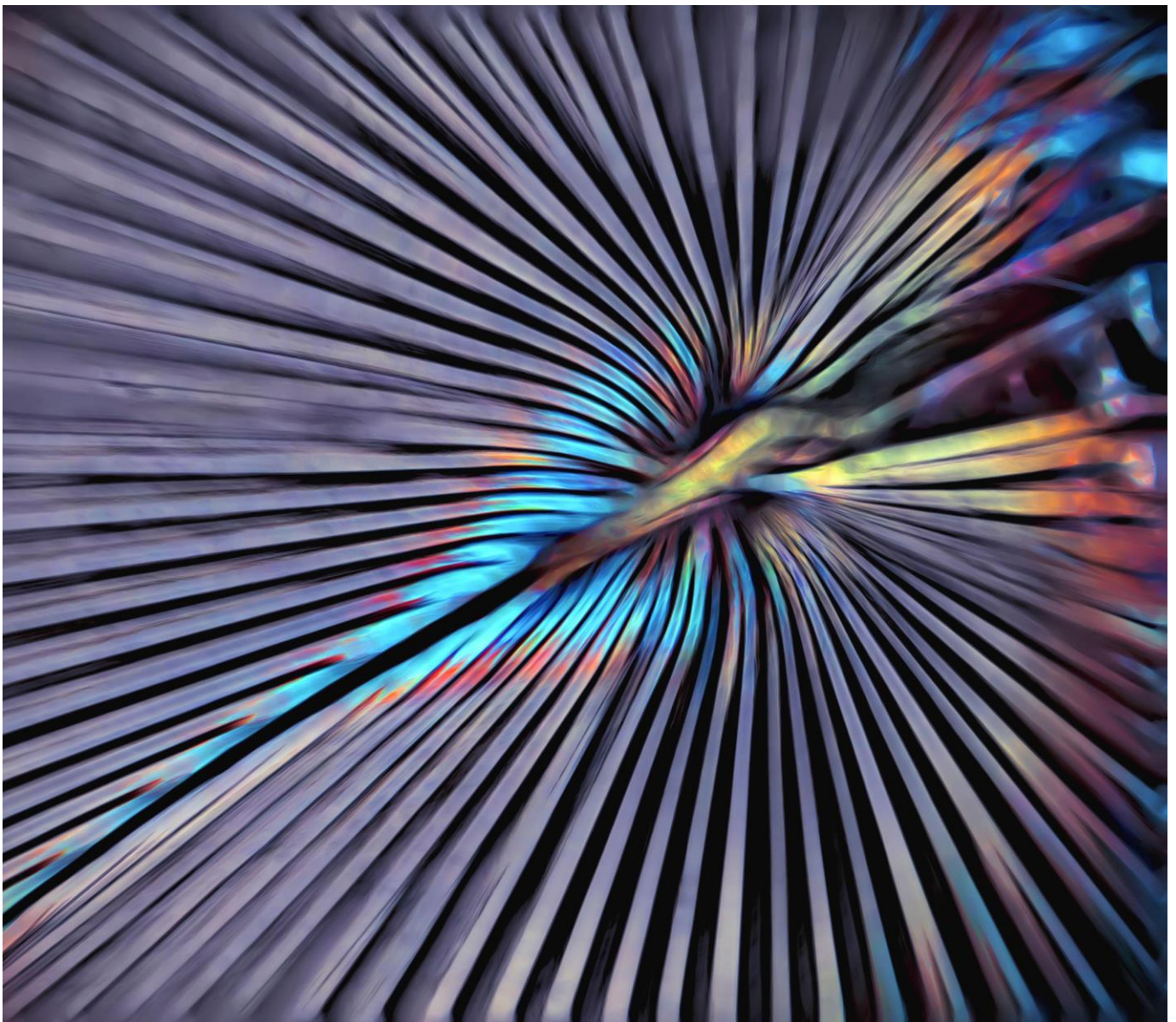


Emerging Markets Leading Companies Quarterly Update

31 December 2024



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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

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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

Emerging Markets Leading Companies is a concentrated, long-term, regional equity strategy. It adds value through active management by identifying and exploiting inefficiencies through investment in global emerging markets encompassing Emerging Europe, Emerging Asia, the Middle East, Africa and Latin America.

