GENESIS

ANNUAL STEWARDSHIP REPORT 2020

GENESIS INVESTMENT MANAGEMENT, LLP

Contents

Executive Summary

This report is designed to give full transparency on our investment process. As investment managers we want to deliver excellent returns for our clients, and our long-term, fundamental style means we look for sustainability in the companies we invest in. We combine these two imperatives by deeply integrating ESG considerations into our investment work. The report goes into this and gives some examples. The primary audience we are aiming at is our clients, but we are acutely aware that in writing this we are exposing our thinking and integrity to public scrutiny, in a sense it is a letter To Whom It May Concern. We therefore trust that this explains to any interested parties how we practise good stewardship of our clients' capital. We hope you enjoy reading this and welcome your feedback.

We describe our stewardship activities in 2020 with an eye on the revised UK Stewardship Code which took effect on 1 January 2020. In the spirit of continuous improvement, we detail our progress, frustrations, proxy voting activities and efforts as a firm to act in the interests of our various stakeholders. We are particularly sensitive to the Code's emphasis on corporate culture in support of good stewardship. It resonates with how we see things. In many respects investing sustainably is a work in progress in Emerging Markets ("EM"), and in the absence of sophisticated guardrails it falls to the culture of the investment firm to invest responsibly for the long-term benefit of clients and the world around us.

Focusing on a company's sustainable earnings power includes thinking holistically about its impact on the various stakeholders and its broader role in society. The way we assess the corporate footprint has become more sophisticated, not least because each year brings more information from our companies and more useful data from the service providers. In last year's report we described our integrated approach to environmental, social and governance ("ESG") issues. We were largely reporting a static state of affairs. A year on we have observed a shift in companies' priorities and receptiveness to engage as a result of external pressures – whether from investors, their customers, or as a result of the pandemic.

We manage a single investment strategy: global EM equities. We deeply engage with the management teams of our holdings to understand sustainability from various aspects. Based on this analysis, a quality rating is assigned to each holding. The quality rating specifically includes a Stakeholder Analysis and an engagement plan. Our quality ratings capture a company's ESG footprint as one of the five factors that guides the weight of a position in the portfolio ("Portfolio"). We record and assess the effectiveness of our company engagements and as a result, our discussions with management are increasingly useful and influential.

The foundations of our long-term success remain in place. Our active investment strategy of undertaking deep fundamental research to unearth long-term investments in quality businesses at attractive prices remains as relevant today as ever in EM. We thank you for the trust you have placed in us as the stewards of your capital and we look forward to continuing our long-standing partnership.

***Stewardship** is the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.*

UK Stewardship Code www.frc.org.uk

Our Values

Our values are the backbone of everything we do as an organisation, reflecting our culture and fundamental beliefs.

We aim to generate excellent long-term investment performance in EM equities for our clients.

In doing so, we will uphold our values and consider the interests of all stakeholders.

EXCELLENCE

We strive for excellence in everything we do

We put our clients' interests first

We seek constant improvement

TEAMWORK

We work collaboratively to accomplish more than we can alone

We share knowledge, expertise and relationships with our colleagues

We support each other to develop and learn

OPENNESS & HUMILITY

We continually question our views and welcome constructive challenge

We are honest with ourselves and each other

We embrace diverse thinking styles, experience and skills

Our Pillars

Genesis Investment Management, LLP ("Genesis") was founded in 1989 and is currently owner-managed by 11 operating Partners and Affiliated Managers Group. Located in a single office in London, Genesis has 66 permanent members of staff including the Partners. As a boutique asset manager, Genesis has focused on global EM equities for over 30 years. Our single investment strategy is managed by ten Portfolio Managers ("PMs"), who are also Partners of Genesis.

Over the last 30 years, we have generated 3% outperformance per annum* compared to the MSCI EM (TR) Index. We believe that we can best deliver excellent investment performance by working as a team making long-term investments in quality businesses at attractive prices. Our competitive edge is the unique combination of the four pillars of our business: our aligned client base, our non-hierarchical partnership structure, our investment philosophy and collaborative investment process, and our diverse and experienced team.

OUTPERFORMANCE

c.300bps per annum over 30 years*

CLIENTS	PARTNERSHIP STRUCTURE	PHILOSOPHY & PROCESS	PEOPLE
• Sophisticated asset owners • Long-term relationships • Prudent AUM management	• Owner-managed • Single investment strategy • Culture of excellence, teamwork, openness & humility	• Long-term investments in quality businesses at attractive prices • Collaborative process with individual accountability • Deep fundamental research	• Diverse group of skilled & experienced investors • Enduring personal interest in EM • Well-resourced organisation

* Based on Genesis Global Emerging Markets Equity Composite (gross of annual fees) vs. MSCI EM (TR) Index

Source: Genesis Investment Management, LLP

Our Clients

As of 31 December 2020, we managed US$22.0 billion for sophisticated institutional clients, the majority of whom are pension funds. We have long-standing client relationships with a median duration of 15 years. Our client base is geographically diverse, with almost half based in North America and the other half in Europe, UK, Asia and Australia.

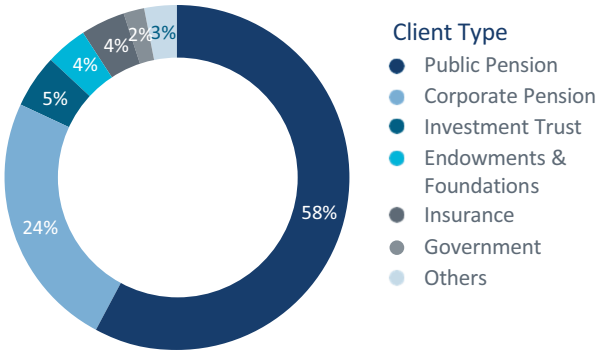
We strive to offer exceptional service to our clients and build strong partnerships. The Client Team, a dedicated, experienced team of six people, engages proactively to understand clients' expectations and needs, especially through difficult periods when close communication is key. For example, in 2020 we held over 200 1:1 client calls/meetings, most of them jointly with members of the Investment Team, and completed over 70 customised questionnaires from clients and their consultants.

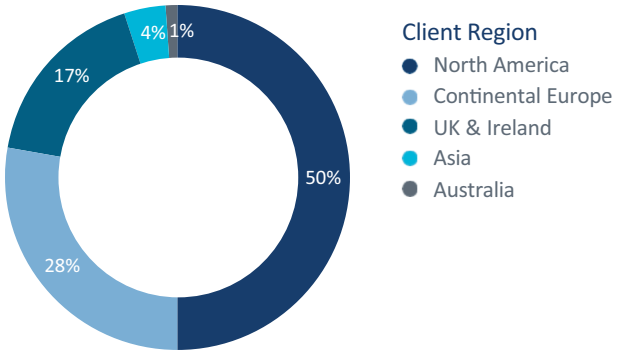
Given the events during the year, we contacted all clients to communicate our approach to our business operations and how the Investment Team was framing the consequences of the pandemic from the perspective of the Portfolio. As travelling restrictions continued through the rest of the year, the Client Team coordinated virtual meetings with our clients and the Investment Team to review the Portfolio's performance, to address clients' questions and to share our insights on how the team was approaching this period, focusing on protecting value but also finding opportunities. Diversity & Inclusion and sustainability were brought forward on clients' agendas and 42% of questionnaires completed touched on these two very important topics. Please refer to page 20.

We provide detailed and timely reporting to our clients on a monthly and quarterly basis, including proxy voting. All clients are invited to our quarterly client conference calls, hosted by the entire Investment Team, during which they discuss Portfolio performance and positioning, as well as a special topic of interest in EM, followed by a live Q&A. This topic is also addressed in our client quarterly letters. In 2020, these included Covid-19 and the impact on EM and the Portfolio, investing in Africa, digital wallets in EM and a review of the full year.

INSTITUTIONAL CLIENT BASE

As of 31 December 2020





Investment Philosophy & Process

We believe we can best deliver excellent long-term investment performance by working as a team to make investments in quality businesses at attractive prices.

Emerging Markets Investment Thesis

We believe that careful investment analysis allows us to benefit from the growth and mispricings that exist in EM. Low- and middle-income economies have the potential to grow faster than high-income economies due to, first, faster growth in the working age population; and second, economic convergence, particularly in countries with strong export performance. EM stocks present attractive investment opportunities because high-quality companies can take advantage of EM growth and stocks are often more inefficiently priced than in developed markets.

Emerging Markets Investment Universe

Our investment opportunity set consists of companies headquartered in countries defined as low- and middle-income economies by the World Bank as well as those in high-income economies (such as South Korea and Taiwan) included in the major EM benchmark indices. In addition, the Portfolio may also contain companies that are listed on the stock markets of high-income economies, but that generate a significant proportion of their revenues, profits or cashflow from, or whose assets or intellectual property are mostly located in, EM.

Integration of Stakeholder Analysis

Our objective is to generate excellent long-term investment performance in EM equities for institutional clients. In doing so, we will uphold our values and consider the interests of all stakeholders. We actively think about the direct and indirect consequences for our actions today on our stakeholders' interests, including our clients, the companies and countries in which we invest, and our local community. We consider how these interests affect our ability to generate long-term investment returns. We aim to create a positive impact for our stakeholders, without compromising our ability to generate investment returns.

INVESTMENT PROCESS

Our investment process is structured to enable an experienced team of PMs to generate fundamental research insights and, subject to rigorous challenge from each other, express those insights in the Portfolio.

Investment Team Structure

Our stock selection and portfolio construction processes are bottom-up. Each investment in the Portfolio has a PM. For each investment, PMs receive input from fellow PMs playing three roles:

- Back-ups: Constructive challenge throughout the investment lifecycle
- Sector Specialists: Expertise in specific industries. Sector Specialists also develop the framework for assessing the relevant ESG factors in their industry
- Country Specialists: Expertise in specific geographies

Additionally, the broader Investment Team provides feedback on an ongoing basis.

Portfolio Coordination Process

The PMs' individual investment decisions are coordinated through what we refer to as the Portfolio Coordination Process. This process is led by Portfolio Coordination Team ("PCT"), which is composed of the Managing Partner, two PMs (one rotating and one permanent member) as well as the Enterprise & Investment Risk Officer who provides an unbiased perspective on the risk profile of the Portfolio, reporting separately to the Managing Director and the Risk Committee (See page 21). Through the Portfolio Coordination Process, the PCT:

- Ensures that PMs act in accordance with our agreed process
- Analyses and provides feedback to PMs about Portfolio risk and return
- Coordinates and initiates process improvements and investment discussions

Although any position changes in the Portfolio require PCT approval, the investment decision for each position is made by the PM.

Investment Philosophy & Process

Investment Decision-Making

We maintain a new ideas Focus List. PMs list up to ten new ideas they consider as their most likely next recommendations. The Focus List includes only ideas that are imminently actionable, i.e. have an Investment Case, including a quality rating and a valuation model.

PMs' investment decisions take the form of a recommendation that is circulated to the entire team for comment. PMs consider five factors in their recommended position sizing. In general, for similar upside, companies with higher quality ratings will have higher weightings. The Portfolio comprises of holdings in predominantly high-quality businesses (As and Bs).

INVESTMENT CASE

- Investment thesis
- Investment risks
- Quality rating (A/B/C)
- **Valuation and dispersion of returns analysis**
- Relevant team correspondence on the constructive challenges

QUALITY RATING

- Ability to generate sustainable excess returns on capital (Moat)
- US$ Net Present Value stability
- Management quality
- Stakeholder Analysis:
  - Material ESG Factors
  - Engagement Plan

VALUATION MODEL

- Intrinsic Value (IV)
- 5-year annualised expected return expressed in US$ (IRR)
- Dispersion of outcomes (Base/High/Low)

Investment Risk Management

Our philosophy encourages risk management: by making investments in quality businesses at attractive prices we mitigate the risk of intrinsic value erosion and the risk of over-payment. Our process also encourages risk management: we have a rigorous research process and strive to know our Portfolio companies well. Constructive challenge from Back-ups, Country Specialists, Sector Specialists and the broader team serves to alert PMs to any risks and opportunities they may not have fully considered.

