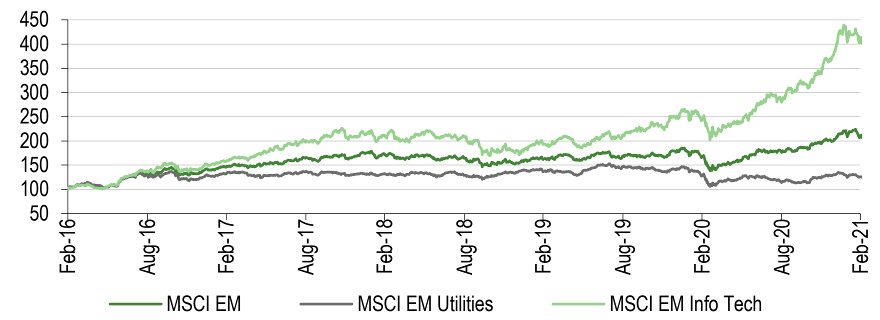
EDISON

Utilico Emerging Markets Trust

Strong underlying portfolio performance

Utilico Emerging Markets Trust (UEM) is managed by Charles Jillings at specialist investment firm ICM Group. He reports that 'operationally, portfolio companies are delivering results above expectations, helped by lower cost bases and higher margins'. However, the manager suggests there is hidden value in UEM's portfolio as company valuations are lagging the improvement in their fundamentals. Jillings is encouraged that the trust is continuing to pay regular quarterly dividends, which remained fully covered in H121 (ending 30 September 2020), 'reflecting the strength of the businesses in UEM's portfolio'.

Over the past five years, technology stocks have been the standout performers in emerging markets, while utility stocks have lagged



Source: Refinitiv, Edison Investment Research

Why invest in emerging markets?

Emerging markets offer the prospect of higher economic growth compared with developed markets, helped by urbanisation and a rising middle class, which is driving demand for premium products and services. Also, in aggregate, company valuations in emerging markets compare favourably to those in other, more developed regions.

The analyst's view

UEM offers a diverse portfolio of high-conviction bottom-up investments. These are long-term assets with established regulatory frameworks, which should continue to deliver predictable and sustainable income streams; the majority of companies in the portfolio pay dividends. There is scope for UEM's holdings to be afforded a higher valuation if stock market leadership broadens and there is a greater appreciation for attractively valued companies with improving fundamentals.

Discount broadly in line with historical averages

UEM's current 13.8% discount to cum-income NAV is not dissimilar to the average discounts of 14.1%, 12.7% and 12.1% over the past one, three and five years. The trust has a progressive dividend policy, annual dividends have grown or been maintained every year since the fund was launched in July 2005. UEM currently offers a 3.9% dividend yield.

NOT INTENDED FOR PERSONS IN THE EEA

Investment trusts
EM infrastructure and utilities

24 March 2021

Price		**198.0p**
Market cap		**£438m**
AUM		**£553m**

NAV*		229.8p
Discount to NAV		13.8%
*Including income. At 22 March 2021.		
Yield		3.9%
Ordinary shares in issue		221.3m
Code/ISIN		UEM/GB00BD45S967
Primary exchange		LSE
AIC sector		Global Emerging Markets
52-week high/low	206.0p	150.5p
NAV* high/low	234.2p	178.1p
*Including income		
Net gearing*		7.7%
*At 28 February 2021.		

Fund objective

Utilico Emerging Markets Trust's investment objective is to provide long-term total returns by investing predominantly in infrastructure, utility and related equities, mainly in emerging markets.

Bull points

- Specialist fund investing in high-quality emerging market companies.
- Progressive dividend policy and attractive yield.
- Higher economic growth and lower valuations in emerging versus developed markets

Bear points

- Discount persistently wider than board's desired level of 10%.
- The utility and infrastructure sectors have lagged the performance of the MSCI emerging markets index.
- Emerging market indices can be more volatile than those in developed markets.

Analysts

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Market outlook: Higher growth and lower valuations

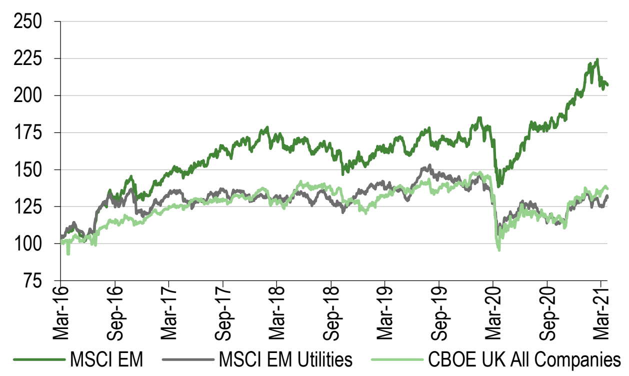
In aggregate, emerging market equities have performed very strongly following the coronavirus-led market selloff in early 2020 (Exhibit 1, LHS). However, market leadership has been narrow, led by large-cap technology stocks – at the end of February 2021, the top four constituents of the MSCI Emerging Markets index had a combined weighting of c 23% (Taiwan Semiconductor Manufacturing Company, Tencent Holdings, Alibaba Group Holdings and Samsung Electronics Co). Emerging market utility stocks have staged a more modest recovery and their performance since the market selloff is broadly in line with that of the UK market.

