

ESG AND ENGAGEMENT

2021 YEAR IN REVIEW

ENGAGEMENT BY THE NUMBERS

37

Held 37 portfolio companies over the course of the year

137

Engagements on ESG issues with portfolio companies and other investors

677

Proxy votes

ESG ACROSS THE PORTFOLIO

SUSTAINABILITY

30% of companies increased clean power inputs



6 companies issued sustainability-linked or green debt



9 companies committed to carbon reduction targets

32%

of companies launched or expanded sustainable products or services

ESG DISCLOSURES

76% of companies released sustainability or integrated reports



15 companies released sustainability reports for the first time



16 reports were GRI, TCFD, or SASB compliant

70%

of companies improved ESG disclosures

CORPORATE GOVERNANCE AND DIVERSITY



6 companies had a female CEO or Board Chair

57%

of companies added sustainability leadership

22% of companies have 3 women or ~30% on the Board



5 companies added Board committees



9 companies added women to the Board

51%

of companies added Independent Directors

CARTICA'S SUPPORT FOR PORTFOLIO COMPANIES



ESG Assessment:
Review of quality of a company's ESG practices, policies, and disclosures



Tailored Consultations:
Advice on global best practice on a range of ESG matters



Board Benchmarking:
An overview of Board and governance practices compared to peers



Diverse Board Candidate Rolodex: List of qualified women by country and skillset



Climate Impact Assessment: Guidelines for carbon footprinting and sustainability improvements



ESG Quick Takes: Monthly newsletter to portfolio companies on key ESG issues that affect them

ESG RATING IMPROVEMENTS AND INDEX INCLUSION



13 companies out of 29 covered saw MSCI ESG ratings improvement in 2021

■ 13 ratings improvements ■ 1 rating decline
■ 15 ratings unchanged



Out of 37 total companies

PORTFOLIO COMPANY HIGHLIGHTS



Russian online bank collapsed its dual class share structure into a single share class



Brazilian education platform moved to a majority independent Board with 3 women



Chinese data center company committed to source 100% renewable energy by 2030, up from 23% in 2021



Russian grocery chain reduced employee turnover from ~80% to ~38% in three years after a HR overhaul



Argentine IT services provider achieved net-zero emissions and set goal to be net-carbon-negative by 2030



Indian bank expanded access to products to underserved communities across 50,000 villages

There is no guarantee that Cartica's investment strategy and active ownership approach will be successful. Cartica cannot guarantee that ESG improvements by portfolio companies were due, in whole or in part, to Cartica's engagement efforts. We cannot guarantee that companies will not take steps to erode ESG best practices.