Risk Analysis

Key Statistics

Number of Holdings	50
Typical Number of Holdings	35-60
Active Share	70%*
Rolling One Year Turnover	20%

*Relative to MSCI Emerging Markets Index. Source: Baillie Gifford & Co, MSCI.

Geopolitically, 2025 is likely to be another volatile year for Emerging Markets

Regardless, the positive long-term structural trends in Emerging Markets will endure

The team are assessing a wide array of exciting opportunities



Baillie Gifford Key Facts

Assets under management and advice	US\$272.3bn
Number of clients	613
Number of employees	1682
Number of investment professionals	375

President Xi “respects me and he knows I’m [expletive] crazy.”

Donald Trump

It is the time of year when nearly every firm in the financial industry is writing 2025 outlook pieces for its clients. Whatever your politics, both friend and foe can agree on one thing about Donald Trump – he is unpredictable. The soon to be 47th President of the United States, still the most powerful office on earth, will be held from January this year by a man who by his own admission is somewhat unpredictable. In these circumstances, it is probably best that any opinions expressed on what 2025 might look like should be held pretty lightly.

At Baillie Gifford we have long acknowledged the difficulties of accurate short-term forecasting. For us it seems that anticipating inflection points and waiting patiently for them is much easier than attempting to precisely pick entry points. It also means that for us, recognising and investing in long term secular trends is a much more productive use of our time and our clients’ money than attempting to accurately forecast a company’s earnings for the next quarter or the next year. The result of this is that we are unashamedly long-term investors who try to appraise (not always successfully!) what a company will look like in five or ten years’ time. This means that we will probably be looking to harvest the most successful investments we have made on our clients’ behalf when the 48th and 49th US Presidents will be in office. Our focus remains on finding great companies that will adapt, whatever the political and geopolitical weather.

Given an uncertain short-term future, it is probably worth looking at what has happened in the largest Emerging Markets over the last year and whether this has changed our view from either a top down or a bottom-up perspective. After three years of decline, the Chinese market delivered a positive return in 2024. While a part of this may have been driven by speculation on the ultimate size of Beijing’s stimulus package, we believe the coordinated announcements since September marked a significant policy pivot from the top, which should support growth and sentiment relative to a low baseline. China still trades at a significant discount compared to other emerging markets (and roughly 50% compared to US) on a price-to-earnings basis.

We have consciously pursued a neutral position in China through 2024. While low valuations and wretched sentiment might have encouraged us to be overweight, the risk of geopolitical escalation has stayed our hands. However, where there have been complete sales or reductions in the Chinese holdings in the portfolio, these have typically been recycled into new holdings in China or additions to the remaining holdings. Given still attractive valuations and a Chinese government that appears to be to have re-prioritised growth, the sharp rally in September amply demonstrated the risks of being too underweight. In summary our view in China remains unchanged; in the shorter term we are optimistic; in the medium term we believe there are still selectively great bottom-up investment opportunities; in the longer-term Washington and Beijing want different things.

India has outperformed for four consecutive years. There is plenty of optimism surrounding India: a structural property boom, an increasingly affluent middle class, and strong diplomatic leverage on both sides of the geopolitical divide. However, high valuations have deterred us from closing the underweight position in India and we take comfort from the fact that higher growth potential is on offer at more attractive valuations elsewhere in Emerging Markets. We continued to take profits from some of our cyclical exposures in India, hold a modest underweight in the country, and remain selective. India boasted the largest number of IPOs globally in 2024 (327) and we recently participated in one of these – Hyundai Motor India.