Growth expectations are higher for emerging compared with developed economies. In its January 2021 World Economic Outlook update, the International Monetary Fund forecast GDP growth of 6.3% in 2021 and 5.0% in 2022 for emerging market and developing economies compared with 4.3% and 3.1% for 2021 and 2022 respectively for advanced economies. Reasons for higher emerging market economic growth include urbanisation, a rising middle class, environmental policies and digitisation.

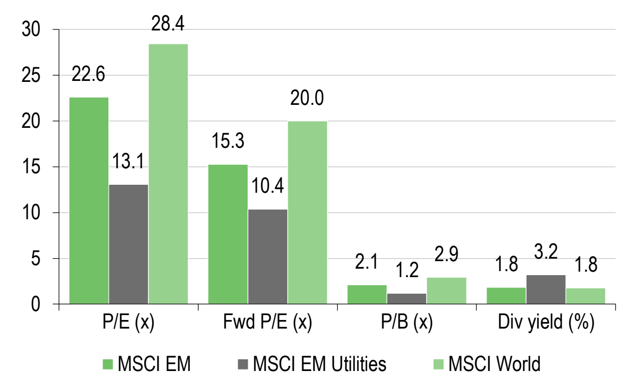
As shown in Exhibit 1 (RHS), emerging market equities remain more attractively valued than the world market (emerging market utility shares are trading on particularly modest multiples). Given the higher growth outlook and relatively attractive valuations, an allocation to emerging markets may be beneficial for global investors.

Exhibit 1: Market performance and valuation

Indices' total return performance (£-adjusted, past five years)



Indices valuation metrics At 28 February 2020



Source: Refinitiv, MSCI, Edison Investment Research

The fund manager: Charles Jillings

The manager's view: Differentiated responses to COVID-19

Discussing the macroeconomic backdrop, Jillings says the central issue is COVID-19 and the responses to the virus. He suggests 'the challenge is that while the pandemic is understood and the route out of this is via vaccines, every nation is on a different path to achieving a COVID-secure outcome'. The UK and Israel, for example, are ahead of other nations in rolling out their vaccine programmes and New Zealand and Australia have a policy of zero tolerance, locking down regions when a COVID-19 case is identified. The manager says the differentiated approaches to dealing with the global pandemic brings with it the risk of heightened stock market volatility and the mismatch in outcomes is leading to different economic responses across the world.

Jillings explains that to stabilise the global economy, governments provided liquidity and reduced the economic drag by lowering interest rates. In the UK, the furlough scheme was introduced to provide a safety net, and globally, equity investors benefited from the low interest rate environment; the manager believes these policies will have to continue for some time. 'COVID-19 will challenge the outcomes, and to provide stability, central banks will need to remain accommodative' he adds.

The manager is concerned about the risk of inflation, commenting 'there is proper disruption to supply chains, both for commodities and products'. Commodity prices are rising and there is disruption in the supply of semiconductors, for example, which is affecting a range of industries including autos. Jillings says these inefficiencies are leading to heightened inflation in the short term; however, looking further out, maybe 24 months or so, he expects lower inflation due to rising unemployment as government support schemes are withdrawn. He comments that equity prices have benefited from the low interest rate environment and the search for investment returns. The manager suggests the US dollar is likely to provide a challenge; if it weakens, it should be positive for emerging market equities as capital is attracted to the regions. However, investors are questioning the likelihood of higher US interest rates. If they rise, the dollar is likely to strengthen, which should provide a headwind to emerging market equities as capital flows back to the US. Although Jillings believes that 'overall, low interest rates at central banks should continue, which should be positive for the performance of emerging market equities'.

