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**C WorldWide Asset Management**International Equity: MSCI ACWI ex US Benchmark

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For the month of: **May** **2024**

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Manager Performance Calculations	* Annualized returns				
	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
C WorldWide Asset Mgmt	2.63%	N/A	N/A	N/A	N/A
MSCI ACWI ex US	2.90%	N/A	N/A	N/A	N/A

**Performance Attribution & Strategy Comments**

The global economy is facing a lot of uncertainty, as hard economic data and investors' expectations send mixed signals. However, the key to our investment approach is to identify themes and trends that help us ensure a longer-term compass. These structural tailwinds ensure that we remain focused on companies with more sustainable growth characteristics and more durable business models.

Among the top contributors to investment returns in May were TSMC, ASML, and Schneider. The AI surge continued in May with four of the top five contributors having material exposure to either semiconductors, AI, or cloud services. Among the top detractors were Ferguson, LVMH, and Linde.

During the month we exited our position in Samsung. We initiated a new position in SMC while reducing our positions in ASML and Ferguson to fund a new position in Compass Group. Our investment thesis around Samsung was based on their dominant market leadership in the Semiconductor memory market and the optionality for them to become a competitive number two global foundry thereby seriously challenging TSMC's dominance. However, the share price returns of Samsung have disappointed. Firstly, despite a recovery in the memory market, Samsung has been perceived to have missed out on the leading-edge trends and has succumbed to market leadership to Hynix. Secondly, despite a rise in political tensions around Taiwan, Samsung has failed to capitalize on the opportunity to be a credible number two global foundry. Volatility and corporate governance remain a concern, and for these reasons, we are exiting the position.

SMC is the world's leading manufacturer of pneumatic components with a 37% global market share. Pneumatic components use air pressure to power and automate machines and are used to push, turn, or hold objects, for example, to operate robotic arms of automation equipment to move, sort, or assemble products. These components are being used across almost all sectors but are heavily used in industries that require a higher level of precision, for example, semiconductor production. SMC's competitive advantage is a unique business model that is difficult to copy, rooted in the combination of a broad product portfolio, large inventories, and short delivery times.

Compass is the largest operator of outsourced canteens globally. Compass owns Foodbuy, the largest food procurement vehicle in the US. Foodbuy's procurement scale exceeds USD30bn allowing strong cost advantages. Globally, only 50% of canteens are outsourced. 20% of the market is operated by small regional players. These are subscale providers operating a single-digit number of accounts. 30% is operated by large players, of which Compass is the largest operator with a 15% market share. Compass generates +30% ROIC on asset-light, inflation-protected, and high single-digit recurring revenue, growing EBIT low double digits. We think paying 21x on 2025 earnings' is a fair price given the attractive combination of defensive, but still brisk growth.

**Manager Style Summary**

C WorldWide Asset Management will manage an international equity mandate. They utilize a "bottom up" strategy and will hold a maximum of 30 stocks (one in/one out) with a quality and large cap bias. The portfolio will exhibit low turnover and the investment horizon is long term. Global trends and themes assist with portfolio construction from idea generation to execution. The firm is looking for stable and sustainable business models favorably aligned with global and regional themes.

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### Portfolio Guideline Compliance

Portfolio Guideline:	C World	Min	Max	Compliance
A2. Cash exposure <= 5%				Yes
B2. Securities with a >=5% weighting, not to collectively exceed 40% of the port				Yes
B3. Security position <= 10% of the account				Yes
B4. Number of issues	29.0	25	30	ok
B5. Normal Regional Exposures (benchmark min/max):				
Europe ex U.K.	46%	20%	60%	ok
U.K.	14%	0%	30%	ok
Pacific	18%	0%	30%	ok
Emerging Markets	12%	0%	30%	ok
United States	9%	0%	20%	ok
Total	100%			
B6. Normal Global Portfolio Characteristics relative to benchmark				
Capitalization	182.39%	50%	200%	ok
Price/Book Value	268.56%	50%	-	ok
Price/Earnings	171.17%	50%	-	ok
Price/Cash Flow	189.75%	50%	-	ok
Dividend Yield	62.86%	-	200%	ok
D. No derivatives, short sales, commodities, margin or currency hedging.				Yes
E1. Brokerage commissions not to exceed \$0.06/share for U.S. equities				No
F3. Annual turnover	12%	0%	30%	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

Other: E1. Ferguson US TD 17/05 - 0.1057 \$

**Total Firm Assets Under Management (\$m) as of:** Qtr 1 \$ 19,226

### Organizational/Personnel Changes

No changes in organisation or personnel.

### Account Turnover

Gained: Number of Accounts: 0 (\$m):  
 Lost: Number of Accounts: 2 (\$m): \$ 127.4  
 Reason(s): Lost 2 institutional clients, of which one was a segregated mandate