

For regulated qualified investors only

India –  
The country  
of abundant  
investment  
opportunities

LGM

# Investment risks

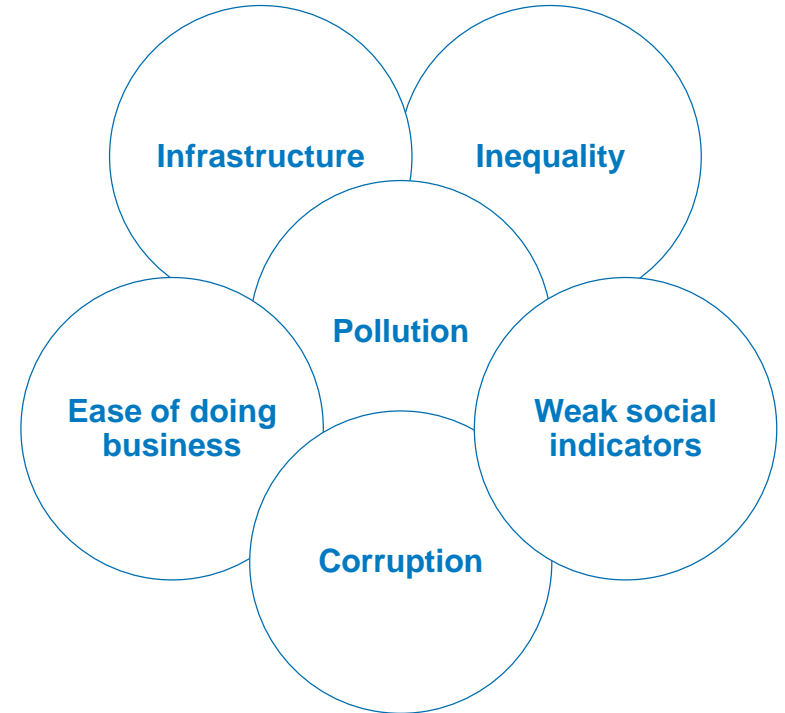
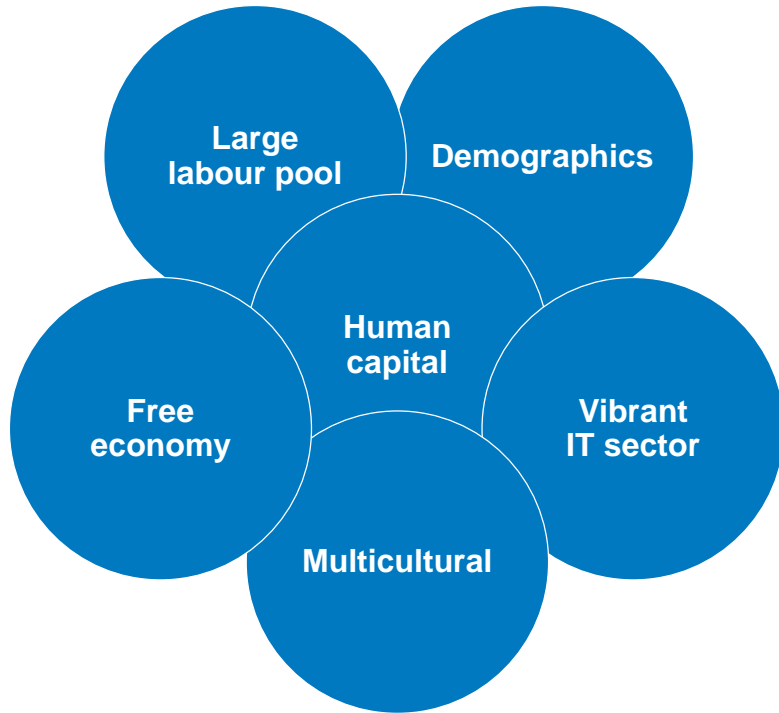
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The value of investments and any income derived from them can go down as well as up as a result of market or currency movements and investors may not get back the original amount invested.