Turning his attention to emerging market economies, the manager says there is a continued focus on infrastructure spending and a commitment to invest, including in China, India and Brazil, providing opportunities to enable further development of their economies. Drilling down to the company level, Jillings says utility company operations have proved resilient during the pandemic, while airports have struggled for obvious reasons. However, in aggregate he suggests most of the businesses in which UEM invests are trading well and better than expected compared with several months ago. COVID-19 disrupted operations at ports as product volumes declined, but they have subsequently rebounded, while cost-reduction measures put in place have been maintained and the benefits should continue, resulting in higher margins. The manager reports that volumes for toll road operators have also rebounded, especially in China where they are back to pre-COVID-19 levels, 'while Brazil is nearly there'. He notes that water and waste operations have been surprisingly resilient after an initial shock due to lockdowns, especially in construction where there has been a sharp recovery. Shares of telecom firms have performed well over the past six months, following an initial wobble on concerns about bill payments, which did not materialise. On the back of strong operating results, some companies are increasing their dividends, at times by considerable amounts. Ocean Wilsons initially paid out only part of its dividend and then paid the remaining amount, to take it to pre-COVID-19 levels, at the end of the year. Power Grid of India has moved from paying an interim and a final dividend to two interims and a final dividend.

In terms of valuation, Jillings comments that 'with higher top-line growth and wider margins, the valuation of investee companies has lagged the improvement in company fundamentals'. While there has been increased retail investing in countries including China, South Korea and Brazil, the focus has been on technology and momentum stocks. 'Our investments have been side-lined and have not benefited from improved market sentiment. Once vaccines were approved, the market leadership started to broaden but this has been put on hold due to lockdowns', he adds. The manager is hopeful that once the world normalises, the market should value UEM's portfolio more in line with historical multiples.

Current portfolio positioning

At end-February 2021, UEM's top 10 holdings made up 31.9% of the portfolio, which was a lower concentration compared with 35.7% a year before; five positions were common to both periods.

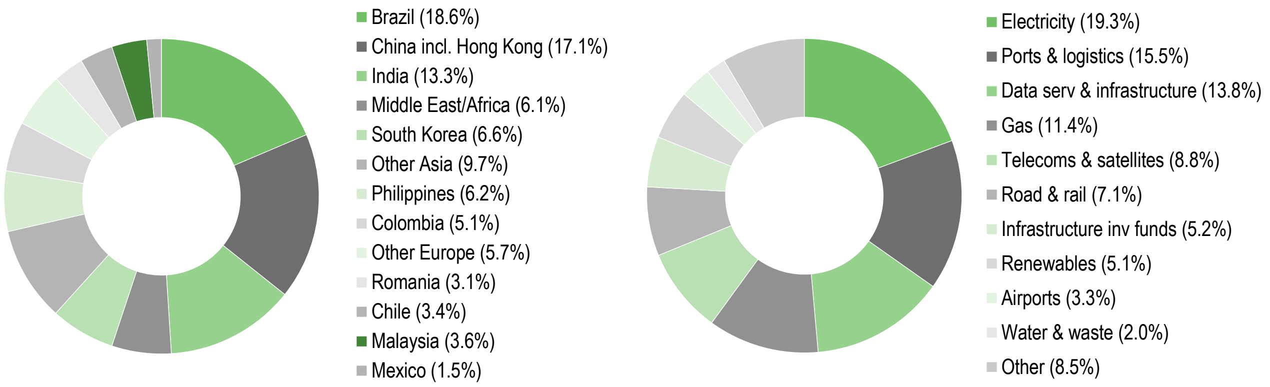
Exhibit 2: Top 10 holdings (at 28 February 2021)

			Portfolio weight %	
Company	**Country**	**Sector**	**28 February 2021**	**28 February 2020***
International Container Terminal Services	Philippines	Ports operator	6.2	5.3
Ocean Wilsons Holdings	Brazil	Ports operator & shipping services	3.3	2.9
India Grid Trust	India	Infrastructure investment trust	3.1	N/A
MyEG Services	Malaysia	Payments technology services	3.1	N/A
Gujarat State Petronet	India	Gas distribution	3.0	N/A
Alupar Investimento	Brazil	Electricity generation & transmission	3.0	4.9
China Everbright Greentech	China	Biomass & hazardous waste treatment	2.7	3.2
Engie Energia Chile	Chile	Electricity generation & transmission	2.5	N/A
Rumo	Brazil	Rail-based logistics operator	2.5	3.1
Corporacion Financiera Colombiana	Colombia	Financial services	2.5	N/A
Top 10 (% of portfolio)			**31.9**	**35.7**

Source: UEM, Edison Investment Research. Note *N/A where not in end-February 2020 top 10.

Exhibit 3 shows that UEM's portfolio is diversified by both geography and sector. Its exposure to data services and infrastructure companies has increased in recent months and is now approaching 15% of the fund. Jillings explains these are high-growth, high-margin businesses that are continuing to deliver good results. UEM has been an investor in this sector for some time and has added a number of investments; the businesses range from data centres through to online services.

