Ashmore

Sustainability Report

Ashmore Group plc

2019

Signatory of:

PRI Principles for Responsible Investment

FTSE4Good

WE SUPPORT UN GLOBAL COMPACT

About this Report

Welcome to the Ashmore Group 2019 Sustainability Report. The aim of this report is to provide a comprehensive overview of Ashmore's approach to sustainability across Ashmore's business activities. The report is intended for all Ashmore stakeholders but will be of particular interest to clients. This report should be read in conjunction with Ashmore's annual report which is available on the Ashmore Group website at www.ashmoregroup.com.

Table of Contents

Foreword from Ashmore Group plc CEO, Mark Coombs

At Ashmore Group we have always focused on aligning our strategy with the significant growth opportunities available across the range of Emerging Markets asset classes. Our business model supports this growth strategy to enable us to create value for clients and shareholders through market cycles.

As we push forward with our corporate strategy we are increasingly aware of macro global trends and their impact on Emerging Markets growth and development. It is within this global context that Ashmore is publishing its first group wide sustainability report.

This report outlines our approach to sustainability across the range of our business activities, reflecting the markets in which we operate and our desire to act as a responsible investor, owner and firm.

The report is split into three focused areas of sustainability: corporate, investment and societal, under which we detail Ashmore's philosophy, approach and actions. Ashmore recognises that these pillars are not mutually exclusive; rather, they provide a framework through which Ashmore can continue to evolve and advance its objectives.

We recognise that sustainability and responsible investing are key to the long-term success of our growth strategy and our ability to provide our clients and investors with superior performance and risk adjusted returns. To this end we will continue to evolve our approach to sustainability and responsible investing in a manner that most appropriately reflects the markets that we operate in.

Mark Coombs
Chief Executive Officer

30 October 2019

About Ashmore Group

Ashmore’s business

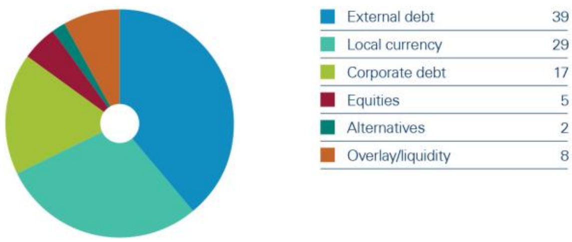
As a specialist Emerging Markets manager, Ashmore has been dedicated to Emerging Markets investing for more than 25 years. During this time, it has established a diversified range of eight headline investment themes with focused strategies under each theme. The Group’s products are available in a wide range of fund structures covering the full liquidity spectrum from daily-dealing pooled funds through to multi-year locked up structures. Ashmore provides investors with access to new investment strategies as Emerging Markets continue to evolve.

Ashmore’s eight headline investment themes capture the broad range of investable and scalable investment opportunities available across the diverse Emerging Markets universe. Three factors will drive longer-term growth in the Group’s assets under management. First, the Emerging Markets will continue to develop and evolve, with broader, deeper and more accessible capital markets contributing to the range and scale of investment opportunities; second, investor allocations to Emerging Markets will increase from very underweight levels currently; and third, Ashmore will continue to innovate in order to provide access to new investment strategies.

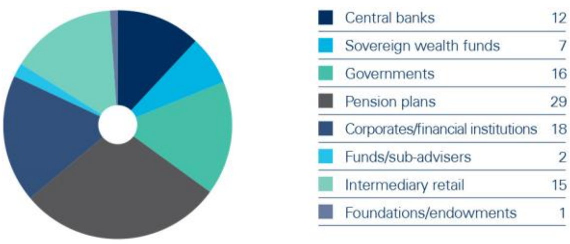
External debt	**Local currency**	**Corporate debt**	**Blended debt**
Invests in debt instruments issued by sovereigns and quasi-sovereigns and denominated in foreign currencies.	Invests in local currencies and local currency-denominated instruments issued by sovereigns, quasi-sovereigns and companies.	Invests in debt instruments issued by public and private sector companies.	Invests in external debt, local currency and corporate debt assets, measured against tailor-made blended indices.
Equities	**Alternatives**	**Multi-asset**	**Overlay/liquidity**
Invests in equity and equity-related instruments including global, regional, country, small cap and frontier opportunities.	Invests in private equity, healthcare, infrastructure, special situations, distressed debt and real estate opportunities.	Specialised and efficient asset allocation across the full Emerging Markets investment universe.	Separates the currency risk of an underlying asset class in order to manage it effectively and efficiently.

AuM classified by mandate 2019 (%)

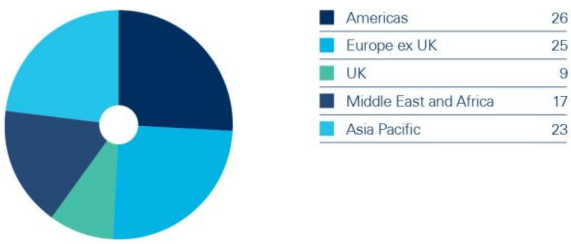
AuM by invested 2019 (%)



AuM by investor type 2019 (%)



AuM by investor geography 2019 (%)



Ashmore's approach to sustainability

As a specialist investment manager, Ashmore understands the importance of long-term sustainability in the Emerging Markets and it has always been at the heart of the firm's philosophy and critical to its success.

Ashmore recognises the role it plays in the deployment of capital and the impact this can have on the sustainability of the environment and broader society. The effects of global challenges are most acutely felt by companies and communities in the markets in which Ashmore invests. If the targets set out by the United Nations in the Sustainable Development Goals (SDGs) are to be met, arguably the greatest gains need to be made in the Emerging Markets.

Furthermore, Ashmore is acutely aware of the challenges that global inequality and wealth disparity cause. The social investments made by the Ashmore Foundation[1] seek to empower and benefit communities at the extreme lower end of these disparities.

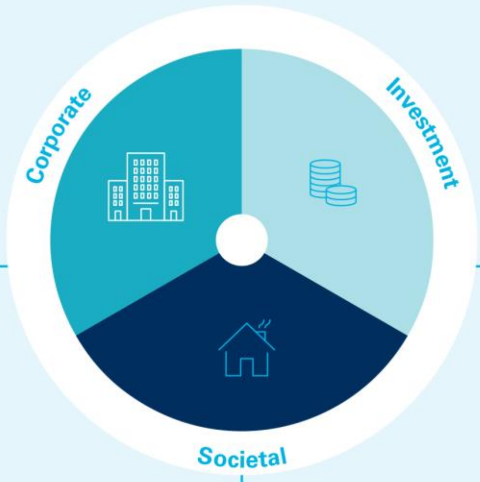
Sustainability governs Ashmore's approach to Investments, People, Communities and the Environment

Incorporating transparency, fairness, accountability and integrity into the Group's operations

- Committed to equal opportunities and ensuring workforce reflects the diversity of local communities
- Promotes energy efficiency and the avoidance of waste through operations
- Complies with international conventions and seeks to collaborate with other actors

Enabling clients to deploy capital in line with responsible investing considerations

- ESG assessment integration within the investment process
- Specific ESG training is provided to the investment teams
- Client-specific ESG requirements can be incorporated in the investment processes and guidelines
- Launched dedicated ESG fund in 2019



Social and impact-first investing locally in Emerging Markets communities

- Philanthropic and impact-first investments through the Ashmore Foundation
- Social investments in Emerging Markets communities
- Focused on enabling disadvantaged communities to improve their income and livelihood opportunities

As a corporate citizen, Ashmore understands the responsibility it has to all its stakeholders, including but not limited to staff, contractors, third-party service providers, clients and the wider community.

