



Korea Stewardship Code

Principle 1: Institutional investors, as a steward of assets entrusted by their clients, beneficiaries, etc., to take care of and manage, should formulate and publicly disclose a clear policy to faithfully implement their responsibilities.

Incorporating environmental, social and governance issues into our pre-investment research and post-investment engagement process is a key element of our strategy and value proposition.

We apply our proprietary ESG Methodology to manage risk and identify potential value-adding engagement issues in portfolio companies. A set of analytical and implementation tools hard-wires the Cartica ESG Methodology into Cartica's pre-investment research and post-investment engagement process. A full description of our integration process can be found on our website. <https://www.cartica.com/our-approach/>

Principle 2: Institutional investors should formulate and publicly disclose an effective and clear policy as to how to resolve actual or potential problems arising from conflicts of interest in the course of their stewardship activities.

Cartica has adopted a Code of Ethics that covers identification and resolution of actual or potential conflicts of interest and that upholds a strict commitment to integrity and high ethical standards. Our Code of Ethics is shared with all our investors. (Interests in Cartica's funds are not offered to the public.)

Principle 3: Institutional investors should regularly monitor investee companies in order to enhance investee companies' mid- to long-term value and thereby protect and raise their investment value.

We use fundamental bottom-up analysis to identify investment opportunities within our selected focus countries. In selecting "Cartica Companies" we perform a rigorous analysis of the company's financials, its business model, and environmental, social and governance risks and opportunities. We assess the integrity of management, board and shareholders, and we review the treatment of minority shareholders. These factors are continually assessed throughout the lifetime of the investment.

Principle 4: While institutional investors should aim to form a consensus with investee companies, where necessary, they should formulate internal guidelines on the timeline, procedures, and methods for stewardship activities.

Cartica takes an active and generally collaborative approach in our engagements with investee companies. Historically, Cartica has worked with our portfolio companies on a variety of subjects including balance sheet restructuring, sale of non-core assets, and governance enhancement, including adding important competencies to the board of directors. Cartica engagements include improvements in transparency, especially around environmental, social, and governance practices. Consistent with our proprietary ESG Methodology, Cartica formulates the content, strategy and agenda of our stewardship activities at the outset of each investment. Throughout the period of our investment, we regularly monitor progress and revise our engagement activities as required.

Principle 5: Institutional investors should formulate and publicly disclose a voting policy that includes guidelines, procedures, and detailed standards for exercising votes in a faithful manner, and publicly disclose voting records and the reasons for each vote so as to allow the verification of the appropriateness of their voting activities.



It is Cartica's policy to vote all our shares at every shareholders meeting of our portfolio companies. Share voting is an integral part of our engagement strategy and hence we make voting decisions on a case by case basis consistent with our engagement objectives. A description of our share voting policy is included in Cartica's Active Ownership Policy available on our website. <https://www.cartica.com/wp-content/uploads/2018/03/Cartica-Active-Ownership-Policy-2018-03.pdf>

Principle 6: Institutional investors should regularly report their voting and stewardship activities to their clients or beneficiaries.

We publicly disclose our major market and country level stewardship initiatives. We make more detailed disclosures available to our investors on company level engagements. Cartica's voting record is available in complete detail to our investors and we disclose aggregate figures as required by the UN Principles for Responsible Investment to which we are a signatory.

Principle 7: Institutional investors should have the capabilities and expertise required to implement stewardship responsibilities in an active and effective manner.

Cartica was founded by a team of emerging markets and corporate governance experts, formerly executives of the International Finance Corporation (IFC), a member of the World Bank Group. Given our experience, we tailor our engagement strategies to the nuances of emerging markets companies and the capital markets in which they operate.

Name and contact of person in charge of compliance with Cartica's Korea Stewardship Code obligations:

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