SKERRYVORE GLOBAL EMERGING MARKETS ALL-CAP EQUITY STRATEGY

Quarterly Strategy Update

Report for the quarter ended 31 March 2025

Contents

About Us

INTRODUCTION

The Skerryvore lighthouse marks a treacherous reef of rocks that lies off the west coast of Scotland. It was designed and built by the Stevenson family, experts in the field of building structures in difficult places that have stood the test of time.

Skerryvore Asset Management (Skerryvore) is an independent investment management boutique established in Edinburgh in 2019. The boutique was set up to create a business with the independence to pursue and protect its long-term investment philosophy.

Our strategies aim to generate absolute long-term returns by investing responsibly in emerging markets. This is based on an unwavering focus on the quality of the businesses in which we invest. We believe in managing clients' money as we would our own, aligning our interests with our clients and never losing sight of the trust that is put in us to be responsible stewards of capital.

ALIGNMENT & QUALITY

Our investment philosophy stresses the importance of alignment. Emerging markets present a distinctive context in which to operate a business, with constant evolution – and sometimes revolution – in economic, political, regulatory and financial conditions. Investing alongside managers and owners with good reputations that share our belief in a long-term approach to investment is an important way to align interests. As a business, we aim to put our investment philosophy into practice. Our remuneration policy is designed to ensure alignment with client outcomes. Partners will co-invest in strategies run by Skerryvore, and the terms of co-investment require holding these investments for a minimum of three years. Consistent with our investment philosophy and process, this underpins an absolute rather than a relative return mind-set that clients can expect from us.

Our core investment team has been together for a decade with an average of over 17 years investment experience.

We have a history of preserving as well as growing client capital in Emerging Markets by investing alongside owners and managers with a record of integrity and delivery.

Executive Summary

GEM ALL-CAP EQUITY - PERFORMANCE (AUD)

	Strategy (Gross) (%)	Strategy (Net) (%)	Benchmark (%)
Quarter	3.31	3.17	2.27
1 Year	7.11	6.50	13.17
3 Year (% p.a)	10.41	10.06	7.94
Since Inception (% p.a) (15/12/20)	7.89	7.60	4.03

KEY CHARACTERISTICS

Number of holdings	48
Number of countries	19
Number of sectors	8
Number of industries	23
Active share (%)	91
12 months trailing turnover (%)	19
7-day liquidity at 20% market participation (%)	95

TOP 10 HOLDINGS

Name	Weight (%)
HDFC Bank Limited	5.71
Cipla	4.82
Franco Nevada	4.24
Fomento Economico Mexicano	4.09
Raia Drogasil	3.63
Yifeng Pharmacy	3.49
Kotak Mahindra Bank	3.42
Coca-Cola HBC	3.33
Tata Consultancy Services	3.12
Heineken Holding	2.88

GEM ALL-CAP EQUITY STRATEGY AUM AS OF 31 MARCH 2025

Currency	Global Emerging Markets All-Cap Equity
AUD	$791,604,675

KEY PORTFOLIO ACTIVITY

New Buys	**Complete Sales**
Coca-Cola FEMSA	Hangzhou Tigermed
Arca Continental	Koh Young Technology

Representative account holdings are subject to change and should not be considered a recommendation to buy or sell individual securities

Source: Landy Tech, Skerryvore as of 31 March 2025
Note: Net Return based on highest representative fee (of 75 bps). This is supplemental to the GIPS composite performance report that can be found attached in Appendix A.
Composite: Global Emerging Market All-Cap Equity. Benchmark: MSCI EM Total Return Index. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future returns.

Commentary

INVESTMENT OVERVIEW

Global emerging market equities rose in Australian dollar during the quarter. The strategy also rose in value and outperformed the benchmark index[1].

POSITIONING & STRATEGY

We are fundamental, long-term, bottom-up investors seeking to create a high-conviction portfolio of reasonably valued, high-quality companies that are exposed to, or operate in, emerging markets. Portfolio positioning is the output of our bottom-up based convictions, rather than a specific top-down view.

PORTFOLIO ACTIVITY

It has been a period of higher portfolio activity during this quarter. We have taken new positions in **Arca Continental** and another FEMSA entity, **Coca-Cola FEMSA**. Coca-Cola franchises have proven to be very resilient during the recent period of high inflation and both shares are attractively valued and offer strong long-term growth prospects. These purchases were also in part funded through a reduction in the **Coca-Cola HBC** position size following a significant re-rating of its shares. Having enjoyed some recovery in the share price of Mexican convenience store operator and Coca-Cola bottler, **Fomento Económico Mexicano (FEMSA)**, we decided to reduce the holding to diversify our holdings in the country. The company continues to execute well across its territories, which include most of eastern Europe, Italy, Greece, Egypt and Nigeria but at the current price we find the opportunity in its Latin American peers more compelling.

We also sold the position in **Koh Young Technology** following a sharp rally in the share price. This was driven by news that the company had received approval from the US Food and Drug Administration (FDA) to begin selling its new brain surgery robot. Although this is a significant milestone, we have concerns over the strength of the core semiconductor testing equipment business and felt the valuation that the market was placing on the company could no longer be justified. After a series of disappointing results, we also decided to exit Chinese contract research organisation, **Hangzhou Tigermed**.

After a series of disappointing results, we took the decision to exit Chinese contract research organisation, **Hangzhou Tigermed**. The business has struggled to generate free cash flow since the slowdown in drug development activity in China and we have growing concerns over the strength of its franchise.

