Letko Brosseau takes a different approach

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This is what you get investing in the MSCI EM index and with many active managers

- Taiwan + Korea: 50% of the MSCI EM Index.
- Technology: 45% of the index and +93% YTD (end-June).
- EM index returns are increasingly driven by AI and semiconductor stocks.
- MSCI EM now behaves more like the SOX/Nasdaq than a broadly diversified emerging markets index.
- Recent example:

  During the recent KOSPI sell-off, 1.2 million Korean investors received margin calls and 320k–360k accounts were liquidated.

  SK Hynix -15.4%, Samsung - 10.7% in a single day.

Source: Bull Theory

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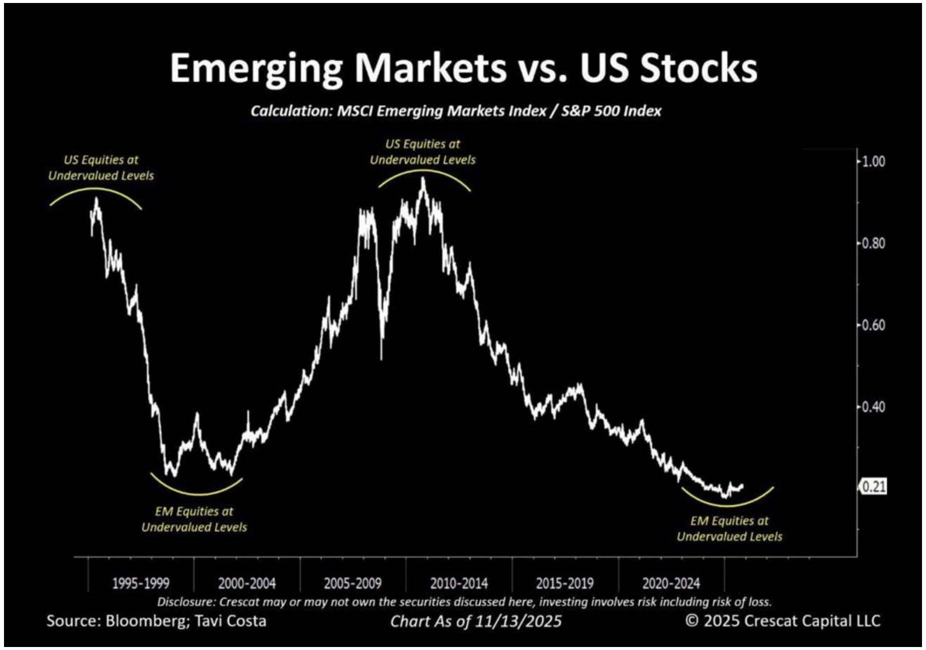
MSCI ACWI Exposure	Weight	AI-related within Segment
S&P 500	51–54%	38–42%
MSCI Emerging Markets	10–11%	40–45%
Other *(Remaining US + Rest of World)*	35–41%	5–10%

- Approximately 25-30% of the MSCI ACWI is directly exposed to the AI ecosystem.
- AI exposure is concentrated in semiconductors, hyperscalers and AI-enabled platforms.
- US and Emerging Markets are increasingly driven by the same AI investment cycle, reducing geographic diversification.
- A slowdown in AI CapEx, semiconductor demand or cloud investment could affect up to one-third of a global equity portfolio.
- Global equity portfolios are therefore more concentrated than regional allocations suggest.

EM Equities Still Offer a Long-Term Opportunity

- Despite this, EM equities still trade at attractive long-term relative valuations versus US equities.
- Foreign investor positioning remains relatively light after many years of underweight allocations.
- A potential weaker US dollar, improving earnings and attractive valuations provide a supportive backdrop for EM equities.