AI has obviously been a big driver of stock returns, no more so than in Taiwan, which has hit all-time highs and is the home of TSMC. TSMC recently reported very strong 3Q24 results, with notably strong margins. TSMC is now working with almost all the AI innovators which gives it unparalleled insight into the type and quantum of demand coming down its pipeline. Foreign investors have had concerns over TSMC’s Taiwan base given geopolitical and resource (electricity, water) issues. TSMC’s foundry in Kumamoto, Japan began operations this year, with a second now planned to commence in 2027. In Phoenix, Arizona, TSMC has two facilities due to commence production in 2025 and 2028 with a third leading edge facility expected to be in operation by the end of the decade. Finally, TSMC also announced a new facility in Dresden, Germany with production to commence in 2027.

While Hsinchu, Taiwan will remain at its core, geographical diversification is reducing the risks.

South Korea, by contrast has been less positive. Most recently the news has been focussed on President Yoon's attempt to impose martial law on the country. That this was summarily blocked within hours by the National Assembly speaks volumes to the degree that democracy is now firmly embedded in the southern part of the Korean peninsula. Otherwise, 2024 has been more challenging from a corporate perspective. Battery maker Samsung SDI has seen weaker demand from EVs and increased Chinese competition. Nevertheless, it is a beneficiary of Northvolt's difficulties and in the longer term appears to be making real progress in solid state batteries. Likewise, Samsung Electronics has also struggled over the year. It has lagged its competitor SK Hynix in qualifying with Nvidia with its leading HBM chips at a time when the gap between its foundry business and TSMC has widened. In addition, its ubiquitous smartphone business is seeing greater competition from Chinese brands, particularly in the foldable screen segment. Samsung Electronics is currently being reviewed by the investment team, but a short note can be found [here](#).

The Brazilian market has pretty much round-tripped this year. GDP growth accelerated during the year, posting 4.0% YoY growth in 3Q24. At the same time the Brazilian Central Bank was cutting interest rates as inflation fell. The potent positive combination was broken once it became clear that the government was reluctant to make the fiscal cuts necessary to reduce the deficit and to stop the upward march of public debt. Subsequently, the Central Bank has reinforced its independence credentials by responding to loose fiscal policy on the part of the government by raising interest rates again to tighten monetary policy. While this stand-off has been unhelpful to stockmarket performance in general, the two largest Brazilian holdings have been largely unaffected; Petrobras' share price is typically driven by the oil price, while Mercadolibre is more exposed to the structural growth in ecommerce across Latin America.

In Mexico, the market sold off following the election of President Scheinbaum, protégé of outgoing President Andres Manuel Lopez Obrador. Such was the scale of her success and the Morena party, the

market began to be concerned about constitutional changes for which she could command the necessary majority. President-elect Trump's pronouncements of tariffs, immigration and fentanyl have only deepened market gloom. Despite this gloom, the Mexican stocks in the portfolio have continued to perform decently in operational (if not in share price) terms. FEMSA continues to expand its chain of Oxxo convenience stores at a prodigious rate, while Banco Banorte has continued to see the benefits of global companies 'near-shoring' to the US in Mexico.

What will happen in 2025 is impossible to foretell, what the world will look like in 2030 or 2035 is somewhat easier. The scope and scale of AI is likely to grow and with it, its demand for the 'picks and shovels' that are largely manufactured in Emerging Market countries. The energy transition will continue unevenly, perhaps driven by national security as well as environmental concerns. This will require significantly more raw materials, such as copper, which are mostly found in Emerging Market countries. Large swathes of the world remain unconnected, unbanked and underserved. The scope for local champions to fill these needs present huge opportunities for local entrepreneurs and businesses. We cannot know for sure when these powerful trends translate into stockmarket performance, but we can certainly anticipate it.

Performance

2024 has been marked by the same companies often yo-yoing from the top contributors to the top detractors (and vice versa) on a quarterly basis. Given that little has usually changed in terms of the long-term prospects for these companies, it highlights once again the vagaries of paying too much attention to short term share price performance.