There have been a few other significant reductions and additions during the period. We continued to take profits in **TSMC** because the current price offers limited upside to our long-term price target. The assumptions required to believe in greater upside are too risky, in our opinion, for what has historically been a cyclical industry. We also reduced our position in **Nexon** following a review of board and management changes, as some of the key people we originally backed are no longer at the company. We will continue to monitor how its franchises and new launches develop over the coming 12 months. The valuation is undemanding.

Bidcorp has become a more substantial position as we have added to it with the proceeds from some of the above sales. Bidcorp is a South African logistics business specialising in the food service industry. Its operations are globally diversified with significant operations in Europe, Australasia and South Africa. The company has a history of steady growth based on shrewd acquisitions and organic growth. We have also been trying to take advantage of the ongoing sell off in Brazil. High interest rates have made prices attractive, and we added to both the new position in family-controlled holding company **Itaúsa** and existing position in drugstore operator **Raia Drogasil**.

Finally, we remain on the sidelines in Turkey. Many of the risks we worried about when we chose to exit our holdings in the country back in April 2023 appear to be crystallising with the arrest of opposition politicians and widespread protests.

[1] Benchmark MSCI EM Net Total Return (AUD), as of 31 March 2025

Past performance does not predict future returns

Commentary

OUTLOOK

Many years' experience of investing in inflation-prone emerging markets has taught us to seek out companies with strong pricing power. A proven ability to create intellectual property, ownership of strong brands and well-managed retail franchises are some of the attributes of companies we have seen navigate previous periods of inflation. Regulated assets or assets at high risk of being regulated often lack pricing power, which can leave them more exposed to inflationary pressures, and for that reason we have tended to avoid holding these in our portfolios.

The strategy has a significant exposure to high quality domestic franchises such as leading retailers and soft drinks makers. These may prove to be more defensive in the current period of trade friction and are also beneficiaries of the demographic opportunity available in some emerging markets.

In an increasingly capricious political environment strong corporate governance is more important than ever to protect investors. We actively seek out owners and management teams with long track records of treating all their stakeholders fairly.

Finally, strong balance sheets help companies weather economic cycles, and as a result we won't invest in businesses with a record of excessive borrowing. Most importantly our investment philosophy and process are designed to weather stormy waters. Historically these storms have originated within our own markets, but developed markets are the source of the current bout of volatility. We believe valuations for businesses within our portfolio look attractive on an absolute basis and the long-term return opportunity in emerging markets continues to be an attractive one.

Key Portfolio Activity

NEW BUYS

Holding	Commentary
Arca Continental	We added a new holding in Arca Continental in Mexico, funded through a reduction in the portfolio's position in fellow Coca-Cola bottler, Coca-Cola HBC. Arca is majority-owned by the founding families of some of their larger bottling territories. In recent years, management has done an excellent job of taking over and efficiently running Coca-Cola bottling operations in the southern US. This has complemented its already dominant franchise in northern Mexico and created a more diverse and predictable revenue stream. Weakening sentiment towards Mexico has left Arca shares trading at an attractive valuation.
Coca-Cola FEMSA	We added a new holding in Mexico's Coca-Cola FEMSA, funded through reducing the position in its parent company, FEMSA. The company is the largest bottler by volume in the Coca-Cola system, serving territories including southern Mexico, Brazil, Argentina and Central America. Coca-Cola bottlers have proven their pricing power in recent years despite difficult economic conditions and heightened raw material price inflation. We see further potential for Coca-Cola FEMSA to capture volume and pricing growth through digital initiatives that have given them a deeper understanding of the informal retail markets in which they operate. Weakening sentiment towards Mexico has led this diversified and well-managed company to trade at a compelling valuation.

COMPLETE SALES

Holding	Commentary
Hangzhou Tigermed	We sold the position in Hangzhou Tigermed, a Chinese contract research organisation used by pharmaceutical clients to help bring new drugs through the development process. Whilst they retain their leadership position amongst domestic peers, the industry is suffering from a prolonged contraction in demand as the funding environment for new drug research remains subdued. This has led to increased levels of pricing competition and thus a deterioration in industry margins. We believed the valuation was discounting a quicker recovery than we expected and sold in favour of more attractive ideas elsewhere.
Koh Young Technology	We sold the position in Koh Young Technology, a South Korean manufacturer of machine vision equipment used to detect defects in the manufacture of printed circuit boards. The company has a track record of investing in research and development and the recent approval of their new medical robot by the US Food and Drug Administration led to the share price more than doubling. Although we admire the company's achievement in developing this product, we felt that the share price had reached a valuation that already reflects significant success in this new venture.

Past performance does not predict future returns. The securities shown are intended to be an example of the process and is for illustrative purposes only. They should not be considered a recommendation to buy or sell a specific security.

HDFC First Customers 1977 ©HDFC Bank Limited

THE LONG VIEW

HDFC – Slow and Steady Wins the Race

HDFC is currently one of the largest holdings in our strategies. After a decade in which its book value rose by 22%, the recent reverse merger between HDFC Limited and HDFC Bank has slowed growth and caused some to question both the business model and the investment opportunity. Here we explain why we think the safety-first approach taken by the management team after the merger provides a significant long-term return opportunity for patient investors.

THE TORTOISE AND THE HARE

In Aesop's fable, a hare races a tortoise. The tortoise is described as slow, steady and unwavering in its pursuit of the goal, and the hare – though it is fast and brash – becomes overconfident and loses to the tortoise. This classic tale offers a perfect metaphor for why our investment philosophy focuses on quality – particularly when considering investing in banks.

Banking is one of the few industries where there is no long-term advantage for shareholders in moving fast. The lending and borrowing of capital is fundamentally a commodity business. What counts is how a management team controls its assets, liabilities and – most crucially – losses. Any errors made are magnified by the inherent leverage of the bank's business model, which means shareholders' equity can be easily and quickly wiped out.

