

Ashmore Exclusion Policy

Group Policy Document

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About this Document

Purpose

The purpose of this policy (the “Policy”) is to set out the implementation of Ashmore’s approach to exclusions in its investment decision-making processes.

Ashmore may apply exclusions across its portfolios based on a range of considerations, including international norms / standards, values and philosophy as well as issues and themes.

Audience

The policy applies to all portfolios managed by Ashmore Group and its subsidiaries, including Ashmore sponsored funds and third-party mandates.

Document Overview

This document summarises the policy of Ashmore Group plc and its affiliated companies¹ (collectively “Ashmore”) in observing and upholding our position on industry exclusions.

Contact

This document is administered by the Group’s ESG function. If you have any questions or comments regarding the information contained in this document, please email: esg@ashmoregroup.com

¹ Affiliated companies comprise the ultimate holding company Ashmore Group plc and all other active companies the majority of whose equity interests are directly or indirectly owned by Ashmore Group plc.

Ashmore Exclusion Policy

Introduction

This document sets out how Ashmore approaches exclusions in its investment decision-making processes.

Ashmore may apply exclusions across its portfolios based on a range of considerations, including international norms / standards, values and philosophy as well as issues and themes.

Firmwide exclusions

In general, across all funds and segregated mandates, Ashmore restricts investment in companies engaged in the manufacture, distribution and maintenance of controversial weapons. The scope and breadth of this restriction is outlined in Ashmore's Controversial Weapons policy available on Ashmore's [website](#).

Ashmore funds and segregated mandates also restricts investing in issuers that Ashmore determines to have significant² involvement in the manufacture, distribution or sales related to pornography.

Furthermore, Ashmore seeks to comply with applicable government authorities, and where appropriate, screens investments against the UN Security Council and EU/UK Sanctions and the US Office of Foreign Assets and Control lists.

Product specific exclusions³

For its ESG product range, Ashmore applies minimum ESG score criteria. Any issuer that fails to meet the minimum combined score on any of the Environmental, Social or Governance scores, according to Ashmore's ESG Scoring Process, being automatically excluded from the portfolio. For additional information on the ESG Scoring Process, please refer to Ashmore's ESG Policy available on Ashmore's [website](#).

Furthermore, in addition to those general exclusions noted above, Ashmore also excludes any company generating more than ten per cent of their revenues from the manufacture, distribution or sale of any of:

1. Tobacco;
2. Gambling;
3. Fossil fuels;
4. Defence; or,
5. Pornography⁴

Methodology: Revenue is determined by Ashmore's view of the primary business of the company i.e. it is assessed for a specific use in relation to those prohibited products or services. In so doing, it takes into account what a company is selling, how they generate revenues, and to whom the company is directly supplying. Ashmore's definition does not include revenues generated from other such activities indirectly through a company's supply chain.

² Significant involvement = any issuer generating > 10% revenue from pornography or related activity

³ Subject to any client specific requirements for Segregated mandates

⁴ This is also a firmwide exclusion

Client specific exclusions

Ashmore is able to customise client portfolios to meet specific requirements for geographic, sector and other security specific restrictions.