.1
5 Year	4.4	6.2	-1.8
10 Year	8.2	7.5	0.6
Since Inception	8.8	7.7	1.1

USD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	0.7	1.2	-0.5
1 Year	8.0	12.2	-4.2
3 Year	-5.9	1.0	-6.9
5 Year	4.2	6.1	-1.8
10 Year	5.0	4.3	0.6
Since Inception	7.9	6.8	1.1

EUR	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	1.4	2.0	-0.5
1 Year	9.9	14.2	-4.3
3 Year	-2.7	4.4	-7.1
5 Year	5.5	7.3	-1.9
10 Year	7.6	6.9	0.6
Since Inception	7.5	6.4	1.1

CAD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	1.8	2.3	-0.5
1 Year	11.6	16.0	-4.4
3 Year	-2.7	4.4	-7.1
5 Year	5.2	7.0	-1.9
10 Year	7.6	7.0	0.6
Since Inception	7.4	6.3	1.1

AUD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	-1.7	-1.2	-0.5
1 Year	7.6	11.8	-4.2
3 Year	-2.2	5.0	-7.2
5 Year	5.2	7.1	-1.9
10 Year	8.6	8.0	0.6
Since Inception	7.1	6.0	1.1

Annualised periods ended 30 June 2024. 3 Month & 1 Year figures are not annualised.
Inception date: 30 June 2002
Figures may not sum due to rounding.
Benchmark is MSCI ACWI ex US Index.
Source: Revolution, MSCI.
The International Alpha composite is more concentrated than the MSCI ACWI ex US Index.

Discrete Performance

GBP	30/06/19-30/06/20	30/06/20-30/06/21	30/06/21-30/06/22	30/06/22-30/06/23	30/06/23-30/06/24
Composite Net (%)	12.9	20.4	-25.4	12.4	8.6
Benchmark (%)	-1.5	21.9	-7.9	8.3	12.8

USD	30/06/19-30/06/20	30/06/20-30/06/21	30/06/21-30/06/22	30/06/22-30/06/23	30/06/23-30/06/24
Composite Net (%)	9.6	34.7	-34.5	17.7	8.0
Benchmark (%)	-4.4	36.3	-19.0	13.3	12.2

EUR	30/06/19-30/06/20	30/06/20-30/06/21	30/06/21-30/06/22	30/06/22-30/06/23	30/06/23-30/06/24
Composite Net (%)	11.1	27.5	-25.6	12.8	9.9
Benchmark (%)	-3.1	29.1	-8.1	8.6	14.2

CAD	30/06/19-30/06/20	30/06/20-30/06/21	30/06/21-30/06/22	30/06/22-30/06/23	30/06/23-30/06/24
Composite Net (%)	14.2	22.4	-31.7	20.7	11.6
Benchmark (%)	-0.3	23.9	-15.6	16.3	16.0

AUD	30/06/19-30/06/20	30/06/20-30/06/21	30/06/21-30/06/22	30/06/22-30/06/23	30/06/23-30/06/24
Composite Net (%)	11.7	23.5	-28.4	21.6	7.6
Benchmark (%)	-2.6	25.0	-11.6	17.1	11.8

Benchmark is MSCI ACWI ex US Index.
Source: Revolution, MSCI.
The International Alpha composite is more concentrated than the MSCI ACWI ex US Index.

Stock Level Attribution

Top and Bottom Ten Contributors to Relative Performance

Quarter to 30 June 2024

Stock Name	Contribution (%)
TSMC	0.5
Tencent Music Entertainment Group	0.3
MercadoLibre	0.3
HDFC Bank	0.2
Tencent	0.2
Toyota Motor	0.2
Spotify	0.2
Silergy	0.2
Sea Limited	0.2
Atlas Copco	0.1
Ryanair	-0.6
Adyen	-0.5
CRH	-0.4
IMCD	-0.3
Sartorius Stedim Biotech	-0.3
Edenred	-0.3
Dassault Systemes	-0.2
Novo Nordisk	-0.2
SMC	-0.2
B&M Retail	-0.2