In its simplest form, a bank makes money by taking deposits and then lending those funds to people who need them. Unfortunately, not every borrower will repay their loan and a bank therefore needs a cushion through which it can absorb losses while still being able to repay depositors.

This is where equity comes in – this is owners' capital, including our clients', other shareholders and management. It acts as a sponge to absorb exceptional losses after any money set aside for bad loans has been eaten up. For most banks, equity is small relative to loans, which means you have to be confident that bad loans (or other losses) won't exceed equity – because if they do, the business you own becomes bankrupt and your investment drops to zero.

HDFC – PASSING THE 'MARSHMALLOW TEST'

Success in banking is usually built on a culture and institutional temperament that can prioritise profitable growth. The emphasis here is on the word 'profitable', because although any banker can grow loans – not everyone can do it profitably. One only has to look at a share price chart (see figure 1) of what at its peak was India's fourth-largest private sector bank[1] – YES Bank – to understand this phenomenon. There's a reason we don't invest alongside the "banking hares" in emerging markets.

Figure 1: YES Bank since inception shareprice (INR) ©HDFC Bank Limited

The problem with banking is that there is a timing mismatch between loan growth and the losses that might accrue from loans that are not repaid. Near-term profitability and earnings-per-share growth can be an illusion; instead, a bank needs leaders who would pass Walter Mischel's marshmallow test. This famous 1972 Stanford experiment measured how well children could delay gratification to receive greater rewards in the future, by offering them a choice between one small but immediate reward, or two small rewards if they waited for a period of time. Two individuals who would undoubtedly have passed this test are H.T. Parekh, who founded HDFC Ltd in 1977[2], and his nephew Deepak Parekh, who was at the helm of the business for over 30 years and was responsible for the leadership and culture that led to its success.

Over the decades, HDFC Ltd carved out a reputation for prudent decision-making, disciplined growth and resilience during times of market turbulence. Just how beneficial this culture has been for shareholders can be seen in the corporation's cumulative loan losses in the full year before the announced merger, which stood at 28bps of cumulative loans paid out since its inception in 1977. This highly differentiated lending culture resulted from a thoughtful and deliberate approach to risk management and customer relationships.

HDFC Ltd thus built a lending model that stands out in the Indian financial landscape. The culture that underpins this approach provides stability and reliability in a commoditised and cyclical industry positioned HDFC Ltd as a trusted partner for millions of borrowers seeking home loans.

FUNDING SOURCES MATTER

HDFC Ltd was the parent company of HDFC Bank, which it founded in 1993 when the Reserve Bank of India (RBI) allowed private businesses to establish regulated deposit-funded institutions.

This fundamental difference between the two businesses is an important one, because the right to take and hold retail deposits places more capital and regulatory restrictions on a bank than are placed on a business operating under a Non-Bank Financial Company (NBFC) licence, as HDFC Ltd did. The advantage of holding customer deposits, however, is that if a business has a strong branch network and a great brand, customer deposits can be a cheaper and stickier form of funding.

Importantly, the RBI has been levelling the regulatory playing field over the past decade, to encourage NBFCs to convert to banks. From a regulator's perspective, non-deposit or wholesale-funded institutions (NBFCs) are a riskier proposition to the overall health of the financial sector because they are not limited by deposit growth to fund loans.

That means they can grow to become systemically important providers of capital to an economy or sector but can still be at the mercy of other lenders who might withdraw their funding overnight to ensure their own safety if the lenders' loan losses look as though they might risk the underlying equity – as in the case of YES Bank, which operates under an NBFC licence.

For non-deposit-funded banks it is the fear of the losses rather than the actual losses that can lead to the demise of a bank. This issue is endemic to this type of business model, as witnessed with the failure of Countrywide in the United States and Northern Rock in the United Kingdom in 2008. These regulatory considerations were acknowledged by Deepak Parekh at the time of the HDFC merger. 'The last 3 years has seen a host of guidelines issued by RBI on harmonising regulations between banks and NBFCs. These measures have considerably reduced the risk arbitrage which was there between a bank and NBFC'[3]. At its core, the merger allowed HDFC Ltd to transform itself into a deposit-backed bank.

A MERGER OF EQUALS?

The reverse merger of HDFC Ltd into HDFC Bank was completed in July 2023 and was initially celebrated by the markets – both share prices rose by 10% on the day of the announcement.

Image 2: Deepak Parekh at the announcement of the merger ©HDFC Bank Limited

It was initially seen as a win-win because the combined entity would benefit from HDFC Ltd's dominance and expertise in housing finance and HDFC Bank's better branch scale and distribution. In the longer term these benefits will likely accrue to shareholders of the merged business. That it was a reverse merger, though, is key to understanding the post-merger blues.

NEAR-TERM PAIN...

Before the merger, HDFC Bank had grown its book value at a compounded rate of 22% per year since FY 2011[4]. In the year following the merger that growth rate fell to zero, as the combined entities' return on assets fell below the bank's historical norms – both on an absolute and a pro-forma basis. This was because of action taken by the management team to manage the bank's loans-to-deposits ratio.

The loans-to-deposits ratio is an important metric for assessing a bank's financial health and risk profile. It shows how much of the bank's deposits are being used for lending. A ratio above 100% means a bank is lending more than it's collecting in deposits, which isn't ideal – it could put a bank at risk if the economy slows down or if deposits decrease.

