



ESG AND ENGAGEMENT

2020 YEAR IN REVIEW

ENGAGEMENT BY THE NUMBERS

70+

Engagement meetings with portfolio companies and other investors on ESG issues

370

Voted proxy on 370 proposals

PORTFOLIO-WIDE EFFORTS



Developed Board benchmarking assessments focused on improving diversity and independence



Encouraged companies to improve disclosures, including completing DJSI CSA



Urged Chinese ADRs to secure a listing in Hong Kong ASAP in anticipation of US policy



Provided sustainability benchmarking assessments and recommendations



Tracked climate impact and CO2 emissions of the portfolio over time



Encouraged virtual or hybrid AGMs during COVID lockdown

CORPORATE GOVERNANCE HIGHLIGHTS

Russian Bank

As we recommended, company clarified its governance structure, removed the founder from its Board, converted to a single share class, and released its inaugural ESG report

South American Pulp & Paper Manufacturer

After years of debate, company removed a key RPT and added 3 committees to its Board, working towards inclusion on the Novo Mercado

Hong Kong Consumer Products Co.

Company stepped up its capital allocation with large dividend during COVID and began to improve sustainability disclosures



5 companies added a woman to the Board



3 companies replaced non-independent directors with independent directors

COMMITMENTS TO IMPROVE E&S MANAGEMENT



South American pulp and paper manufacturer issued \$500M sustainability-linked bond that will save it \$2M/yr



Korean communications company added an ESG Board committee and internal ESG strategy group



Hong Kong consumer products company committed to become a B Corp by 2025



Chinese data center operator hired consultants to help transition to cleaner energy inputs

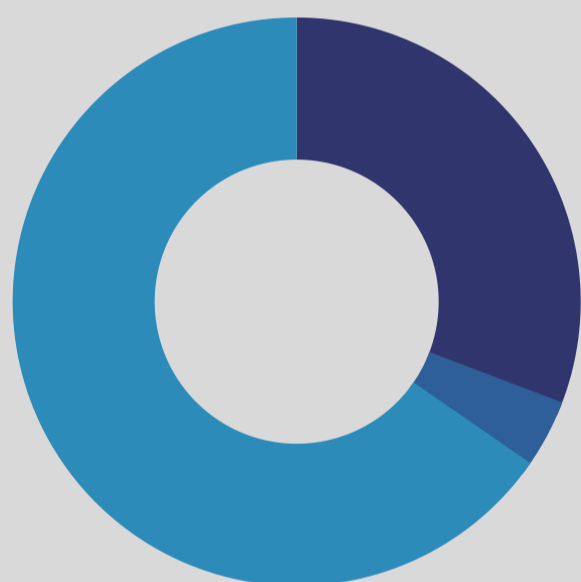


Mexican REIT started physical climate risk audit



Taiwanese power products manufacturer calculated CO2 emissions avoided by use of its products and released an improved sustainability report

MSCI RATING IMPROVEMENTS



8 companies out of 26 covered saw improvements in MSCI ratings

One company saw a decline



PORTFOLIO COMPANIES' ESG INDEX INCLUSION



18 total companies included on ESG indices