One Year to 30 June 2024

Stock Name	Contribution (%)
MercadoLibre	1.1
TSMC	0.9
SAP	0.7
Tencent Music Entertainment Group	0.7
CRH	0.6
Spotify	0.5
Lumine Group	0.4
Atlas Copco	0.3
Constellation Software	0.3
Novonesis	0.3
AIA	-0.9
Edenred	-0.8
Adyen	-0.8
Novo Nordisk	-0.7
DSV	-0.6
Shiseido	-0.5
Kering	-0.5
Richemont	-0.4
FANUC	-0.4
Nihon M&A	-0.4

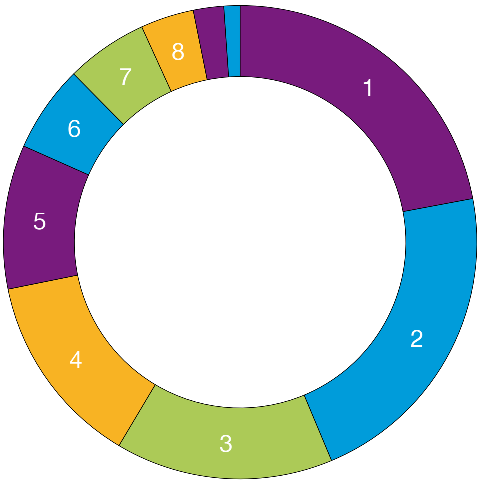
Source: Revolution, MSCI. International Alpha composite relative to MSCI ACWI ex US Index.
The holdings identified do not represent all of the securities purchased, sold or held during the measurement period. Past performance does not guarantee future returns. A full list showing all holdings' contributions to the portfolio's performance and a description on how the attribution is calculated is available on request. Some stocks may not have been held for the whole period. All attribution figures are calculated gross of fees, relative to the index from stock level up, based on closing prices. As attribution is shown relative to the benchmark, not all stocks shown are held in the portfolio.

Top Ten Largest Holdings

Stock Name	Description of Business	% of Portfolio
TSMC	Semiconductor manufacturer	4.8
MercadoLibre	Latin American e-commerce and fintech platform	4.1
Samsung Electronics	Producer of consumer and industrial electronic equipment	3.1
SAP	Enterprise software provider	3.1
Tencent	Technology conglomerate	2.9
Ryanair	European low-cost airline	2.4
CRH	Building materials supplier	2.3
Scout24	Internet platforms	2.2
Atlas Copco	Manufacturer of industrial compressors	2.1
Reliance Industries	Indian conglomerate in energy, textile, digital and financial services and more	2.1
Total		29.1

Figures may not sum due to rounding.

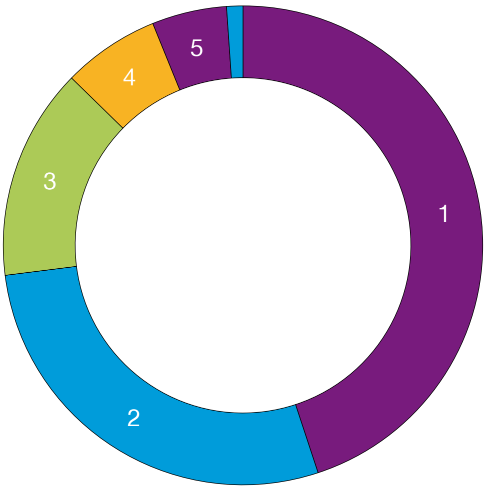
Sector Weights



		%
1	Information Technology	22.0
2	Industrials	21.6
3	Financials	14.9
4	Consumer Discretionary	13.3
5	Communication Services	9.8
6	Materials	5.9
7	Consumer Staples	5.6
8	Health Care	3.6
9	Energy	2.1
10	Cash	1.1

Figures may not sum due to rounding.