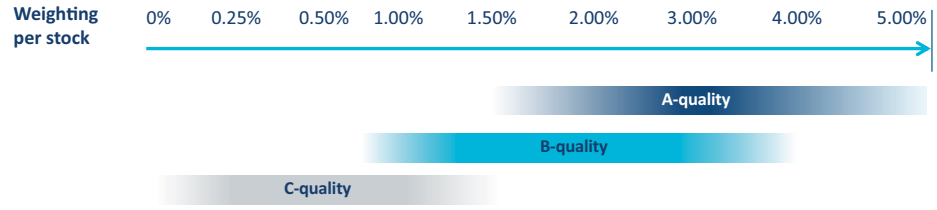
In addition, the PCT plays a key role in the oversight of Portfolio risk and provides guidance to the PMs on the Portfolio risk and return profile. Key factors include correlated risks, concentration, quality ratings, expected return and the Portfolio is also subject to certain quantitative risk limits. The PCT monitors these issues on a continual basis with an additional formal review held with the Investment Team during the quarterly Portfolio Week reviews.

Macroeconomic Analysis

We expect to create value for our clients through our analysis and valuation of businesses rather than through macroeconomic forecasting. At the same time, investment judgement requires the incorporation of macroeconomic risks. We seek external experts for such analysis. The Investment Team regularly discusses the macroeconomic environment at the global and country level, coordinated by the Joined-up Thinking ("JUT") group, which is led by one of the PMs.

PORTFOLIO WEIGHTING FACTORS

- Expected return
- Quality rating
- Conviction
- Correlated holdings
- Investability



Our response to Covid-19

Covid-19 was the defining event of 2020. It impacted the companies in which we invest, the way we work, our business and the personal lives of many. Although we did not specifically anticipate the risks of a global pandemic, our risk management framework for both the business and Portfolio focuses on resilience to a range of negative shocks. This approach allowed us to successfully navigate the Covid-19 pandemic and emerge well positioned as we enter 2021.

BUSINESS RESPONSE

On 16 March 2020 we invoked our business continuity plan ("BCP") and our Investment Team, business operations and Client Team have worked from home since then without disruption. This strong performance is testament to effective BCP arrangements implemented and tested over a number of years. Our technology infrastructure has been designed to support remote working, using virtual desktops, remote servers and full redundancy at a cloud vendor. Our Dealing Team has often connected remotely to manage orders, while the Investment and Client teams, given the nature of their roles, are used to connecting from distant locations. All employees were fully equipped to work from home, and our Technology Team has been on point, monitoring and providing support – even including streaming our regular yoga classes to support all staff in this unfamiliar environment. Security has been a focus for all devices that interact with our systems. We have integrated Microsoft Teams and Zoom into our processes, and we continue to collaborate and hold meetings as scheduled, both internally and externally.

Externally, we reviewed our counterparty risk and for a period we decided to trade only with systemically important banks, where possible, to mitigate risk. We also temporarily ceased securities lending to protect clients against potential counterparty default.

Our business is more financially resilient than many because we are a simple, single-strategy boutique with a strong capital position. We were financially robust throughout 2020 and remained so at the market lows.

PORTFOLIO AND INVESTMENT RESPONSE

In the initial stages of the pandemic, the PCT identified that countries' responses to Covid-19 were a correlated risk and worked with the JUT to develop an analytical framework to assess the Portfolio exposure to this risk. The JUT ranked countries by the impact Covid-19 was likely to have on economic activity, overlaying measures of pre-existing economic vulnerability with proxies for state capability to respond to the pandemic without long-lived debilitating lockdowns. The analysis identified relatively early on that North Asia and Vietnam were comparatively well positioned, and that countries such as Brazil and South Africa would struggle. PMs used this risk analysis when determining the weights of the companies in the Portfolio.

At a company level, our focus on long-term investments in high-quality businesses with aligned management teams naturally leads to a Portfolio populated with businesses more resilient to negative shocks like Covid-19. These businesses typically enjoy strong competitive advantages, superior profitability, and low financial leverage. The average margin of companies in the Portfolio at the end of 2019 (pre-Covid) was 25%, the RoE 20%, and their net debt as a % of market value 5% (including those companies with net cash).

All these metrics are better than the average for the MSCI EM Index. As a result, Portfolio companies had the financial resources to manage the disruption of lockdowns and economic dislocation and, in aggregate, the Portfolio holdings (excluding financials) grew revenues by an estimated 5% in 2020 – an impressive performance given the tough economic environment.

Although most of the businesses in the Portfolio have responded well to the difficult times, short-term stock market performance in 2020 was dominated by country responses to Covid-19. North Asia's particularly effective handling of the pandemic was rewarded with excellent stock performance in China, South Korea and Taiwan, which by year-end collectively accounted for two-thirds of EM by index weight, together returning 35% in 2020. Other EM declined 4% on average during the year. The Portfolio, which has long had a relatively larger share of investments outside North Asia with an emphasis on earlier stage or frontier markets, underperformed in relative terms due to this allocation gap.

WIDER SOCIAL IMPACT

In general, we have been impressed with the adeptness of management and boards to switch to video calls. This applies to companies in the Portfolio and also potential investee companies, competitors, customers and supply chain entities which we would expect to contact as part of our investment process. Looking back over our diaries, we note 1,162 such interactions in 2020 vs 1,002 in 2019.

In the future, we aim to reduce the number of routine in-person meetings in most countries using the skills we have gained in remote communications during 2020, whilst ramping up the number of remote meetings, and our carbon footprint should structurally benefit as a result.

Somewhat counter-intuitively, we have observed during 2020 an increased openness among management teams to discuss a broader range of ESG issues. We expected companies to go slow on environmental and other concerns in the face of a revenue shortfall, but global attention on ESG has increased and ideally this trend will continue in 2021.

The Partnership decided to make an enhanced donation to the Genesis Charitable Trust in 2020 to fund projects specifically targeted on Covid-19 relief in EM, more details of which can be found on page 25.

ESG Integration

As fundamental, bottom-up investors, our investment approach lends itself naturally to the integration of ESG factors at the company level.

Our PMs are responsible for integrating ESG risks and opportunities into their investment thinking – this is not the responsibility of a separate team. PMs assess ESG factors in the context of materiality.

We assess management quality and ESG factors through an ongoing dialogue with management via regular meetings, site visits, calls and correspondence and engage on a variety of material issues that may have an impact on performance. Our Sector Specialists are responsible for developing and sharing frameworks to assess the relevant global ESG considerations for each sector and a formal review of all Portfolio companies by sector is held twice annually. In addition, we regularly host expert speakers to address the team on matters such as water management & security, and use of antibiotics.

A Stakeholder Analysis is included in Investment Case documents for all Portfolio holdings. In the Stakeholder Analysis, PMs identify and describe the most material ESG factors facing the company and lay out an engagement plan to attempt to address issues that can be improved. The Stakeholder Analysis is part of a company's quality rating, which is one of our five sizing factors for investments. All Investment Case documents are kept in a central database and are accessible to the whole Investment Team, enabling constructive feedback. Regular challenge and review of all holdings by the Investment Team is conducted quarterly during Portfolio Weeks.

Each PM is individually responsible for integrating the relevant ESG issues into their investment analysis of a company. This follows collaboration with the Sector Specialist and draws on advice from our dedicated Head of ESG, who also works closely on specific ESG issues with the PMs as an internal consultant to support their analysis. PMs highlight areas of material ESG concern and engagement priorities in the Investment Case, which we review and track during the life of each investment. We decided that the PM, who has the closest relationship with the company, is best placed among us to raise an issue and also most likely to positively influence management decisions and create change.

We do not use ESG metrics as a quantitative tool in our investment process; we do use research and data from external providers to inform our decisions. The Investment Team draws on multiple external research sources including dedicated ESG research from MSCI and research from many of the ESG-related groups which we support.

While we do not maintain restricted lists of countries, sectors or companies, we wish to avoid businesses that we believe are harmful on balance. Serious concerns on sustainability might include issues like selling weapons, abusing a position of power over consumers or employees, or making insufficient effort to comply with best practice in areas of weak environmental regulation. We try to avoid situations where we think an ESG issue puts the sustainability of a company at risk, whether through competition, regulation, reputational damage, or otherwise.

We are committed to supporting sustainable business practices in our investments and the global financial system more broadly. We have been a signatory of the UN Principles for Responsible Investment ("UN PRI") since 2007, and we publish our Annual Assessment Report on the UN PRI website.

In addition, we formally support a range of global and local organisations that promote good corporate governance and sustainable investing practices. We participate actively in these groups to monitor regulatory developments and best practice in the relevant markets and for investment research purposes. These groups also offer opportunities for direct and collaborative engagement with Portfolio companies.

ESG Research and Data Providers			
MSCI ESG research		Brokers	CRISIL
Proxy Voting Analysis			
ISS	ZD Proxy (China)	Institutional Investor Advisory Services (India)	Korea Corporate Governance Service (South Korea)

Asian Corporate Governance Association
www. acga-asia.org/who-we-are.php

Association of Institutional Investors
www.api-russia.org

CAF Brazilian Takeover Panel
http://cafbrasil.org.br/site/en/

CDP
www.cdp.net/en/info/about-us

Farm Animal Investment Risk & Return (FAIRR) Initiative
www.fairr.org/about-fairr

International Corporate Governance Network
www.icgn.org/about

ESG Profiles and Engagement Priorities – Portfolio Examples

Portfolio Example | AIA

Country:	China
Sector:	Financial Services
Market Cap*:	US$147.9bn
Quality Rating:	A
Initiated:	May 2014

Engagement priorities include:
Product Responsibility – including data security and privacy, financial product safety
Board composition – skills, experience and diversity

Founded in 1919 in Shanghai, AIA is an Asia ex-Japan life insurance business now headquartered in Hong Kong.

The company mainly sells regular premium protection and savings products. AIA sells insurance policies through its network of exclusive agents, as well as through distribution partnerships including bancassurance and independent financial advisors.

Among its exclusive agents, AIA has over 10 thousand 'Million Dollar Round Table' members (the global standard for high producers), #1 globally for five consecutive years. AIA has over 35 million individual customers and makes about 15 million claims payments each year.

AIA's health, protection and savings products meet a substantial, growing and largely unmet social need. Emerging Asia has both a fast-growing middle class as well as a rapidly ageing population. Asia ex-Japan's middle class comprises about 1.6 billion people and may rise by a further 1.5 billion in the next decade. China, by far AIA's largest market, is among the most rapidly ageing societies globally. As this large, increasingly affluent population ages and sees a higher incidence of lifestyle-related diseases, demand for life insurance products will grow. Today this demand remains largely unmet. Asia ex-Japan life insurance density – defined as premiums per capita – is only one-tenth of US levels. AIA has developed a differentiated regional health and wellness ecosystem that efficiently serves customers. Furthermore, our research suggests that local regulatory authorities see AIA's health, protection and savings products in a positive light. This is especially important in Emerging Asia given the relatively limited social welfare provision.