It is essential that operations are managed in ways that most effectively ensure the continued wellbeing of the Group's workforce. Ashmore seeks to ensure that employees work in a positive environment, enabling personal and professional growth and development.

[1] The Ashmore Foundation is a company limited by guarantee, registered in England (6444943) and is a registered charity in England and Wales (1122351). The Ashmore Foundation is a separate and distinct legal entity from Ashmore Group.

Ashmore seeks systematically to understand sustainability and aims to ensure its actions are appropriate, given the priorities and challenges faced across the breadth of its operations in 11 countries.

This work is spearheaded by Ashmore's first Head of Sustainability and ESG Integration, appointed in 2018. The appointment of this dedicated resource has enabled Ashmore to make significant progress in more clearly defining global sustainability objectives and responsibilities, and integrating sustainability and ESG considerations systematically across its operations.

2018/19 highlights

Below are significant achievements over the past year in relation to Sustainability and Responsible Investing:

- Ashmore publishes its first ESG policy
- Ashmore becomes a signatory of the UN Global Compact
- Ashmore integrates ESG factors into its fundamental analysis across all its public markets strategies
- Ashmore launches its first dedicated ESG product, Ashmore SICAV Emerging Markets Total Return ESG Fund
- Ashmore appoints its first Head of Sustainability and ESG Integration
- Investment Professionals (Corporate Debt and Equity) complete the UNPRI Academy "Advanced Financial Analysis" training, certified by the CFA institute

Corporate sustainability

As a listed company, Ashmore recognises its role within wider society. Its approach to sustainability is underpinned by values of transparency, fairness, accountability and integrity, encompassing the Group's worldwide operations.

Stakeholder interests

During the year the Board identified the following as the Company's main stakeholder groups:

Stakeholders	Importance
Clients	Delivering investment performance for a diversified client base is critical to Ashmore's success as a specialist Emerging Markets asset manager
Shareholders	The support of Ashmore's shareholders, with an appropriately long-term investment horizon, is important to enable Ashmore to fulfil its strategic growth ambitions
Employees	Ashmore's 307 employees are its most important asset, and the Group's priority is to attract, develop, manage and retain employees to deliver the Group's potential
Society	Ashmore recognises the impact its activities may have on wider society, and takes this responsibility seriously
Regulators	Ashmore's business comprises global operating hubs and independent local asset management platforms, operating under a number of different regulatory jurisdictions
Third-party service providers	The efficiency and scalability of Ashmore's operating platform relies in part on high-quality third-party service providers

Ashmore continues to review industry best practice around corporate responsibility and active citizenship, with the caveats that this will vary from market to market, and that its responsibility is to ensure that its actions and initiatives are appropriate to the context in which they are implemented.

People

Ashmore directly employs 307 people in 11 countries worldwide, excluding employees in companies significantly controlled by funds that Ashmore manages. Ashmore's people have always been its most important asset, at the heart of everything it does. The Group's priority is to attract, develop, manage and retain this talent in order to deliver the potential of the organisation, which is reflected in the low levels of unplanned staff turnover (FY2018/19: 9.5%). Ashmore wishes to be an employer that the most talented people aspire to join wherever it operates.

Ashmore seeks to ensure that its workforce reflects, as far as practicable, the diversity of the many communities in which its operations are located. Ashmore encourages employees to act ethically and to uphold the standards which its clients have come to expect. It also means ensuring that employees understand the strategic aims and objectives of the Group and are clear about their role in achieving them.

Ashmore works to ensure that its approach to employment reflects best practice within each of the countries where it has a presence. This means having policies and practices that make Ashmore an attractive place to work in respect of the day-to-day operating environment and culture, and also in respect of medium to long-term growth for employees, personally, professionally and financially.

Recruitment and employee development

Ashmore believes that its unique business model and culture lead existing employees to recommend Ashmore as an employer which enables the Group to attract the most talented candidates. All employees are provided with a comprehensive induction on joining, introducing the Company's structure, culture, operations and practices which includes amongst these all elements of compliance issues, an understanding of the key business ethics operating within the Ashmore Group, current best practice and up-to-date information on relevant regulations.

Ashmore recognises that development is a career-long activity and so will also support professional development or qualifications that will assist employees in developing and maintaining their levels of competence. As part of this, Ashmore believes that constructive performance management is an essential tool in the effective management of its people and business. The performance management cycle comprises setting objectives and an annual performance appraisal against those agreed objectives. Output from this performance process is used to assist with decisions on remuneration, career development and progression.

Ashmore is committed to internal progression of its employees whenever this is possible, to ensure that it retains the most talented people. The diverse and global nature of its business allows the Group to consider placing talented individuals into very different opportunities around the globe and into very different types of businesses in order to foster their development, and to benefit clients.

Remuneration

Ashmore's remuneration structure aligns the interests of employees with clients and shareholders. It is believed that by ensuring employees are true stakeholders in the business, their actions and decisions will be consistently for the benefit of clients, shareholders and the Company. Ashmore recognises that individuals have different personal requirements dependent on where they are in their life and career. In response to this, Ashmore provides employees with a range of benefits – both non-financial and financial – in addition to their basic salaries.

The annual discretionary compensation scheme involves both an annual cash bonus as well as an equity award. Ashmore encourages employees to take a long-term view of their performance alongside the Company's performance and the decisions they make, and as such has structured the equity scheme such that this proportion of employees' remuneration is deferred for five years.

Workplace benefits

Ashmore recognises the diverse needs of its employees in managing the responsibilities of their work and personal lives, and believes that achieving an effective balance in these areas is beneficial to both Ashmore and the individual. Employee health and wellbeing is vital to their sustained performance at work, and Ashmore therefore operates a range of schemes to support employees' physical wellbeing. In London, Ashmore operates a mental health wellbeing scheme, and has a designated Mental Health First Aider.

In the UK, Ashmore operates an integrated healthcare approach whereby its private medical health provider and occupational health clinics work hand in hand to promote wellness amongst employees. Similar healthcare arrangements are also offered by many of Ashmore's international offices.

Diversity

Ashmore is committed to providing equal opportunities and seeks to ensure that its workforce reflects, as far as is practicable, the diversity of the many communities in which it operates. Diversity of thought is critical to Ashmore's success. This means attracting and developing a diverse team regardless of age, gender, ethnicity, sexual orientation, or religious affiliation.

Ashmore employees represent the diversity of the markets that it operates in worldwide, and as such over 37 nationalities are represented across the organisation.

