

# GuardCap Emerging Markets Equity Fund

Class: I (Acc) USD

## Investment Objective

The investment objective of the Fund is to deliver a superior return to the MSCI Emerging Markets Index over the long-term by investing primarily in equity and similar securities issued by companies that have significant exposure to emerging market economies.

## Investment Approach

Philosophy: growth drives returns; quality protects against downside; valuation matters.

- Concentrated, long-only strategy with 25-30 high quality, sustainably growing companies
- In-depth fundamental analysis, bottom-up analysis of selected high-confidence stocks
- Benchmark agnostic, unconstrained portfolio construction; high active share
- Genuine long-term investing with low portfolio turnover
- Large / Mid-cap focus

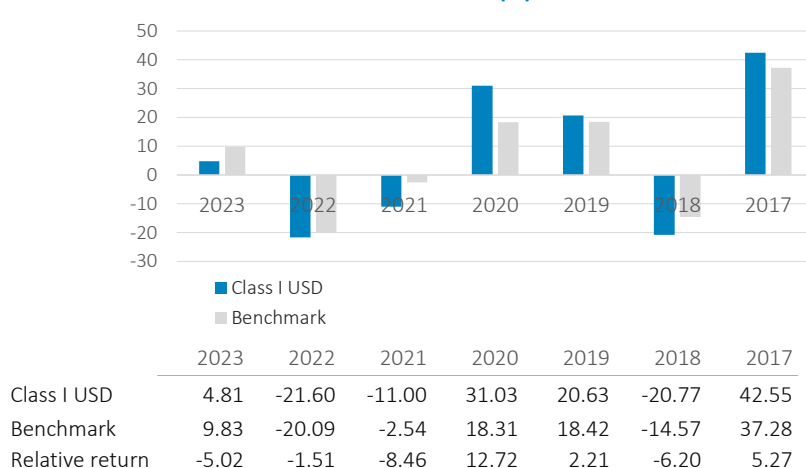
## Investment Team

	Joined GuardCap	Years of experience
Ed Wallace	2015	22
Joris Nathanson	2016	21
Alice Yin	2017	12

## Fund Performance - annualised, net of fees (%)

	1 M	3 M	YTD	1 Y	3 YR	Annualised		
						5 YR	7 YR	Inception
Class I USD	1.82	1.29	1.29	-2.22	-9.26	0.36	2.62	4.02
Benchmark	2.20	2.09	2.09	7.86	-5.14	2.16	3.68	5.31
Relative return	-0.38	-0.80	-0.80	-10.08	-4.12	-1.80	-1.06	-1.29

## Fund Calendar Year Performance - net of fees (%)



Past performance results are no indication of future results

## Fund Facts

Legal Status	UCITS
Fund launch date	19 December 2016
Class Inception	19 December 2016
Benchmark	MSCI Emerging Market Index (Net) USD
Fund Size	USD 55.89 million
Strategy Size <sup>1</sup>	USD 76.01 million
ISIN	IE00BSJCNT20
Bloomberg	GCEMEIU
WKN	A2DPJA

<sup>1</sup>Based on estimates and is not official

## Charges & Subscriptions

Annual management fee	0.80%
Ongoing charges <sup>2</sup>	1.13%
Minimum investment	USD 500,000

<sup>2</sup>As at 31 December 2023; including Annual management fee

## Portfolio Characteristics

Number of stocks	27
Active share	77.3%
Net exposure	97.1%

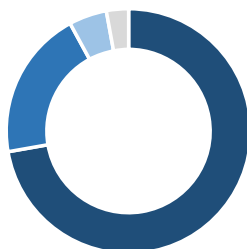
## Risk

	Fund	Index
Tracking error	6.31	
Standard deviation	18.82	17.44
Information ratio	-0.18	
Sharpe ratio <sup>3</sup>	0.12	0.20
Upside market capture	101.94	100.00
Downside market capture	105.39	100.00
Batting average	0.47	

Since inception (19 December 2016).<sup>3</sup>Sharpe ratio calculated using Bloomberg US Generic Govt. 3 Month Yield.

### Geographic Allocation (%)

■ Asia Pacific	72.32
■ Latin America	19.76
■ United States	4.99
■ Cash	2.93



### Sector Allocation (%)

■ Information Technology	28.15
■ Consumer Discretionary	23.26
■ Financials	17.37
■ Consumer Staples	11.46
■ Industrials	7.00
■ Communication Services	6.93
■ Cash	2.93
■ Real Estate	2.90



### Top 5 Holdings

	% of assets
TSMC	8.70%
Samsung Electronics	8.14%
MercadoLibre	6.77%
HDFC Bank	5.85%
Midea Group	4.28%

### Monthly Contributors / Detractors

	Contribution to return
+ Samsung Electronics	0.69%
+ TSMC	0.65%
+ Tencent	0.35%
- AIA Group	-0.81%
- Infosys	-0.39%
- MercadoLibre	-0.37%

### Manager Commentary

The MSCI Emerging Markets Index returned +2.5% in US dollar terms in March. All regions delivered positive returns, with Emerging Asia (+3.0%) being the best performer, followed by Latam (+1.1%) and finally EMEA (+0.2%). By sector, information technology (+8.0%) was the stand-out performer, with strength also seen in communication services (+4.2%) and materials (+4.1%). Healthcare (-1.7%), real estate (-1.6%) and energy (-0.5%) were the worst performing sectors.