Regional Weights



		%
1	Europe (ex UK)	44.9
2	Emerging Markets	28.1
3	Developed Asia Pacific	14.3
4	UK	6.5
5	Canada	5.0
6	Cash	1.1

Voting Activity

Votes Cast in Favour	
Companies	56
Resolutions	821

Votes Cast Against	
Companies	12
Resolutions	35

Votes Abstained/Withheld	
Companies	5
Resolutions	6

Company Engagement

Engagement Type	Company
Environmental	Adyen N.V., CRH plc, Nintendo Co., Ltd., Ryanair Holdings plc, Samsung Electronics Co., Ltd., Sea Limited, Taiwan Semiconductor Manufacturing Company Limited
Social	Adyen N.V., Danone S.A., Nestle S.A., Nihon M&A Center Holdings Inc., Novozymes A/S, Ryanair Holdings plc, Samsung Electronics Co., Ltd., Taiwan Semiconductor Manufacturing Company Limited, Unilever PLC
Governance	Adyen N.V., Aker Carbon Capture ASA, CRH plc, Compagnie Financière Richemont SA, Dassault Systèmes SE, Edenred SE, Epiroc AB (publ), Exor N.V., Fanuc Corporation, HDFC Bank Limited, IMCD N.V., Nestle S.A., Nidec Corporation, Nihon M&A Center Holdings Inc., Nintendo Co., Ltd., Novozymes A/S, RATIONAL Aktiengesellschaft, Recruit Holdings Co., Ltd., Ryanair Holdings plc, Samsung Electronics Co., Ltd., Sea Limited, Taiwan Semiconductor Manufacturing Company Limited
Strategy	AIA Group Limited, Adyen N.V., MercadoLibre, Inc., Nintendo Co., Ltd.

Company	Engagement Report
Danone	Objective: Fact finding on how Danone appraises Health and Nutrition and thoughts on the risks and opportunities from rising concerns around Ultra Processed Food (UPF) Discussion: The company's representatives took a nuanced and balanced view. Ultimately, they need to abide by the market standards, which tend to be set by organisations like the United States Food and Drug Administration (FDA) and the European Food Safety Authority (EFSA), but they also acknowledge that UPF could be a contributor to various health harms globally. They think their product portfolio is well positioned for increasing consumer concerns around healthy eating. Some of the catalysts for taking market share could be driven by regulation on food labelling or more stringent qualifications of health impact. Outcome: The product portfolio of Danone looks optically less disruptable by UPF concerns versus its Big Food peers. There is a strong and credible health narrative for more than 85 per cent of Danone's products (although there is some debate about processing in the dairy business). Overall, Danone seem aligned in spirit with health impact, even considering substantial debate around measuring nutritional impact. My main takeaway was that Danone is more seriously appraising the risks of UPF concerns to its portfolio than some of its peers.
HDFC Bank	Objective: Over the past year, we have held several meetings with multiple members of HDFC's senior management (chief executive officer, chief financial officer, head of mortgages and head of commercial rural banking). This included a visit to its Mumbai offices, to understand the impact of the merger between HDFC Corp and HDFC Bank, particularly on its growth prospects, governance and culture. Discussion: When India's largest mortgage lender, HDFC Corp, merged with its subsidiary HDFC Bank in 2023, it was the largest merger in India's corporate history. Our discussion focused on the merger's impact on the newly merged HDFC Bank's deposit and loan growth, particularly given additional reserve requirements and unexpected liquidity tightening across the Indian banking system. As branches are the central deposit engines for Indian banks, we discussed the company's branch expansion plans to understand how HDFC Bank plans to support growth in the face of these challenges. The location of the branch is an important factor, and HDFC Bank has been expanding into smaller towns and cities, which generate lower growth rates. While there are clear strategic intentions behind the expansion and evidence of some success in deposit growth, we will continue to monitor the realistic pace of deposit and loan growth in the future. Given the importance of the cultural pillar to our investment thesis, we also discussed how leadership managed the integration of two distinct corporate cultures and its impact on employee engagement and attrition, especially at the management level. Management has identified this as a priority. There has also been a noted shift in work culture preferences among the younger generation, favouring a flat versus hierarchical working environment, to which management is responding. Outcome: While substantial hurdles exist, HDFC Bank is making strategic adjustments. We were reassured that asset quality remains excellent, and we continue to see the old conservatism on display. The reality post-merger has highlighted the difficulties in integrating two distinct cultures; however, HDFC Bank's management acknowledges this and places a strong focus on creating a supportive working environment and reducing attrition.