Ashmore tracks gender diversity across all its offices globally. The gender balance is currently 66% (203 people) male and 34% (104 people) female. Ashmore continues to provide data to the Hampton-Alexander review, a summary of which can be found below and on the Group's website.

Ashmore Data for 2019 Hampton-Alexander Review: FTSE Women Leaders

Executive Committee Representation:	**As At 30/6/19**
- Total number of Executive Committee members	11
- Total number of Executive Committee members - men	10
- Total number of Executive Committee members - women	1
Direct Reports to the Executive Committee (excl. admin support staff):	
- Total number of Direct Reports	71
- Total number of Direct Reports - men	57
- Total number of Direct Reports - women	14

Ashmore ranked 91 in the Alexander-Hampton rankings of FSTE 250 companies in 2018.

Ashmore operates a zero tolerance policy towards harassment and bullying and has a formal policy that documents the organisation's commitment to ensuring employees are treated with respect and dignity while at work.

Health and safety

Ashmore Group promotes high standards of health and safety at work and has a comprehensive health and safety policy which highlights the Group's commitment to ensuring employees are provided with a safe and healthy working environment. In London, Ashmore carries out regular risk assessments of premises and provides staff with safety training including the provision of training to fire wardens and first aid representatives. Ashmore also engages external consultants to carry out regular health and safety and fire assessments in its London premises.

There have been no reportable accidents in the UK or overseas offices.

Ethical standards

Ashmore's Board of Directors maintains a strong corporate culture employing high standards of integrity and fair dealing in the conduct of the Company's activities, compliance with relevant laws and regulations and standards of good market practice in all jurisdictions where the Group's business is carried out. The Board's aim is to ensure that the Group is fit and proper to undertake its business, to safeguard the legitimate interests of Ashmore clients and protect Ashmore's reputation.

Ashmore has a published Code of Ethics which sets out the culture, standards and operating principles that guide its actions in the markets in which it operates.

Personal securities trading by employees is subject to strict compliance approval procedures, including regular attestations. This is monitored to ensure it does not lead to a conflict of interest. Employees are not permitted to solicit or accept any inducements which are likely to conflict with their duties.

Financial crime

Ashmore is committed to minimising financial crime (including money laundering, bribery and corruption, fraud and market abuse). Ashmore has adopted risk-based policies and procedures on financial crime and is committed to ensuring that its customers' identity is satisfactorily verified before a business relationship commences and is ongoing throughout the course of the relationship.

Training is provided to all employees in relation to anti-money laundering and countering terrorist financing, including customer due diligence requirements, identifying money laundering, suspicious activity and financial crime.

Ashmore has procedures in place to afford staff a means of airing concerns regarding behaviours or decisions that are perceived to be unethical on a confidential basis ('whistleblowing procedures'). From this year, Ashmore has engaged a third-party agency to provide staff with an independent channel through which concerns can be raised. The Audit and Risk Committee Chair acts as the nominated Board Director for whistle-blowing. While there have been no whistleblowing reports this year, Ashmore considers it important that there is a clear and accessible process through which staff can raise concerns.

Information security

Information security (including cyber security) is identified as a key principal risk to the business which is subject to Ashmore's governance, policies and procedures and risk assessment. Ashmore assesses, monitors and controls data security risk, and ensures that there is adequate communication between the key stakeholders, which include senior management and IT, human resources, risk management and control, legal and compliance departments.

Ashmore has a layered security model, within which multiple complementary technologies and processes are employed. Ashmore staff undertake mandatory training in matters of information security (including cyber security). Ashmore routinely deploys security updates to its systems and undertakes regular vulnerability testing of its networks and systems using a specialist service provider. Cyber security arrangements are formally reviewed and presented to the Audit and Risk Committee on an annual basis, noting that a programme of continuous improvement means that enhancements can and do occur through the year. No significant issues were raised during the year under review.

Ashmore also affirms and/or attests with key partners on an annual basis that they have not been susceptible to cyber security attacks and vendors have taken all reasonable steps to continuously monitor and protect themselves on cyber security weaknesses.

Tax strategy

As a large, multi-national organisation with a diverse geographic footprint, Ashmore seeks to create value for its shareholders and clients by managing its business in a commercial, tax efficient and transparent manner, within the remit of applicable tax rules and bearing in mind the potential impact of its actions on its brand and reputation. Ashmore aims to comply with all relevant tax laws and fiscal obligations, including accurate calculation and punctual settlement of tax liabilities and correct and timely lodging of relevant tax returns and other required documentation with relevant tax authorities.

Ashmore's tax strategy is published and available on its website.

Environmental impact

As a company whose business is based fundamentally on intellectual capital and which does not own its business premises, Ashmore's direct impact on the environment is limited and there are few environmental risks associated with the Group's activities. Nevertheless, Ashmore has a responsibility to manage these risks as effectively as possible.

The Group continues to promote energy efficiency and the avoidance of waste throughout its operations. Ashmore's largest occupancy is at its headquarters at 61 Aldwych, London where it has a single floor of approximately 19,000 square feet in a nine storey multi-tenanted building. Electricity usage in London is separately monitored by floor, with energy efficient lighting installed.

Ashmore acknowledges that air travel is its biggest source of carbon emissions. Its business model inevitably requires that investment professionals and other employees travel to countries for research and monitoring purposes. However, wherever possible employees will avail the use of technology to minimise air travel.

Recycling programmes operate for appropriate disposable materials. The Company seeks to minimise the use of paper and wherever possible chooses paper stocks that have been sustainably sourced and are Forest Stewardship Council© (FSC) or equivalently accredited.

The UK Government's Energy Savings Opportunity Scheme (ESOS) has now entered its second phase, which requires compliance by 5 December 2019. Ashmore has appointed an accredited ESOS Lead Assessor, who has carried out an assessment and the Company expects to be in a position to confirm its compliance with ESOS Phase 2 to the Environment Agency in advance of the deadline.

Greenhouse gas emissions reporting

In line with the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013, since 1st October 2013 all companies listed on the main market of the London Stock Exchange have been required to report their greenhouse gas emissions (GHG emissions) in their annual report. Ashmore has adopted the operational control method of reporting. The emissions reported below are for the nine global offices around the world where Ashmore Group exercised direct operational control in the 2018/19 financial year (excluding Ashmore Ireland). These office emissions, as well as emissions originating from their operations, are those which are considered material to Ashmore.

Emission scopes

Mandatory GHG reporting requires emissions associated with Scope 1 (direct emissions) and Scope 2 (indirect emissions from purchased electricity, heating and cooling) to be reported1. Revisions to the GHG Protocol, to which this reporting exercise adheres, require organisations to calculate their Scope 2 emissions both in terms of 'market-based' emissions and 'location-based' emissions. This information is set out below. It is not obligatory to report Scope 3 (indirect emissions from the inputs and outputs to the main business activity – i.e. supply chain and consumer/end-user related emissions). However, for completeness, Ashmore will continue to report on some Scope 3 emission categories in order to offer a wider picture to stakeholders and investors.