AIA is a rather unique company in EM in that it has a dispersed ownership structure whereas many EM businesses answer to the state or a founder/family. To evaluate AIA's governance and management quality, we benchmark operational effectiveness, look at the track record for evidence of minority alignment, and evaluate the formal governance arrangements. While our overall conclusions are positive, we have identified several areas for improvement where we have engaged with management. For example, the board composition is imperfect in terms of gender diversity (only one of 11 is female) and the age and entrenchment of the Non-Executive Chairman Edmund Sze-Wing Tse (82 years old and 59 years with AIA). We believe boards should be diverse and independent, and able to hold management to account on behalf of shareholders. That said, we supported the re-election of the Chairman at the 2020 AGM after careful consideration of his industry knowledge and effective leadership of the Board which demonstrates independence and commitment to act in the best interest of shareholders.

Exclusive tied agents sell AIA's life insurance products. The best-selling products are bundled policies that include components covering savings, mortality protection and payouts associated with various health events. Naturally consumers can't independently judge the value for money, and often even the suitability, of these products. Unavoidably there are mis-selling risks. Across developed markets, and increasingly in EM, we have seen regulatory action aimed at addressing problems with agents mis-selling life insurance policies. The costs to the insurer can include punitive fines, reputational damage, and even regulatory change that hobbles the ability of agents to market effectively. In the case of AIA, which historically has sold a large number of policies to Mainland Chinese visitors to Hong Kong, these mis-selling risks are heightened as two different regulatory bodies may be involved. Various questions arise: How will the customer pay for the policy in Hong Kong if they live in the Mainland? Did the agent illegally market the policy to the customer in the Mainland to entice them to purchase in Hong Kong? What is the Mainland customer's motivation for purchasing a policy in Hong Kong when AIA sells largely comparable policies in the Mainland? Through researching these concerns, we have learned that local regulators in Hong Kong allow for more aggressive product illustrations versus what Mainland customers may be used to. This difference in customer understanding, and the potential for mis-selling, is a social issue that AIA needs to manage carefully. We have engaged with the company on this topic in great detail and are comfortable that management is well sensitised to the risks, AIA selling processes are well-controlled and its products designed with customer benefits in mind.

SHARE PRICE

In US$, since position initiated*

* As of 31 December 2020. Source: FactSet. Historical pricing has been adjusted for corporate actions. Market cap information from Bloomberg.

ESG Profiles and Engagement Priorities – Portfolio Examples

Portfolio Example | Bangkok Dusit Medical Services

BDMS
Bangkok Dusit Medical Services

Country:	Thailand
Sector:	Health Care
Market Cap*:	US$11.0bn
Quality Rating:	A
Initiated:	November 2015

Engagement priorities include:
Social opportunities – access to finance, health care, communications
Product Responsibility – including data security and privacy, financial product safety

Founded in 1969 with one hospital, Bangkok Dusit Medical Services ("BDMS") has developed into the largest private hospital operator in Thailand (and second largest in Asia, after IHH), operating 49 hospitals (8,600 beds) serving all patient income segments and geographical regions.

BDMS operates a "Hub and Spoke" model where Hub hospitals are strategically located to provide state-of-the-art medical services (centres of excellence providing tertiary and super tertiary care), while satellite hospitals provide secondary and basic tertiary care and referral sites in Thailand and adjacent ASEAN countries, such as Cambodia and Myanmar refer patients elsewhere. BDMS has played a leading role in positioning Thailand as a global medical tourism hub, benefitting the country. BDMS is today Thailand's top medical tourism provider, with 22% of revenues coming from international patients (30% pre Covid-19). The main shareholders are the Prasarttong-Osoth family who own ~30% of the company's equity.

Through its over 50 years of history, BDMS has built a good reputation among key stakeholders. Its founder – Doctor Prasert – and more recently his daughter – Doctor Poramaporn – have imprinted a doctor-led culture that puts quality of patient care at the centre, sensibly balancing short-term benefits to shareholders with long-term business sustainability. From our numerous interactions with the controlling shareholders and management, we have built confidence that BDMS' culture includes a genuine and clear sense of duty to do good for the Thai society. In a business where there are clear perverse incentives to over-treat and over-prescribe, we value BDMS' balanced approach of maintaining a healthy level of profitability while taking a very long-term view on societal issues such as quality of care, doctor relationships and product segmentation and pricing.

Like most countries, access to healthcare and affordability are areas that remain challenging in Thailand with private healthcare services being largely inaccessible to a large portion of the population. On this front, we are encouraged to see how much BDMS is investing to make their services more affordable to a broader segment of the population. For example, for a few years now, BDMS has committedly led a crusade to make private medical insurance – which remains significantly underpenetrated – available to more Thai people. As the largest network of hospitals covering many geographies and socio-economic segments, BDMS has enough scale to work closely with medical insurers to design, price, distribute and operationally integrate medical plans in a way that can be made affordable to a growing number of Thais, while ensuring there are sustainable economic incentives across the value chain. We see encouraging signs, with insurance patients having grown from 24% of BDMS' total revenues in 2016, to 32% in the first 9 months of 2020. We continue to engage periodically with management to track their progress on access and affordability and encourage them to maintain their long-term perspective.

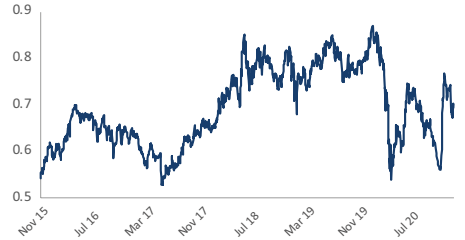
With respect to governance concerns, there are several areas of improvement which we have raised with BDMS including the board's lack of gender diversity and lack of an independent majority. On the latter, concerns are partially mitigated as the company has split the roles of CEO and chair and has named a fully independent chairman.

Another area we have identified as an engagement priority is pricing transparency. This has been historically an opaque industry from a product pricing perspective. The regulator has actively tried to improve price transparency, with some positive results as now all providers are required to unbundle prices of procedures, drugs, etc. We continue to encourage BDMS to go beyond regulatory requirements and help raise the standards across the industry.

We believe we have an open and constructive relationship with BDMS' top management and with the controlling shareholders and that as a result, our proactive and progressive engagement is listened to and importantly, we can effect various improvements.

SHARE PRICE

In US$, since position initiated*



* As of 31 December 2020. Source: FactSet. Historical pricing has been adjusted for corporate actions. Market cap information from Bloomberg.

ESG Profiles and Engagement Priorities – Portfolio Examples

Portfolio Example | Delivery Hero

Delivery Hero

Country:	Germany
Sector:	Consumer Discretionary
Market Cap*:	US$36.5bn
Quality Rating:	B
Initiated:	November 2019
Engagement priorities include: **Climate change** – carbon emissions, electricity **Human capital development** – training, retention, hiring	

Delivery Hero is the largest EM focused on-demand ecommerce platform outside China. In 2020 it processed 1.3 billion orders for customers across more than 40 countries with a total value of close to $14bn. This was a 66% increase on 2019, and growth in 2021 is likely to remain strong.

Delivery Hero was founded in 2011 but only accelerated its international development between 2014 and 2016, entering Latin America and South Korea in 2014; Central & Eastern Europe, Turkey and the GCC in 2015 and the rest of Asia through its acquisition of Foodpanda in 2016. It IPO'd in 2017 and spent the following 2 years integrating its acquisitions into global and regional technology stacks, own delivery infrastructure, systems and processes. Over the past 2 years, in consultation with its shareholders, it has refined its ESG agenda. Its primary focus is the environmental sustainability of its operations – an important aspect of any ecommerce company. GHG emissions and packaging waste are the key target areas. Other areas of focus are diversity & inclusion and rider welfare, health & safety and human rights.

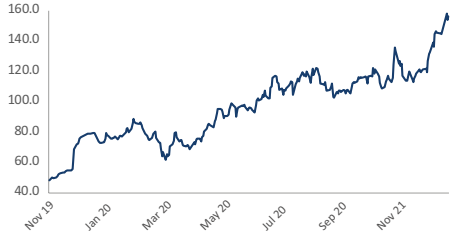
We have been engaging with Delivery Hero on its environmental focus and actions. The company has embarked on a detailed emissions project, with the ultimate aim being carbon neutral by the end of 2021. The first step was to measure and calculate Scope 1, 2 and 3 emissions from its operations and then offset such emissions by supporting internationally recognised projects which reduce carbon elsewhere in the world. Progress to date includes its headquarters achieving carbon neutrality in 2019, followed by its European operations in 2020 and from January 2021, it reached carbon neutrality in Latin America. We recognise that offsetting has limitations (i.e. does not necessarily change behaviours) but this is a positive and ambitious undertaking which we believe the company are firmly behind. Looking ahead, we intend to follow the global neutrality project closely and engage Delivery Hero on GHG reduction targets.

Packaging is another focus area which we have engaged with Delivery Hero on. In 2019 it designed a globally scalable sustainable packaging program which launched in pilot in Q3 2020. Merchants traditionally source packaging independently from Delivery Hero, but there is an opportunity to work with them to help find affordable and sustainable sources of supply using its global scale and industry knowledge. For example, Delivery Hero has invested in an innovative company developing biodegradable packaging solutions from agricultural residues which can replace plastic. This project is less advanced than GHG emissions but is something we endeavour to continue engaging on in the coming years.

In 2019 Delivery Hero included "Ethics" as a fourth pillar of its Sustainability and Corporate Social Responsibility strategic framework. Delivery rider welfare, health & safety and human rights are its three focus areas under this pillar. Delivery Hero has over 700,000 drivers operating on its network. It has developed a "rider wallet" in conjunction with Mastercard which allows riders to receive payment electronically in real time. In conjunction with partners, these wallets will be expanded to include a number of financial products for riders including payment, remittance and borrowing solutions. Delivery Hero can use its global scale to ensure competitive pricing from partners on behalf of its riders. It is also developing global standards on safety, which are to be rolled out across its operations. We are following the development of these standards closely to ensure Delivery Hero's outlined endeavour to achieve the highest level of ethics and integrity are reached in this important aspect of its business.

SHARE PRICE

In US$, since position initiated*



* As of 31 December 2020. Source: FactSet. Historical pricing has been adjusted for corporate actions. Market cap information from Bloomberg.

ESG Profiles and Engagement Priorities – Portfolio Examples

Portfolio Example | Infosys

Infosys®

Country:	India
Sector:	Information Technology
Market Cap*:	US$73.2bn
Quality Rating:	B
Initiated:	July 2011

Engagement priorities include:
Product Responsibility – including data security and privacy, financial product safety
Human capital development – training, retention, hiring

Infosys is a provider of outsourced information technology services.

Infosys' nearly 250,000 employees engage in the development, implementation and maintenance of software, infrastructure, and business processes for enterprise clients across the globe. Infosys has strong relationships with clients given the critical nature of the services they provide, which translate into attractive recurring revenues.

As a large services business, Infosys' employees are its most important asset, so employee wellbeing and satisfaction are critical to its long-term success. Fierce competition for talent amongst IT services players in India means that sought-after employees can join another player if they feel dissatisfied with their life at Infosys. We pay close attention to voluntary employee attrition when analysing IT services players and Infosys' attrition has been falling after an expected spike when CEO Salil Parekh joined in 2018. And while it remains above the level of the industry leader – Portfolio holding Tata Consultancy Services – we believe Infosys will continue to close the gap in coming years.

We also regularly monitor Infosys' reputation amongst existing and prospective employees. Our research has shown that existing employees are engaged, energised, and committed, not only as a result of recent stellar business momentum, but also Infosys' ongoing employee wellbeing and education programs.

We recently engaged with Infosys on employee engagement and training, and were pleased to learn about the recent enhancements to its digital education program. Infosys had long prided themselves in their physical training infrastructure in Mysore, and several years ago, aspired to build a digital platform that could take their efforts to the next level. Infosys tied up with several universities to develop content and embedded gamification, social, and recommendation features to improve engagement and retention. The platform also identifies adjacent areas that employees can move to within the organisation, with a list of courses and skills required to bridge the gap. The outcome has been steadily increasing reskilling time spent per employee. The platform has been so successful, that Infosys has turned it into a client-facing product, which has begun generating revenues.