Exhibit 3: Portfolio geographic (left) and industry (right) exposure (at 28 February 2021)



Source: Utilico Emerging Markets Trust, Edison Investment Research

The manager highlights some of UEM's newer top 20 holdings. Simpar is a Brazilian holding company with six independent subsidiaries (of which three are listed on the Brazilian stock exchange) including logistics, car rental and truck/machinery rental and logistic services. Jillings believes Simpar has good growth potential, while its shares are trading at a discount to the value of the sum of the parts of its individual operations. It periodically lists some of its businesses; there was a recent initial public offering of 21% of Vamos (truck/machinery rental and logistic services). The issue was oversubscribed and Vamos's shares appreciated following the offering.

China Gas Holdings is one of the largest gas distribution companies in China with 40 million household connections. It has concessions to bring gas to Tier 2 to Tier 4 cities and its operations have performed well. UEM held a position in this company in the past, but it was sold due to an unattractive valuation and regulatory uncertainty, which has since been clarified, so the company is now more investible, according to the manager. China Gas holdings has double-digit volume growth and the manager sees good prospects for the company over the next few years.

KunLun Energy Company is also a gas distribution company but has more midstream assets than China Gas Holdings, such as liquified natural gas terminals. It also has a small non-core upstream operation, which is likely to be divested now that oil prices have rallied. Jillings says the company is undervalued on a sum-of-the-parts basis. Its midstream pipeline assets have been restructured, some of which have been acquired by the Chinese government, allowing KunLun Energy to pay a large special dividend.

The manager notes that for a number of years UEM has invested in digital infrastructure and e-commerce platforms where there are strong defensive characteristics and high growth/high margins. NAVER is one such holding, in which the trust first invested in 2019. It is a South Korean internet platform traditionally thought of as the ‘Google of Korea’, but has also had recent success in becoming more like Amazon.com including launching a Prime-type membership programme. The company is very fast growing, dominant in its marketplace and trades on a high multiple but is profitable and pays a small dividend. NAVER’s e-commerce and payment solutions segment revenues rose by 37.6% and 66.6% respectively in 2020; these are the segments Jillings thinks offer the firm’s best growth prospects. The company had a troublesome Japanese subsidiary called Line that merged with Yahoo Japan (NAVER holds 50% of the joint venture); this development was viewed positively by investors.

Performance: Long-term outperformance vs utilities

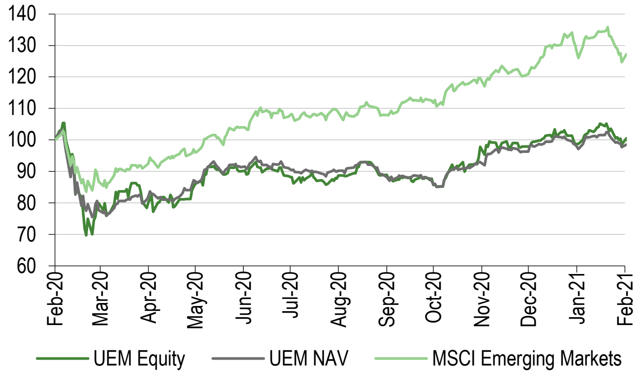
Exhibit 4: Five-year discrete performance data

12 months ending	Share price (%)	NAV (%)	MSCI Emerging Markets (%)	MSCI EM Utilities (%)	Performance fee benchmark (%)
28/02/17	22.7	24.6	45.5	32.0	8.0
28/02/18	10.3	12.8	18.3	0.0	8.0
28/02/19	1.3	(1.2)	(6.3)	3.5	8.0
29/02/20	(2.9)	(1.5)	2.6	(7.1)	8.0
28/02/21	(1.5)	(2.2)	24.7	(1.6)	8.0

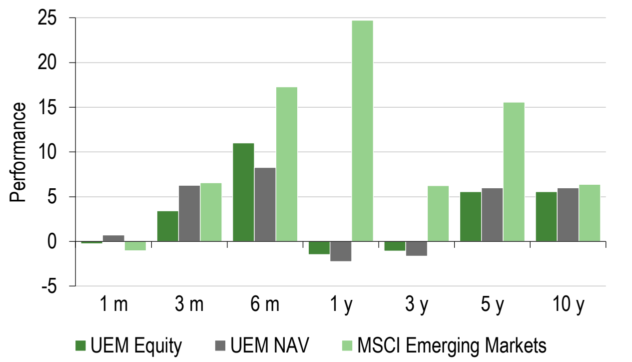
Source: Refinitiv. Note: All % on a total return basis in pounds sterling. Performance fee benchmark subject to an 8% minimum from April 2014. MSCI indices are shown for illustrative purposes.

Exhibit 5: Investment trust performance to 28 February 2021

Price, NAV and benchmark total return performance, one-year rebased



Price, NAV and benchmark total return performance (%)



Source: Refinitiv, Edison Investment Research. Note: Three, five and 10-year performance figures annualised.