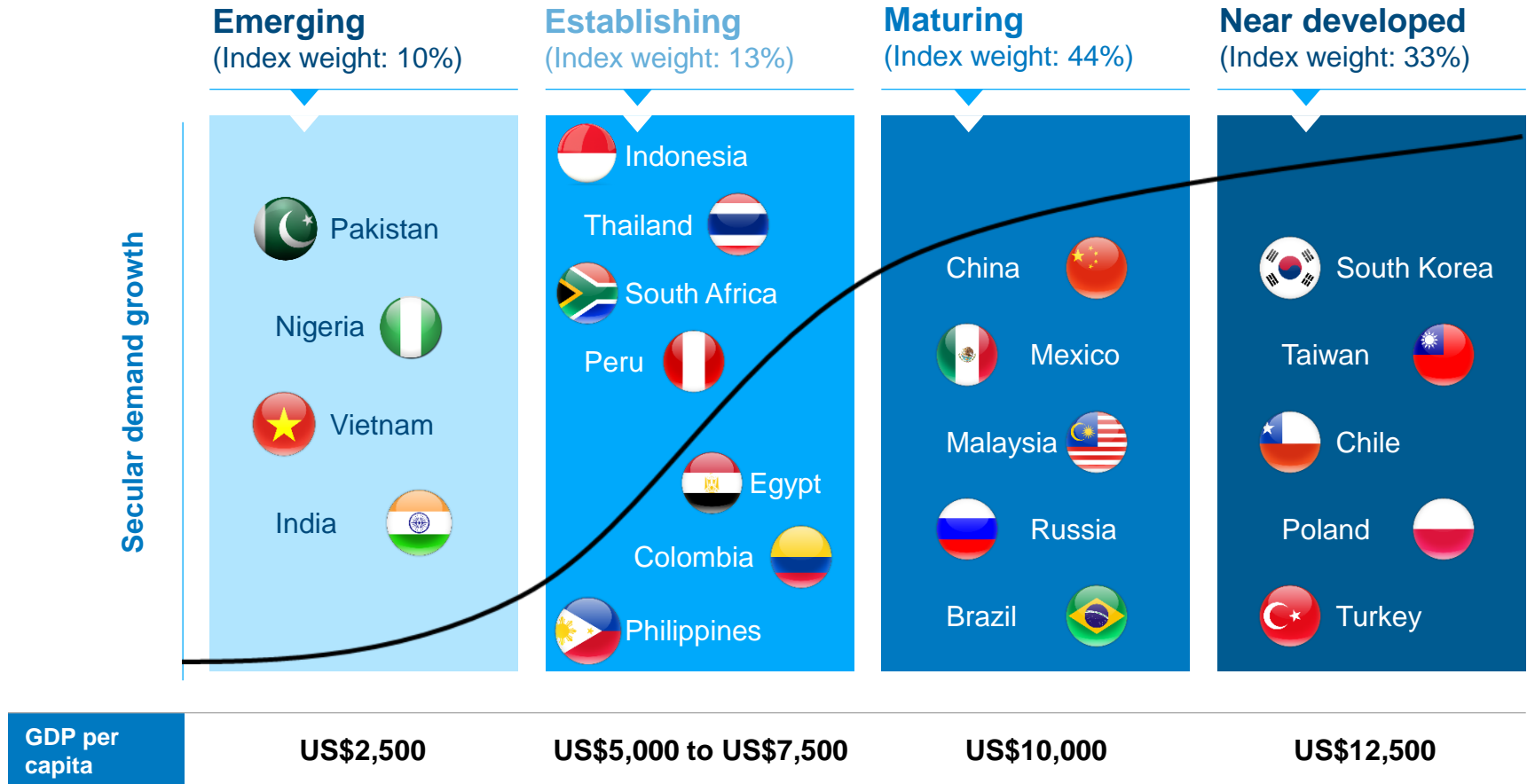
Investing in emerging markets is generally considered to involve more risk than developed markets due to the possibility of low liquidity, high currency fluctuation, the adverse effect of social, political and economic security, weak supervisory structures and weak accounting standards.

# India – country of contradictions

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# India – a very large economy at inflexion point



Source: LGM, MSCI as at 01-Jan-18. Qatar, United Arab Emirates, Greece, Hungary, Romania and Czech Republic are not included in the above Index Weights. GDP = Gross Domestic Product. For illustrative purposes only.

