

**BORDER TO COAST  
EMERGING MARKETS EQUITY  
ALPHA FUND**

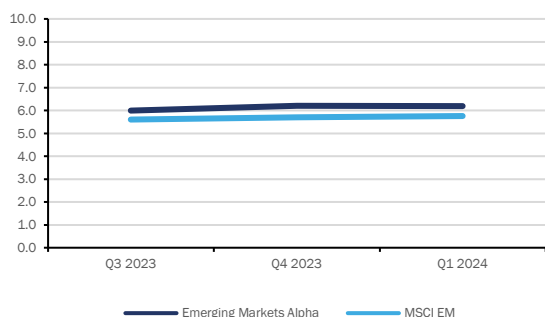
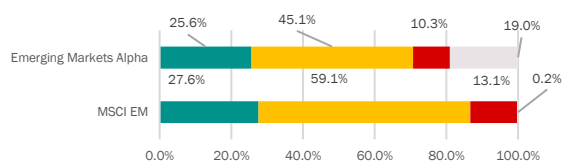
ESG &amp; CARBON REPORT

**Q1  
2024**

MSCI ESG  
RATING  
**A**



	End of Quarter Position <sup>1</sup>			Key	
	MSCI ESG Rating	Weighted ESG Score	vs. Benchmark		
<b>Emerging Markets Equity Alpha</b>	A <sup>1</sup>	6.2 <sup>1</sup>			Fund has an equal or better <i>Weighted ESG Score</i> than the benchmark.
<b>MSCI Emerging Index</b>	A <sup>1</sup>	5.8 <sup>1</sup>			Fund has a <i>Weighted ESG Score</i> within 0.5 of the benchmark.
					Fund has a <i>Weighted ESG Score</i> more than 0.5 below the benchmark.

MSCI Weighted Score Trend<sup>1</sup>MSCI ESG Weightings Distribution<sup>1</sup>

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Highest ESG Rated Issuers <sup>1</sup>				Lowest ESG Rated Issuers <sup>1</sup>			
	% Portfolio Weight	% Relative Weight	MSCI Rating		% Portfolio Weight	% Relative Weight	MSCI Rating
Taiwan Semiconductor	10.1%	+1.6%	AAA <sup>1</sup>	Hyundai Motor Company	0.9%	+0.5%	CCC <sup>1</sup>
KB Financial Group	0.4%	+0.1%	AAA <sup>1</sup>	Jiangsu Hengli Hydraulic	0.5%	+0.5%	CCC <sup>1</sup>
Allegro	0.2%	+0.2%	AAA <sup>1</sup>	Saudi Tadawul Group	0.3%	+0.2%	CCC <sup>1</sup>
Samsung Electronics	6.5%	+1.8%	AA <sup>1</sup>	Kweichow Moutai	2.4%	+2.0%	B <sup>1</sup>
Grupo Financiero Banorte	1.1%	+0.7%	AA <sup>1</sup>	PetroChina	0.6%	+0.3%	B <sup>1</sup>

#### Quarterly ESG Commentary

- The Fund's weighted ESG score remains above the benchmark, primarily due to holding a lower proportion of ESG laggards.
- 19% of the Fund is not currently covered by MSCI, compared to 0.2% of the benchmark's holdings. The Fund's weighted ESG score and ESG Rating may be materially altered when further entities come into MSCI's scope.
- The number of 'CCC' rated companies in the Fund fell again this quarter to 3, with 5 companies downgraded and 8 upgraded in the quarter. Shanghai Friendess Electronic Technology received an upgrade to a 'B' from a 'CCC' with the Company being recognised as leading industry peers in monetising clean technology opportunities.

#### Feature Stock: Saudi Tadawul Group

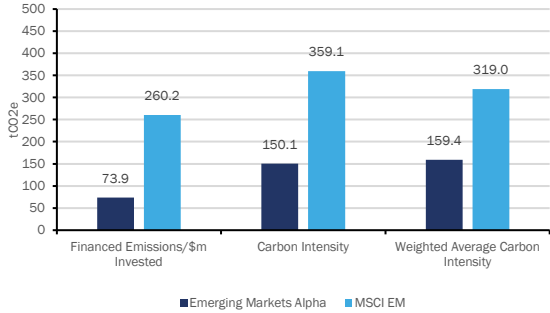
Saudi Tadawul Group (STG) operates the Saudi Stock Exchange and looks set to benefit from the country's Vision 2030 privatisation programme and expansion of the equity market. STG also has opportunities for growth from greater foreign participation in Saudi markets and development in the variety of products and services offered. In developing the Saudi capital market, STG's long-term growth prospects are clearly interlinked with those of Saudi Arabia's.

Through an ESG lens, the country has many challenges. As long-term, growth investors, it is important that we invest for improvement and change, as this unlocks financial and societal value in the long run. The International Monetary Fund points to numerous indicators that Saudi Arabia is heading in a positive direction. From both an energy transition and social development perspective, steps are being taken. That being said there is clearly further to go, particularly with respect to human rights.