Exclusions and estimation

Whilst every effort has been made to collect full and consistent data from all international offices, where information was not available, the following approaches were taken to account for this:

- During the year a business called AshmoreAVENIDA was acquired. This business is distributed across the New York office (6 FTE) and Colombia office (38 FTE). Consumption data for AshmoreAVENIDA in Colombia has been estimated based on the FTE and current Ashmore Colombia office consumption.
- A new office opened in Dublin (Ireland) in December 2018, however this has been excluded as it is under the materiality threshold for both FTE and office area.
- In those instances, where a full 12 month's data was not available, estimation techniques have been applied to estimate missing consumption periods. Where no country data was available for the current reporting year, previous years have been used to estimate 2018/19 consumption based on headcount numbers.
- A number of offices were only able to provide data for the whole building in which they reside. No sub-metered data was available for each tenant in these cases. In these instances, the share of the total floor area occupied by Ashmore was used to apportion the total consumption.
- Missing, or anomalous, water data was estimated using an average consumption figure of 15m3 per full-time employee, as sourced from a UK-based water company. This figure

is broadly consistent with the average 'per employee' consumption of those offices which were able to provide data.

- For those offices where the landlord utilities charge was the only possible source of data, energy and water consumption have been estimated using the average governmental utility prices for the respective countries.
- Where offices were not able to provide any waste data for their buildings it was not deemed appropriate to estimate this, due to the uncertainties surrounding the varying nature of building sizes, modes of working and cities' waste disposal infrastructure, amongst other factors.
- It has also not been possible to make use of data supplied in litres, as the density of the waste is unknown.
- Ashmore includes all flights where the cost is borne by the Group.

Methodology

All data has been collected and analysed in line with the GHG Protocol Corporate Accounting and Reporting Standard[2]. UK Government 2019 emission factors[3] have been applied for all calculations, except the international offices' electricity consumption, for which the International Energy Agency's 2018 emissions factors[4] have been used. The data inputs and outputs have been reviewed by Ricardo Energy & Environment on behalf of Ashmore Group.

Ashmore emissions

The overall GHG emissions increased by 8.9% compared to the previous year. This is primarily due to portfolio changes during 2018/19 financial year including increases in headcount, larger office size in Indonesia and the acquisition of AshmoreAVENIDA. Analysis of the energy efficiency of the new offices demonstrates that more energy efficient buildings are joining the portfolio, however the increase in full time employees overrides the potential emissions reductions. Air travel emissions increased by 20%. This category still remains the largest contributor to Ashmore's emissions breakdown with 748 tCO_{2e} (74%).

Emissions per full-time employee

Scope	Tonnes CO_2e 2017/18	**Tonnes CO_2e 2018/19**
Scope 1	0.1	**0.1**
Scope 2[5]	1.1	**0.8**
Scope 3	2.7	**2.7**
Total	3.9	**3.6**

2018/19 Ashmore's emissions by source

2018/19 Absolute emissions (tonnes CO_2e)

Natural gas	34.69 (3%)
Refrigerants	0.00 (0%)
Electricity	223.80 (22%)
Air travel	748.30 (74%)
Water	3.93 (<1%)
Waste	2.48 (<1%)

The second largest contributor to the GHG footprint, purchased electricity, has decreased significantly this year, due to new offices being more efficient and large reductions in the electricity emission factors, and now accounts for 224 tCO_{2e} or 22%. Waste, water and

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[2] http://www.ghgprotocol.org/

[3] All UK related emissions factors have been selected from the emissions conversion factors published annually by UK Government: https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting#conversion-factors-2018

[4] All international electricity emissions factors were taken from the International Energy Agency's statistics report "CO2 Emissions from Fuel Combustion" (2017 Edition). Purchased under licence.

refrigerants (based on the available data) account for the lowest levels of emissions.

Emissions have also been calculated using an ‘intensity metric’, which enables Ashmore to monitor how well it is controlling emissions on an annual basis, independent of fluctuations in the levels of its activity. As Ashmore is a “people” business, the most suitable metric is ‘emissions per full-time equivalent (FTE) employee’. Ashmore’s emissions per FTE are shown in the table below. Due to the overall increase in emissions, tonnes of CO_{2e} emitted per FTE have also risen since last year[5].

Ashmore's emissions by scope

Scope	Source	Tonnes CO_2e 2017/18	Absolute totals Tonnes CO_2e (2017/18)	**Tonnes CO_2e 2018/19**	**Absolute totals Tonnes CO_2e (2018/19)**
Scope 1	Natural gas	34.96	35.31	**34.69**	**34.69**
Scope 1	Refrigerants	0.35		**0.00**	
Scope 2	Electricity – location based	268.67	268.67	**223.54**	**223.54**
Scope 2	Electricity – market based[6]	268.02	268.02	**223.80**	**223.80**
Scope 3	Air travel	622.60	627.21	**748.30**	**754.71**
Scope 3	Water	2.56		**3.93**	
Scope 3	Waste	2.05		**2.48**	
Total (using market-based Scope 2 emissions)			930.54		**1,013.20**

[5] FTE 2017/18 = 236.5 employees; FTE 2018/19 = 284.5 employees

Investment sustainability

Emerging Markets are commonly defined as any country considered by the World Bank as low or middle income. Under this definition, Emerging Markets countries constitute approximately 80% of the world's population. As a leading Emerging Markets fund manager, Ashmore recognises the impact its investments can have on the communities and societies in which they are made.

The assessment of Environmental, Social and Governance (ESG) risks and opportunities has become an increasing area of focus for both asset owners and investment managers. There is increasing recognition that ESG risks and issues can have a material effect on the value of an issuer's debt or equity. With over 25 years' experience investing in Emerging Markets, Ashmore's investment professionals have developed expertise in the wider impact of their investments beyond the strong financial returns they secure for clients.

At the same time, there are no industry-wide standards and approaches; ESG means different things to different investors. Moreover, Ashmore recognises that a large number of investors are still evaluating the role that ESG will play in their strategies and portfolios.

Ashmore recognises that the impact of the investments will vary in breadth and depth across its investment themes. With client and industry focus on investment impact, Ashmore investment professionals continue to strengthen their impact analysis. Ashmore continues to use the spectrum of capital and investment approaches, above, as a framework for understanding impact and the relational link between Ashmore's investments and the social and environmental impact of the socially-driven investments made through the Ashmore Foundation in countries where the Group has a presence.

Responsible investing policy

Ashmore's philosophy is underpinned by a fiduciary responsibility to its clients. Central to

Ashmore's investment process is the ability to create value and deliver returns in line with clients' objectives. As an integral part of this, Ashmore is committed to enabling clients to deploy their capital in a manner that most appropriately meets their responsible investing considerations.

As an investment manager focused on Emerging Markets, Ashmore has developed a number of core capabilities which are among its distinguishing features. These, combined with a rigorous analytical approach in the Group's investment processes, can contribute to long-term sustainable returns.