Exhibit 6: Share price and NAV total return performance, relative to indices (%)

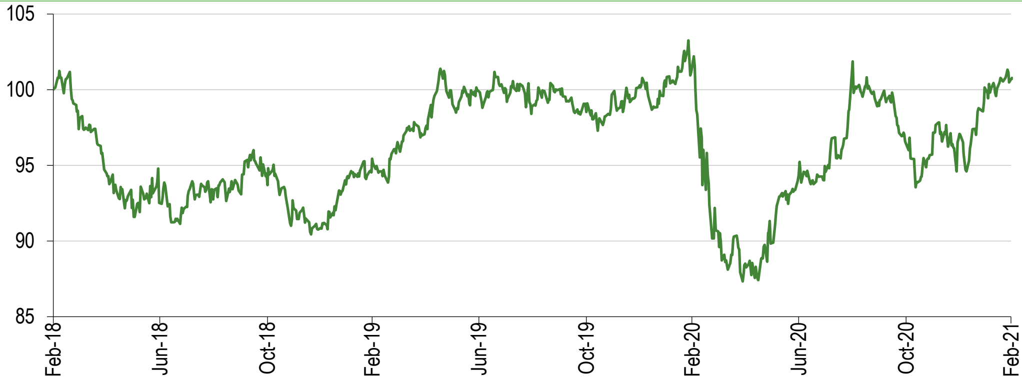
	One month	Three months	Six months	One year	Three years	Five years	10 years
Price relative to MSCI Emerging Markets	0.8	(2.9)	(5.3)	(21.0)	(19.2)	(36.5)	(7.3)
NAV relative to MSCI Emerging Markets	1.7	(0.3)	(7.7)	(21.6)	(20.6)	(35.2)	(3.8)
Price relative to MSCI EM Utilities	(0.6)	2.2	1.1	0.1	2.3	4.9	60.6
NAV relative to MSCI EM Utilities	0.3	5.0	(1.4)	(0.7)	0.5	6.9	66.7
Price relative to CBOE UK All Cos	(2.3)	(1.3)	(0.9)	(4.1)	(5.3)	(0.7)	1.0
NAV relative to CBOE UK All Cos	(1.4)	1.5	(3.3)	(4.9)	(6.9)	1.3	4.9
Price relative to performance fee benchmark*	(0.8)	1.5	6.9	(8.8)	(23.1)	(10.8)	(18.5)
NAV relative to performance fee benchmark*	0.1	4.3	4.2	(9.5)	(24.4)	(9.0)	(15.4)

Source: Refinitiv, Edison Investment Research. Note: Data to end-February 2021. Geometric calculation. *Benchmark for performance fee is UK Gilt five- to 10-year post-tax yield, plus RPIX, plus 2%, subject to an 8% minimum from 1 April 2014.

UEM’s relative returns are shown in Exhibit 6. It has lagged the performance of the MSCI Emerging Markets index in all periods shown (with the exception of one month). However, the trust has performed considerably better compared with a more relevant measure; its NAV is ahead of the MSCI emerging markets utilities index over three, five and 10 years. UEM's performance over the past decade is particularly notable.

Jillings explains the market as a whole remains focused on technology and growth stocks. 'While there has been some revaluation of other sectors, it has not happened for those where UEM is invested. The technology sector is now even more elevated terms of valuation, while UEM's portfolio is undervalued' he opines.

Exhibit 7: NAV TR performance relative to MSCI EM Utilities Index over three years



Source: Refinitiv, Edison Investment Research

Peer group comparison

Exhibit 8 shows the members of the AIC Global Emerging Markets sector with market caps above £100m. UEM's unique strategy means a direct comparison with its peers is not possible but does provide some perspective. Its NAV total returns are below average over the periods shown; however, this is unsurprising given the nature of its investments. UEM ranks eighth out of nine funds over the past 12 months, seventh out of eight over the past three years, eighth out of eight over the past five years and sixth out of seven over the past decade. It should be noted that these returns do not take the dilutive effect of the trust's historical subscription shares before February 2018 into account. UEM's discount is wider than average, and its ongoing charge is median ranked (although it is one of two funds eligible for a performance fee). The trust has a higher-than-average level of gearing, while its dividend yield is the second highest in the selected peer group, 2.1pp above the mean.