# India – basic fabric of the country

Democracy



Independent Judiciary



Freedom of Speech

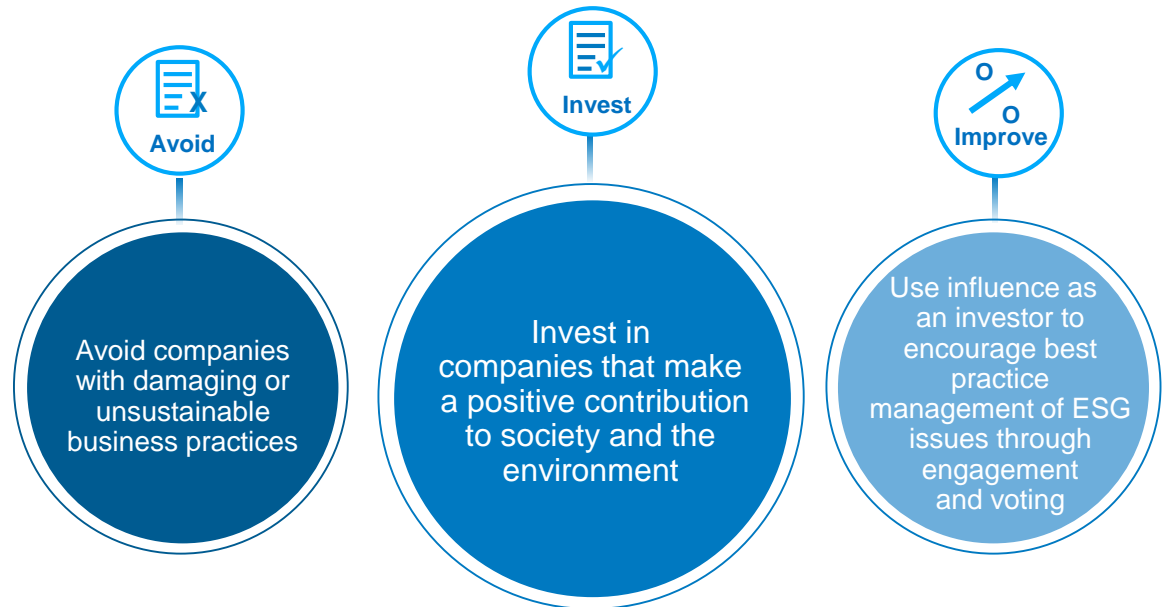


Credible Central Bank



Strength of Institutions give **steady but healthier** growth in the long term

# Our approach to Responsible emerging market investing



Source: BMO Global Asset Management. ESG = Environmental, Social & Governance.

# Look at individual companies

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Sustainable business model

### Sustainability positioning

- E&S factors incorporated into business strategy
- Social license to operate
- Natural advantages