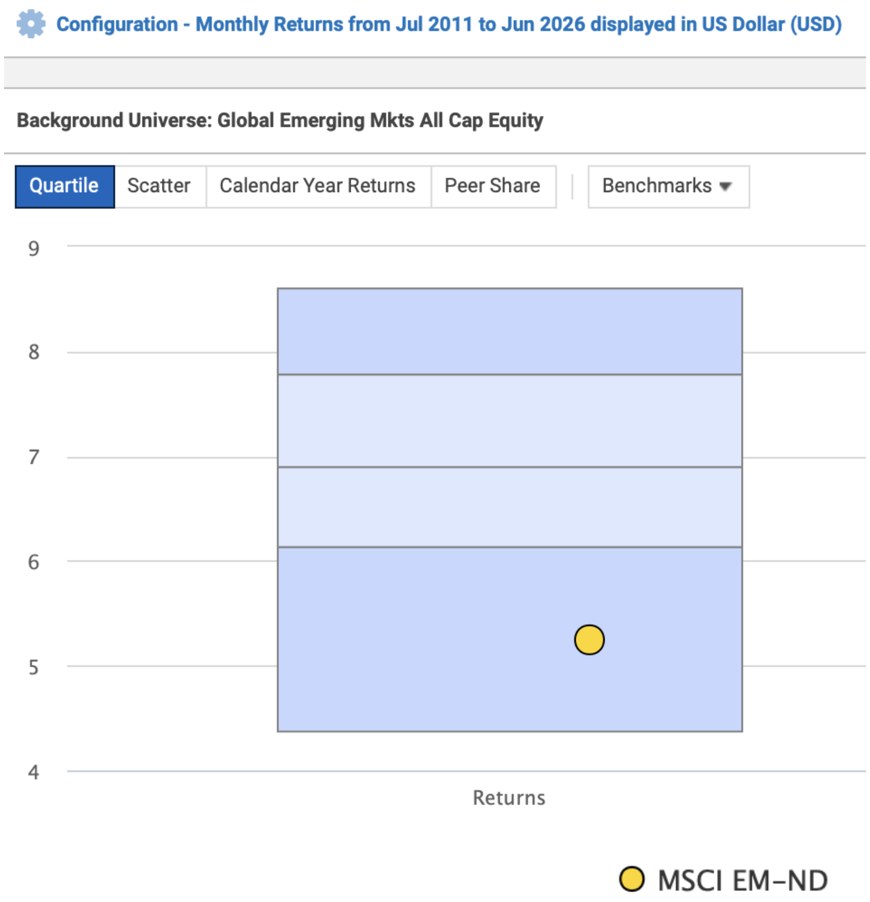


Why Active Management in Emerging Markets

Emerging Markets reward active managers.

- Less efficient markets create more pricing anomalies than developed markets.
- Corporate governance, disclosure and liquidity vary significantly between companies.
- More than 6,000 listed companies provide a much broader opportunity set than the benchmark.
- Active managers can exploit off-benchmark opportunities and avoid expensive index heavyweights.
- Historically, active managers have outperformed passive strategies more frequently in Emerging Markets than in developed markets.*

*Source: SPIVA, Morningstar, eVestment



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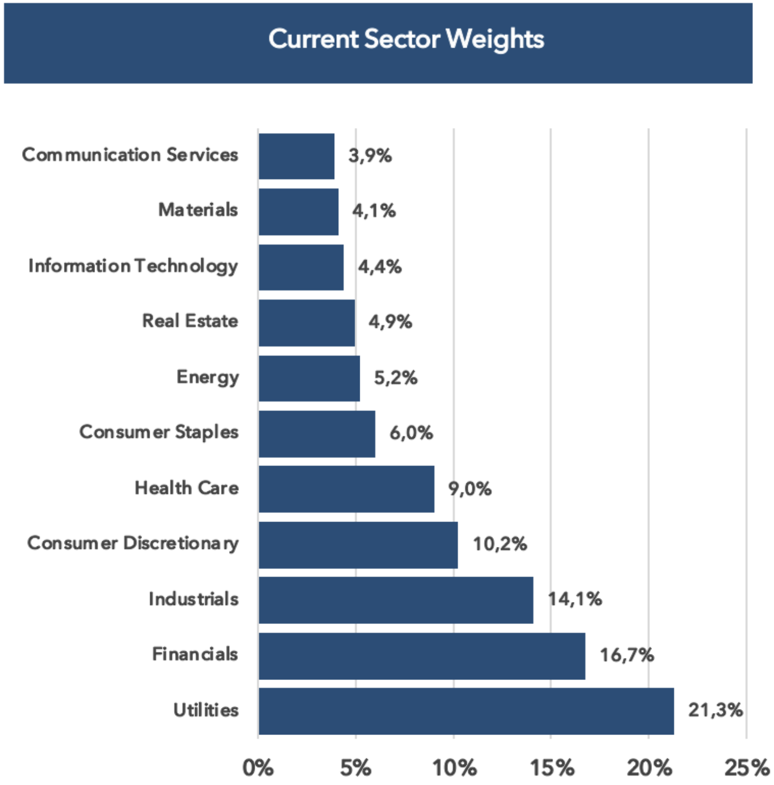
Why Letko Brosseau?

A truly differentiated Emerging Markets strategy.

- Benchmark independent investment approach with high active share (~97%).
- Disciplined value philosophy focused on intrinsic value and downside protection.
- High conviction portfolio of approximately 50–70 best ideas.
- Global sector research supported by proprietary bottom-up analysis.
- Around 30 of 53 portfolio holdings are off-benchmark, reflecting genuine active management.