Ashmore was pleased to publish its first ESG policy in 2019. The policy applies to all public markets strategies and sets out minimum standards. The policy is based on current ESG norms and outlines ESG assessment and engagement processes. Ashmore recognises that responsible investing is continually evolving and expects its approach to evolve as access to robust and reliable data increases.

Ashmore's ESG policy is available on its website.

ESG Integration

Ashmore has integrated the analysis of ESG factors into its investment processes. Responsibility for ESG analysis lies with the investment teams, and is undertaken prior to any investment decision alongside the traditional financial assessment of an issuer. In addition to understanding ESG risk, Ashmore's portfolio managers seek to identify ESG opportunities.

ESG integration

Integrated approach	– ESG factor assessment fully integrated into Ashmore's investment processes – The portfolio manager undertaking the financial analysis carries out ESG assessment – Full incorporation of ESG risks and opportunities into decision-making provides a more comprehensive analysis of investment opportunities – Integration approach and scoring methodology overseen by ESG Committee
Proprietary methodology	– Unified approach and scoring system by issuer in all global public markets strategies – sovereign, corporate debt and equities – Internal research (research trips and meetings with issuers) complemented by external data sources – Portfolio managers complete Enhanced Financial Analysis (PRI Academy CFA Certified) training to undertake ESG assessment
Investment decisions	– ESG score for each issuer reviewed and discussed at the relevant theme sub-investment committee as part of investment approval – ESG scores are reviewed annually at the respective theme sub-investment committee. Additional reviews triggered on an event-led basis – ESG risk / opportunity is incorporated through financial estimates and/or the valuation assessment
Engagement	– Active engagement with issuers, both government and corporate, on improving ESG outcomes – ESG concerns raised with management and key stakeholders creating positive feedback loops – Positive performance rewarded with a lower cost of capital and poor performance penalised through withdrawal of capital

In line with the team based investment philosophy, ESG scores for each issuer are discussed and reviewed at the relevant theme sub-investment committee. The ESG risk and opportunity is incorporated into an overall view of an issuer through financial estimates and/or the valuation assessment. ESG scores are reviewed at a minimum on an annual basis, but will also be flagged for review on an event-led basis.

Responsible investing governance

Overall responsibility for Ashmore's Responsible Investing activities lies with the Board of

Directors, which delegate day to day responsibility to an ESG committee chaired by the Chief Executive Officer (CEO).

The ESG committee meets formally on a quarterly basis, and has representation from across the organisation, in particular the Investment Teams, Operations and Risk Management. Ashmore's integrated approach to ESG assessment means that reviews of all ESG investment related activities are undertaken by the Investment Committees and the relevant theme sub-Investment Committees. The ESG Committee reviews and ensures the maintenance and integrity of all responsible investment / ESG processes and procedures.

Signatory of:

PRI Principles for Responsible Investment

UN Principles for Responsible Investment

Ashmore has been a signatory of the UN Principles of Responsible Investment (UNPRI) since 2013. The Group seeks to continuously improve its annual assessment score and increase its participation in PRI initiatives. The recent PRI scores can be found in the table opposite.

Category	2017	2018	**2019**
Strategy and Governance	A	A	**A**
Listed Equity – Incorporation	A	B	**B**
Listed Equity – Active Ownership	C	C	**B**
Fixed Income – Sovereign	B	B	**B**
Fixed Income – Corporate	E	B	**A**
Property	–	–	**B**
Infrastructure	–	–	**A**

Public markets strategies

Environmental, Social and Governance (ESG) risk analysis is explicitly integrated into the bottom up process across all fixed income and equity strategies. The process is fundamentally driven and the issuer analysis encompasses a multitude of factors, including ESG.

Ashmore’s assessment of an issuer’s ability to manage ESG successfully is integral to the determination of fair value (equity) and fair spread (credit). Both governments and corporate management teams that can demonstrate strong ESG credentials are more likely to boost economic development and financial performance over time; for example by growing faster, reducing the cost of capital and generally managing risks better compared to their peers. Consequently, ESG factor analysis is integrated into the investment processes in the same way as the assessment of macro-economic risk, financial performance and credit metrics.

It acts as both a form of risk management and a source of alpha generation. Ashmore also considers it part of its fiduciary duty as a steward of clients' capital. Portfolio managers score all issuers using a consistent series of questions and data points to inform their view of an issuer's current ESG performance alongside their forward-looking prospects. The portfolio manager explicitly records their view in a dedicated ESG scorecard.

The investment thesis report, including the ESG score, for an issuer is reviewed, challenged and agreed at the relevant theme sub-investment committee. The ESG risk / opportunity is incorporated through financial estimates and/or the valuation assessment. Taken in combination with other macro and micro-economic risk drivers, investment time horizon, liquidity considerations and the investable universe, ESG risk assessment therefore has a direct impact on investment decisions and portfolio construction.

With 95 investment staff dedicated to Emerging Markets, Ashmore has always relied on its proprietary research and the approach to ESG analysis uses a similar process. Portfolio managers use a variety of external secondary data sources, which are complemented by research visits and meetings with issuers, which add depth of understanding, and substantiate the secondary data. In line with the process outlined above, in assessing issuers Portfolio Manager review of range of environmental, social and governance factors, including those shown in the graphic below.

Environment	
Corporate	**Sovereign**
Global impact and GHG emissions, local impact and water and waste management, incidents of environmental pollution, energy management, and use of green energy, policies and innovations to limit negative impact	Carbon emissions, clean energy / climate adaption strategies, natural disasters risk and preparedness, resource use, and environmental regulations
Social	
Corporate	**Sovereign**
Employee diversity and inclusion, customer welfare, human rights and community relations, labour practices and health and safety, supply chain management, materiality of philanthropy spend, and product quality and safety	Basic needs of population, societal stability, human development, economic freedom, labour rights, and inequality
Governance	
Corporate	**Sovereign**
Transparency and disclosure, governance structure, minority interests fair representation, public listing and reporting, management accessibility, long-term incentive scheme KPIs, and strategies to mitigate the impact of ESG risks	Progress to sustainability, institutional strength, rule of law, democratic processes, and corruption

Alternatives investments

Ashmore's alternatives theme covers a diverse range of real assets in private equity, healthcare, infrastructure, special situations, distressed debt, and real estate opportunities. As such, the approach to ESG integration is tailored to the context of each market.

Ashmore considers relevant ESG issues, and the investee company's own ESG practices, as part of its due diligence process on prospective alternatives investments.

Ashmore's approach is designed to provide superior risk-adjusted returns by mitigating potential risks and increasing asset value. Wherever possible, Ashmore uses proprietary ESG assessment frameworks, which align to internationally accepted standards, including the PRI and the International Finance Corporation (IFC) Performance Standards. Furthermore, Ashmore's investment teams seek to ensure that its frameworks comply with local regulations and standards.

The due diligence process includes identifying the risk category of the proposed investment, analysing specific potential material risks and impacts in ESG areas, documenting best practices within the proposed investment, and evidencing the capacity to implement the required risk mitigation measures considered relevant for portfolio investment. The process concludes with the selection of ESG investment terms, which, once agreed, are written into the investment covenants.