A notable recent example is Latin American platform, Mercadolibre. As a starting point ecommerce penetration in Latin America is about 12-13% of retail sales. This compares to over 25% in the US, over 30% in the UK and over 40% in China. While it will take time for Latin America to approach these levels, clearly there is scope for growth. In addition to its ecommerce business, Mercadolibre has a sizeable fintech business offering payments and credit services. Consider Mercadolibre's major markets; in Brazil ~16% of

the population do not have a bank account; this rises to ~28% in Argentina and ~50% in Mexico. Again, plenty of scope for growth. Mercadolibre was weaker this quarter because its 3Q24 results disappointed on margins. These were compressed because the company decided to invest more in these businesses. Given the scale of the long-term opportunities outlined above, this seems a sensible use of shorter-term profits.

Bank Rakyat in Indonesia has also been a bit of a yo-yo through the year. Indonesia has a population of ~276 million spread over ~18,000 islands and perhaps unsurprisingly ~48% of the adult population do not have a bank account. Bank Rakyat has a clear mandate to increase financial inclusion to the extent that over 80% of its loan and financing book is lent to micro, small and medium sized businesses. To service its customers Bank Rakyat has invested in its own satellite and a series of 'floating' branches to service remote locations. Currently, Indonesian interest rates remain high but with a large proportion of fixed rate loans, Bank Rakyat will be a beneficiary once the cutting cycle begins in earnest.

Indian conglomerate Reliance Industries has also been amongst the top contributors and the top detractors depending on the quarter. However, it is fair to say that the short-term outlook for the company has deteriorated of late. Its refining and petrochemicals business has been hurt by Chinese exports though there has recently been a cut in the VAT rebate for fuel oil exports by the Chinese authorities, which will help at the margin. Longer term the outlook looks brighter with the scheduled closure of capacity in the US and Europe. For example, Grangemouth - Scotland's only and oldest refinery - is sadly scheduled to close in 2025 as it increasingly struggles to compete with bigger, more modern facilities in the Middle East, Asia, and Africa. Reliance's retail business is currently in consolidation mode following rapid expansion, while JIO, its telecoms business only recently applied a tariff hike. Growth in the coming years is likely to be driven by the nascent New Energy business, where visible progress would reignite Reliance's growth outlook.

In contrast to the above, SEA Limited has been one of the most consistent contributors through the year. In the last couple of years, the company has been through a tough period while its gaming blockbuster 'FreeFire' stalled, TikTok providing a serious challenge in ecommerce and higher interest rates impacted SeaMoney. Now SEA is showing impressive momentum across its three businesses. FreeFire has rejuvenated itself by becoming more streamlined and focused on localised content; Shopee, its ecommerce business is progressing smoothly in profitability, SeaMoney now has ~12 million people using its financial products. This is a stock where patience has been rewarded as the company navigated and adapted through a number of challenges but now appears to be powering ahead.

We remain enthusiastic about the spread and composition of the EM portfolios. Obviously, there will be short term fluctuations in performance over which, in all honesty, we have little control. However, in the long-term share prices ultimately follow earnings growth (in hard currency terms) and we continue to be excited about the prospects of the companies in the portfolio.

Performance Objective

To outperform the MSCI Emerging Markets Index over the long term.

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	-3.1	-1.3	-1.8
1 Year	7.7	10.0	-2.3
3 Year	-2.1	1.1	-3.2
5 Year	2.8	3.3	-0.5
10 Year	7.9	6.3	1.6
Since Inception	9.9	8.9	1.0
USD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	-9.5	-7.8	-1.7
1 Year	5.8	8.1	-2.3
3 Year	-4.6	-1.5	-3.1
5 Year	1.6	2.1	-0.5
10 Year	5.6	4.0	1.6
Since Inception	7.6	6.6	1.0
EUR	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	-2.5	-0.7	-1.8
1 Year	12.8	15.3	-2.4
3 Year	-1.6	1.6	-3.2
5 Year	3.3	3.8	-0.5
10 Year	7.3	5.7	1.6
Since Inception	9.0	7.9	1.0
CAD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	-3.7	-1.9	-1.8
1 Year	15.4	17.9	-2.5
3 Year	-0.4	2.9	-3.2
5 Year	3.7	4.2	-0.5
10 Year	7.9	6.3	1.6
Since Inception	8.6	7.6	1.0
AUD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	1.4	3.3	-1.9
1 Year	16.6	19.1	-2.5
3 Year	0.7	3.9	-3.3
5 Year	4.2	4.7	-0.5
10 Year	8.6	7.0	1.6
Since Inception	8.8	7.8	1.0

Annualised periods ended 31 December 2024. 3 Month & 1 Year figures are not annualised.