Aligned with majority shareholders

### Governance

- Integrity & trust
- Diversity
- Board effectiveness
- Meritocracy

Robust balance sheet

### Sound financials

- Predictability
- Social resilience
- Employment
- Choice

Proven Management team

### Track Record

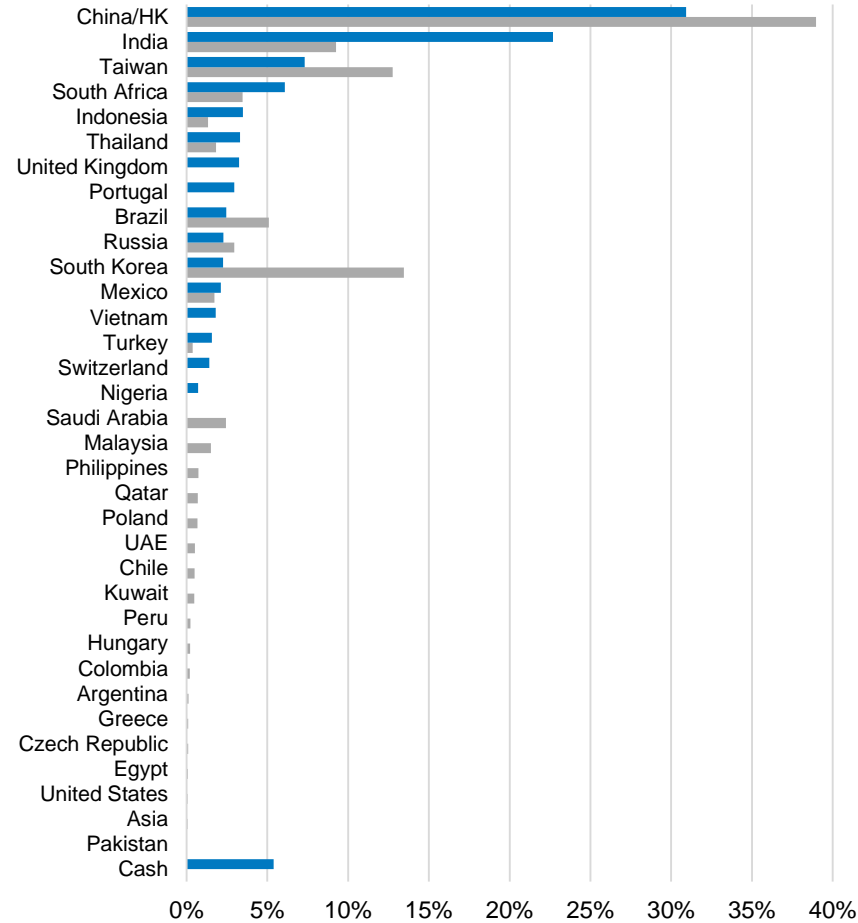
- Proven ability to engage with different stakeholders
- Capability in identifying & capturing opportunities
- Long-termism

Source: LGM Investments, September 2020

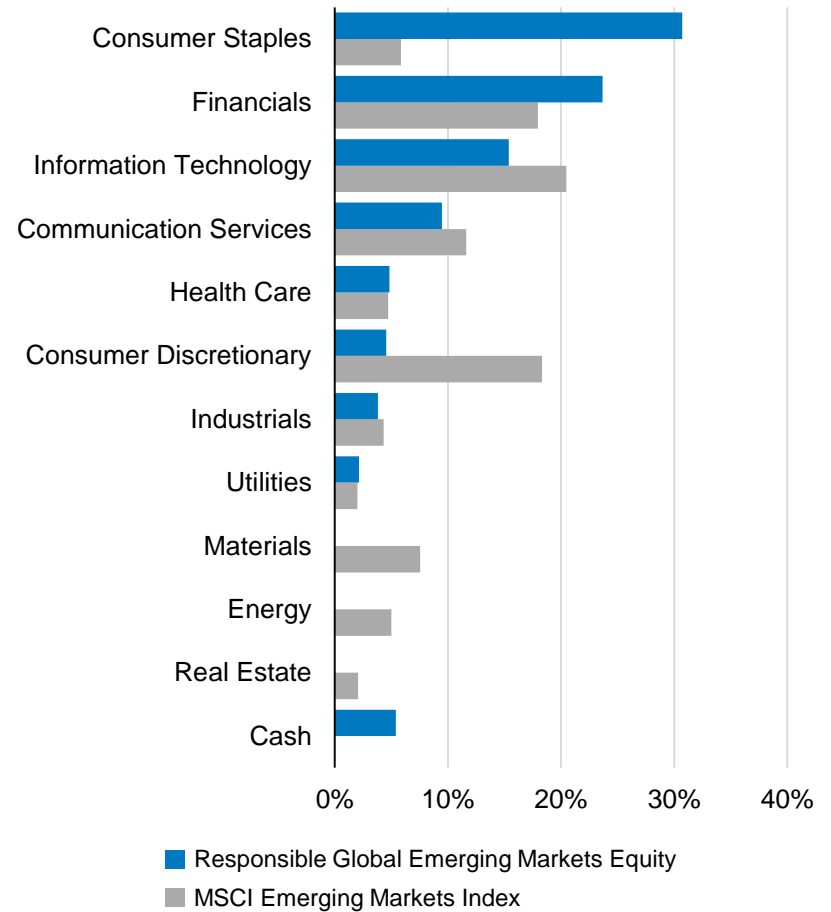
# LGM Responsible Global Emerging Markets Equity Strategy

## Geographic and sector allocation

### Country weightings



### Sector weightings



Source: BMO Global Asset Management, MSCI as at 31-Dec-20. Market weightings are subject to change. The data shown is of a representative account, is for informational purposes only and is not indicative of future characteristics. Actual results may vary due to specific client guidelines and other factors. Figures subject to rounding.



