

**Genesis Investment Management, LLP**  
Emerging Markets Equity: MSCI EM Benchmark

**For the month of: August 2020**

Manager Performance Calculations	* Annualized returns				
	Last	Last	Last	Last	Last
	Month	3 Months	1 Year	3 Years*	5 Years*
Genesis	2.18%	18.81%	8.52%	4.79%	10.19%
MSCI EM	2.24%	19.71%	14.88%	3.21%	9.05%

### Country Allocation Comparison

<u>Over-weight</u>	<u>Genesis</u>	<u>EM</u>	<u>Under-weight</u>	<u>Genesis</u>	<u>EM</u>
Russia	6.76%	2.93%	China	29.94%	42.53%
Mexico	4.63%	1.61%	Taiwan	6.15%	12.45%
South Africa	6.06%	3.54%	Saudi Arabia	0.00%	2.56%

### Performance Attribution & Strategy Comments

In August the portfolio marginally underperformed the index, gaining 2.2%. Technology names topped the contributors to the portfolio's return including Yandex (Russia, +19%). Country Garden Services and AIA Group (+16% and +14% respectively) were also noteworthy along with Hanon Systems (South Korea, +30%), Semen Indonesia (+15%) and Linx (Brazil, +28%) which announced an agreement to be acquired by Stone, a leading provider of financial technology solutions. Alibaba returned to being the portfolio's largest position after it gained 14%, but relative performance was lost as it is underweight versus the colossal index position of 8.4%. Optical (China) fell 21% after announcing that they expect H2 to be more challenging than previously thought, South Korean casino resort operator Kangwon Land lost 9% as it had to temporarily close until September following a retightening of COVID-19 control measures and other detractors included Heineken (-5%) and Thai holdings Bangkok Dusit (-6%) and CP All (-7%). Relatively, 40bps was added in Brazil and Taiwan mainly from being underweight in weak markets and the performance of Linx also contributed to Brazil's gain. Russia also added 40bps, primarily from Yandex. In China, value was lost from the underweight position as a number of technology names in the index performed particularly strongly. 20bps was lost in each of S. Korea and Thailand as a result of stock performance. By sector, notable losses came in consumer which were partially offset by gains in financials and communication services. Over the last three months the portfolio underperformed the Index by 0.9%. The large tech companies were the top contributors to portfolio return notably TSMC (Taiwan, +51%), the Chinese internet companies Ailbaba (+38%) and Tencent (+29%), Infosys (India +38%) and Naver (+49%) while Yandex had a gain of 70%. There were few detractors with the most noteworthy being Kangwon Land (-11%) and the Thai holdings of Bangkok Dusit (-6%) and CP All (-8%). Relatively, 70bps was lost from the overweight position in Thailand while 40 bps was lost in South Korea and Peru due to portfolio holdings underperforming. The flat return of off-benchmark holding Heineken led to further losses. 100bps was added in Russia from stock selection while gains came in Taiwan and India. Value was lost in consumer and health care with notable gains coming in communication services.

### Manager Style Summary

*Genesis utilizes a "bottom-up" investment approach, whereby security selection is primarily based on individual stocks rather than country or regional prospects. An unusual aspect of their style is that they will limit the countries within their selection set to the World Bank list of emerging markets (based on per capita GDP), rather than the standard emerging markets indices. Thus, some of the countries within the emerging markets indices (i.e. Israel), are not a major focus of Genesis. Their unique style tends to keep Genesis out of fast-growing countries included in the emerging markets indices or country or regional successes rather than individual companies (i.e. Asia). Consequently, they can have periods of underperformance when these types of countries perform well.*

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**Portfolio Guideline Compliance**

August 2020

Portfolio Guideline:	Genesis	Compliance
B2. Country allocations <=15% of value at cost		ok
B3. EAFE securities <=10% of value at cost		ok
B4. Security position <=4% of the account at purchase		ok
B5. Number of Issues > 75	77	ok
C1. Currency or cross-currency position <= value of hedged securities		ok
No executed forward w/o corresponding securities position		ok
C2. Maximum forward with counterpart <= 30% of total mv of account		ok
F2. Annual Turnover <= 100%	35%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

**Manager Explanations for Deviations from Portfolio Guidelines**

There were no deviations.

**Organizational/Personnel Changes**

All our employees continue to work remotely and our office in London remains shut. We are making arrangements for a phased return to our office from 5 October if it is deemed safe and prudent to do so. Any return to the office at this time will be entirely voluntary and our aim is that people who wish to benefit from being in the office can do so. This continues to be subject to government advice on travel, office working and general COVID-19 guidance.

**Account Turnover**

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):				