AshmoreAVENIDA

AshmoreAVENIDA is a real estate company acquired by Ashmore in 2018. In the Latin American region, as is the case in most of the world, the real estate sector generally employs large numbers of people at the base of the pyramid. Likewise, it is one of the main contributors to the emissions of Greenhouse gases. Thus, there are potential benefits to be realized in terms of social and environmental contributions from the real estate industry.

AshmoreAVENIDA, as one of the largest private equity real estate investors in the target markets, have decided to move to the forefront of ESG issues and become agents of change. This is done by incorporating ESG and impact factors into investment decisions and project management processes, as well as by encouraging employees, business partners, investors, and clients to tackle the those challenges.

AshmoreAVENIDA has developed a proprietary ESG impact framework as part of its due diligence process for all portfolio projects. The framework has been designed to assess and mitigate materials risks at the project level, as well as maximise positive impacts on the environment and surrounding communities.

	ESG/Impact themes	SDG Alignment
Development to Yield	• Risk assessment • Local regulation compliance and ESG best practices analysis • Certifications and sustainability measures • Affordability, employment creation and labor practices • Access for underserved populations and areas • Economic and urban revitalization	1 NO POVERTY 11 SUSTAINABLE CITIES AND COMMUNITIES
Others	All of the above plus: • Retrofitting to achieve sustainable and affordable outperformance	8 DECENT WORK AND ECONOMIC GROWTH

In line with Ashmore's overall approach to ESG, assessment is integrated within in the general due diligence process conducted for all portfolio projects. It has been designed to assure compliance with local regulations at one level, while in turn allowing the fund to fill gaps with international best practice. The framework aligns with the United Nations Principles for Responsible Investing (PRI) and the IFC Performance Standards.

Responsible investment solutions

In addition to the integration of ESG analysis across all is public markets strategies, in February 2019 Ashmore launched its first dedicated responsible investing product; the Ashmore SICAV Total Return ESG Fund. The fund seeks to maximise total returns while explicitly integrating ESG performance criteria into the strategy. The fund benchmark is a composite of the JP Morgan ESG indices for Emerging Markets Debt: JESG EMBI (50%) and JESG GBI-EM (50%). The benchmark excludes issuers involved in tobacco, weapons and thermal coal as well as any issuers in breach of the UN Global Compact.

Active management

Ashmore seeks to engage with issuers, both government and corporate, to determine how they can improve their ESG outcomes. This is carried out as part of an ongoing dialogue with government officials and company management, and may involve other key stakeholders.

This approach helps create a positive feedback loop, whereby investors reward positive performance with a lower cost of capital, and access to international capital markets, and penalise poor performance with the withdrawal of capital. Over time, such incentives should lead to behaviour changes among issuers in favour of more sustainable economic development and corporate management models. As more asset managers implement similar investment processes, the changes in behaviour should accelerate across Emerging Markets issuers.

Across all alternatives investments, Ashmore seeks to engage those stakeholders affected by investment decisions as early on in the project as possible. This approach enables investment teams to make the most effective impact, while maintaining Ashmore’s commitment to delivering superior risk-adjusted returns. In many cases, Ashmore believes it to be beneficial to its investors to be active in promoting its brand locally by improving the livelihoods of the employees in those companies where it has a significant stake.

Proxy voting

In keeping with Ashmore’s policy on proxy voting, portfolio managers aim to vote on all proxies presented to them. Where they have concerns, they seek to engage with company management and other key stakeholders to address these.

Negative screening

Ashmore believes that investments which do not meet minimum standards should be excluded from client portfolios. Ashmore seeks to comply with applicable government authorities and, at a geographical level, screens across all investment against the UN Security Council and EU/UK Sanctions and the US Office of Foreign Assets and Control lists.

Ashmore is able to 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.

Oslo Convention

The Group fully supports the Oslo Convention, which prohibits investment in companies manufacturing cluster munitions.

Societal sustainability

Ashmore recognises that being a member of the global community brings with it responsibility to act in a manner that benefits wider society. This responsibility is particularly acute in the markets in which Ashmore operates. As such, Ashmore seeks to behave in a manner that positively impacts not only its investors but also its employees and the communities in which it invests.

Human rights and modern slavery

Ashmore supports the United Nations Universal Declaration of Human Rights. Ashmore has developed a Supplier Code of Conduct that applies to all suppliers that provide goods or services to Ashmore, and outlines the basic ethical requirements that suppliers must meet in order to do business with the Group, including affording employees the freedom to choose employment and not using any form of forced, bonded or involuntary labour (including child labour).

Collaborations

Ashmore understands that its impact alone will be limited. To continue to develop best practice, there is a need to engage with, collaborate with and draw upon the expertise of peers.

In February 2019, to formalise its commitment to the United Nations Sustainable Development Goals, Ashmore became a signatory to the United Nations Global Compact. Ashmore has sought to align its operations with the Global Compact's ten principles for a number of years, and becoming a signatory formalises its support of the Global Compact.
The FTSE4Good Index series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. Ashmore has been a constituent of the FTSE4Good Index since 2014.

Ashmore continues to identify appropriate initiatives that will enable it to meet global best practice on those issues and themes that are important to the Group and its stakeholders, as well as wider industry initiatives that contribute to better investment practices and global growth and development.

Climate change

Ashmore recognises the impact that climate change could have on its operations and the sustainability of its investments. It is with this in mind that Ashmore seeks to understand the risks that significant temperature changes will have on its ability to operate as well as on the operations of the companies in which it invests.

Obsolete equipment

Ashmore provides obsolescent computers to Computer Aid International. Computer Aid is a UK registered charity that aims to reduce poverty through practical ICT solutions. Computer Aid sends these PCs to various projects across Africa and South America and furnishes Ashmore with details of where they are used. Any units that are not usable are disposed of in an environmentally friendly fashion.

Ashmore investing in local communities

Ashmore recognises the positive impact it can have on the communities where it operates and is committed to creating lasting benefits in those locations where Ashmore has a presence. Beyond support for the Ashmore Foundation, employees across all offices and subsidiaries are encouraged to engage with and support local community projects. This commitment is reflected in Ashmore's policy enabling employees to take one day annually to support charitable projects.

Ashmore employees drive local volunteering initiatives and take part in a range of activities to support disadvantaged communities in their local vicinity.

Ashmore continues to make an annual donation to homeless charity Crisis, in support of its Christmas card campaign, as well as an annual donation of foreign coins and banknotes to the Alzheimer's Society.

The Ashmore Foundation

At the heart of impact within Ashmore's investment universe lies the Ashmore Foundation. The Foundation was established in 2008 and seeks to make a positive and sustainable difference to disadvantaged communities in the Emerging Markets in which Ashmore operates and invests. To achieve this objective, the Ashmore Foundation aims to develop long-term relationships with locally based non-government organisations (NGOs).