# LGM Responsible Global Emerging Markets Equity Strategy

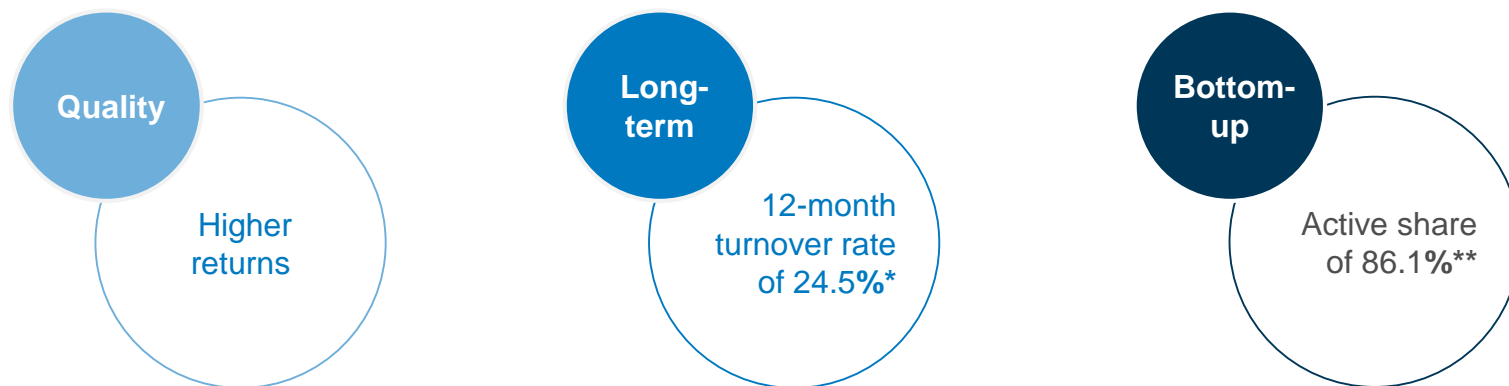
## Holdings

Top 10 absolute holdings	Country	Strategy weight %
TSMC	Taiwan	7.3
Tencent Holdings	China/HK	7.2
HDFC Bank	India	4.9
AIA Group	China/HK	4.3
Infosys	India	3.5
Unilever	United Kingdom	3.2
Hong Kong Exchanges & Clearing	China/HK	3.2
Tata Consultancy Services	India	3.1
Discovery	South Africa	3.1
Clicks Group	South Africa	3.0
<b>Total</b>		<b>42.9</b>
No. of Holdings		40

Source: BMO Global Asset Management, MSCI as at 31-Dec-20. Market weightings are subject to change. The data shown is of a representative account, is for informational purposes only and is not indicative of future characteristics. Actual results may vary due to specific client guidelines and other factors. Figures subject to rounding. This does not constitute a recommendation to buy, sell or hold any particular security.

# LGM Responsible Global Emerging Markets Equity Strategy

## Portfolio characteristics



		Strategy	MSCI Emerging Markets Index
Return	ROIC (non financials)	21.7%	9.6%
	ROE (financials)	15.0%	14.5%
Market cap (US\$)	<1bn	0.0%	0.1%
	1-5bn	21.4%	11.1%
	>5bn	78.6%	88.9%
	Weighted average (US\$bn)	103.4	139.2