As of 31-03-2026

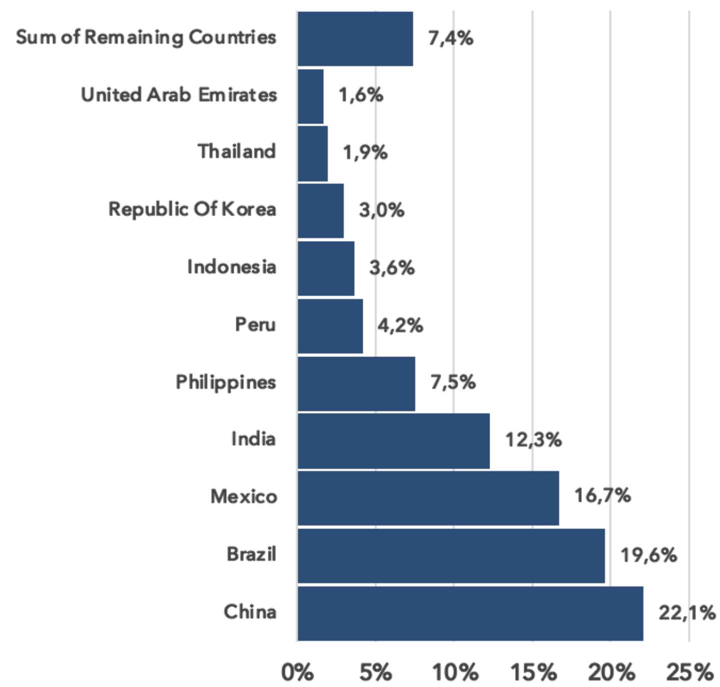
Why Letko Brosseau?

Positioned for the next Emerging Markets cycle.

- Only 4.8% in Technology versus 43.2% for the MSCI EM Index.
- 0% Taiwan and just 3.2% South Korea, avoiding today's concentrated AI trade.
- Focus on undervalued domestic opportunities in Financials, Industrials, Utilities and Consumer sectors.
- Invests where valuation and fundamentals are strongest, not where benchmark weights are highest.
- Provides genuine diversification for investors already heavily exposed to global technology.

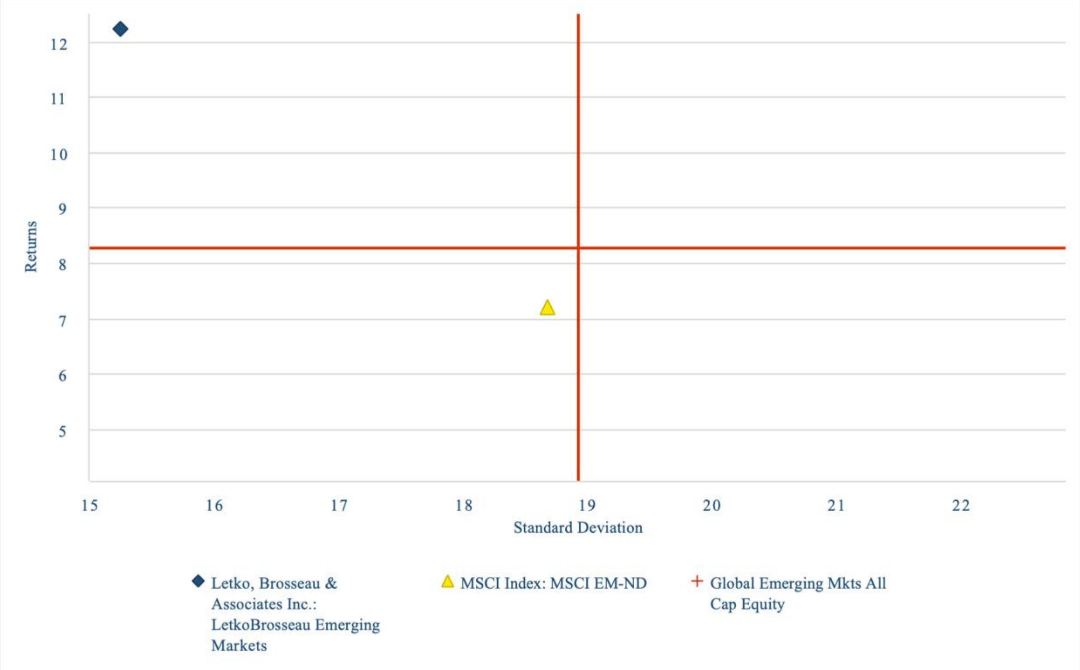
Source: Letko Brosseau, Candoris. Benchmark independent investment approach with high active share.