For prospective employees, Infosys is one of the most desirable destinations for those looking for a career in IT services. This anecdotal feedback is further supported by the Top Employers Institute's recognition of Infosys as a Top Employer 2021 across Asia Pacific, Europe, Middle East, and North America. This award joins a long list of others celebrating Infosys' excellence in human resource management and development.

Infosys' business received a stress test in 2020, as Covid-19 forced the company to send most of its 240,000+ employees to work from home, without interruption to their clients' mission-critical IT and business processes, and without exposing the business to data leaks and cyberattacks. An extreme event like this can expose a business' strengths and vulnerabilities, and we were impressed by Infosys' handling of it. Infosys has long boasted a strong system of governance and internal controls, including areas such as enterprise risk management and business continuity. Strength in these areas was on display in 2020, as Infosys successfully ensured health and safety and enabled remote working for its employees, while managing to avoid any meaningful breaches of client service level agreements.

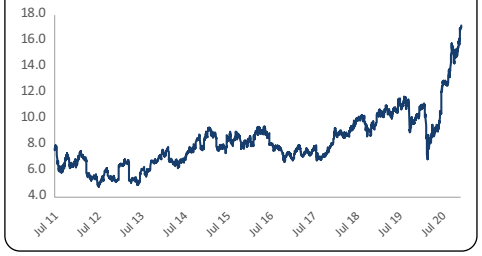
Infosys has access to large quantities of clients' data, making data privacy and information security a key ESG priority for the company. Infosys has a comprehensive Information Security Policy, overseen by its Information Security Council that ensures that information risks are adequately addressed and aligns the policy with business strategy. It was one of the first few organisations globally to have its data privacy policy certified with accreditation for the recently released ISO 27701 privacy information management standard. The company also leveraged its expertise in the area to help the Bureau of Indian Standards to draft the Data Privacy Standard in India, when Infosys' Chief Privacy Officer was appointed to the group.

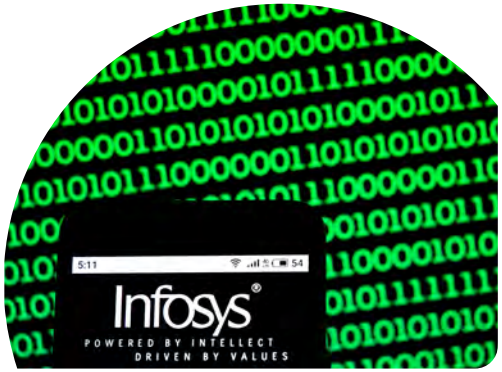
Carbon neutrality has been a goal for Infosys since 2008 and per capita electricity consumption has reduced by over 55% since then. It was the first Indian company to sign the RE100 global campaign, committing to 100% renewable electricity. For several years, Infosys has reported scope 1, 2, and 3 emissions, and set clear targets for reduction. And in FY20, Infosys impressively attained carbon neutrality ahead of schedule.

For a large, global business like Infosys, with thousands of employees and large corporate clients, ESG's importance in driving business outcomes is clear. It is a cornerstone of the investment case on Infosys. It's no surprise to us that Infosys currently sits in the #3 position for the Forbes "World's Best Regarded Companies List", based on trustworthiness, social conduct, the strength of their products and services and how they fare as employers. We believe Infosys' business momentum and focus on sustainability in all aspects are inextricably linked, and we will continue to monitor and engage with Infosys to see how they can continue to raise the bar.

SHARE PRICE

In US$, since position initiated*





* As of 31 December 2020. Source: FactSet. Historical pricing has been adjusted for corporate actions. Market cap information from Bloomberg.

ESG Profiles and Engagement Priorities – Portfolio Examples

Portfolio Example | TSMC

Country:	Taiwan
Sector:	Information Technology
Market Cap*:	US$489.1bn
Quality Rating:	B
Initiated:	November 1999

Engagement priorities include:
Natural Resources – water, biodiversity and land use, raw material sourcing
Board composition – skills, experience and diversity

TSMC is the world's largest independent foundry service provider.

Taiwan Semiconductor Manufacturing Company ("TSMC") was founded in 1987 as the world's first independent wafer fabrication company, and listed on the Taipei stock exchange in 1993. Its erstwhile Chairman, Morris Chang, an iconic figure in the development of Taiwan's technology industry, helped found the business and led it until his retirement two years ago. TSMC has grown to become the largest foundry services provider in the world with a 56% share of the US$67 billion industry. While initial funding for TSMC came from the Taiwanese government, it is now a widely owned business run by a professional management team.

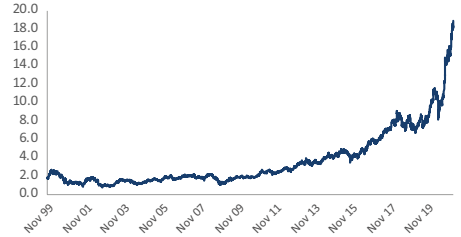
In the semiconductor industry, a foundry is used to etch an integrated circuit ("IC") design onto a wafer using a multiple step process. Over the last two decades, there has been a growing trend of IC design companies outsourcing manufacturing to independent vendors such as TSMC, allowing them to focus on their core competency. The wafer fabrication process is capital intensive with each generation of new fabs costing US$5-10 billion each. There is a continuing effort to reduce the size of the die in wafer fabrication, and TSMC was the first to commercialise 7nm and 5nm at scale and is now working on a 3nm solution. Apple uses TSMC for all its mobile phone chipsets. With the proliferation of electronic devices, and demand for bandwidth and data analytics, TSMC is seeing rapid growth in demand for its services. They are the partner of choice for most global customers due to their technology, reliability, time to market, and superior service quality. It also helps that TSMC has never competed with their customers and managed to stay well ahead of peers in process node development. TSMC services close to 500 customers and offers more than ten thousand products. They work closely with clients from concept to design stage and provide innovative packaging solutions to reduce costs and power wastage for clients.

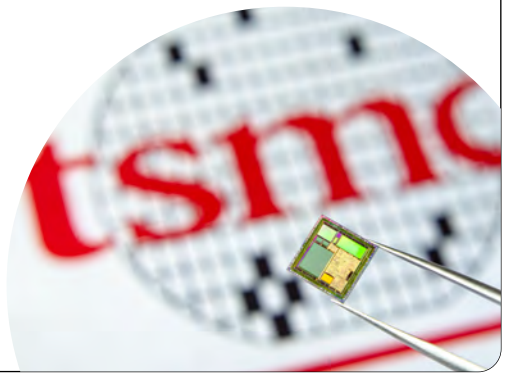
TSMC has a long track record of setting high standards in corporate governance. The board has a majority of independent directors, and all designated board committees are fully independent. The company is far ahead of its peers in terms of providing transparency in executive compensation and senior management pay is well within acceptable industry standards. We consider management to be excellent in terms of operational efficiency, capital discipline, and fair treatment of minorities. However, we were concerned about the succession plan for Morris Chang a couple of years ago and engaged with them on this issue. We were reassured to learn that they had a thoughtful process in place to elevate two of his colleagues into leadership positions who were eventually promoted to Chairman and CEO after Morris retired. As part of our engagement efforts, we also learned a lot about the company's management training and development programs to identify and retain talent. One of the areas for future engagement for us is the relatively low gender diversity at the board level, and long tenure of many of the directors making it difficult to address the diversity issue.

Wafer fabrication is a water intensive activity, and 59% of their foundries are in water-stressed regions of Taiwan. Management has proactively taken steps to address the issue through robust water conservation and recycling programs, and their 3-year average water withdrawal is well below industry average. (CDP gave TSMC an A grade for Water Security.) Furthermore, TSMC has robust processes in place to guard against corruption and unethical behaviour by its staff. TSMC sources materials from across the world but has stringent processes in place to ensure that all sourcing is done in a sustainable manner.

SHARE PRICE

In US$, since position initiated*





* As of 31 December 2020. Source: FactSet. Historical pricing has been adjusted for corporate actions. Market cap information from Bloomberg.

Climate Change

We have explained that PMs complete a detailed Stakeholder Analysis on each Portfolio holding, assessing the most material factors for each investment on a stock-by-stock basis. We believe this approach allows us to identify risks and opportunities that may not be captured by top-down approaches and avoids diluting our focus on ESG factors that may be less material. Climate change and the transition to a low-carbon economy are complex, systemic risks that will impact Portfolio companies in different ways, depending predominantly on their exposure to the physical (environmental) and transition (policy-related) risks. Climate change has been identified by PMs as one of our top engagement priorities.

The primary target of our climate-related engagement activities in 2020 was improving disclosure. Companies in EM are generally starting from a lower level of disclosure than their developed market counterparts. Without basic disclosure, companies do not establish public targets for improvement, and investors cannot easily hold companies accountable. One example is our recent engagement with Gruma, a producer of tortillas and corn flour in the US and Mexico. We are pleased that the company has initiated the process to measure its carbon emissions and develop a strategy for reduction. We have also encouraged the company to look beyond its own operations to its supply chain, where the company is exposed to more material climate-related risks. Corn is Gruma's most important raw material, which is exposed to both physical and transition risks. Not only do corn yields decrease disproportionately in a warmer climate, but also the carbon intensive nature of corn farming could make it the target of future policy changes. We have encouraged Gruma to adopt best practices with its supply chain, including issuing climate policies and reduction targets for supply chain emissions and working with corn producers to improve emissions and optimize water usage. We accept this will be a long process and we will closely monitor Gruma's progress and disclosure.

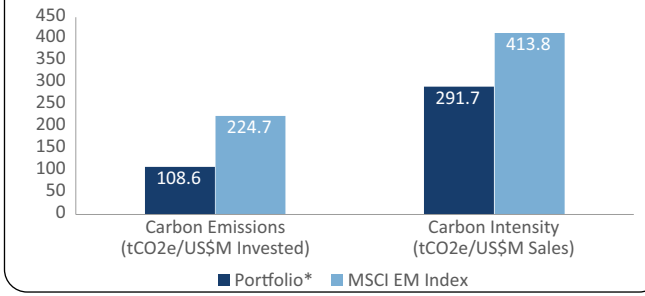
For other companies, the risk of climate change is structural. For example, companies that are carbon-intensive in nature, like cement producers, or companies that are in areas like the Caribbean, where extreme weather events are likely to get worse as a result of climate change. In these instances, we not only engage to encourage companies to appropriately manage these risks, but also manage our clients' risk through position sizing.

We complement our bottom-up approach with a top-down analysis of carbon metrics of the Portfolio – both absolute, and relative to the MSCI EM Index – and review these on a quarterly basis during Portfolio Week. The Portfolio's carbon footprint is substantially below that of the MSCI EM Index, regardless of the metric chosen to measure it. The source of the Portfolio's carbon emissions is heavily concentrated – 80%+ of the carbon emissions come from two cement companies, where our holdings are limited to around 1.5% of the Portfolio.

Although cement is one of the most carbon-polluting industries, cement is essential to improving standards of living. We have given this considerable thought and shared our views with clients in a quarterly review last year. In 2020, we actively engaged with our cement holdings on their decarbonisation efforts and progress. For example, we have reviewed the findings of the Transition Pathway Initiative ("TPI") which provides an assessment of companies' carbon management quality and carbon performance and we shared the TPI results with Semen Indonesia ("SIG"). We have also specifically encouraged SIG to move beyond compliance with local environmental standards and establish long-term GHG reduction targets and improved disclosure. We continue to monitor the company's efforts closely. With respect to the other companies in the Portfolio, most are in businesses that are less carbon-intensive.