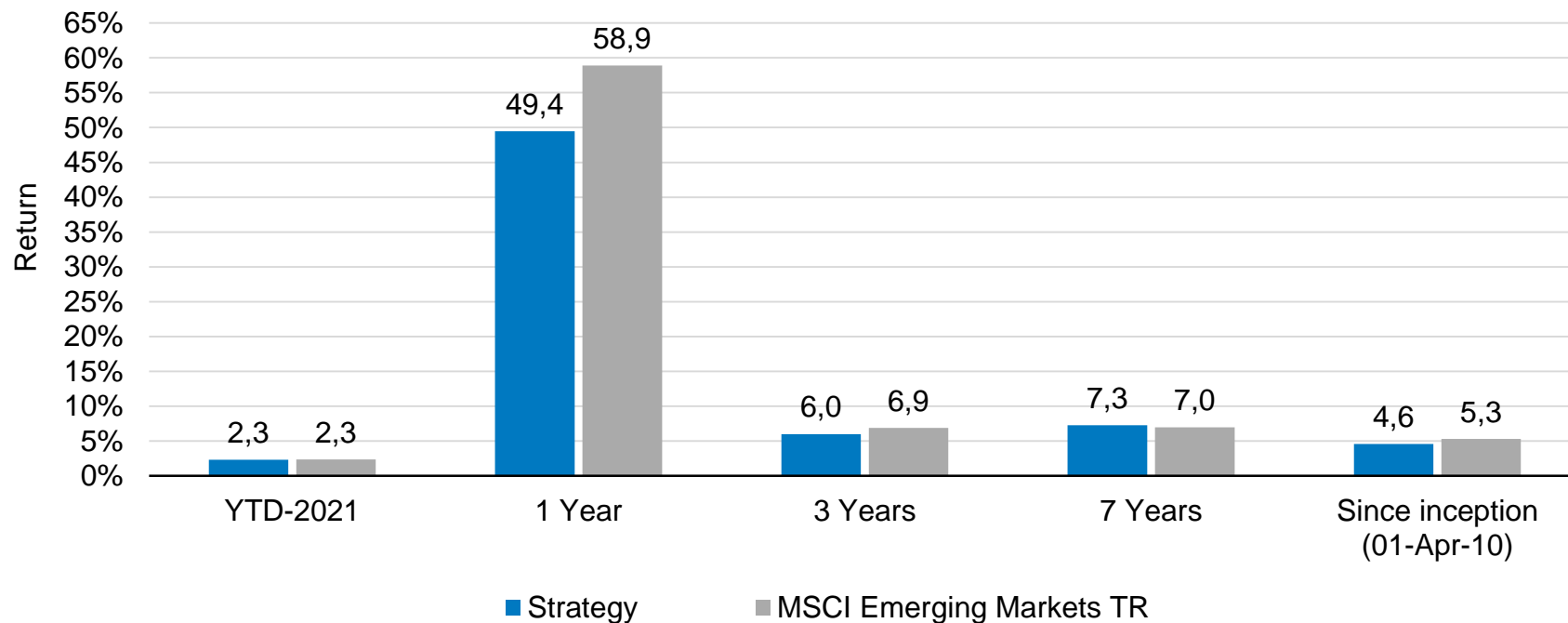
Note: All numbers are based on trailing 12-month financial data.

Source: BMO Global Asset Management, Factset, Bloomberg, MSCI as at 31-Dec-20. The data shown is of a representative account, is for informational purposes only and is not indicative of future characteristics. Data historic unless indicated otherwise. \*Measured as the lesser of purchases or sales divided by the average Representative account size during the period. \*\*Sum of the absolute value of the active weight of individual asset/two

# LGM Responsible Global Emerging Markets Equity Strategy

## Performance

### Performance vs. benchmark (US\$, net of fees)



**Past performance should not be seen as an indication of future performance. Changes in rates of exchange may also reduce the value of your investment.**

Source: BMO Global Asset Management, MSCI as at 31-March-21. Index data is MSCI Emerging Markets Index TR in US\$. Returns over 1 year are annualised. Figures subject to rounding. Please see full GIPS compliant performance disclosure at the end of this document

# LGM Responsible Global Emerging Markets Equity Strategy

## Performance

### Rolling 12-month discrete performance vs. benchmark (US\$, net of fees)

Performance (12 month rolling)	Responsible Global Emerging Markets Equity Strategy %	MSCI Emerging Markets Index %	Relative %
Dec 2019 – Dec 2020	11.1	18.7	-7.6
Dec 2018 – Dec 2019	15.0	18.9	-3.9
Dec 2017 – Dec 2018	-9.3	-14.2	5.1
Dec 2016 – Dec 2017	47.6	37.8	9.8
Dec 2015 – Dec 2016	6.5	11.6	-5.1

**Past performance should not be seen as an indication of future performance. Changes in rates of exchange may also reduce the value of your investment.**

Source: BMO Global Asset Management, MSCI as at 31-Dec-20. Index data is MSCI Emerging Markets Index (net dividends reinvested) in US\$. Returns over 1 year are annualised. Relative is arithmetic. Figures subject to rounding. Please see full GIPS compliant performance disclosure at the end of this document.