After the merger, and as a result of it, HDFC Bank's loans-to-deposits ratio jumped to 110%, up from its historic average of around 86-87%. Since then, and in line with the bank's conservative attitude to risk-taking, the management team has prioritised lowering the loans-to-deposit ratio.

This has been achieved through a two-pronged approach – slowing down loan growth and taking on higher-cost long-term debt.

Before the merger, only 8% of HDFC Bank's liabilities came from borrowings, with the rest from deposits. But after the merger, borrowings shot up to 21%. This means that for every 100 Indian rupees the bank owed, 21 rupees now came from borrowings, compared with just 8 rupees before. Raising this excess liquidity from borrowings is considerably more expensive than raising it from deposits, and HDFC Bank's cost of funds increased from 4% to 4.8%. This is a significant increase in raw-material costs, which has impacted near-term profitability and led people to question whether the business is either too large to grow or is being outcompeted by the likes of ICICI or the State Bank.

.... FOR LONG-TERM GAIN?

Although this slowdown in loan growth might seem concerning at first, as longer-term-focused shareholders we believe it should be welcomed as part of a broader plan to strengthen the bank's financial health and allow it to take advantage of the industry tailwinds.

The real estate industry in India is expected to double its contribution to economic growth over the next two decades[5], driven by increased urbanisation and a growing middle class. India's urban population is expected to reach 600 million by 2030, and the home loan market is expected to grow at 15% per annum over the next decade, supported by rising incomes and government-backed initiatives[6].

By focusing on growing deposits, taking a careful approach to lending and using securitisation, we believe HDFC Bank is setting itself up for strong long-term growth in the coming years. The plan outlined by the CEO Shashidhar Jagdishan is to grow conservatively in FY25, match the market in FY26 and then aim to outpace competitors by FY27[7]. This gives the bank time to adjust to the merger without sacrificing long-term growth.

TO FINISH FIRST, FIRST YOU HAVE TO FINISH

HDFC's strategy is emblematic of the tortoise's approach in Aesop's fable: a slow and steady pace focused on long-term growth rather than chasing quick, short-term gains.

Taking this one step further, one could argue that its decision to prioritise the health of its balance sheet in 2024 while negatively impacting the income statement is entirely consistent with a culture focused on risk management and doing the right thing for long-term per-share growth of the business.

For the clients of our emerging markets strategy, HDFC is a quintessential example of how we believe the tortoise – through unwavering determination and a commitment to sound principles – wins the long-term investing race. As we continue to navigate the complexities of emerging markets, HDFC's approach serves as a reminder that the most rewarding investments are often those that take the long view, one step at a time.

SOURCES

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2. HDFC Annual Report (FY2022).
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4. HDFC Annual Report (FY2024) and Skerryvore analysis, 2023.
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Investment Results

PERFORMANCE OBJECTIVE

The strategy's objective is to seek to achieve long-term capital growth by outperforming the benchmark by 2-3% per annum net of fees annualised over rolling five-year periods.

COMMENTARY

Global emerging market equities rose in US dollar terms during the period. The fund rose in value and underperformed the MSCI emerging markets index.

HOLDING LEVEL COMMENTARY

The largest positive contributor to returns was from the holding in **Franco Nevada**, which is a gold royalties and licensing business. The business is benefiting from the significant increase in the underlying gold price as well as strong underlying demand for capital from mining businesses that it is looking to partner with.

The second largest contributor to returns was from **Coca-Cola HBC** which is a coke bottler with operations in central and eastern Europe and west Africa. The business recently announced strong results with organic revenue growing almost 14% from a year ago with similar levels of profit growth. Sentiment towards its eastern European business has also improved with hopes of a ceasefire in the Russian invasion of Ukraine. We have reduced the position size believing that whilst the business has strong long-term growth prospects this is now more reflected in the valuation.

STOCK LEVEL ATTRIBUTION

TOP CONTRIBUTORS TO RETURN TO END QUARTER

Name	Contribution (%)
Franco Nevada	1.09
Coca-Cola HBC	1.01
Fomento Economico Mexicano	0.61
Kotak Mahindra Bank	0.60
Heineken Holding	0.49

HOLDING LEVEL COMMENTARY

The largest negative contributor to returns during the period was from the holding in **TSMC**, the world's leading semiconductor foundry. The business continues to produce exceptionally strong results however there are concerns that demand for AI related technology may be peaking, most notably after the release by Deepseek of a competing AI product that was produced without the latest hardware. We have been significantly reducing the position during the last six-months on valuation grounds and continued to reduce it during the period.

The second largest negative contributor to returns was from the holding in the Indian IT services business **Tata Consultancy Services (TCS)**. There has been no specific company news to explain the performance, however we believe the recent stock weakness is related to concerns that demand for consulting services in North America will weaken due to lower government spending. We recognise that this is a risk, and demand for consulting demand is cyclical and will continue to be. We believe TCS has the balance sheet and management team to weather any future storms.

STOCK LEVEL ATTRIBUTION

TOP DETRACTORS TO RETURN TO END QUARTER

Name	Contribution (%)
TSMC	-0.56
Tata Consultancy Services	-0.40
Cipla	-0.30
Infosys	-0.26
Nexon Co Ltd	-0.24

1. Net return
2. Benchmark MSCI EM Net Total Return (AUD)

Source: Bennelong Funds Management Net Performance Summary and Landy Tech data as of 31 March 2025
Past performance does not predict future returns

Sustainability

We are long-term investors, with a fiduciary duty to be responsible stewards of our clients' capital.
A consequence of this is that the businesses we invest in must be sustainable. We do not however have a sustainability objective, and we do not put sustainability above investment returns. We consider ESG factors to be a subset of a more holistic definition of a sustainable business and these are taken into account but only to the extent that they financially affect the investment. In this context, we believe that sustainable investing is indivisible from investing in good quality companies, the core tenet of our philosophy. The Skerryvore GEM All-Cap Fund is not a sustainability fund as defined by the Australian Prudential Regulation Authority.