Looking ahead, we expect climate change to remain an engagement priority. We are exploring climate-related scenario analysis tools.

CARBON FOOTPRINT OF PORTFOLIO VS MSCI EM INDEX



* Based on Genesis firmwide AUM at 31 December 2020 (US$22bn) applying holdings in The Genesis Group Trust for Employee Benefit Plans and MSCI EM Index
Carbon metrics include Scope 1 and Scope 2 emissions
Source: MSCI ESG Research LLC
Additional carbon metrics available as required.
Data as at 31 December 2020

Approach to Engagement

Genesis engages with various stakeholders over the lifecycle of our investments.

ENGAGEMENT

Our research process is focused on generating unique investment insights, so we engage deeply with various stakeholders when we analyse a business. Once we make an investment, we interact on an on-going basis, for research and monitoring purposes and to influence change depending on the priorities set by the PMs. In 2020, we conducted more than 1,000 engagements with potential and existing companies and their competitors, customers, supply chain entities and former employees. Approximately 40% of such interactions were with Portfolio companies.

Our engagements take the form of meetings, site visits, calls and regular correspondence although with the constraints on travel in 2020, site visits were limited. Our engagements cover a wide range of matters that have a material impact on long-term shareholder value, including strategy, capital structure, risk, corporate governance and any environmental or societal costs that may affect returns in the longer term. We focus on the management's commitment to a sustainable business model and consider their track record. We look at how the management has handled stakeholder issues in the past, especially regarding minority shareholders, and how responsive they were to any infringement or sanction.

We also monitor the company's progress on ESG priorities. As part of the Investment Case for each holding, the PM includes an engagement plan to address ESG areas of improvement. In setting engagement priorities, the PM weighs the materiality of the issues against factors such as the probability of change, openness of the management team, the ownership structure and the size of the investment. Engagement details are recorded in a central database that allows information and expertise to be shared across the team and ensures effective monitoring and tracking.

Engagement progress is assessed quarterly during Portfolio Week and material developments discussed with the team. In 2020, we introduced simple milestones as a way of tracking the outcomes of our targeted engagements on a quarterly basis.

- Milestone 1 – Concern raised with the company
- Milestone 2 – Company acknowledges the issue
- Milestone 3 – Company takes some action to mitigate the concern
- Milestone 4 – Engagement considered successfully concluded

Many of the issues discussed are complex and long-term issues which require multiple engagements. Furthermore, not all engagements result in an outcome. We recognise that it is difficult to determine the effectiveness of our engagements as a change in business practice at a company is likely due to a variety of internal and external pressures and progress may not be linear. However, we believe it is an important discipline to track changes in company practices which we observe even if we cannot confidently attribute these to our engagement.

As noted, an engagement plan for each company is set by the PM in the Investment Case document. Looking across the Portfolio, improved ESG disclosure was a common element and thereafter, the Top 10 Engagement Priorities were:

- Climate change - carbon emissions, electricity
- Capital management
- Supply chain management
- Product Responsibility – including data security and privacy, financial product safety
- Board independence
- Remuneration
- Board composition – skills, experience and diversity
- Labour management - ILO principles
- Shareholder rights and alignment
- Pollution and waste management – including packaging

Subject to applicable laws and regulations, PMs may consider collaborating with other investors and engaging collectively with the management or board of a company to effect change in our clients' best interests. While our collaborations with other shareholders have been limited, these have increased in recent years predominately through investor associations that have been established for such a purpose.

Ordinarily our PMs expect to address ESG related issues through regular calls and meetings with company management. However, there may be instances where a company does not respond constructively, our concerns have not been sufficiently addressed or we do not feel confident that the company intends to address these concerns. Under these circumstances, we may decide to extend our engagement activity and/or escalate specific areas of concern to the board. As with engagement approach and priorities, the decision to escalate and how this is most effectively done is determined by the PM based on the specific circumstances of that company. In general, a PM's decision to exit a position in response to ESG concerns tends to take place incrementally over time after observing a gradual erosion in management quality or a poor response to our concerns.

Engagement

Magnit PAO

One of the two largest Russian food retailers

OBJECTIVE

Nominate and elect two independent directors to the board.

With coordination assistance from the Association of Institutional Investors ("API"), a Moscow-based corporate governance group, we were able to join with other shareholders to meet the holdings threshold necessary to nominate two independent candidates to the board. As cumulative voting is permitted in Russia, we concentrated our votes on the two nominees and both independent nominees were successfully elected as directors. This is the third year that we have been involved in successful campaigns with other shareholders to nominate and elect independent directors at Magnit and significant credit goes to API in helping to solve the procedural and documentary hurdles. Also with API's assistance, we joined other Magnit shareholders in a frank and open round table discussion with the independent directors. Topics discussed included: board dynamics, related party transactions, impact of Covid-19, supply chain management and ESG disclosure.

OUTCOME

Both independent nominees were successfully elected as directors, and we are currently working on re-nominating these independent directors and considering candidates for an additional independent board seat.

Linx SA

Leading management software solutions provider in Brazil

OBJECTIVE

Evaluate transaction terms and deal process to ensure the fair treatment of minority shareholders.

In Q3 2020, Linx received a cash and stock offer from StoneCo Ltd. We had material concerns on the deal process and deal terms, which included a no-shop clause, large breakup fee, and a sweet deal for the founding shareholders. We believed that the approval of the deal would set a negative precedent for corporate governance standards in Brazil, impacting our clients' future investments in the country.

In the weeks before the vote, we held multiple and separate calls with Linx's CEO, Stone's CEO, two independent directors, other minority shareholders and TOTVS' CEO. We also consulted the Brazilian Takeover Panel (CAF). Although the deal terms were somewhat improved before the transaction was brought to the shareholder vote, we ultimately decided not to support the transaction.

OUTCOME

The transaction was approved. Following the vote, we followed up again in writing with the CEO and independent directors to explain our reasoning at the EGM. We also consulted with a former Brazilian regulator with respect to the negative precedent set for our clients as long-term investors in Brazil. As it will be several months before the transaction obtains the various regulatory approvals, we have sold the position. As long-term investors in the market, we will continue to engage with companies, regulators, and corporate governance entities in Brazil to ensure that minority shareholder rights and interests are protected.

In extraordinary circumstances, for example, when we are forced sellers in a going private transaction which is conducted on abusive terms and without respect for the appropriate process, we are prepared to go to court to defend our clients' rights.

Most of our engagements are individual as we believe a company-specific approach to engagement by our PMs is most effective and aligned with our core investment approach. However, we know that themed initiatives may also be effective. In selecting which broad engagements to join, we look for those which are focused, well-organised, and which add impact to our individual efforts. A decision to join a collaborative engagement is made by the relevant PM on a case-by-case basis and the efforts are recorded and progress monitored along with our other engagement activities.

We support several organisations which provide opportunities for collaborative engagement and in 2020 we worked with CDP, UN PRI, API and FAIRR. For example, in Q4 2020 we joined the first tranche of Investor Partners in the Investor Action on Antimicrobial Resistance (a coalition between Access to Medicine, FAIRR and UN PRI among others). As part of this initiative, we are leveraging our influence as long-term investors in the protein companies in the Portfolio to raise awareness and share best practices on this global public health challenge.

* Data as of 31 December 2020. Source: Bloomberg.

Engagement

CDP Non-Disclosure Campaign

Objective: to drive corporate transparency around climate change, water security and deforestation by encouraging companies to respond to CDP's disclosure request.

Genesis acted as lead investor for three high priority companies identified by the CDP and encouraged disclosure of climate change, water security and forests-related risks to the CDP. In addition to the formal letters from 20+ signatories, we followed up with the target companies as part of our regular engagements. We were also a co-signatory on CDP efforts for eight additional companies. We expect to be actively involved again in the CDP's 2021 Non-Disclosure Campaign.

Portfolio Company	CDP Disclosure Request	2020 Follow-up engagements	Progress	Future Plans
Godrej Consumer Products Indian home and personal care products company	Water security	Raised on a call with the CEO. We arranged a call with CDP, Genesis, and the Company's ESG team to discuss the specifics of the water disclosure.	**Milestone 4** – Engagement considered successfully concluded. Company made first disclosure on water security with CDP. Initial filings are not rated.	Review water management disclosure and also the rating, when available.
	Forestry		**Milestone 1** – Concern raised with the company.	Continue to engage with the company on the topic.
Jiangsu Yanghe Brewery Chinese spirits producer	Climate change	Raised in a communication to the IR department.	**Milestone 1**- Concern raised with the company.	Continue to engage with the company on the topic.
	Water security	Raised in a communication to the IR department.	**Milestone 1**- Concern raised with the company.	Continue to engage with the company on the topic.
Richemont Swiss luxury goods holding company	Water Security	Raised on two follow-up calls.	**Milestone 4** – Engagement considered successfully concluded. Company made first disclosure on water security with CDP. Initial filings are not rated.	Review water management disclosure and also the rating, when available.
	Forestry		**Milestone 2**- Company acknowledges the issue. Primarily linked to packaging.	Continue to engage with the company on the topic.

Proxy Voting

As an active investor, we consider proxy voting one of our key stewardship tools to support, influence and challenge Portfolio companies' decisions. Where our clients have delegated proxy voting responsibility to us (approximately two-thirds of AUM), we aim to vote all their shares in all markets. Our voting decisions are based on our Corporate Governance Framework and proxy voting guidelines.

Our objective is to protect long-term shareholder value. This is in line with our mandate to generate investment returns for our clients. We are mindful of the various local market practices across the EM, recognising differing approaches to governance. We take a pragmatic approach and consider the circumstances of each vote for each company. When appropriate, we engage with companies on issues prior to voting, and follow-up as necessary especially when we vote against company recommendations.

All proxy voting decisions are made by our PMs and we aim to vote in all matters. In 2020, we proxy voted in 1,281 decisions – 100% of votable items.

For the more contentious issues, we typically engage with the companies on any long-standing issues outside of the voting process. We believe our views are often considered, which strengthens our relationships with companies and supports our stewardship philosophy of trying to improve the long-term investment outcome.

In the cases where we voted against management, issues we rejected included board appointments, new equity issuance terms, stock buy-back terms and remuneration proposals, notably including terms for stock options awarded to management that lacked the appropriate disclosures or that infringed on the rights of minority shareholders.

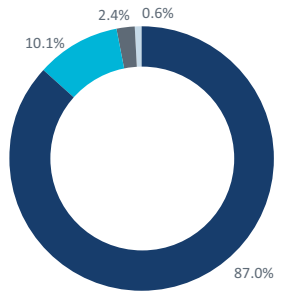
We include detailed proxy voting records in our quarterly reporting to our clients; this includes the rationale behind votes cast against management, which we consider to be most significant votes for the purposes of the Shareholder Rights Directive II. The Most Significant Votes Report and our proxy voting record are available on our website.

We have appointed Institutional Shareholder Services, Inc. ("ISS"), to provide voting recommendations, execute votes and keep various records necessary for tracking proxy voting materials. We also receive voting recommendations from local corporate governance specialists (See page 9). These voting recommendations are there to inform only and the PMs consider such inputs along with their deep knowledge of the companies and years of experience as investment analysts. PMs do not necessarily vote in line with external recommendations and in 2020, 7% of our votes were against the recommendations of ISS.

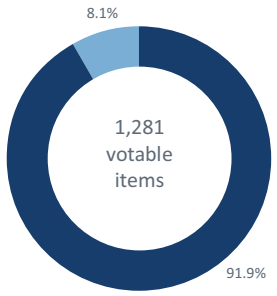
With respect to securities lending in the client accounts in which Genesis has voting authority, securities lending was undertaken with the clients' consent in two pooled accounts. In each case there are various safeguards in place including limits on the percentage of the fund which may be used for lending purposes at any one time. The proceeds from securities lending are used to compensate the administrator of the programme (which are custodial banks with no ties to Genesis) and the balance is invested back into the funds. Where securities are on loan ahead of a shareholder meeting or corporate action, it is our policy to request that all such securities are recalled to enable us to vote the shares. In 2020, there were no issues with respect to recalling securities in time for a vote.