Inception date: 30 November 2004.

Figures may not sum due to rounding.

Benchmark is MSCI Emerging Markets Index.

Source: Revolution, MSCI.

The EMLC composite is more concentrated than the MSCI Emerging Markets Index.

Discrete Performance

GBP	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Composite Net (%)	31.7	-7.4	-16.7	4.7	7.7
Benchmark (%)	15.0	-1.3	-9.6	4.0	10.0
USD	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Composite Net (%)	35.9	-8.2	-26.0	11.0	5.8
Benchmark (%)	18.7	-2.2	-19.7	10.3	8.1
EUR	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Composite Net (%)	24.7	-1.3	-21.2	7.2	12.8
Benchmark (%)	8.9	5.2	-14.5	6.5	15.3
CAD	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Composite Net (%)	33.6	-9.0	-20.7	8.0	15.4
Benchmark (%)	16.6	-3.1	-13.9	7.3	17.9
AUD	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Composite Net (%)	23.8	-2.6	-20.7	10.3	16.6
Benchmark (%)	8.1	3.8	-13.9	9.6	19.1

Benchmark is MSCI Emerging Markets Index.

Source: Revolution, MSCI.

The EMLC composite is more concentrated than the MSCI Emerging Markets Index.

Top Ten Largest Holdings

Stock Name	Description of Business	% of Portfolio
TSMC	Semiconductor manufacturer	16.1
Tencent	Technology conglomerate	7.2
Samsung Electronics	Producer of consumer and industrial electronic equipment	5.3
MercadoLibre	Latin American e-commerce and fintech platform	4.4
Petrobras	Oil exploration and production company	4.1
Reliance Industries	Indian conglomerate in energy, textile, digital and financial services and more	3.8
Ping An Insurance	Provides insurance services in China	3.6
HDFC Bank	Indian banking and financial services	3.4
Meituan	Chinese online services platform	2.6
First Quantum Minerals	Mining company	2.4
Total		52.9

Top and Bottom Five Geographical Location Positions*

Geographical Location	% Difference
Brazil	7.1
Mexico	2.5
Other Emerging Markets	2.4
Singapore	2.4
Poland	2.0
India	-4.2
Saudi Arabia	-4.2
South Africa	-2.9
Taiwan	-2.3
Malaysia	-1.5

Top and Bottom Five Industry Positions*

Industry	% Difference
Broadline Retail	9.4
Semiconductors & Semiconductor Equipment	6.0
Oil, Gas & Consumable Fuels	3.4
Interactive Media & Services	3.4
Household Durables	2.3
Multiline Retail	-4.5
Banks	-4.1
Wireless Telecommunication Services	-1.6
Real Estate Management & Development	-1.6
Chemicals	-1.4

*Relative to MSCI Emerging Markets.

Source: Baillie Gifford & Co, MSCI.

Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	11	Companies	1	Companies	None
Resolutions	50	Resolutions	1	Resolutions	None

Company Engagement

Engagement Type	Company
Environmental	PDD Holdings Inc., PT Bank Rakyat Indonesia (Persero) Tbk, Ping An Insurance (Group) Company of China, Ltd., Samsung Electronics Co., Ltd., Sea Limited, Tencent Holdings Limited
Social	PDD Holdings Inc., PT Bank Rakyat Indonesia (Persero) Tbk, Ping An Insurance (Group) Company of China, Ltd., Samsung Electronics Co., Ltd., Sea Limited, Tencent Holdings Limited
Governance	Allegro.eu S.A., B3 S.A. - Brasil, Bolsa, BalcAo, Kaspi.kz Joint Stock Company JSC, Ping An Insurance (Group) Company of China, Ltd., Samsung Electronics Co., Ltd.
Strategy	B3 S.A. - Brasil, Bolsa, BalcAo, Kaspi.kz Joint Stock Company JSC, Ping An Insurance (Group) Company of China, Ltd., Sea Limited, Tencent Holdings Limited