The Ashmore Foundation functions independently of Ashmore and is registered in the United Kingdom as a charity and company limited by guarantee. It is staffed by a full time Executive Director who is responsible for managing the Foundation's affairs. The board of trustees consists of seven Ashmore representatives, including a plc Board member, Jennifer Bingham, as well as one independent trustee. In addition to the board of trustees, Ashmore employees are encouraged to engage directly in the governance of the Foundation through trusteeships and involvement in sub-committees.

Ashmore supports the Foundation's charitable activities through the provision of pro-bono office space, administrative support and a matched funding commitment for employee donations to the Ashmore Foundation. The Ashmore Foundation is supported solely by Ashmore and its employees globally. Crucially, this support from employees extends beyond financial aid to active engagement with NGOs through mentoring and helping them expand their network of contacts.

Ashmore employees organise a range of events from wine tastings to cake bakes to raise funds for the Foundation. Employees organise challenge events in support of the Foundation and over the years have summited the UK's three peaks, Mounts Toubkal and Kinabalu, cycled from London to Paris and walked the length of Hadrian's Wall.

Ashmore Challenge participants over the years

Social investing in Emerging Markets

The Ashmore Foundation's approach is underpinned by the belief that, while economic growth continues in the Emerging Markets, many communities, particularly those in rural and isolated locations, remain locked out of this prosperity. Social and economic inequalities continue to increase and communities lack the skills and resources needed to participate fully in economic development.

The Ashmore Foundation believes that with the right support, the most marginalised and disadvantaged communities can grow and prosper. The Foundation therefore focuses its social investment strategy on programmes that aim to equip people with the skills and resources they need to increase their livelihood opportunities, enabling them to meet their basic needs while also supporting economic growth and beginning to address broader societal inequalities.

The Ashmore Foundation supports civil society through social investments, grant donations and soft loans, in those Emerging Market countries in which Ashmore Group invests and operates. The Foundation seeks to develop long-term partnerships with civil society organisations and does not accept unsolicited applications, preferring to seek appropriate partnerships proactively. Civil society organisations typically receive between USD 20,000 and USD 50,000 per year over a two to three year period.

All proposals for new partnerships undergo a rigorous assessment designed to review not only the proposed activities, but the organisation as a whole – taking into consideration management, governance, strategy, resources and accountability. The level and depth of due diligence is proportionate to the size of the grant under consideration.

Current Partnerships

Since its inception in 2008, the Ashmore Foundation has dispersed over £4 million to 70 civil society organisations in 25 Emerging Market countries. It has developed a number of longstanding strategic partnerships; below are examples of the most current ones.

Aangan Trust
Partnership established: 2013
Country: India

Studies have found that exclusionary practices cause children from socially and economically disadvantaged groups to drop out of school. Those who manage to remain in school experience discrimination and exploitation. Girls are at particular risk of dropping of formal education, adolescence is particularly risky for girls, caught between family and community pressures.

Through this partnership, Aangan seeks to address the safety of school aged children through the establishment of school safety hubs in 124 schools in West Bengal. These hubs will work at the intersection of the school and the community, working with staff, families, adolescents and government officials in a coordinated effort to ensure children's safety both in the school and in the community, transiting between home and school. Aangan hope to extend the programme to over 400 schools over the course of the next three years.

Children Change Colombia
Partnership established: 2017
Country: Colombia

As a key drug smuggling route, Buenaventura is a battleground for two of Colombia's biggest illegal armed groups. Children and young people are at particular risk, and once recruited are forced to commit atrocities to prove their loyalty. Community spaces such as parks and playgrounds are inaccessible; there are no clear pathways for community members to protect children and young people from violence or care for those who experience it.

This project implemented in partnership with their local partner, Fundescodes, works in four communities to increase capacity to resist violence and demand protection of rights. Children learn about peaceful conflict resolution. Youth leaders and community members participate in 'peace and reconciliation schools'. Adults develop tools to protect children from violence and threats to their rights, resolve conflicts peacefully, and work together to build a safer community. Fundescodes also support children and young people to work with local state institutions to demand they fulfil their protective responsibilities to the communities.

CRRECENT
Partnership established: 2017
Country: Ghana

Established in 2004, the Child Research and Resource Centre (CRRECENT) develops and implements programmes that promote the rights of children and young people across Ghana. Since 2010, the organisation has been engaged in activities to improve the juvenile justice system. In partnership with the Prison Service of Ghana and Ghana's Department of Social Welfare they have been implementing a rehabilitation and reintegration programme for children and young people as they are discharged from Juvenile Correctional Centres.

Through this partnership, they will work with children and young people as they are discharged to help them reintegrate into mainstream society. They will support them to return to their families and communities where possible and help them to enrol into apprenticeship programmes or formal education. Through their schools programme they will also work with children at risk of entering the juvenile justice system.

Fair Trade USA

Partnership established: 2017
Country: Philippines

Fair Trade is a market-based approach that connects producers, businesses and consumers to create shared value across the supply chain. Fair Trade USA's goal is to advance income sustainability, well-being, empowerment and environmental stewardship in communities.

In the Philippines, 41 per cent of the 3.5 million coconut farmers live below the poverty line (average household earns USD 355 annually). Yet coconut products are one of the country's top exports with growing consumer interest in coconut water, oil, and beauty products. Global demand is rising at over 10 per cent per annum while regional supply is increasing at 2 per cent per annum.

Fair Trade USA began certifying coconut farmers in the Philippines in 2013, and to date have certified eight producer groups comprised of over 5,700. Through this partnership they will scale the programme to an additional producer group (over 1,000 farmers), support current farmers to maximise the impact of the programme, and increase sourcing commitments from processors, buyers manufacturers and distributers.

Fundación IED-VITAL

Partnership established
Country: Colombia

Communities, and young people in particular, in the regions south of Bogota have been on the frontline of the armed conflict, as well as drug production and trafficking industry for years. They have been abandoned by the national government and lack infrastructure and access to public goods and services. This has resulted in high poverty levels and a disempowered population. The regions are rich in natural resources but without the necessary skills and opportunities, it is difficult for communities to tap into and capitalise on these resource to generate income.

Through this partnership IED-VITAL works with 350 young people aged 16 – 24 years old, assessing skills and mapping current income activities. They work with young people to access formal accredited business skills training and support required to set up and grow their own businesses.

Nneka Youth Foundation
Partnership established: 2017
Country: Ghana

Nneka Youth Foundation seek to address the issue of educational attainment of children in Ghana. Young people face multiple issues and have few opportunities that result in them discontinuing formal education beyond primary school. Currently, a third of all students enrolled in junior high school dropout.

Nneka works with young people to remove the obstacles that stop them from progressing, providing learning opportunities that build skills and resilience. They do this through the provision of educational and life-skills, building opportunities for young people who might be underserved, overlooked or otherwise at risk of falling behind in school. Nneka runs a series of programmes including summer camps, mentoring, teacher training, and financial literacy in Hohoe district.