Company	Engagement Report
Novonesis	Objective: To validate our hypothesis that Novonesis should be a net beneficiary of increasing concerns around Ultra Processed Food (UPF) Discussion: A fascinating discussion with the company's Investor Relations touched on the background of Novonesis enzymes and culture products, the potential for chemical additive substitution, product development pipelines and strategy, and cost in use. Outcome: It's not clear that the company sees a near-term opportunity in rising concerns about UPF. However, these concerns seem likely to feed into the evolution of the company's development and marketing strategy. The hypothesis is still intact, but more work needs to be done, which should come from conversations with F&B companies about current and future exposure to enzymes and cultures in product formulation.
Rational	Objective: Rational was de-listed from the MDAX on 18 March by Deutsche Börse, for failing to meet the audit chair independence criteria in the German Corporate Governance Code (GCGC). We requested a meeting with the Supervisory board chair but were instead offered a meeting with Dr Stadelmann. We have previously felt that the board lacks diversity (by any measurement) and that the company's increasing international expansion recommends a broadening of board competencies. Discussion: The company's exclusion from the MDAX was an unforced error, due to insufficient monitoring of regulatory compliance. Rational expects re-admittance to the MDAX in June, and the de-listing may prompt greater attention to governance requirements. Regarding changes to the supervisory board at the upcoming May AGM, we discussed the relative merits of the nominated candidates, their independence, and the fit within Rational's corporate culture, which prioritises 1) customers; 2) employees and 3) shareholders (in that order). Outcome: The nomination of three new representatives to the Rational Supervisory (including its first female director) suggests more marked change than what we're actually getting. The nominations appear overwhelmingly driven by aligning major family shareholders rather than plugging skill and competency gaps on the board. The candidates are not unqualified and fit within Rational's conservative Bavarian culture, but they unfortunately don't plug the skills gaps.
Sea Limited	Objective: We met with Sea Ltd to continue discussing board composition and remuneration and hear an update on the company's developing climate strategy. Discussion: Our engagement focused on board recruitment, including management's considerations and efforts in recruiting new board members, focusing on finding individuals with the correct skill set. We also discussed remuneration, particularly a recent executive compensation cap. Sea Ltd clarified its remuneration approach and reassured us that employee pay is competitive. The meeting also provided an opportunity to question the company's climate change strategy. While there are no immediate plans to set decarbonisation targets, Sea Ltd has considered climate and has published scope 1 and scope 2 emissions data, indicating relatively low emissions. Future emissions reductions are expected to result from broader operational improvements. Outcome: Overall, our engagement highlighted ongoing efforts and challenges in board recruitment, which we will continue to monitor. Sea Ltd's actions reflect responsiveness to investor concerns and a willingness to improve governance and environmental stewardship.

Company	Engagement Report
Unilever	Objective: Fact finding on how Unilever appraises the risks and opportunities from rising concerns around Ultra Processed Food (UPF) Discussion: Unilever leaned into its role in 'feeding the world.' It characterised UPF as unscientific and a concern limited to developed-market consumers. It would prefer for health and nutrition to be appraised through the lens of its progress on reducing HFSS (high fat, salt and sugar). Outcome: This conversation helped place the role of UPF in the broader context and provided a case for the defence, such as the role of processing in reducing fat and sugar content and increasing shelf-life so as to reduce wastage. However, it is also fair to say we were underwhelmed by the answers given by the investor relations team to our questions and we will therefore continue to follow this line of enquiry, as part of our thematic work around our consumer staples holdings. Ultimately we think that a responsible attitude to high-levels of processing could form part of the competitive advantage for companies such as Unilever, over our long-term investment horizon, and we will be engaging with them further on this.

Votes Cast in Favour

Company	Meeting Details	Resolution(s)	Voting Rationale
Technoprobe	MIX 04/24/24	7A	Italian governance allows shareholders to submit 'slates' of directors for election at the annual general meeting. We voted in favour of the 'slate' where the majority of directors currently sit on the board of directors. This is routine and non-contentious.