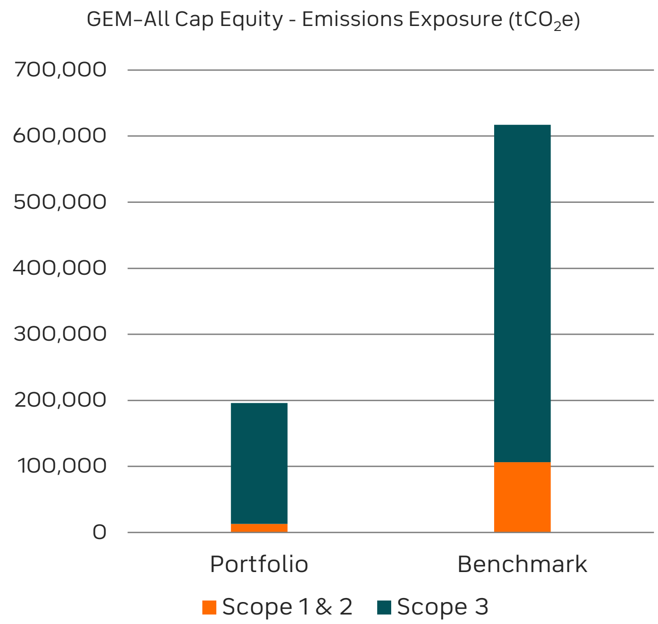
PORTFOLIO ACTIVITY

There were no significant portfolio actions related to sustainability issues during the period.

PORTFOLIO CARBON EMISSION REPORTING

Independent analysis of the GEM All-Cap Strategy conducted by the ISS Climate Change model highlights that the strategy has a significantly lower emissions exposure than an emerging markets benchmark.

PORTFOLIO EMISSIONS EXPOSURE vs BENCHMARK [1]

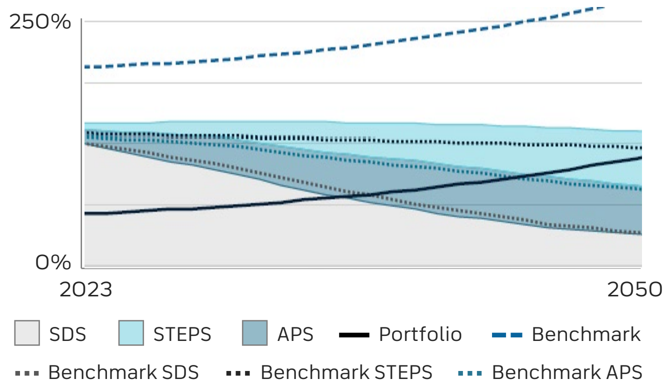


By seeking and providing this information it is consistent with our desire to understand the intended risks in a portfolio and avoid unintended risks. We wish to reiterate that the portfolio's carbon emission profile is an output rather than an input into our bottom-up investment process.

CLIMATE SCENARIO ANALYSIS

The scenario analysis that is conducted for the Skerryvore Global Emerging Markets All-Cap Equity Strategy compares current and future portfolio greenhouse gas emissions with the carbon budgets for a below 2 degrees Celsius scenario as well as warming scenarios of 4 degrees Celsius and 6 degrees Celsius until 2050. The Skerryvore Global Emerging Markets All-Cap Equity Strategy in its current state is aligned with a 2 degrees scenario up until 2031.

PORTFOLIO EMISSIONS PATHWAY vs CLIMATE SCENARIOS PORTFOLIO [1]



The above ISS analysis comes with a 'health warning'. We have philosophical and practical doubts as to the accuracy and weight that one should attach to models attempting to predict the future. Many small uncertainties multiplied together yield significant aggregate uncertainties. Our preference is to heed the aphorism that "all models are wrong - but some are useful". To plan for a future beyond our forecasting horizon we must plan for uncertainty. It is why we look for management teams and businesses that have demonstrated adaptability and resilience in the past, and an open-minded attitude to the future. We believe this approach is risk-averse and should serve clients well over the long-term.

Source: [1] ISS Climate Impact Report & MSCI EM benchmark as of 31 March 2025

Engagement

Part of the responsibility that comes with being a long-term investor is to engage with companies on matters that may affect long-term returns. It also requires us to actively listen, rather than simply instruct. Understanding why a course of action has been followed creates the foundation on which meaningful engagement can occur. We are looking for corporate owners and management teams who practise what they preach. It is why we look beyond the glossy sustainability report and discuss with the leaders of a business how they view their specific sustainability challenges.

Good management teams should be continually assessing the threats facing their businesses – be they competitive, industry, societal or environmental. Doing so leads to a different style of interaction with management. It also helps us to build long-term relationships because the management teams we engage with understand that our interests are broader than simply trading in their paper.

Please find below the significant engagements that we have conducted during this period.

Company	Engagement Type	Engagement Detail	Investment Outcome
Nexon	Governance	Lack of gender diversity on the board and use of discounted options for both internal and external directors.	We requested follow up from the company on the lack of gender diversity and use of discounted options for both internal and external directors. They view board diversity based on 'task diversity' as their main focus, not gender diversity. We have discussed these points before with management and remain of the view that they are still in best interest of shareholders, though will continue to monitor and discuss in subsequent meetings.

For informational purpose only. Companies mentioned are reflected as an example of our process and should not be considered a recommendation to buy or sell a specific security.

