

**Ashmore Exclusion Policy**

**Group Policy Document**

**Published: October 2025**

# Ashmore Exclusion Policy

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 and standards, values, philosophy and themes. The Ashmore Exclusion Policy should be read in conjunction with the fund's prospectus which includes additional details of relevant regulations, investment management processes and fund restrictions.

## *Scope*

This policy applies to debt and equity financial instruments issued by the excluded issuers and derivative instruments providing exposure to those excluded issuers and applies to relevant portfolios managed by Ashmore and its subsidiaries, including Ashmore sponsored funds and third-party mandates.<sup>1</sup>

## Firm-wide exclusions

### **Controversial weapons**

This policy sets out the implementation of Ashmore's approach to investments and engagements with companies responsible for the manufacturing, distribution, and maintenance of controversial weapons.

Ashmore is committed to supporting international conventions that ban the development, production, stockpiling, transfer, and use of controversial weapons.

### *Definition*

Ashmore considers controversial weapons to be those weapons that have a disproportionate and indiscriminate impact on the lives of civilians, often continuing years after a conflict had ended.

This encompasses cluster munitions, anti-personnel landmines, biological weapons, chemical weapons, nuclear weapons, non-detectable fragment munitions, and blinding laser weapons. These controversial weapons are regulated by international conventions as outlined below:

- **Cluster munitions:** As defined by the [Convention on Cluster Munitions](#) (Oslo Convention) adopted in 2008, which prohibits the production, stockpiling, transfer, and use of cluster munitions.
- **Anti-personnel landmines:** As defined by the [Anti-Personnel Landmines Treaty](#) (The Ottawa Treaty) 1997, which prohibits the production, stockpiling, transfer, and use of anti-personnel landmines and which requires their destruction.
- **Biological weapons:** As defined by the [Biological Weapons Convention](#) on the prohibition of development, production, and stockpiling of bacteriological and toxin weapons and their destruction, which came into force in 1975.
- **Chemical weapons:** As defined by the [Chemical Weapons Convention](#), which prohibits the development, production, stockpiling, and use of chemical weapons and on their destruction, adopted in 1992.

---

<sup>1</sup>Ashmore can customise client portfolios to meet specific requirements for geographic, sector and stock specific restrictions, such as alcohol, animal/food products, armaments manufacturers or dealers, gambling, pornography, tobacco and coal.

- **Nuclear weapons:** As defined by the [UN Treaty on the Prohibition of Nuclear Weapons](#) adopted in 2017, which prohibits the development, testing, production, manufacturing, transferring, possessing, and stockpiling of nuclear weapons, including the use or threatening to use such weapons.
- **Non-detectable fragment munitions:** As defined by the [Convention on Certain Conventional Weapons \(CCW\)](#), which prohibits the use of any weapon the primary effect of which is to injure by fragments which in the human body escape detection by X-rays.
- **Blinding laser weapons:** As defined by the [Convention on Certain Conventional Weapons \(CCW\)](#), Protocol IV adopted in 1995, which prohibits the intentional employment of laser weapons specifically designed to cause permanent blindness.

In addition, this also encompasses depleted uranium (for which no international agreement exists) and white phosphorus given the challenges of controlling the impact of these weapons, especially on civilians, regardless of their intended use.

### *Implementation*

Based on the above definitions, Ashmore will restrict investment in any company identified as involved in controversial weapons. By 'involvement', Ashmore considers that the company's products or services are directly associated with such weapons but does not consider cases of dual purpose i.e. when they have a legitimate civil use.

Ashmore has developed a proprietary methodology to identify and develop its list of excluded companies (the Exclusion List). In substantiating allegations of involvement, Ashmore's investment teams may engage with the companies' management. Additionally, Ashmore draws on third-party sources alongside internal searches to establish the Controversial Weapons Exclusion List.

Ashmore will not knowingly invest in companies involved in such activities. Ashmore acknowledges inconsistencies in publicly available information in this area and Ashmore's ESG Committee is responsible for determining whether a company is to be excluded from investment.

Any investment in excluded companies identified through this process is then prohibited from investment through Ashmore's internal compliance system.

### *Management of the Controversial Weapons Exclusion List*

The Exclusion List is maintained by the Compliance team and is reviewed and updated on a quarterly basis and shared with the ESG Committee.

### **Pornography**

Ashmore also restricts investing in corporate issuers that Ashmore determines to have material involvement i.e. generating more than 10 percent of revenue from the manufacture, distribution, or sales related to pornography.

### **Sanctions**

Ashmore seeks to comply with applicable government authorities, and where appropriate, screens investments against the [UN Security Council](#), [EU Sanctions](#), and [UK Sanctions](#), and the [US Office of Foreign Assets Control](#) lists. Ashmore's Compliance team is responsible for monitoring any sanctions notices and updates issued by these regimes.