# Summary

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# LGM Responsible Global Emerging Markets Composite

## Performance disclosures

Composite: Responsible Global Emerging Markets Composite  
 Benchmark: MSCI Emerging Markets TR  
 Performance Type: Gross performance  
 Currency: US\$

Calendar year	Total return %		Annualised standard		Market value (m)	% of firm's assets
	Composite	Benchmark	Weighted dispersion	No. of A/Cs		
2019	15.93	18.88	0.66	18	642.46	---*
2018	-8.51	-14.24	0.13	10	454.36	9.85
2017	48.76	37.75	0.43	7	421.50	7.97
2016	7.34	11.60	---	6	221.87	6.32
2015	-14.06	-14.60	---	2	168.16	5.03
2014	6.15	-1.82	---	2	172.34	0.16
2013	-2.22	-2.27	---	2	156.17	0.13
2012	21.91	18.63	---	2	131.38	0.09
2011	-22.94	-18.17	---	2	109.65	0.08
<b>Q2 10 to end Q4 10</b>	10.72	16.35	---	2	104.91	0.07

Calendar year	Ann 1-year standard deviation		Ann 3-year standard deviation	
	Composite	Benchmark	Composite	Benchmark
2019	9.30	16.46	11.24	14.38
2018	12.71	15.45	13.91	14.82
2017	6.77	6.56	14.60	15.58
2016	17.23	17.82	15.24	16.30
2015	14.07	17.63	13.71	14.24
2014	14.65	13.60	14.98	15.21
2013	12.85	11.80	19.02	19.30
2012	17.61	19.66	---	---
2011	24.21	24.50	---	---

**Past performance is not indicative of future performance. The performance figures are shown gross of fees. The effect of fees or costs will be to lower the figures shown. Changes in rates of exchange may also reduce the value of your investment.**

Source: BMO Global Asset Management as at 31-May-20. \*2019 % of firm's net asset not yet available.

# LGM Responsible Global Emerging Markets Composite

## Performance disclosures

Composite: Responsible Global Emerging Markets Composite

Benchmark: MSCI Emerging Markets TR

Performance Type: Net performance

Currency: US\$

Calendar year	Total return %		Annualised standard		Market value (m)	% of firm's assets
	Composite	Benchmark	Weighted dispersion	No. of A/Cs		
2019	14.99	18.88	0.87	18	642.46	---*
2018	-9.28	-14.24	0.18	10	454.36	9.85
2017	47.57	37.75	0.39	7	421.50	7.97
2016	6.47	11.60	---	6	221.87	6.32
2015	-14.86	-14.60	---	2	168.16	5.03
2014	5.16	-1.82	---	2	172.34	0.16
2013	-3.13	-2.27	---	2	156.17	0.13
2012	20.78	18.63	---	2	131.38	0.09
2011	-23.66	-18.17	---	2	109.65	0.08
<b>Q2 10 to end Q4 10</b>	9.94	16.35	---	2	104.91	0.07

Calendar year	Ann 1-year standard deviation		Ann 3-year standard deviation	
	Composite	Benchmark	Composite	Benchmark
2019	9.29	16.46	11.23	14.38
2018	12.70	15.45	13.90	14.82
2017	6.76	6.56	14.60	15.58
2016	17.22	17.82	15.23	16.30
2015	14.06	17.63	13.70	14.24
2014	14.64	13.60	14.97	15.21
2013	12.84	11.80	19.00	19.30
2012	17.60	19.66	---	---
2011	24.19	24.50	---	---

**Past performance is not indicative of future performance. Changes in rates of exchange may also reduce the value of your investment.**

Source: BMO Global Asset Management as at 31-May-20 \*2019 % of firm's net asset not yet available. .