Companies	Voting Rationale
Technoprobe	Italian governance allows shareholders to submit 'slates' of auditors for election at the annual general meeting. We voted in favour of the 'slate' where the majority of auditors currently sit on the statutory auditors' board. This is routine and non-contentious.
AIA Group, ASML, Adyen NV, Aker Carbon Capture ASA, Amadeus IT Group SA, Atlas Copco A, B&M European Value Retail, BioNTech ADR, CRH, Constellation Software, Coupang, Danone, Dassault Systemes, Denso, Deutsche Boerse, EXOR, Edenred, Epiroc A, FANUC, FinecoBank Banca Fineco S.p.A., HDFC Bank, ICICI Lombard, IMCD Group NV, Kering, Keyence, Kingspan Group, Kweichow Moutai 'A', LVMH, Lumine Group Inc, MIPS, Meituan, MercadoLibre, Nestle, Nexans, Nidec, Nihon M&A, Nintendo, Novonesis (Novozymes) B, Oxford Nanopore Technologies PLC, Ping An Insurance, Rational, Recruit Holdings, Reliance Industries Ltd, Rio Tinto, SAP, SMC, Scout24, Shopify 'A', Silergy, Sony, Spotify Technology SA, TSMC, Technoprobe, Tencent, Topicus.Com Inc, Unilever	We voted in favour of routine proposals at the aforementioned meeting(s).

Votes Cast Against

Company	Meeting Details	Resolution(s)	Voting Rationale
Aker Carbon Capture ASA	AGM 04/29/24	15	We opposed the amendment to the articles of association due to an amendment related to the proposed joint venture with SLB. We do not believe that the joint venture is in the best interests of shareholders.
Aker Carbon Capture ASA	AGM 04/29/24	8	We opposed the election of directors due to concerns with the proposed joint venture with SLB which we do not believe is in the best interests of shareholders.
Aker Carbon Capture ASA	AGM 04/29/24	9	We opposed the remuneration of directors due to exceptional payments made related to the proposed joint venture with SLB. We do not believe that the joint venture is in the best interests of shareholders.
Dassault Systemes	MIX 05/22/24	17-22	We opposed six resolutions on delegation of authority to the board to conduct mergers and related activities. We do not believe it is in the best interests of shareholders to delegate authority on these matters.
Dassault Systemes	MIX 05/22/24	6, 8-10	We opposed four resolutions relating to executive compensation due to concerns with the complexity of variable compensation.
EXOR	AGM 05/28/24	10	We opposed the remuneration report due to the discretionary cash payments made to the former and current chairs, which are not accompanied by a convincing rationale.

Company	Meeting Details	Resolution(s)	Voting Rationale
EXOR	AGM 05/28/24	50	We have opposed the remuneration policy due to concerns over the uncapped discretion to make off-cycle awards to directors. This decision is also based on the precedence of awarding such payments in the past.
LVMH	MIX 04/18/24	10-12, 14, 15	We opposed five resolutions relating to executive compensation. We continue to have concerns with a lack of disclosure of performance targets and believe better disclosure would allow shareholders to assess the stringency of target setting and ultimately the alignment between pay and performance. Furthermore, we are concerned by the company's lack of response to minority shareholder dissent to executive compensation at recent annual general meetings.
Nestle	AGM 04/18/24	1.2, 5.2	We opposed two resolutions to approve executive compensation due to ongoing concerns with performance targets which have awarded management for underperforming the chosen benchmark.
Nestle	AGM 04/18/24	4.1.6, 4.3.1	We opposed two resolutions relating to the election of a director to the board and as chair as the compensation committee. We have ongoing concerns with performance targets which have awarded management for underperforming the chosen benchmark.
Nestle	AGM 04/18/24	7	We opposed a shareholder resolution which requests the company set a timebound target to increase the proportion of sales derived from healthier products, and produce a report on non-financial matters regarding sales of healthier and less healthy foods. We believe the proportional targets are too prescriptive and seek to restrict and direct the corporate strategy of the company which we believe is beyond the scope of shareholders. Further, with Swiss law mandating non-financial reporting, we do not see any merit in the company mandating another report.
Ping An Insurance	AGM 05/30/24	11	We opposed the amendments to the articles of association because one amendment would give the board full discretion to decide on the issuance of shares and convertible bonds. We would prefer that shareholders are able to assess the appropriateness of these issuances on a case-by-case basis.
Ping An Insurance	AGM 05/30/24	7.07	We opposed the re-election of a non-executive director as he is a shareholder representative and sits on the Audit Committee, which should be comprised entirely of independent directors.
Rational	AGM 05/08/24	8.5	We opposed the election of one director due to concerns with the current composition of the board. In the absence of a vote on the board chair, we decided to vote against this director due to a lack of appropriate skills and experience.

