

Select Fund: Equity Class

Quarter 2 2024

Objective

To offer a convenient vehicle for investing in a portfolio of global equities, which are anticipated to provide the best opportunities for risk-adjusted capital growth.

Investment policy

To invest in a broad range of global equities, diversified across sector and geography. The strategy may use passive funds for managing tracking error and where deemed more appropriate, for example in Emerging Markets.

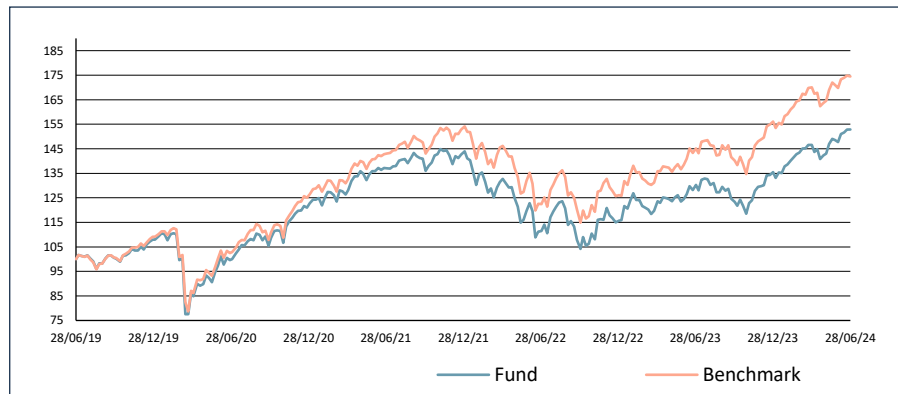
Investment process

The investment process utilises a combination of top-down and bottom-up analysis. The strategy is benchmark aware and typically has exposure to every major sector. Stocks tend to exhibit attractive quality and value characteristics, with long-term themes used to help ensure that the exposure is tilted towards sectors or companies with long-term tailwinds.

Key facts as at 30 June 2024

Currency	USD
Valuation	Weekly
Dealings	Friday
Front end fee	None
Units available	Accumulation
Identifier	BUTSLEQ.BH
Fiscal year end	30 June
Minimum investment	USD 10,000
Total expense ratio	1.17%
Size of fund (millions)	USD 82.88
NAV per share	USD 25.62

Performance chart



Average annual compound returns

	Quarter	1 year	3 years	5 years	10 years
Total returns	4.32%	17.31%	3.72%	8.86%	7.00%
Benchmark	2.63%	20.19%	6.86%	11.78%	9.16%

Fund review

The Select Equity Fund returned 4.3% in the second quarter, comfortably ahead of the MSCI World index, which returned 2.6%. The market returns were concentrated in a few mega-cap stocks and only around one-third of the stocks in the MSCI World outperformed the index. While the S&P 500 returned +4.3% in the quarter, the Equal Weight S&P 500 fell -2.6%. This represented the third largest quarterly outperformance for the market-capitalisation weighted index in data going back to 1990. The only two quarters with wider outperformance were in the fourth quarter of 1999 (the dot-com bubble) and the first quarter of 2020 (the onset of the pandemic). The top ten stocks now account for 34% of S&P 500 index.

The Fund benefitted from an overweight position in Nvidia, which was again the standout stock in the quarter, returning 36.7%. The company is at the centre of the AI revolution as it provides the market leading chips and it briefly became the largest company in the index during quarter. The valuation has increased, so this is something that we are monitoring, but earnings continue to deliver. Apple is another mega-cap stock that performed well and we added to our position during the quarter. This followed better than feared Greater China revenue on the back of iPhone growth, which allowed them to boost their dividend and share buybacks program. Investors are also getting excited about the company's next iPhone cycle as Apple prepares to release an iPhone with AI functionality.

Stock selection in the Industrials sector was also a positive contributor to performance. ABB has benefited from structural growth in electrical equipment sales as companies and governments have focused on



Benchmark composition

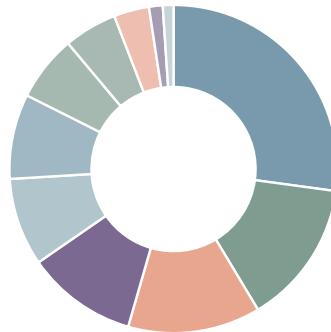
100% MSCI World (Free) Index.

Contact us

**Butterfield
Asset Management
Limited**

Tel: (441) 299 3817

Asset allocation

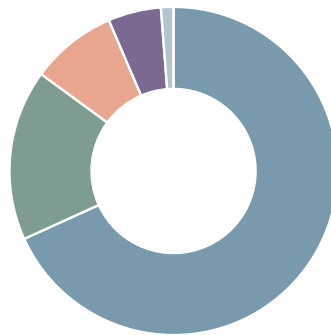


Information Technology	27.2%
Financials	14.2%
Health Care	13.1%
Industrials	10.9%
Consumer Discretionary	8.7%
Communication Services	8.4%
Consumer Staples	6.5%
Energy	5.2%
Materials	3.5%
Real Estate	1.4%
Utilities	1.1%

electrification. This includes industrial processes, transport and upgrading the energy grids. Trane Technologies has also benefitted from similar trends. Heating, ventilation and air conditioning sales to commercial businesses have been very strong, encouraged by regulatory measures focused on transitioning to cleaner energy. On the flipside, consumer focused companies such as Nike and Moncler underperformed over the quarter. Nike had disappointing earnings, which raised questions around competition, while Moncler and other luxury good companies lagged due to worries about consumption in China. At a sector level, we have a small underweight to the Consumer Discretionary sector.

On a regional basis, investor sentiment became a little stretched in Japanese equities and weak economic data saw Japan underperform. The weakness of the yen has been a mixed blessing. It has made the country very competitive and exporters have benefitted, as have visitors to Japan, but it has been a challenge for Japanese consumers and policymakers. We are overweight Japanese equities, but around one-third of our exposure is currency hedged. The yen was the worst performing G7 currency in the second quarter, so this currency hedge was beneficial and the exposure actually outperformed the MSCI World.

Regional allocation



North America	68.2%
Europe developed	16.9%
Asia/Pacific	8.5%
UK	5.2%
Emerging markets	1.2%

Top 10 holdings

1	iShares Global Financials ETF	6.0%
2	Nvidia Corporation	5.5%
3	iShares MSCI Japan ETF	4.9%
4	Apple Inc.	4.7%
5	Microsoft Corporation	4.1%
6	Alphabet Inc. - Class C	3.4%
7	The Financial Select Sector SPDR ETF	2.9%
8	Amazon.com Inc	2.9%
9	ABB Ltd	2.5%
10	Novartis AG ADR	2.4%

www.butterfieldgroup.com

Past performance is not indicative of future performance. This document is for information purposes only and does not constitute an offer or solicitation of products or services where prohibited by applicable law. Further, this document is not intended to provide specific investment, financial, accounting, legal or tax advice and no reliance should be placed on the information it provides. Butterfield Asset Management Limited and Butterfield Bank (Cayman) Limited are each wholly-owned subsidiaries of The Bank of N.T. Butterfield & Son Limited. Butterfield Asset Management Limited is licensed to conduct investment business by the Bermuda Monetary Authority. Registered office address: 65 Front Street, Hamilton HM12, Bermuda. Butterfield Bank (Cayman) Limited is licensed to conduct securities investment business by the Cayman Islands Monetary Authority. Registered office address: Butterfield Place, 12 Albert Panton Street, PO Box 705, Grand Cayman KY1-1107, Cayman Islands.