# LGM Responsible Global Emerging Markets Composite

## Performance disclosures

<b>GIPS 2010 Claim of Compliance - not verified</b>	LGM (BMO AUM history only prior to 1st Jan 2015) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. LGM (BMO AUM history only prior to 1st Jan 2015) has not been independently verified.
<b>Compliance Statement (1)</b>	LGM claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. LGM has been independently verified for the period from 1 January 2007 to 31 December 2016. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.
<b>Definition of the Firm (2)</b>	LGM Investments ("LGM") is a brand name used by LGM (Bermuda) Limited and its subsidiaries to define the portions of its business specializing in Asian, Global Emerging Markets and Frontier Markets equities. The 'LGM investments' brand is used primarily by LGM Investments Limited (based in London) and the active portfolio management division of BMO Global Asset Management (Asia) Limited (based in Hong Kong). LGM (Bermuda) Limited is a wholly-owned subsidiary of the Bank of Montreal ("BMO"), a Company listed on the Toronto Stock Exchange and the New York Stock Exchange.
<b>Verification (3)</b>	LGM has been independently verified for the period from 1 January 2007 to 31st December 2017.
<b>List of Composites (4)</b>	This composite was created on 22 Jun 10. A complete list and description of firm composites is available on request.
<b>Composite Description</b>	The LGM Responsible Global Emerging Markets Composite includes all discretionary portfolios managed according to LGM's Responsible Global Emerging Markets ESG (Environment, Social and Governance) strategy. Portfolios within the composite are managed and measured against the MSCI Emerging Markets but are restricted to investing in companies that demonstrate a clear link to sustainable investment. The benchmark is MSCI Emerging Markets (Total Return) index. MSCI Emerging Markets Index is a market capitalisation weighted index comprised of over 800 companies representative of the market structure of the emerging countries in Europe, Latin America, Africa, Middle East and Asia. Investments cannot be made in an index.
<b>Fees (6)</b>	Gross of fees performance is calculated gross of investment management fees and where available, administrative fees. Gross of fees performance is net of all trading expenses. Net of fees performance is presented net of all investment management, administrative fees and trading expenses. This composite uses actual fees. A full breakdown of fees for this composite is available on request.
<b>Fee Schedule</b>	<100 million 0.75% 100-150 million 0.70% 150-200 million 0.65% >200 million 0.60%
<b>Exchange Rates (8)</b>	Sources of exchange rates and share prices may differ between the benchmark and the individual portfolios contained within the composite.
<b>Dispersion (9)</b>	Weighted dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for the entire year. Composite dispersion is only calculated if there are more than five accounts included in the composite for the full year.
<b>Additional Information (10)</b>	Additional information regarding the firm's policies and procedures for the preparation of compliant presentations, valuation, calculation and reporting of performance returns is available on request.
<b>Methodology Statement (13)</b>	As of 1st July 2015 LGM amended its GIPS policies in three areas: 1) for Non-UK domiciled funds, LGM now recognises each share class as a separate portfolio (previously only one share class was recognised as a portfolio for each vehicle); 2) three-year standard deviation is now calculated using sample standard deviation (previously population standard deviation); and 3) net-of-fees performance is now calculated using a weighted average of the underlying portfolios' net returns (previously the highest fee in the composite was applied). As a result of these amendments to the firm's policy, the standard deviation, net-of-fees returns, number of portfolios in a composite, and internal dispersion may have changed from those presented historically on compliant presentations.
<b>Disclosure</b>	Performance shown prior to 31 December 2014 represents results achieved by the Ethical Global Emerging Markets Equity Composite while the emerging markets team was part of an investment team at F&C Asset Management plc. The team became part of the LGM investment team in December 2014 and the composite was subsequently renamed the LGM Responsible Global Emerging Markets Composite. On 1 January 2015, the management of F&C Asset Management's Emerging Markets portfolios transferred to LGM Investments, which is a separate GIPS firm. For periods prior to this the percentage of firm assets figure is in relation to F&C's GIPS firm assets. Past performance does not guarantee future results.
<b>Disclosure</b>	There is insufficient data to provide a three year standard deviation figure for composites with less than 36 months' worth of returns.



# Disclaimer

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