Company	Meeting Details	Resolution(s)	Voting Rationale
Technoprobe	MIX 04/24/24	170	We voted against the amendment to the articles as it will allow the company to continue to hold shareholder meetings exclusively through a proxyholder, which will limit shareholder participation. We believe shareholder participation in shareholder meetings is a fundamental and important shareholder right and without reassurances that this provision will only be used in exceptional circumstances we do not think it is in shareholders' best interests to support this amendment.

Companies	Voting Rationale
Keyence	We opposed the low dividend payment as we believe the company's capital strategy is not in the interests of shareholders.
Nestle	We opposed the request to authorise other business. We do not believe this is in the best interests of clients who vote by proxy.
Aker Carbon Capture ASA, CRH, Kingspan Group, Oxford Nanopore Technologies PLC	We opposed the resolution which sought authority to issue equity because the potential dilution levels are not in the interests of shareholders.

Votes Abstained

Company	Meeting Details	Resolution(s)	Voting Rationale
Constellation Software	AGM 05/13/24	2	We withheld support from the ratification of the auditor because of the length of tenure. We believe it is best practice for the auditor to be rotated regularly as this works to ensure independent oversight of the company's audit process and internal financial controls.
Deutsche Boerse	AGM 05/14/24	3	We abstained on the discharge of the board due to the ongoing legal proceedings involving one management board member.
Kweichow Moutai 'A'	AGM 05/29/24	11	We abstained on the independent director system as the details were not disclosed.
Lumine Group Inc	AGM 05/13/24	1.1	We withheld support from the election of one director as they are an executive sitting on the audit committee, contrary to our expectation.
Technoprobe	MIX 04/24/24	7B	Italian governance allows shareholders to submit 'slates' of directors for election at the annual general meeting. We voted in favour of the 'slate' where the majority of directors currently sit on the board of directors. This is routine and non-contentious.

Companies	Voting Rationale
Technoprobe	Italian governance allows shareholders to submit 'slates' of auditors for election at the annual general meeting. We voted in favour of the 'slate' where the majority of auditors currently sit on the statutory auditors' board. This is routine and non-contentious.

Votes Withheld

We did not withhold on any resolutions during the period.

Votes Not Cast

Companies	Voting Rationale
Mmc Norilsk Nickel	We did not vote in order to ensure that there is no risk of breaching sanctions regulations.

New Purchases

Stock Name	Transaction Rationale
Olympus	Olympus is a world leader in the manufacture of endoscopes for gastrointestinal and other surgical procedures. The business is, to a great extent, protected by regulatory approval and surgical familiarity, leading to customer stickiness and incumbent advantage. Endoscopy continues to expand by developing new markets, both geographical and procedural, meaning that there remains a sizeable opportunity for future growth and profit margin expansion. In addition, management has done an excellent job in rationalising other parts of the business, exiting cameras and selling off scientific equipment. After share price weakness we saw an opportunity to take a holding in a high-quality business at a well below-average valuation.

Complete Sales

Stock Name	Transaction Rationale
Alibaba	Our confidence in the competitive edge and long-term growth opportunities available for Chinese tech behemoth Alibaba has deteriorated, and so we decided to sell the holding and reinvest the proceeds into ideas where we have greater conviction.
Denso	Denso is the largest car parts maker in Japan, with close ties to the Toyota group. The shares have performed strongly in recent years as the margin has improved through a mixture of self-help and a weak yen. However, in the longer term, we have concerns about the Toyota group's positioning in battery electric vehicles amid rising competition from Tesla and various Chinese players. On balance, we decided that we could do better elsewhere.
Kering	We have sold out of the holding in Kering. While the share price remains depressed, we have become increasingly concerned that the Gucci business, which accounts for around half of group sales, may take significantly longer to recover than we had initially expected, and our conviction is higher in the strategy's other luxury holdings.

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