The largest detractor from performance for the Fund was pan-Asian insurer **AIA**, with shares coming under pressure as investors expressed concern over possible future margin dilution from the expansion of the company's Chinese business. Indian consultant **Infosys** was another detractor as sentiment around the industry weakened following a downward revision in revenue guidance from a global peer.

**Samsung Electronics** and **TSMC** were two of the largest positive contributors for the month. Shares in **Samsung Electronics** gained as memory pricing continued to recover. Sentiment was also buoyed as the company's most recent AI memory offering appears to have now made it an accredited supplier for the world's leading AI GPU business. Shares in **TSMC** gained as investors become increasingly positive on the company's key role in the manufacture of core components for leading AI customers. Chinese digital entertainment business **Tencent** was also a contributor to performance as its latest quarterly results demonstrated a healthy recovery in both advertising and fintech revenues for the business alongside improving margins.

## ESG Reporting

### Fund ESG Ratings

Morningstar Sustainability Rating™  
Morningstar Low Carbon Designation™



### Sustainable Finance Disclosure Regulation (SFDR)

Classification: Article 8

### ESG Integration

All companies under consideration are assessed against the team's ten Investment Criteria, including strong "Foundations for Sustainable Growth" (FSG), which ensures that a company's ESG practices align with its potential for long-term sustainable growth. The Fund's concentrated approach (25-30 stocks) enables a thorough understanding of the sustainability risks and opportunities relevant to each company and an analysis of a company's ESG issues forms a key part of every investment decision.

### Active Ownership

Active ownership is deeply embedded in our investment philosophy and we endeavour to vote on all resolutions related to our companies. If a company is engaged in a practice that concerns us, we will engage with the company on the issue, seek to learn more about it and encourage positive change.

### Exclusion Policy

The Fund excludes direct investment in corporate issuers that are involved in the manufacture or production<sup>1</sup> of:



Controversial weapons<sup>2</sup>



Extraction of fossil fuels and/or generation of power from them



Firearms or small arms ammunition

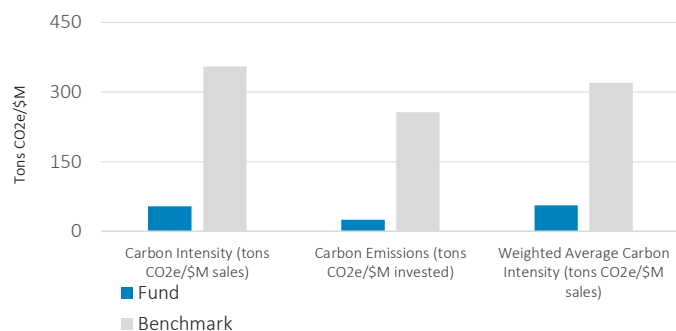


Tobacco products

<sup>1</sup>Subject to a specific revenue threshold of 5%, based on a company's annual report

<sup>2</sup>Includes anti-personnel landmines, cluster munitions, biological weapons and chemical weapons

### Carbon Footprint Metrics (Scope 1 and 2)



	Fund	Benchmark
Carbon Intensity (tons CO2e/\$M sales)	54.1	355.1
Carbon Emissions (tons CO2e/\$M invested)	24.8	256.8
Weighted Average Carbon Intensity (tons CO2e/\$M sales)	55.8	320.0

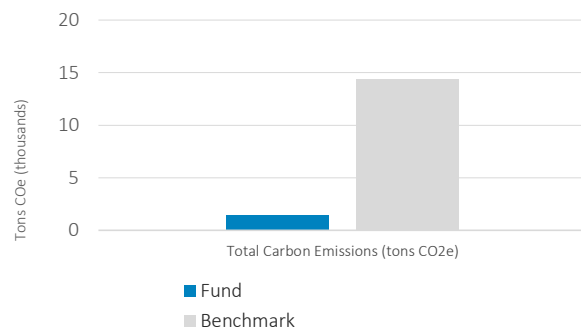
Source: MSCI as at 31 March 2024. Includes Scope 1 and Scope 2 emissions.

Carbon Intensity (tons CO2e/\$M sales) measures the carbon efficiency of a portfolio, defined as the ratio of carbon emissions for which an investor is responsible to the sales for which an investor has a claim by their equity ownership. Emissions and sales are apportioned based on equity ownership (% market capitalisation).

Carbon Emissions (tons CO2e/\$M invested) measures the carbon emissions, for which an investor is responsible, per USD million invested, by their equity ownership. Emissions are apportioned based on equity ownership (% market capitalisation).

Weighted Average Carbon Intensity (WACI) (tons CO2e/\$M sales) measures a portfolio's exposure to carbon-intensive companies, defined as the portfolio weighted average of companies' Carbon Intensity (emissions/sales).

### Total Carbon Emissions (Scope 1 and 2)



	Fund	Benchmark
Total Carbon Emissions (tons CO2e)	1,386	14,354

Source: MSCI as at 31 March 2024. Includes Scope 1 and Scope 2 emissions.

Total Carbon Emissions (tons CO2e) measures the total carbon emissions for which an investor is responsible by their equity ownership. Emissions are apportioned based on equity ownership (% market capitalisation).

Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Reference: GHG Protocol.

The decision to invest in the promoted fund should take into account all the characteristics or objectives of the promoted fund as described in its prospectus.

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