Company	Engagement Report
<p>Kaspi.kz Joint Stock Company JSC</p>	<p>Objective: Investors visited Kazakhstan to carry out additional research assessing sanctions risk, the reputation of key personnel and controlling shareholders, and how Kaspi manage risk over and above regulation.</p> <p>Discussion: Two investors travelled to Kazakhstan for a week in September and met with a number of Kaspi's senior leaders and other stakeholders. We continue to be excited about Kaspi's growth opportunities as it plays a critical role in payments and e-commerce in Kazakhstan. We also recognise the inherent geopolitical and country risk. Kaspi has developed the leading apps in Kazakhstan and operates payments, marketplace and fintech platforms. The bank is the second largest bank in Kazakhstan in terms of assets, loan volume and deposit base. The Agency of the Republic of Kazakhstan for Regulation and Development of Financial Markets has emphasised the systematic importance of Kaspi for payments and consumer lending, and there are high levels of transparency and compliance with United States, European Union and other foreign country requirements. The company has continued to emphasise that it is not suitable for large scale money movements as products are designed with limits of 500 USD per transaction and 2000 USD per month. 3 percent of customer account balances are non-residents. The company continues to invest in products to meet evolving consumer demand. Meetings with other financial services companies in Kazakhstan were all supportive of Kaspi's relatively low risk position within the local banking sector. Conversations with regulators and politicians highlighted that they similarly see Kaspi as relatively low risk from a macroprudential perspective and that the company's services contribute positively to broader Kazakh society.</p> <p>Outcome: The trip provided further insights and assurances into Kaspi's corporate governance and controls in place.</p>
<p>Ping An Insurance (Group) Company of China, Ltd.</p>	<p>Objective: To deepen our understanding of Ping An's sustainability strategies and practices with a focus on its social inclusive finance products.</p> <p>Discussion: We met with Ping An Group's environmental, social and governance (ESG) manager and discussed how they design social inclusive finance into their business lines. We learned that Ping An adopt a dynamic model with careful considerations of the status quo in different cities and update the design of products to accommodate the needs of people in addition to the basic insurance provided by the government. The revitalisation assistance funds of RMB 40 billion are mostly social bank loans provided to rural state-owned enterprises (SOEs) and farmers with Ping An providing additional training to increase their financial literacy. Ping An also shared the latest numbers regarding hospitals and doctors in the health and senior care ecosystem that they have started building since 2014. Other topics we touched upon during the meeting included the impact of digitalisation on agents and business volumes, Ping An's traceability system to alert natural disasters, the disclosure of financed emissions of Ping An Bank, projects financed by Ping An on carbon capture technologies and biodiversity conservation, and the expertise of its supervisory committee.</p> <p>Outcome: We appreciate Ping An's efforts to offer assistance and training to rural recipients by leveraging its financial power. We now have a better understanding of the social welfare system in China and Ping An's role in bringing additional benefits to address the underprivileged groups. Ping An thanked us for our suggestion on disclosing the underperforming data which they found valuable. We believe Ping An's commitment to social and environmental aspects reinforces its long-term financial opportunity by aligning with stakeholders' interests and supporting a sustainable future operating environment.</p>