Minga Perú
Partnership established: 2017
Country: Peru

Minga Perú work with communities in Peru's Loreto region, spread across 37 million hectares in the Peruvian Amazon. Most of the region is remote with access limited to boats. Its isolation and lack of access to basic services has resulted in half the population living in extreme poverty. A quarter of all children under five are malnourished and 70 per cent of the population are unable to access adequate sanitation. Domestic violence, teen pregnancy, and gender-based and sexual violence are widespread.

In response, Minga Peru has developed and aired radio programmes addressing critical social issues. Through this partnership, Minga Peru will produce and broadcast 58 new programmes dealing with issues raised by listeners. They will run educational workshop and support communities to develop income-generating activities.

Visayan Forum
Partnership established 2017
Country: Philippines

Established in 1991, Visayan forum works to address modern day slavery and works with victims of human trafficking and sexual exploitation. In the Philippines, 60,000 - 100,000 children are involved in prostitution; 80 per cent of which are girls under 18 years old. The country has become a global hotspot for cybersex and online sexual exploitation of children and young women. There are approximately 2.1 million child labourers, 60 per cent of which work in hazardous conditions, suffering physical, sexual and psychological abuse. Trafficked from rural areas, they remain invisible, falling through government mechanisms.

For the last 26 years, Visayan Forum has been at the forefront of action against human trafficking and child labour in the Philippines. Through partnerships with government, Visayan Forum has rescued and sheltered almost 20,000 survivors and at risk young girls. Support from the Ashmore Foundation will enable them to continue operations, rescuing survivors and providing them with comprehensive support as well as pursuing legal action against abusers and perpetrators.

Emergencies Funding

In addition to the main partnership grants programme, the Ashmore Foundation supports those communities in Emerging Market countries that have been affected by natural disasters and humanitarian emergencies. Most recently the Ashmore Foundation supported communities affected by the earthquakes in Indonesia.

IDEP Foundation
Country: Indonesia

In the aftermath of the earthquake that struck the island of Lombok in July 2018, the Foundation provided a grant to IDEP to support rural communities located in the north of the island. The assistance included items for immediate relief as well as equipment to support the long term recovery of the communities.

Mosintuwu Institute
Country: Indonesia

In the aftermath of the earthquake that struck the island of Sulawesi in September 2018, the Foundation provided a grant to Mosintuwu Institute to organise local volunteers to set up temporary food kitchens to feed displaced communities in isolated rural areas.

Impact first investing

The Ashmore Foundation recognises that some social impact organisations will be generating revenue through their activities. To achieve their objectives these organisations often require working capital to grow and scale. In 2016 the Foundation began making programme related investments in organisations whose work aligns with its charitable objectives.

The Ashmore Foundation recognises that different types of capital deployed to a range of organisations along the investment spectrum can generate positive impact aligned to its charitable objectives. To this end the Foundation has sought to identify appropriate impact first investment opportunities within both the public and private markets to enable it to deploy as much of its resources as possible to generating positive societal outcomes for Emerging Market communities.

Impact first investments

In 2016 the Foundation began making programme related investments in organisations whose work aligns with its charitable objectives. Information about Ashmore's current impact first investments are listed below.

Root Capital

Partnership established 2016
Country: Various Latin America and Africa

Root Capital is a non-profit 501 (c)(3) registered organisation that seeks to improve the lives of rural farmers by connecting them with the formal economy. They supply agricultural businesses with financial capital and training to help them grow. These businesses purchase crops such as coffee, cocoa, or grains from thousands of smallholder farmers. They then connect members to formal markets and support them to improve their farming practices.

CoSchool

Partnership established 2016
Country: Colombia

CoSchool SAS is a B-Corp operating in the education sector in Colombia. They seek to develop socio-emotional skills so that young people feel, think and act in a collective manner empowering them to achieve their personal goals and lead positive change in their communities. They design and deliver high quality education programmes based on innovation, social challenges and uniting different social backgrounds. The loan will enable CoSchool to scale their business.

Investing in the ecosystem

The Ashmore Foundation believes in the power of social enterprises and impact driven organisation to drive social change. Since inception, The Ashmore Foundation has collaborated with enterprise incubators and accelerator programmes that enable organisations to prove their model and accelerate growth. The Ashmore Foundation currently partners with Unltd Indonesia to support early stage social enterprises.

In the coming years, The Ashmore Foundation will continue to identify impact first investment opportunities that enable it to support impact driven organisations to grow and sustain themselves while actively benefiting broader societies in the Emerging Markets. The Ashmore Foundation will continue to draw upon the resources of Ashmore Group, and its depth of knowledge of the Emerging Markets to support the implementation of its impact first investing strategy.

Sustainable Development Goals

To formalise its commitment to the United Nations Sustainable Development Goals (SDGs) and their achievement by 2030, Ashmore became a signatory to the United Nations global compact in 2019. Ashmore believes that its experience and engagement in the Emerging Markets enables it to contribute concretely to the achievement of a number of the goals.

Ashmore recognises that global development and sustainability issues are complex and will require continued investment and collaboration if they are to be achieved. To this end, Ashmore will continue to develop our process for assessing how we can most effectively contribute to their achievement.

Set out below, are the ways in which Ashmore's Investments and social investments through the Ashmore Foundation over the last five years have contributed to the achievement of the SDGs.

Ashmore's Contribution to the Sustainable Development Goals (SDGs)

1 NO POVERTY	– US$60,000 invested to raise awareness of Amazonian communities of their rights and social protections, reaching over 120,000 individuals	4 QUALITY EDUCATION	– US$150,000 invested to improve technical and skills training for school aged children in India – US$50,000 invested to improve safety for children to and from school in India – US$164,000 to provide skills training for young people living in informal settlements in Colombia – US$10 million investment in largest school network in Colombia with aggregate student body of 6,000
2 ZERO HUNGER	– US$183,000 invested to provide over 1,000 children and their families with improved nutrition and food security	5 GENDER EQUALITY	– US$100,000 invested to raise awareness of sexual and reproductive rights among young women in Ghana – US$125,000 invested to shelter over 100 young girls rescued from online sexual exploitation in the Philippines – US$60,000 invested to enable women to increase their income in Indonesia
3 GOOD HEALTH AND WELL-BEING	– US$100 million investment in healthcare facilities in Dubai and Abu Dhabi – US$15 million investment in oncology and diagnostics clinics in Morocco – US$27 million invested in healthcare facilities in Colombia	8 DECENT WORK AND ECONOMIC GROWTH	– US$100,000 invested to improve working conditions across the coconut supply chain through Fair Trade certification in the Philippines – US$150,000 to provide socially excluded communities with access to decent work in India
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	– US$41 million invested in the improvement of 284km of coastal road in Colombia facilitating approximately four million vehicles annually – US$29 million investment in the construction of 136km of power transmission lines in northern Colombia – US$5 million invested in 227 unit bus fleet in Bogota, Colombia	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	– US$63 million investment in waste management (reduction, recovery and recycling) in Saudi Arabia
11 SUSTAINABLE CITIES AND COMMUNITIES	– Support for children and young people in Colombia to reclaim public spaces from gangs – 19,277 low income housing units built in Colombia	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	– Support for charity protecting young girls from online sexual exploitation in the Philippines