Engagement

Company	Engagement Type	Engagement Detail	Investment Outcome
Hindustan Unilever	Environmental	Plastic packaging is a material concern given 70% of packaging is in the form of single-use sachets to cater to lower-income households who otherwise would not afford personal and home care products. We sought to understand the challenges faced in achieving the packaging goals set by parent Unilever, which include 100% technically recyclable plastics by 2030 and increasing post-consumer recycled (PCR) inputs to 25% by 2025.	Lengthy discussion understanding the challenges of achieving 100% technical recyclability, especially in sachets which are often made of multiple different materials. Hindustan Unilever is looking to introduce sachets made up of single materials that can be recycled without separation. The biggest challenge will be increasing PCR inputs from 4.4% in 2023 to 25% in 2025 due to recycling infrastructure that is still in its nascency in India. We believe Hindustan Unilever remains a frontrunner in addressing the plastics problem in India and we will continue to engage on this matter.
	Social	Engagement in response to an article highlighting modern slavery risks in the sugar supply chain in India.	Discussion to understand the visibility Hindustan Unilever has over its supply chain and the steps it is taking to achieve its goal of 100% sustainable sourcing of key crops by 2030. This involved understanding how Hindustan Unilever assesses the quality of certification bodies that it relies on and its response to the allegations of modern slavery in the sugar supply chain. Together with other consumer companies, Hindustan Unilever is part of a coalition that aims to address systemic human rights risks in India's sugar value chain by setting up migration centres for migrant workers. We will continue to monitor and engage on this matter.

Proxy Voting

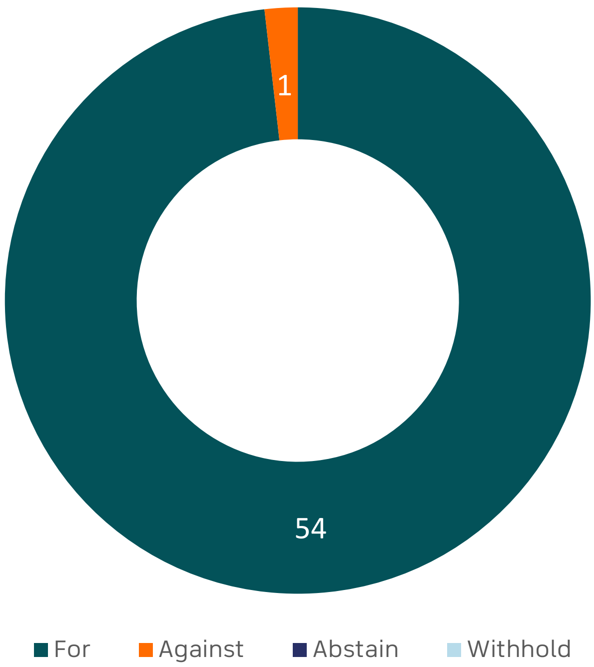
MEETING OVERVIEW

Number of votable meetings	10
Number of meetings voted	10
Number of meetings with at least one vote against, withheld, abstained	1

PROPOSAL OVERVIEW[1]

Category	Number
Number of votable items	55
Number of items voted	55
Number of votes FOR	54
Number of votes AGAINST	1
Number of votes ABSTAIN	0
Number of votes WITHOLD	0
Number of votes With management	54
Number of votes Against management	1

VOTING OVERVIEW



There were no significant votes against management during the period.

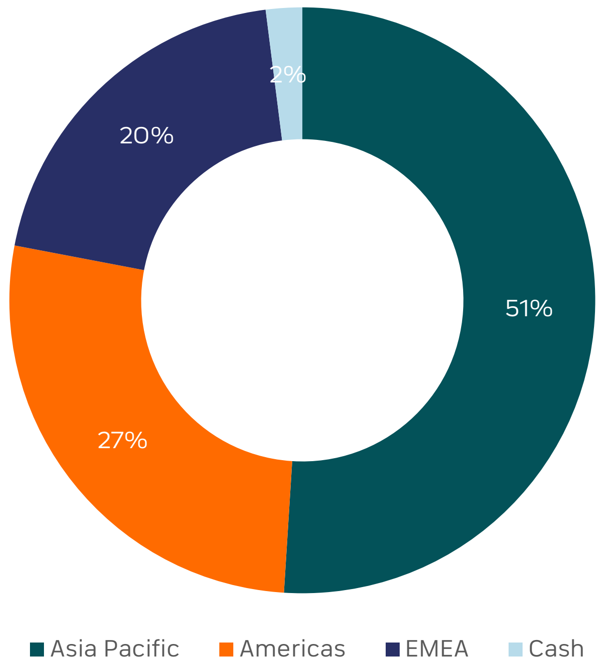
Source: ISS as at 31 March 2025
1. In cases of different votes submitted across ballots for a given meeting, votes cast are distinctly counted by type per proposal where total votes submitted may be higher than unique proposals voted.