## Fund-specific exclusions

### Regulations

Where applicable, Ashmore funds comply with relevant ESG regulations including the EU SFDR regulation and ESMA's Guidelines on funds' names using ESG or sustainability-related terms, which may result in certain exclusions being applied.

### Industry exclusions

In addition to the two firm-wide exclusions noted above, for selected funds Ashmore also applies combinations of the industry exclusions below, depending on the fund type (see Appendix 1).

#### *Definition*

These are defined as follows:

- **Coal:** producers, power generators, and any company generating more than 30% of revenues from production or distribution of thermal coal, or generation and external sale of electricity from combustion of thermal coal.
- **Tobacco:** any company generating more than 5 percent of revenues from production or manufacture of tobacco or nicotine-containing products, as well as companies generating more than 10 percent of revenues from distribution or retail of tobacco, tobacco-related products, or nicotine-related products.
- **Fossil fuels (coal, oil, and natural gas):** producers, refiners, power generators, dedicated transporters, and any company generating more than 10 percent of revenues from the exploration, production, refining, distribution, or combustion for sale of electricity of fossil fuels.
- **Gambling:** companies generating more than 10 percent of revenues from commercial gambling.

For the purpose of establishing the relevant perimeter of the companies' activities for this assessment, '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. Ashmore's definition is limited to consolidated revenues and does not include revenues generated from other such activities indirectly through a company's supply chain.

With regards to investments in use of proceeds instruments, the above exclusions apply on a look-through basis to the economic activities financed by such instruments. The look-through approach should determine that the instrument invested in does not finance any activities referred to above.

#### *Implementation*

These exclusions are implemented through the Ashmore ESG Scorecard or equivalent, and also via the use of third-party exclusion lists.

### ESG exclusions

For its Article 8 and 9 funds, Ashmore applies minimum ESG scoring criteria as outlined in the relevant prospectus. These are based on minimum thresholds across Environmental, Social, and Governance scores, according to Ashmore's ESG Scoring Process. For additional information on this process, please refer to Ashmore's [ESG Policy](#).

### **Additional exclusions**

For its Article 8 funds with ESG in the name of the fund, and for the Article 9 fund with Impact in the name of the fund, Ashmore does not invest in issuers considered<sup>2</sup> to be in breach with the exclusions applied in respect of administrators of Paris Aligned Benchmarks as set out in article 12(1)(a) to (g) of Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020.

In addition, for Article 8 funds with ESG or sustainability-related terms in the name of the fund, and for the Article 9 fund, where appropriate Ashmore also considers domestic guidelines and regulations, such as certain exclusion criteria applicable in Germany, the exclusion list of the [Swiss Association for Responsible Investments \(SVVK ASIR\)](#)<sup>3</sup> or [the exclusion list of Norges Bank](#).

### **Client specific exclusions**

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

Ashmore appreciates that its clients might wish to add additional issuers to their mandates' exclusion lists and in such cases will accommodate this in segregated mandates.

---

<sup>2</sup>According to its own internal assessment and/or the assessment made by selected third-party data providers

<sup>3</sup> Does not currently apply to Article 9 fund

## Appendix 1: Article 8 ESG Industry Exclusion Summary

Fund Name	Coal	Tobacco	Fossil fuels	Gambling
The exclusions of issuers with:	Producers or fossil fuel power generators  > 30% of revenues from production and distribution of thermal coal	> 5% of revenues from production or manufacturing of tobacco or nicotine-containing products  > 10% of revenues from distribution or retail of tobacco or nicotine-related products	Producers or fossil fuel power generators  > 10% of revenues from exploration, production, or refining of fossil fuels including coal	> 10% of revenues from commercial gambling
Ashmore SICAV Emerging Markets Impact Debt Fund	Yes	Yes	Yes	Yes
Ashmore SICAV Emerging Markets Equity ESG Fund	Yes	Yes	Yes	Yes
Ashmore SICAV Emerging Markets Sovereign Debt Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Sovereign Investment Grade Debt Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Local Currency Bond Fund 2	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Local Currency Bond Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Investment Grade Local Currency Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Investment Grade Short Duration Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Frontier Blended Debt Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Corporate Debt Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Investment Grade Corporate Debt Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Debt Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Total Return Debt Fund 2	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Investment Grade Total Return Debt Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Equity Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Equity ex China Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Active Equity Fund	Yes	Yes	No	No
Ashmore SICAV Emerging Markets Global Small-Cap Equity Fund	Yes	Yes	No	No

Ashmore SICAV Emerging Markets Frontier Equity Fund	yes	yes	NO	NO
--	-----	-----	----	----