Given the difficult market conditions in late March 2020, our Operations Executive ("OpEx") Committee recommended, and the head of the Group Risk Committee approved, the halt of securities lending. The clients were fully briefed and since then this decision has been regularly reviewed by the Risk Management Committee and Group Risk Management Committee. We are considering further restrictions on counterparties and collateral and provided this is approved by our various risk committees and the clients, we expect the securities lending programmes to be re-started in Q1 2021.

HOW WE VOTED IN 2020*

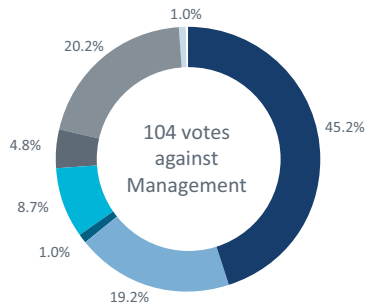


- Number of Votes For
- Number of Votes Against
- Number of Votes Abstain
- Number of Votes Withold



- Number of Votes With Management
- Number of Votes Against Management

Votes against Management by issue



- Directors Related
- Antitakeover Related
- Reorganisation & Mergers
- Social Proposal
- Allocation of Capital
- Remuneration
- Routine/Business

* Representative Portfolio: The Genesis Group Trust for Employee Benefit Plans. Data as at 31 December 2020

More About US – Social Factors

We are guided by our values in everything we do including how we manage our business.

Our Partners' collaborative approach to managing the business rests on our culture of excellence, teamwork, openness & humility. Equally, we seek to take care of our people and support the communities we invest in.

DIVERSITY AND INCLUSION

We regard our people as our most valuable asset, and we are convinced our business and investment decisions are enriched by diversity. Our wide variety of backgrounds and experience helps us think more broadly and generate more informed and higher quality decisions. As such, we are committed to supporting diversity and inclusion, and plan to issue a formal Equality, Diversity and Inclusion Policy in Q1 2021.

As a single-strategy boutique asset manager, our organisation is well-resourced with 55 employees and 11 Partners. 44% of our team are female and 56% male (currently no one identifies in another category). Women have been in leadership positions at Genesis for over 30 years and currently four of our 17 Partners and Associate Partners are female, including one of the Managing Partners.

In 2020 we conducted our first diversity monitoring to collect information on ethnicity, nationality and languages spoken. The Investment Team of 12 includes eight nationalities and four ethnicities*, and speaks 10 languages. The whole organisation of 66 includes 17 nationalities, five ethnicities and 14 languages.

Diversity and Inclusion was a key issue on clients' agendas in 2020 and was discussed actively in our client meetings and dedicated questionnaires. Gender diversity continues to be a primary focus for us as we proactively strive to improve the gender balance within our Investment Team. This is an ongoing challenge across the asset management industry.

We support Teach First, a UK-based charity that aims to address educational disadvantage in England and Wales. We offer work experience to students from disadvantaged backgrounds to give them exposure to a professional environment, focusing on female students to encourage more representation in asset management.

TRAINING

We are committed to professional excellence by providing training, coaching and career development opportunities. All employees are encouraged to obtain the experience and training necessary to develop professionally and personally.

We also encourage and support professional and academic qualifications relevant to our teams' roles and responsibilities. In 2020 these included the following: IMC, CFA ESG Certificate, ACCA, ICSA, CIPD Qualifications and Executive MBA.

All employees participate in an annual performance management process providing an opportunity for employees and managers to regularly review and set goals, and identify areas of personal and professional development.

In addition to compliance training, all Partners and employees undertake training in Diversity, Inclusion, Bullying and Harassment to increase awareness and improve communication skills.

EMPLOYEE WELLBEING

2020 was a difficult year, yet despite the challenges associated with the pandemic, we are hugely proud of how we have responded as a business. Employee health and wellbeing has been at the forefront of our minds as we moved to working from home.

Seamless communication across the firm has been a critical focus whilst employees work remotely. We have implemented internal communication channels, weekly email updates to employees, regular team catch-ups, quarterly social events through Zoom and a monthly book club.

Our employee wellbeing is supported by private medical and dental insurance, and access to a virtual GP service. The Employee Assistance Programme provides access to a confidential advice and support line, available 24/7. Weekly yoga and exercise classes are now provided online, while additional wellbeing initiatives introduced in 2020 included online postural sessions, mindfulness, and wellbeing webinars.

While our normal volunteering events were put on hold, we supported virtual volunteering opportunities by staff such as telephone befriending. We hope to resume our on-site volunteering initiatives in several local communities in 2021.

* Based on the UK Government guidance on ethnic categorisation

Governance

We are committed to maintaining a high standard of corporate governance which serves the needs of our business and our stakeholders.

Our governance structure and our policies are designed to ensure compliance with applicable laws, protect the interests of our clients and provide accountability in our business.

Genesis was founded in 1989 as a private company, and in 2004 we became a partnership forming Genesis Investment Management, LLP ("GIM"). At this point Affiliated Managers Group, Inc. ("AMG") purchased a majority stake, which facilitated the first generational transfer of equity. The remaining interest in Genesis is owned by 11 Partners and an internally managed Trust that enables the recycling of equity on retirement and equity awards to new Partners. The 11 Partners, as owners and managers of the business, all have equal voting rights, but their economic ownership varies according to their career stage as buying their full equity stake takes a number of years. When Partners retire, their equity is sold back to the Partnership.

While AMG owns a majority of the equity of Genesis, our Governing Board, comprising two AMG nominees and two Genesis representatives, handles major corporate matters only, including the admission and retirement of Partners. AMG delegates authority on all other matters to our Operating Board, which is also responsible for overseeing the business and day-to-day operations of the firm. This structure ensures that Genesis retains autonomy on all investment, client-related, operating and routine corporate matters, and that Genesis' culture and investment philosophy are preserved.

In line with our long-term investment approach, investment professionals are rewarded with reference to their contribution over five years. Furthermore, a significant portion of their remuneration is deferred over three years with half held in units of one of our funds with a six-month retention post-award vesting.

Details about the long-term focus and risk management of our remuneration structure are set forth in our Pillar 3 Disclosure.

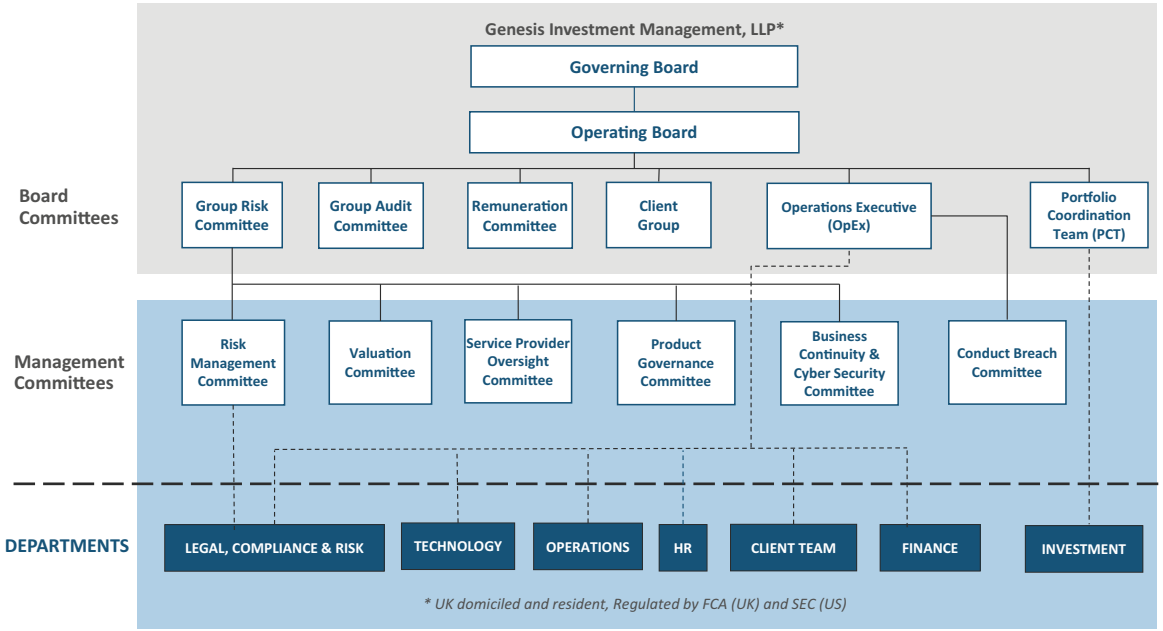
As described on page 6, the PCT (which is composed of the Managing Partner, two PMs and an independent risk manager) ensures that the investment process, including the integration of ESG factors, is followed. This aligns with our view that ESG integration and more broadly, stewardship, should not be viewed as a separate silo from our investment decisions. The PCT also reviews the investment process for areas for improvement. Examples of enhancements to the investment process during 2020 include further emphasis on our Focus List to facilitate communication and calibration plus the items recommended by the ESG Integration Group below.

We regularly review our ESG-related policies, processes and reporting to ensure that we are following best practices as well as accurately describe our activities. This review is overseen by the ESG Integration Group which is led by one of our PMs and includes the Chair of the PCT, the Managing Director, Head of ESG and Senior Client Relationship Manager.

In addition to the regular review of ESG-related policies in 2020, the ESG Integration Group also recommended the following investment process improvements which were approved by the PCT:

- formalisation of quarterly reviews of engagement activity by the Investment Team
- assessment for effectiveness of such engagement efforts against milestones to improve progress tracking and share knowledge

In 2020, the ESG Integration Group oversaw among other things, the publication of our first ESG Report and UN PRI annual filing. With input and assistance from various internal teams, the ESG Integration Group oversaw the production of this Stewardship Report which was then reviewed and approved by the PCT and GIM Operating Board and signed by one of our Managing Partners.



Governance

The ESG Integration Group also monitors global regulatory developments related to ESG and stewardship. For example, the ESG Integration Group has been closely following the European Union's Sustainable Finance Disclosure Regulation ("SFDR") and related requirements which are due to come into force in the first quarter of 2021. As part of this, we reached out to our EU clients for their views on the SFDR and related sustainability requirements in order to calibrate our sustainable disclosures and reporting with our clients' needs and expectations.

We have not sought external review of our ESG integration and stewardship activities. We believe ESG integration and stewardship activities are more effectively reviewed and improved from within and this is done as part of the formal quarterly reviews by the Investment Team and also semi-annual Partner meetings.

Our internal control framework including our proxy voting activities is subject to annual audit and assessment by the external independent auditor, through their formal inspection of the control framework and issuance of the 'Report on Internal Controls (ISAE 3402 and AAF 01/06)' to certify Genesis' internal controls. The most recent AAF report is for the period of 1 October 2019 – 30 September 2020. External auditors also review Genesis' investment performance reporting to ensure it is compliant with Global Investment Performance Standards ("GIPS").

Research and service providers

As a bottom-up investor, we require a deep and thorough understanding of each company held in the Portfolio. The primary responsibility of all members of the Investment Team is research and analysis, and we use external research to inform and challenge our analysis and conclusions.

We utilise research from a wide variety of providers including global and local brokers, independent research providers and data platforms. In the past few years, we have observed a significant increase in the availability and quality of ESG research. We monitor the quality of external research on a regular basis. The Investment Team assess external research providers quarterly to determine which provide the most value to them through a systemic and transparent process managed by the Head of ESG and our Portfolio Analytics Team. If research providers do not deliver good quality research, contracts will be amended or cancelled. This ensures that we are getting the best value for money from our external research providers. All research costs are covered directly by Genesis.