Exhibit 8: Selected peer group at 23 March 2021*

% unless stated	Market cap (£m)	NAV TR 1 year	NAV TR 3 year	NAV TR 5 year	NAV TR 10 year	Discount (cum-fair)	Ongoing charge	Perf. fee	Net gearing	Dividend yield (%)
Utilico Emerging Markets	438.1	34.7	2.3	32.9	84.0	(13.8)	1.1	Yes	108	3.9
Aberdeen Emerging Markets	319.5	59.7	30.5	91.3	79.2	(14.4)	1.0	No	100	0.0
BlackRock Frontiers	293.1	57.8	(8.6)	39.0	94.2	(1.8)	1.4	Yes	108	4.3
Fundsmith Emerging Equities Trust	349.8	33.4	18.5	45.4		(6.0)	1.3	No	100	0.2
Genesis Emerging Markets Fund	1,076.2	49.0	32.0	89.0	96.2	(9.3)	1.1	No	100	1.5
JPMorgan Emerging Markets	1,587.5	56.0	46.8	120.6	141.4	(0.8)	0.9	No	100	1.1
JPMorgan Global Emerg Mkts Inc	436.9	54.7	29.3	89.4	121.1	(4.9)	1.2	No	105	3.5
Mobius Investment Trust	118.9	64.3				(6.8)	1.5	No	100	0.0
Templeton Emerging Mkts Inv Trust	2,386.1	62.1	41.2	132.3	88.5	(8.3)	1.0	No	103	1.9
Simple average	**778.5**	**52.4**	**24.0**	**80.0**	**100.6**	**(7.4)**	**1.2**		**103**	**1.8**
UEM rank (out of 9 funds)	**4**	**8**	**7**	**8**	**6**	**8**	**5**		**2**	**2**

Source: Morningstar, Edison Investment Research. Note: *Performance data at 22 March 2021 based on ex-par NAV. TR, total return. Net gearing is total assets less cash and equivalents as a percentage of net assets.

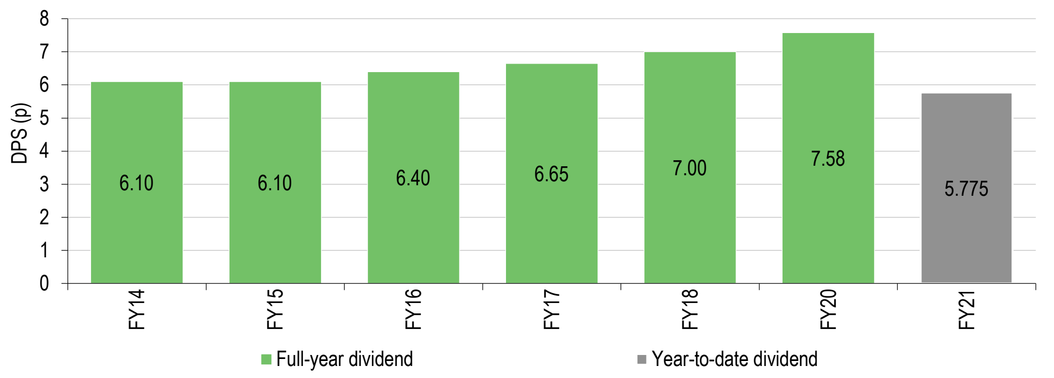
Dividends

UEM pays quarterly dividends in September, December, March and June from income or capital. The board employs a progressive dividend policy; investors have enjoyed flat or growing annual dividends every year since the fund was launched. In FY20 the annual dividend of 7.575p per share was 5.2% higher year-on-year. In H121 (ending 30 September 2020) UEM's revenue per share was 5.59p per share meaning dividends in respect of the period were c 1.5x covered.

So far in FY21, the board has declared three interim dividends of 1.925p per share. If the fourth distribution is maintained at the same level the annual dividend would be 7.700p per share, an increase of 1.7% year-on-year. Jillings comments that with data services & infrastructure now representing c 15% of the portfolio, with these companies generally not paying a dividend, 'to hold UEM's quarterly payments steady from c 85% of the fund is a good outcome'.

Based on its current share price, UEM offers an attractive 3.9% dividend yield.