Portfolio Characteristics

COUNTRY WEIGHTS

Country	Portfolio (%)	Benchmark[1] (%)
India	23.92	18.51
Taiwan	10.69	16.84
Mexico	9.51	1.87
Brazil	7.79	4.41
China	7.32	30.35
South Africa	6.67	3.18
Canada	4.24	0.00
Chile	3.46	0.47
Switzerland	3.33	0.00
Greece	3.18	0.56
Netherlands	2.88	0.00
Portugal	2.66	0.00
Thailand	2.49	1.18
Philippines	2.21	0.49
Japan	2.02	0.00
Argentina	1.73	0.00
Indonesia	1.36	1.24
United Kingdom	1.09	0.00
Hong Kong	0.98	0.85
Cash	2.45	0.00

REGIONAL WEIGHTS



SECTOR WEIGHTS

Sector	Portfolio (%)	Benchmark[1] (%)
Consumer Staples	44.22	4.64
Financials	17.53	24.33
Information Technology	10.82	22.45
Health Care	8.26	3.34
Consumer Discretionary	5.71	14.18
Materials	4.66	6.13
Industrials	4.33	5.96
Communication Services	2.02	10.16
Energy	0.00	4.54
Real Estate	0.00	1.68
Utilities	0.00	2.58
Cash	2.45	0.00

1. Benchmark MSCI EM Net Total Return Index (AUD)

Source: Landy Tech as of 31 March 2025
Totals may not sum to 100% due to rounding
Past performance does not predict future returns

GEM All-Cap Equity GIPS Composite Performance

COMPOSITE PERFORMANCE

	Strategy (Gross) (%)	Strategy (Net)* (%)	Benchmark (%)
AUD			
Quarter	3.33	3.07	2.27
1 Year	7.30	6.24	13.17
Since Inception (Annualised)	8.53	7.46	3.80
EUR			
Quarter	-0.35	-0.60	-1.33
1 Year	2.38	1.37	8.07
Since Inception (Annualised)	6.26	5.21	1.65
GBP			
Quarter	0.91	0.66	-0.13
1 Year	0.35	-0.65	5.79
Since Inception (Annualised)	4.60	3.56	0.05
USD			
Quarter	3.96	3.70	2.93
1 Year	2.48	1.47	8.09
Since Inception (Annualised)	3.20	2.18	-1.29

Source: Landy Tech, Skerryvore as of 31 March 2025

Composite: Global Emerging Markets Equity. Benchmark: MSCI EM Total Return Index.
Skerryvore has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).
*Net Return based on GIPS composite fee of 100 bps. Please see Appendix A for the applicable GIPS Report. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future returns. Index Source: MSCI Copyright MSCI 2025. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

Skerryvore Asset Management

Skerryvore Global Emerging Markets All-Cap Equity Strategy Composite

1 January 2021 to 31 December 2024

Year	Composite Gross Return (TWR) (%)	Composite Net Return (TWR) (%)	Benchmark Return (Gross) (%)	Benchmark Return (Net) (%)	3-year std deviation Composite (Gross) (%)	3-year std deviation Benchmark (Gross) (%)	Number of Portfolios	Internal Dispersion (%)	Composite Assets ($M)	Firm Assets ($M)
2021*	5.50	4.46	-2.22	-2.54	-	-	1	-	72	951
2022	-9.88	-10.78	-19.74	-20.09	-	-	1	-	199	961
2023	17.37	16.21	10.27	9.83	13.60	17.14	1	-	365	1,198
2024	-0.35	-1.34	8.05	7.50	13.47	17.50	2	-	478	1,420

*Performance Inception: January 1, 2021. This composite was created on December 15, 2020. All figures stated in USD.

Disclosures

Definition of the Firm

Effective 1 August 2024, following regulatory approval, from the UK's Financial Conduct Authority, BennBridge Ltd ("BennBridge") became a wholly owned subsidiary of Skerryvore AM LLP ("Skerryvore"). Collectively, BennBridge and Skerryvore are referred herein as the Firm.

The Firm is a boutique asset management firm specialising in emerging market equity management. Prior to 1 August 2024, Skerryvore was an appointed representative of BennBridge.

Skerryvore Asset Management, the new trading name of BennBridge, is an investment manager authorised and regulated by the Financial Conduct Authority in the UK and is registered as an investment adviser with the U.S. Securities and Exchange Commission ("SEC") (registration of an investment adviser does not imply any level of skill or training). The information in this document has not been approved or verified by the SEC or by any state securities authority.

GIPS compliance

The Firm claims compliance with the Global Investment Performance Standards (GIPS®) and has been independently verified for the periods 1 January 2020 to 31 December 2024. The verification report is available on request.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. Policies for valuing investments, calculating performance, and preparing GIPS Reports along with a list of composite descriptions are available upon request.

Composite description

The Global Emerging Markets All-Cap Equity Strategy Composite was created on 15 December 2020 with an inception date of 1 January 2021 and consists of all portfolios that invest in emerging market equities worldwide. These portfolios have two distinguishing features as outlined within their respective investment guidelines. Firstly, the portfolios will hold between 40-80 stocks and secondly there is no capitalisation restriction.

Benchmark description

The Composite benchmark is the MSCI Emerging Markets Index. The benchmark is market-cap weighted and covers large and mid-cap companies across countries defined as Emerging Markets by MSCI. The index covers approximately 85% of the free float-adjusted market capitalisation in each country.

Composite methodology

Returns are net of estimated foreign withholding taxes on dividends, interest, and capital gains. The Firm's methodology to produce a more accurate gross return figure by eliminating modest cash flows, such as securities lending income and custodial fees, which are regarded as independent of the investment management process; the reinvestment of all income and trading expenses continues to be included. Gross returns will be reduced by investment advisory fees and other expenses. Monthly composite results are asset-weighted by beginning-of-month asset values of member portfolios which are geometrically linked to arrive at the annual composite return. Net-of-fee performance is calculated monthly by deducting a model management fee equal to, or higher than, the highest annual management fee listed in the standard fee schedule. Management fees may vary according to the range of services provided, investment performance, and the amount of assets under management.