Current Country Weights



As of 31-03-2026

Performance versus Peers



Universe: eVestment Global Emerging Mkts All Cap Equity

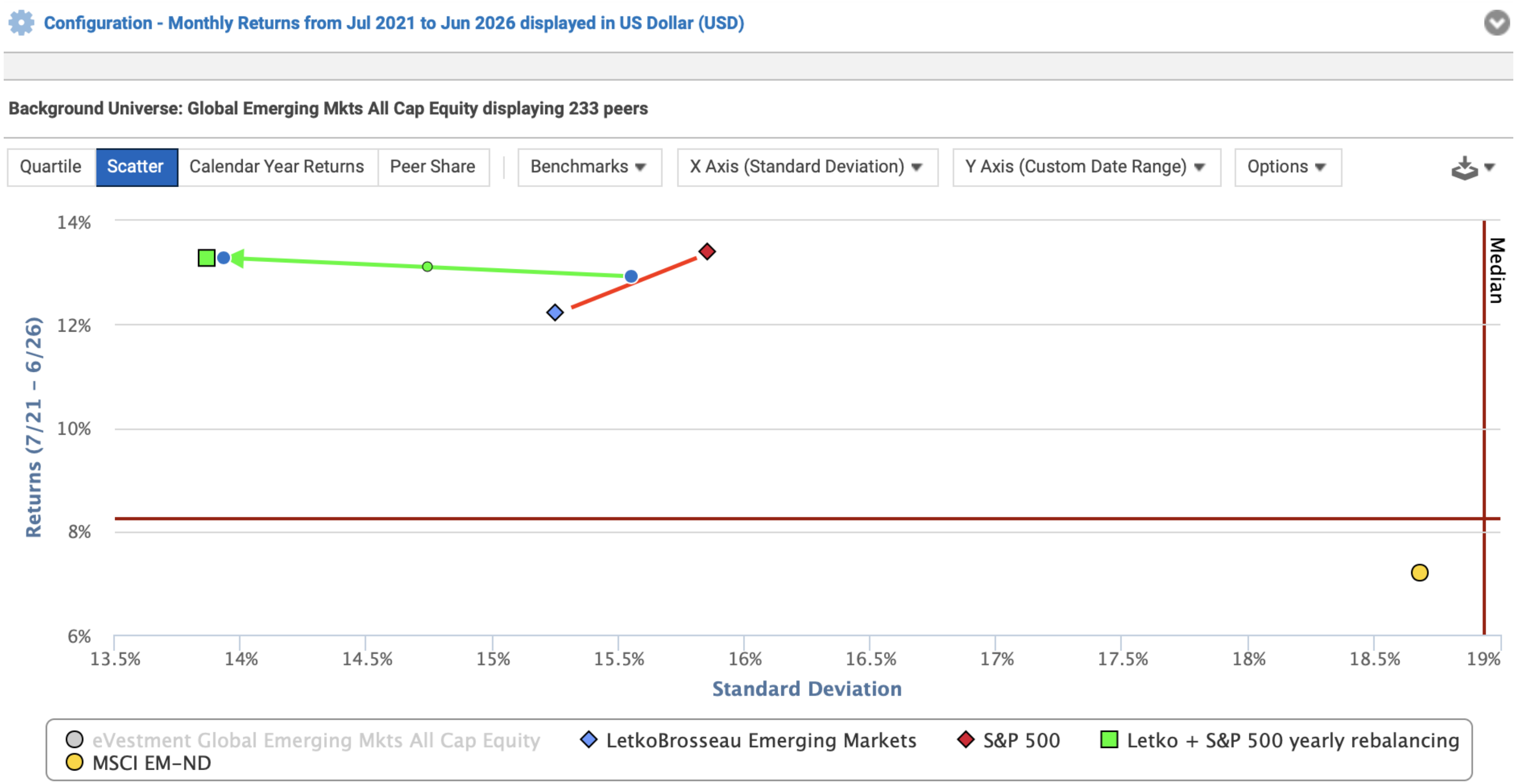
Results displayed in USD using Spot Rate (SR).

- Recent performance has been weaker, largely due to the strategy's limited exposure to AI-driven semiconductor and memory stocks. However, over the longer term, the strategy has demonstrated its strength, outperforming the MSCI Emerging Markets Index by approximately 5% per annum over the past five years, while maintaining a lower-risk profile.

Source: eVestment Next Century Growth US Small Cap Growth since inception
Data quoted is past gross of fee performance and current performance may be lower or higher. Past performance is no guarante of future results.
Investment return and principal value of an investment will fluctuate.

Performance versus Peers

➤ Adding Letko to an equity portfolio creates portfolio optimalisation benefits (for this example S&P 500-Letko combination)



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More info

- Book an online session with Candoris or Letko
- If you would like to discuss this further, Alex Letko will be in Europe in September:
- 21 September – Benelux- 22 September – Benelux- 23 September – Finland / Sweden - 24 September – Denmark- 25 September – Available

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