With respect to ESG research and data (see page 9), we selected MSCI ESG research following a full RFP review in 2019. We find value in the qualitative information and raw data provided by MSCI's company reports but limited use in the ESG ratings (of MSCI or other providers). This is for a variety of reasons including lack of disclosure, data quality, data lag, formulaic approach etc. We are also aware of the low correlation between ESG ratings from different providers. However, the ratings may be a useful prompt for further research and engagements with the company.

With respect to proxy advisers, as noted above we use ISS. For the administrative task of collating information across global custodians, coordinating voting instructions and execution and record keeping, ISS provides a valuable service. Although we accept that the choice of providers is limited and ISS is by far the dominant player, ISS' services are reviewed on a regular basis. ISS also provides proxy voting recommendations to the Investment Team as do other specialist proxy advisers. The quality of such inputs is assessed by the relevant members of the Investment Team at least annually.

Conflicts of Interest

Genesis' sole business is to provide investment management and advisory services to institutional clients invested in EM equities. Genesis acts independently of its parent, AMG and all of the other affiliates of AMG. Genesis does not invest as a principal nor does it make markets or underwrite. Genesis does not hold client money or assets nor provide investment research to third parties. Genesis does not permit personal trading in companies which are held in client accounts. Genesis' investment process is team based. We pay for all research services directly, do not trade on a bundled basis and we are not directly affiliated with any broker-dealer. All material operating decisions are determined by committees and we maintain both a strict segregation of duties between operating areas, and a robust control environment.

Genesis adheres to a Conflicts of Interest Policy to manage actual and potential conflicts and safeguard client interests. The Conflicts of Interest Policy (i) provides a written record of actual and potential conflicts of interest involving a material risk of damage to clients and (ii) outlines how conflicts are monitored, the controls in place to mitigate conflicts and the steps we take to resolve potential conflicts.

We need to ensure that our single investment strategy is available to all of our clients on a fair and equitable basis regardless of fee structure.

Controls include:

- Our portfolio and dealing procedures are designed to ensure that all eligible client portfolios (segregated accounts and pooled vehicles) have equal opportunity to participate in any investment opportunity at the same time. This also applies to IPOs and limited offerings
- Monthly cross-comparison by the Performance Team of client portfolios
- Regular Investment Team review of any findings including full review of performance, attribution and omissions
- Allocations are tested internally on a quarterly basis as a part of trade execution monitoring

If a conflict of interest should arise and potentially damage the interests of a client and the steps taken to manage the conflict have not been successful, Genesis will consider whether disclosure is appropriate or, bearing in mind the risks involved, refraining from acting. In any event we would expect to inform the client and seek further instructions.

We record potential and actual conflicts in a register. This allows us to monitor and prevent any disadvantage to our clients. No new conflicts of interest were recorded in 2020. All partners and employees receive training on and are expected to adhere to the Conflicts of Interest Policy. Both the Conflicts of Interest Policy and Conflicts of Interest Register are updated on an ongoing basis and reviewed and approved every year by the Risk Management Committee. We do not anticipate any material changes to the Conflicts of Interest Policy in 2021.

Inside Information

During the course of our engagement activities, we may be asked by a company if we are willing to become an insider. Generally, we are not willing to do this as we want to retain the ability to trade. However, in limited circumstances (for example to become a cornerstone investor or to aid in our discussions with management or the board) and typically for a limited period of time, we may allow ourselves to become insiders. The appropriate procedures are in place to manage such information. Furthermore, all Partners and employees are provided training and assistance from the Legal, Compliance & Risk Team to help identify and understand what constitutes inside information.

Environmental Footprint

We carefully assess our carbon emissions and aim to reduce our environmental footprint.

Our single office in London is powered by zero carbon electricity from Good Energy, an energy company that sources its electricity from certified renewable sources such as solar, wind, hydro and bio-generation. In 2018 we partnered with Natural Capital Partners, and through them the RSK Group, to calculate and offset the GHG emissions associated with the operation of our business. We have been certified CarbonNeutral[1] for the past four consecutive years.

Based on the overall positive feedback from our staff regarding flexible working schedules and working from home which was a necessity in 2020, we are taking the opportunity of the upcoming lease expiry on our office to relocate to a smaller and more energy efficient office in London in 2021, which will help reduce our carbon footprint.

We track and audit our carbon emissions[2] in accordance with the CarbonNeutral Protocol developed by Natural Capital Partners across all three scopes[3].

SCOPE	EMISSION SOURCE CATEGORY		TOTAL EMISSIONS (tCO2e)			
			2017	2018	2019	2020
1	Direct emissions from owned, leased or directly controlled stationery sources that use fossil fuels or emit fugitive emissions		150.0	154.7	46.5	28.6
2	Emissions from the generation of purchased electricity, heat, steam or cooling	Electricity (Location-based)	171.3	100.5	43.8	43.4
		Electricity (Market-based)	–	–	–	–
3	Purchased goods & services	Water Supplied	0.3	0.3	0.3	0.1
	Fuel & energy related activities	Upstream emissions of purchased electricity	–	16.2	12.7	6.5
		Transmission and distribution losses	16.0	8.6	3.7	3.7
	Waste generated in operations	Wastewater	0.6	0.6	0.7	0.1
		Other waste	0.6	1.2	1.0	1.0
	Business travel	Transport by air, public transport & leased vehicles	781.4	1,229.5	1,052.6	139.4
		Emissions from hotel accommodation	23.0	37.3	27.7	4.3
	Employee commuting		43.2	41.1	39.2	9.1
	Home working					18.3
Overall Compliance: Location-based approach			**1,186.5**	**1,589.8**	**1,228.2**	**254.6**
Overall Compliance Market: Market-based approach			**1,015.2**	**1,489.3**	**1,184.4**	**211.2**
Total for Offset: Location-based approach			**1,186.5**	**1,589.8**	**1,228.2**	**254.6**

1. Carbon footprint assessments are generally carried in accordance with one of two internationally recognised standards for accounting and reporting corporate greenhouse gas emissions. The best known is the "Greenhouse Gas Protocol- Corporate Accounting and Reporting Standard" (GHG Protocol) developed in a partnership of the World Business Counsel for Sustainable Development (WBCSD) and the World Resource Institute (WRI). The CarbonNeutral Protocol developed by Natural Capital Partners is an additional quality layer on top of the above-mentioned standards and describes the requirements for achieving the CarbonNeutral brand mark.
2. Calculation and reporting of our GHG emissions is on a one year lag, however we compensate by paying forward on estimated emissions.
3. **Scope 1:** Accounts for direct emissions released from Genesis owned or controlled sources (e.g. corporate car fleets, power generation facilities, fuel combustion for heating and power, and refrigerant gas losses).
   Scope 2: Accounts for indirect emissions associated with the generation of purchased electricity, heat and steam generated off-site. This scope is reported under the location- based and market-based method. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs, while a market-based method reflects emissions from electricity that companies have purposefully chosen (i.e. Renewable Obligation Certificates).
   Scope 3: Includes all other emissions sources not accounted within Scope 1 and 2 (e.g. business travel, staff commuting, water consumption, waste disposal and outsourced activities such as deliveries).

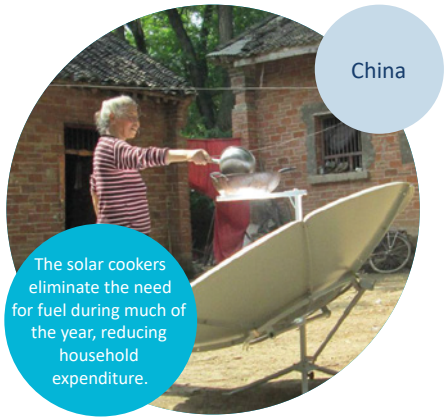
Offsetting Carbon Emissions

We offset all verifiable carbon emissions with the guidance of Golden Standard, an internationally recognised benchmark for carbon offset projects created by WWF and other international NGOs, and Natural Capital Partners. Since 2018 we have offset all verifiable carbon emissions through investment in two EM-based carbon reduction projects. Both projects are checked, verified and accredited by the Gold Standard, an award-winning internationally recognised certification standard for carbon mitigation. The Gold Standard program is open to any non-government, community-based organisation, especially those with an interest in the promotion of sustainable development or a focus on climate and energy issues.

Danjiang River Solar Cookers

NATURAL CAPITAL PARTNERS

Project type: Household devices
Region: Asia **Standards:** Gold Standard



BACKGROUND

The Darjiang River Solar Cookers are designed to improve the indoor air quality and living conditions of 100,000 rural households in one of the poorest regions in China. The cookers consist of a 1.7m^2 parabolic dish, which concentrates solar energy onto a central cooking pot and provides sufficient heat for cooking the local staple food of rice. Its design is ideal for the local diet and climate conditions throughout the year. The cooker displaces traditional inefficient coal-fired cooking stoves, significantly reducing fuel consumption and indoor air pollution.

SUSTAINABLE DEVELOPMENT GOALS

In addition to delivering emissions reductions to combat climate change (SDG 13), the project delivers a number of other benefits including:

- **Affordable and Clean Energy:** The solar cookers completely displace older, inefficient fossil fuel-fired stoves through the use of renewable energy. Heating and cooking costs are reduced by ~RMB 300 (US$50) per year, which is more than 10% of the annual income of the poorest households.
- **No Poverty:** Distribution of the solar cookers is targeted towards the poorest households, allowing them to save a significant portion of their annual expenditure.
- **Good Health and Well-being:** Indoor air pollution is reduced, providing significant health benefits, particularly for women and children, who are most frequently exposed.
- **Responsible Consumption and Production:** This project enables the rural households to avoid CO^2 emissions that would be generated by fossil fuel consumption.

Household Agricultural Biogas

NATURAL CAPITAL PARTNERS

Project type: Household devices & resource recovery
Region: Asia **Standards:** Gold Standard

BACKGROUND

This Ashden award-winning Gold Standard project installs small scale biogas plants in households and small livestock operations across Vietnam. Households no longer have to purchase fuel or collect wood, and instead have access to a secure renewable energy supply. In addition to providing a clean, affordable, and convenient form of energy to rural areas while reducing greenhouse gas (GHG) emissions, the project brings a number of additional benefits. Jobs are created for local populations, improved sanitation and reduced air pollution enhances health, and the replacement of synthetic fertilisers greatly reduces the environmental impact on surface and groundwater.

SUSTAINABLE DEVELOPMENT GOALS

In addition to delivering emissions reductions to combat climate change (SDG 13), the project delivers a number of other benefits including:

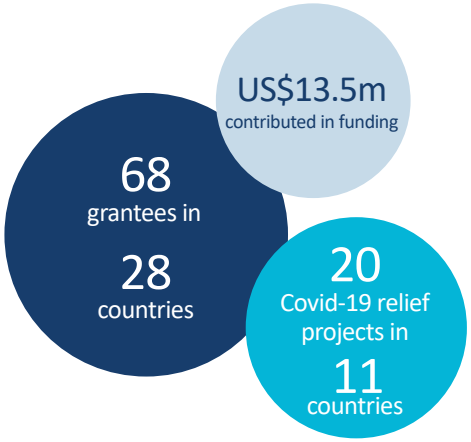
- **Affordable and Clean Energy:** Households now have free, renewable fuel, and the bio-slurry by-product can be used as an organic fertiliser, which can be sold to other farmers. Combined, these factors can save households roughly US$182/year.
- **Decent Work and Economic Growth:** The project is driving a new industry with long-term employment opportunities. 2,757 people have been trained as masons and technicians and over 700 jobs have been created.
- **Live on Land:** The biogas systems reduce the degradation of surface waters by preventing runoff of untreated manure. As households would previously source fuelwood from nearby forests, the project helps reduce pressure on these habitats.