Company	Engagement Report
Sea Limited	<p>Objective: To discuss the company's vision and its approach to responsible lending and supporting micro- and small businesses which use its platform, both of which are important for its ability to sustain its competitive edge in its markets.</p> <p>Discussion: We heard how SeaMoney is well placed to leverage the data it has on merchants and consumers - a clear competitive advantage - to responsibly deliver an expanding range of credit and other financial services. Combining user data with credit bureau checks, SeaMoney has a 'low and grow' strategy, offering small amounts of credit on its ecommerce platform at first, with the opportunity for users to improve their risk profiles over time and then access bigger loans. It is committed to fee transparency and educating customers but accepts that its approach follows standard practices in different markets, which has drawn regulatory attention. The regulatory landscape is changing, but SeaMoney typically finds regulators are supportive as it serves an underbanked segment that traditional banks cannot, while replacing informal lending.</p> <p>We also discussed Sea's ecommerce platform, Shopee, where 70 per cent of Gross Merchandise Volume is from small merchants. Driven by local management teams, Shopee makes a point of providing online and offline training to help merchants sell and advertise online. Most importantly, Shopee is focused on keeping operating costs low, which customers generally prioritise over speed in its markets. To deliver this, it wants a majority of packages to be delivered by its own logistics service. This is progressing well, and Shopee has had no problems with attracting delivery workers, for whom it wants to enable safe and inclusive employment.</p> <p>Finally, we discussed some of Sea's environmental initiatives, which range from piloting the use of electric vehicles for deliveries to removing packaging altogether. The latter is extremely important in its regions where plastic waste is a major challenge.</p> <p>Outcome: We were encouraged by the steps Sea is taking to ensure that it is a responsible lender and that micro- and small businesses on its platform can maximise their opportunity of selling online. Unfortunately, its reporting on these areas is scant and we would like to see Sea publishing more about its approach to consumer protection.</p>
Tencent Holdings Limited	<p>Objective: To better understand Tencent's updated data management practices and suggest actions to align with the international best practices; to learn the company's signature value-added social projects.</p> <p>Discussion: We continue our dialogue on data management with Tencent as supportive shareholders who are challenged by their non-compliant list status at a third-party environmental, social and governance (ESG) rating agency. We discussed the international norms of data protection and the regulatory landscape of data in the People's Republic of China (PRC). Tencent has made significant progress in making the content policy transparent to its users and disclosing external requests for data for public scrutiny. The company reiterated that as a United Nations Global Compact (UNGC) signatory, it firmly upholds the commitments to data and privacy protection. The next steps will focus on further strengthening the technology power to prevent cybersecurity attacks, especially in gaming and its fintech services. We also discussed the signature projects conducted by Tencent's sustainable social value team. One example highlighted by the company is the cornerstone project with RMB 10 billion funding in to support Chinese young scientists in their fundamental research. Other topics we discussed during the meeting include Tencent's decarbonisation pathway and internal control of the anti-corruption campaign.</p> <p>Outcome: The meeting reassured us about the concrete practices on data protection. We believe the company respect and have sought a good balance between local laws and international norms. They will continue to improve data management as new challenges occur in the cyber world. We appreciate the company's mindset to carry on bigger social responsibility whenever they see a gap and their initiative to solve problems with stakeholders like the government and academia.</p>

Votes Cast in Favour

Companies	Voting Rationale
BYD Company 'H', CATL 'A', Grupo Financiero Banorte, Haier Smart Home 'H', Hyundai Motor India, ICICI Bank Ltd, Infosys Ltd ADR, Kaspi.kz ADR, Midea Group 'A', PDD Holdings Inc, Reliance Industries Ltd	We voted in favour of routine proposals at the aforementioned meeting(s).

Votes Cast Against

Company	Meeting Details	Resolution(s)	Voting Rationale
Kaspi.kz ADR	Special 11/19/24	5	We opposed the resolution to approve directors' remuneration as non-executive directors receive stock options, which could impair objectivity of independent board members. We also have concerns over the lack of detail regarding the terms of the option component.

Votes Abstained

We did not abstain on any resolutions during the period.

Votes Withheld

We did not withhold on any resolutions during the period.

New Purchases

Stock Name	Transaction Rationale
Hyundai Motor India	Hyundai Motor India (HMI) is the Indian operation of Hyundai Motor Group, the Korean automotive giant. The opportunity for growth is driven by a low but rising auto penetration rate and a strong premiumisation trend, both underpinned by rising wealth levels and an increasingly affluent middle class. Placed as the second largest brand in the market, boasting a broad and deep dealer, distribution and service network as well as a wide variety of drive train options, HMI is well placed to capitalise on this outlook. Further, the company benefits from a continued healthy relationship with its parent company and a return structure that ensures that growth will be significantly value accretive. Given these feature we decided to participate in the IPO.

There were no complete sales during the period.

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