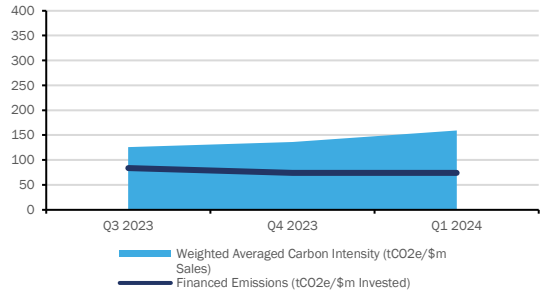
While STG has a low direct impact on these topics, it does have some leverage that it can use. Stock exchanges globally are playing an increasingly important role in promoting sustainable development. They are well placed to connect national markets to global ESG investment trends, and build capacity by promoting ESG standards, products, services, and practices. STG appears to recognise this and is taking action.



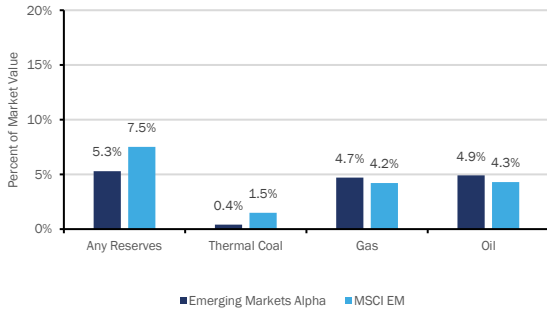
**Carbon Emissions and Intensity<sup>1</sup>**



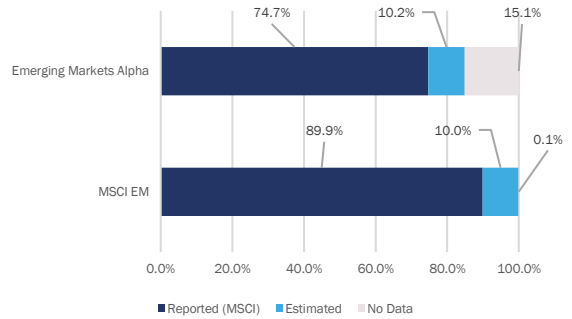
**Carbon Trends<sup>1</sup>**



**Weight of Holdings Owning Fossil Fuel Reserves<sup>1</sup>**



**Availability of Carbon Emissions Data (% of Market Value)<sup>1</sup>**



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**Largest Contributors to Financed Emissions<sup>1</sup>**

Company	% Portfolio Weight	% Relative Weight	Contribution	CA100+	TPI Level
Cemex	0.4%	+0.2%	18.0% <sup>1</sup>	Yes	4
Petroleo Brasileiro	1.4%	+0.5%	10.3% <sup>1</sup>	Yes	4
UltraTech Cement	0.3%	+0.1%	8.8% <sup>1</sup>	Yes	3
PetroChina	0.6%	+0.3%	6.6% <sup>1</sup>	Yes	3
Samsung Electronics	6.5%	+1.8%	4.9% <sup>1</sup>	Yes	4

**Quarterly Carbon Commentary**

- The Fund remains materially below the benchmark on all metrics. The Fund held a large position in the iShares MSCI India ETF. The emissions from this ETF are not included in the Fund's emissions, and as a result emissions may be currently underestimated.
- Financed emissions and carbon emissions remained stable in the quarter despite significant increases in the benchmark. The Fund's Weighted Average Carbon intensity (WACI) saw a 17% increase largely due to the additions of UltraTech Cement and Emirates Central Cooling Systems. These recent additions are the first and fifth largest contributors to the Fund's WACI.

**Feature Stock: Petrobras**

Petrobras is Brazil's national oil and gas company. The investment is underpinned by the quality of the Company's upstream asset base. The Santos pre-salt discovery is the world's lowest cost source of supply beyond the Middle East and is unusually productive, with relatively low decline rates and levels of carbon intensity. A barrel of pre-salt oil is notably less carbon intensive than the global standard and pre-salt will account for 78% of Petrobras' production by 2027. Petrobras' operations will be an important factor in maintaining Brazil's energy security during the energy transition.

In 2021 Petrobras set a goal of net zero operational emissions by 2050. With new government leadership, Brazil has restored and ramped up its climate commitments providing an opportunity for the Company to increase operational decarbonisation alongside effective capital allocation for new projects. Meeting with the CFO in December 2023 highlighted Petrobras' continued ambitions in oil and gas alongside the acknowledgement of the challenges and opportunities the energy transition brings. The CFO highlighted timelines for contracts and projects, current efforts for zero flaring and methane release and potential opportunities for electrification and hydrogen in operations. Complexities surrounding Petrobras's role in Brazil reinforce the need for some nuance regarding fossil fuel exposure as the energy transition unfolds.

<sup>1</sup>Source: MSCI ESG Research 31/03/2024

**Issuers Not Covered**

Reason	ESG (%) <sup>2</sup>	Carbon (%) <sup>1</sup>
Company not covered	4.8%	3.6%
Investment Trust/ Funds	12.2%	11.5%

**Important Information**

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