Exhibit 9: Dividend history since FY15

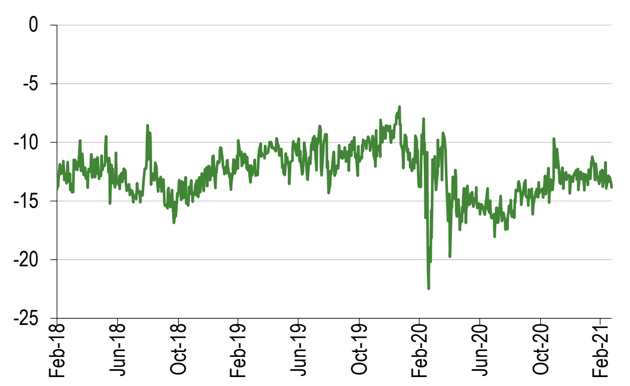


Source: Bloomberg, Edison Investment Research

Discount: Board aspires for sub 10%

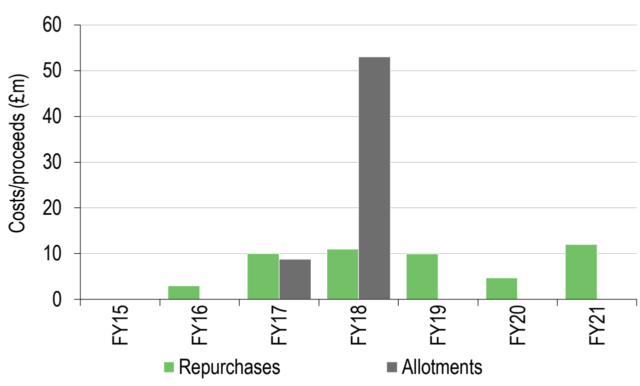
Jillings is disappointed with UEM's valuation despite the discount being on a narrowing trend since mid-2020. Its current 13.8% discount to cum-income NAV compares with average discounts of 14.1%, 12.7%, 12.1% and 9.9% over the past one, three, five and 10 years respectively. The trust's board aspires for a discount below 10%.

Exhibit 10: Discount over three years



Source: Refinitiv, Edison Investment Research

Exhibit 11: Buybacks and issuance



Source: Morningstar, Edison Investment Research

Historically, UEM's shares have been repurchased when the discount has widened to more than 10% in normal market conditions (there is also the potential for periodic discretionary tender offers, although none have yet been undertaken). Share buybacks have continued in FY21, so far c 6.6m shares (c 2.9% of the share base) have been bought back at a cost of c £12.1m. The board believes the most effective way to manage the discount over the long term is to generate good performance and increase awareness of the trust's philosophy and process.

Fund profile: Specialist in emerging market equities

Launched in July 2005, UEM was historically a Bermudan investment company, but redomiciled to the UK as an investment trust via a scheme of arrangement on 3 April 2018. It is listed on the Main Market of the London Stock Exchange and managed by the ICM Group (ICM and ICM Investment Management), which is a specialist fund manager based in Bermuda and the UK with c $22bn of assets under management (c $2bn directly and c $20bn indirectly).

UEM is managed by qualified chartered accountant Charles Jillings, who has more than 30 years' experience in global financial markets. He aims to generate an attractive long-term total return from a diversified portfolio of emerging market equities, primarily in the infrastructure, utility and related sectors. These tend to be long-term assets with established regulatory frameworks and sustainable income streams, which help to support the trust's dividend payments. Jillings employs a bottom-up stock-selection process and is unconstrained by benchmark allocations, although the MSCI Emerging Markets Index is used as a reference. The performance fee benchmark is the UK Gilt five- to 10-year index post-tax yield, plus RPIX inflation, plus 2%, subject to an 8% minimum hurdle, and the fee is capped at 1.85% of average NAV.

To mitigate risk, there are a series of investment guidelines in place (as a maximum percentage of gross assets at the time of investment): individual investment (10%); single country (35%); individual sector (25%); unquoted investments (5%); and top 10 holdings (60%). Gearing of up to 25% of gross assets is permitted; at end-February 2021, UEM had net gearing of 7.7%. From launch to the end-February 2021, UEM's NAV total return has compounded at 9.2% pa.

Investment process: Diligent bottom-up stock selection

Jillings seeks to identify and invest in companies predominantly in the infrastructure and utility sectors that are trading at a discount to their perceived intrinsic value and have the potential to generate total returns of at least 15% pa over a five-year horizon, according to the manager. He focuses on emerging market countries with positive attributes such as political stability, economic development, an acceptable legal framework and an encouraging attitude to foreign investment. The manager has a long-term investment horizon and avoids short-term stock market 'noise'.

Stocks are selected on a bottom-up basis following thorough fundamental research (including the construction of a detailed financial model and valuation targets) from an investible universe of more than 1,000 companies. There are c 90 holdings in the portfolio, which is at the high end of the typical 60–90 range. UEM has an active share approaching 100% versus the MSCI Emerging Markets index; this is a measure of how a fund differs from an index, with 0% representing full replication and 100% no commonality. Jillings is supportive of UEM's investee firms in terms of their capital requirements and the trust is often among their largest international shareholders.

Because of the nature of UEM's investments, in companies providing essential services, the trust has tended to underperform the MSCI Emerging Markets index during a cyclical upturn led by sectors such as technology and consumer discretionary, while outperforming in a falling market.

Jilling says that due to travel restrictions as a result of the COVID-19 pandemic, there has been a remarkable shift to online meetings, noting that portfolio companies have been very keen to engage. He believes the lack of site visits has not been detrimental, as over the past decade the manager and members of his team have already visited the most important locations of both investee and non-portfolio companies.