The 'Dispersion' statistic presented above uses gross of fee return and is an annual, asset-weighted standard deviation calculation performed only on those portfolios who have been members for the entire calendar year. This will be calculated when 6 or more portfolios are included in the composite for a full year. Thirty-six months are required to calculate the 'Three Year ex-Post Standard Deviation' statistic. These figures are not shown if the requirements necessary to perform the calculations are unavailable. Risk statistics are presented gross of fees.

Representative fee description

The Composite Representative Fee is 1%.

Trademark

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Past returns are no guarantee of future results.

Disclaimer

Information for investors in Australia and New Zealand

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Effective 1 August 2024, following regulatory approval, from the UK's Financial Conduct Authority, Skerryvore became a wholly owned subsidiary of Skerryvore AM LLP.

Skerryvore may be referred to herein as the Investment Manager or Firm. The registered office of the Firm is Windsor House, Station Court, Station Road, Great Shelford, Cambridge CB22 5NE.

Skerryvore AM LLP is majority owned by eight partners, with Bennelong Funds Management Group Pty Ltd, the parent company of BFML. holding a minority stake in Skerryvore AM LLP.

In addition, BFML has been appointed to act as a distributor for the Firm in relation to certain funds in Australia and New Zealand and with regards to the Firm's strategy(s) in certain other Agreed Jurisdictions as defined in a distribution agreement dated 1 August 2024.

For the purposes of this disclaimer "Fund" refers to the Skerryvore Global Emerging Markets All-Cap Equity Fund.

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Any person making an investment must be able to bear the risks involved (including the risk of a total loss of capital) and must meet the suitability requirements relating to such investments. Some or all alternative investment programmes may not be suitable for certain investors. Any investment should be viewed as medium to long term. Past performance does not predict future returns.

Among the risks we wish to call to the particular attention of prospective investors are the following:

- Investments in Emerging Markets can involve a higher degree of risk.
- The investment programme is speculative in nature and entails substantial risks.
- The investments may be subject to sudden and large falls in price or value.
- Equity prices fluctuate daily, based on many factors including general, economic, industry or company news. In difficult market conditions, we may not be able to sell a security for full value or at all. This could affect performance.
- The investment programme does not hedge currency exposure. If the currency of the investment is different from the local currency in the country in which you reside, the figures shown in this document may increase or decrease if converted into your local currency.
- Leverage may be utilised in certain circumstances, where permitted.
- A substantial portion of the investments take place on non-AUS exchanges.

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Telephone calls with certain members of BFML and the Investment Manager may be recorded for training and monitoring purposes.

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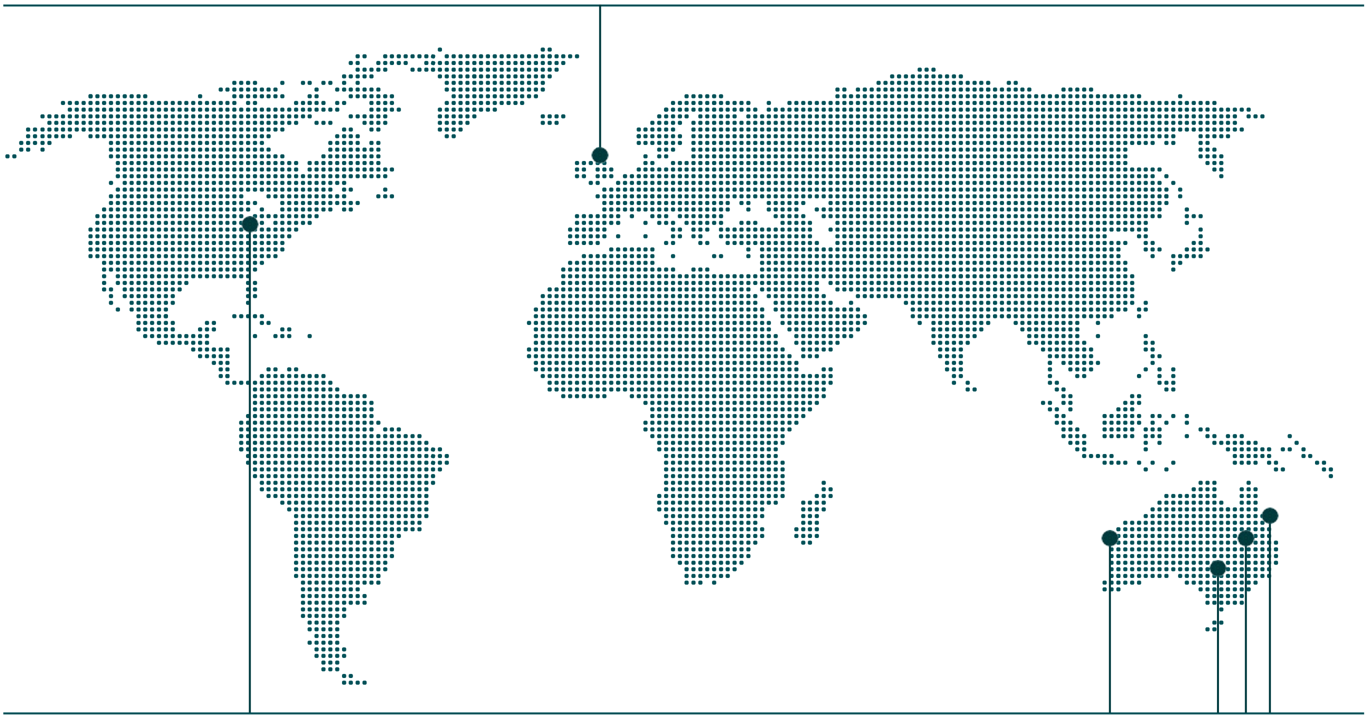

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