UEM's approach to ESG

UEM's board believes it is in shareholders' best interests to consider environmental, social and governance (ESG) factors when selecting and retaining investments. In conjunction with assessing the financial, macroeconomic and political drivers when making and monitoring an investment, the manager embeds ESG opportunities and risks into the trust's investment process. Companies are scanned using a rigorous in-depth framework. However, the decision as to whether to make an investment is not made on ESG grounds alone. Factors are incorporated into the trust's investment process in four main ways:

- **Visit** – engaging with investee companies and visiting businesses on location (outside of the COVID-19 pandemic) to further develop a comprehensive and long-term perspective.
- **Investigate** – insights gained during company meetings are combined with in-depth internal research to gauge how ESG issues may affect an investment.
- **Recognise** – given UEM's long-term focus, the investee company's ESG profile is integrated into investment decisions.
- **Participate** – continual connection with investee companies' management teams through ongoing meetings as well as influencing best outcomes on key issues.

Jillings says ESG factors are becoming more important in emerging markets and are evident in company valuations such as utilities; as an example, coal-fired assets trade on very low valuations as institutions have divested. He comments that 'there is a polarisation in valuation between the strategies of green energy and legacy assets, which are dinosaurs'.

Gearing

UEM has a three-year unsecured £50m revolving credit facility with The Bank of Nova Scotia (London branch) that expires on 15 March 2024. At end-February 2021, £45m of the trust's debt facility was drawn down (net gearing of 7.7%), which Jillings says 'reflects the number of attractive valuations on offer'.

Fees and charges

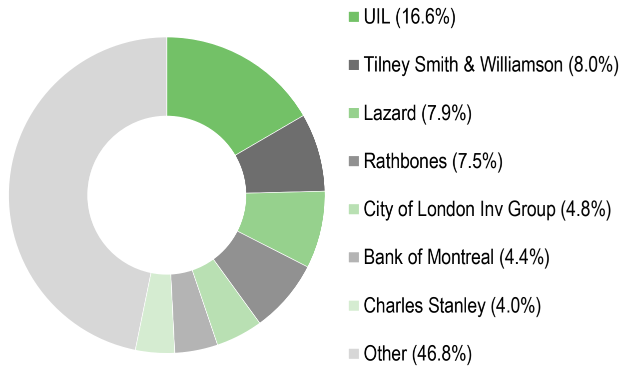
ICM is paid an annual management fee of 0.65% of NAV. Subject to an 8% minimum hurdle, a 15% performance fee on returns above the UK Gilt five- to 10-year index post-tax yield plus RPIX inflation plus 2% is payable. The NAV must exceed the high watermark NAV from when the performance fee was last paid, adjusted for capital events and dividends. The performance fee is capped at 1.85% of average net assets and is paid 50% in shares and 50% in cash.

In H121, UEM's ongoing charges ratio was 1.1%, which was in line with FY20; no performance fee was payable. The last time a performance fee was payable was FY17.

Capital structure

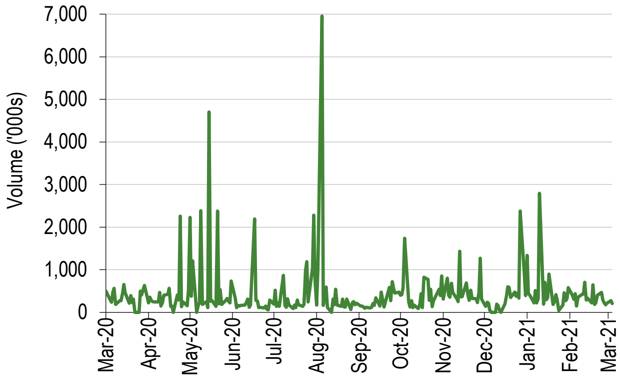
UEM has 221.3m ordinary shares in issue and its average daily trading volume is c 460k shares. The trust has a five-yearly continuation vote, next due at the September 2021 AGM.

Exhibit 12: Major shareholders



Source: Bloomberg, at 3 March 2021.

Exhibit 13: Average daily volume



Source: Refinitiv. Note: 12 months to 23 March 2021.

The board

Exhibit 14: UEM's board of directors

Board member	Date of appointment	Entitlement in FY20	Current shareholding
John Rennocks (chairman since 2016)	November 2015	£46,000	180,201
Anthony Muh	October 2010	£34,000	213,893
Susan Hansen	September 2013	£34,000	123,340
Garth Milne	November 2014	£34,000	814,559
Eric Stobart	October 2019	£21,500	30,250

Source: UEM

Susan Hansen is considered non-independent as she is also on the board of Resimac Group, which is associated with ICM. The directors' fees are paid in UEM shares, ensuring all shareholders' interests are aligned.

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