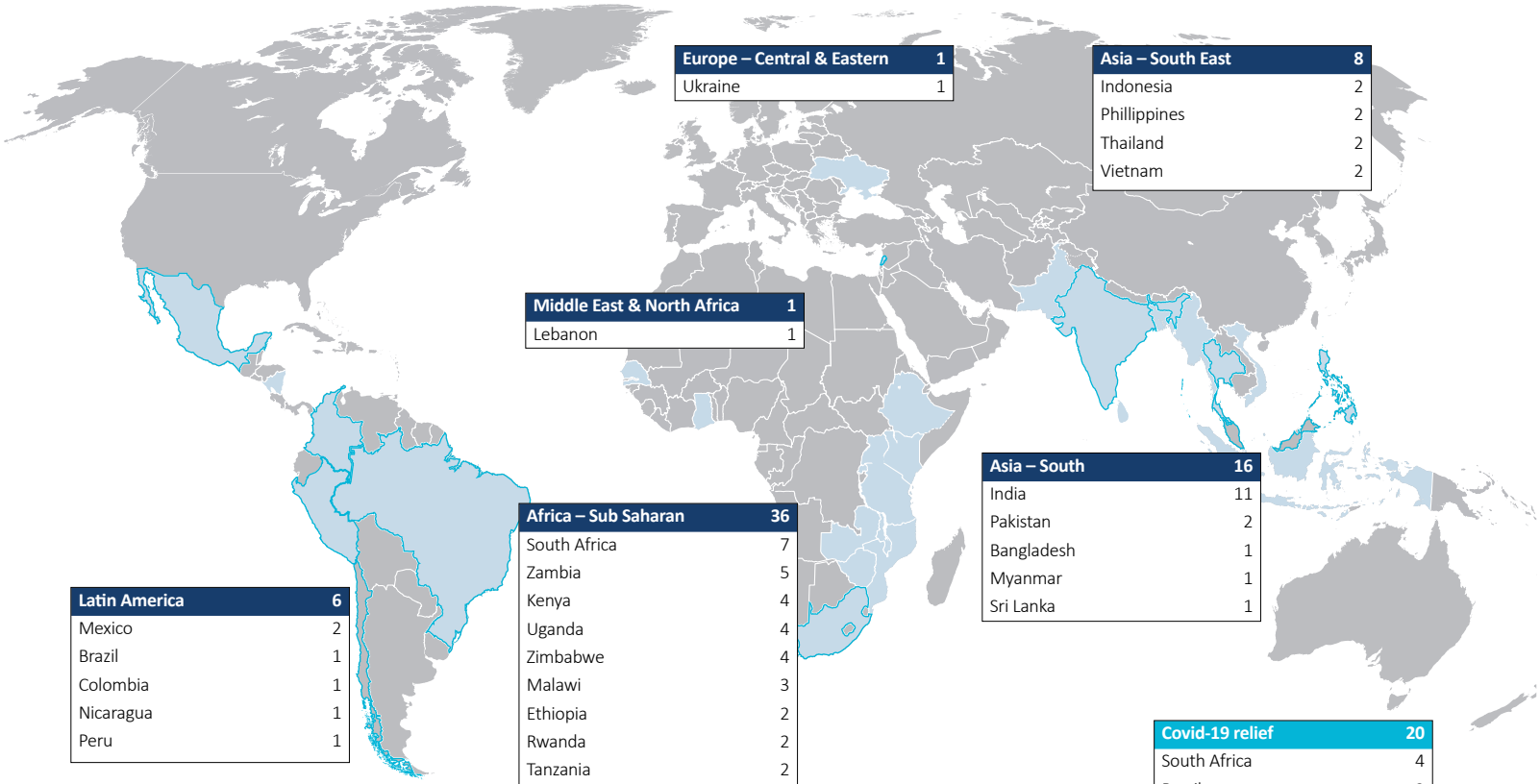
The Genesis Charitable Trust

The Genesis Charitable Trust ("the Trust"), was founded in 2012 by contributions from the Partners and makes grants to charities and social enterprises that provide sustainable, long-term income generation for marginalised communities currently beyond the reach of traditional government or market-based solutions. The Trust seeks to support:

- enterprise development, including help to smallholders
- vocational opportunities and skills training
- more effective and sustainable management of markets in natural capital

As of 31 December 2020, through its lifetime, the Trust has provided nearly US$13.5 million to 68 livelihoods grantees in 28 countries and 20 Covid-19 relief projects across 11 countries. These projects have directly reached 38,000 individual participants in livelihoods projects, and over 100,000 people who received food or cash relief during the Covid-19 pandemic.





Europe – Central & Eastern	1
Ukraine	1

Asia – South East	8
Indonesia	2
Phillippines	2
Thailand	2
Vietnam	2

Middle East & North Africa	1
Lebanon	1

Asia – South	16
India	11
Pakistan	2
Bangladesh	1
Myanmar	1
Sri Lanka	1

Africa – Sub Saharan	36
South Africa	7
Zambia	5
Kenya	4
Uganda	4
Zimbabwe	4
Malawi	3
Ethiopia	2
Rwanda	2
Tanzania	2
Ghana	1
Mozambique	1
Senegal	1

Latin America	6
Mexico	2
Brazil	1
Colombia	1
Nicaragua	1
Peru	1

Covid-19 relief	20
South Africa	4
Brazil	3
India	3
Chile	2
Mexico	2
Colombia	1
Lebanon	1
Malaysia	1
Peru	1
Philippines	1
Thailand	1

The Genesis Charitable Trust Projects

2020 was an exceptional year. In response to the Covid-19 crisis and its impact on communities in EM, the Partnership made a significant additional donation to the Trust to support humanitarian relief efforts. This donation focused on projects meeting the basic needs of vulnerable urban communities in countries of greatest concern. Some of the projects funded are detailed alongside.

Overall in 2020, the Trust made 20 grants to 17 organisations, largely providing food and cash aid to low-paid casual workers and unsupported migrants worst affected by stringent lockdowns and job losses. The EM countries selected were Brazil, Chile, Colombia, India, Lebanon, Malaysia, Mexico, Peru, Philippines, South Africa and Thailand, with support to Indonesia expected to be decided early in 2021.

Delivery of essentials to vulnerable neighbours

núcleo HUMANITARIO

Location	Chile
Grant given out	US$58,100
Grantee	Núcleo Humanitario

BACKGROUND

Originally a small soup kitchen for homeless migrants from Venezuela, Núcleo Humanitario expanded rapidly and in the first 11 months of the pandemic reached 35,000 people in 21 districts across Gran Santiago. Through an innovative sponsorship model it runs 80 kitchens and supplies 90 voluntary groups, which deliver essentials to vulnerable neighbours.

IMPACT

Núcleo Humanitario has supplied 800,000 meals to the poorest people in Santiago (at an average cost of around 80 cents), and also assisted 6,500 migrants who wish to repatriate. The Trust was an early corporate funder and its grant covered 70,700 meals.

Providing emergency rations and meals

FUTURE HOPE

Location	India
Grant given out	US$87,300
Grantee	IMM with Future Hope India

BACKGROUND

The franchise restaurant operator repurposed its Delhi kitchens to provide emergency rations and free meals to informal workers, many of whom became unemployed amid the sudden lockdown. The staff and students of its charity partner, an orphanage in Kolkata, also provided emergency relief to the families of daily wage earners.

IMPACT

In Delhi, the Trust's funding provided 1,257 dry ration packs, sufficient to sustain a family for six weeks, and provided 24,250 cooked meals to unemployed, homeless and disabled people.

In Kolkata and the surrounding region devasted by Cyclone Amphan, 3,800 families received emergency rations lasting a fortnight, and 100 tarpaulins were provided to repair shelters.

Distribution of maize meal to vulnerable households

ONE PEOPLE FUND

Location	South Africa
Grant given out	US$165,200
Grantee	One People Fund

BACKGROUND

To address hunger, Capstone, a mall operator, combined with the Click education charity to distribute maize meal to unemployed casual labourers and other vulnerable households in townships throughout Guateng, Mpumalanga, East London and the Western Cape. Maize comprises a fifth of the normal living costs of the poorest families and one sack can feed a family for a month.

IMPACT

The Trust funded around 46,000 sacks of maize, delivered in seventeen 35-ton truckloads. In total One People Fund has distributed 218,000 sacks of maize and porridge to poor communities and schools.

UK Stewardship Code – 12 Principles

We believe that our approach to stewardship and practices as set forth in this report are substantially aligned with the Principles of the UK Stewardship Code 2020, as referenced below:

PRINCIPLES			PAGE LINKS
1	PURPOSE, STRATEGY AND CULTURE	Signatories' purpose, investment beliefs, strategy, and culture enable stewardship that creates long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.	p.3 p.4 p.6 p.7
2	GOVERNANCE, RESOURCES AND INCENTIVES	Signatories' governance, resources and incentives support stewardship.	p.9 p.21 p.22
3	CONFLICTS OF INTEREST	Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first.	p.22
4	PROMOTING WELL-FUNCTIONING MARKETS	Signatories identify and respond to market-wide and systemic risks to promote a well-functioning financial system.	p.7 p.8 p.15
5	REVIEW AND ASSURANCE	Signatories review their policies, assure their processes and assess the effectiveness of their activities.	p.21 p.22
6	CLIENT AND BENEFICIARY NEEDS	Signatories take account of client and beneficiary needs and communicate the activities and outcomes of their stewardship and investment to them.	p.5
7	STEWARDSHIP, INVESTMENT AND ESG INTEGRATION	Signatories systematically integrate stewardship and investment, including material environmental, social and governance issues, and climate change, to fulfil their responsibilities.	p.6 p.7 p.9 p.10 p.11 p.12 p.13 p.14
8	MONITORING MANAGERS AND SERVICE PROVIDERS	Signatories monitor and hold to account managers and/or service providers.	p.22
9	ENGAGEMENT	Signatories engage with issuers to maintain or enhance the value of assets.	p.16
10	COLLABORATION	Signatories, where necessary, participate in collaborative engagement to influence issuers.	p.16 p.17 p.18
11	ESCALATION	Signatories, where necessary, escalate stewardship activities to influence issuers.	p.16 p.17 p.18
12	EXERCISING RIGHTS AND RESPONSIBILITIES	Signatories actively exercise their rights and responsibilities.	p.19

Regulatory Disclosures

This document is issued by Genesis Investment Management, LLP ("Genesis"), which is authorised and regulated by the Financial Conduct Authority ("FCA"). Registered office: 21 Grosvenor Place, London SW1X 7HU. Registered in England, number OC306866. A member of the Investment Association.

All investments and services mentioned are directed at persons who are Professional Clients or Eligible Counterparties as defined by the FCA and to persons falling within the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001. This document should not be relied upon by Retail Clients. It does not constitute investment advice and should not be used as the basis of any investment decision, nor should it be treated as a recommendation for any investment. Under no circumstances should any part of this document be construed as an offering or solicitation.

Past performance should not be relied upon as a guide to future performance, which is not guaranteed. The value of investments can go down as well as up and there is no guarantee that you will get back the amount originally invested. Your investment should be viewed as long-term. Genesis invests in emerging markets which tend to be more volatile than more established stock markets and therefore your investment is at greater risk. You should be aware that currency movements can affect the value of your investment. Other risk factors such as political and economic conditions should also be considered.

Whilst Genesis supports the objectives of the EU Sustainable Finance Disclosure Regulation 2019/2088 with respect to reporting against relevant quantitative metrics in respect of portfolio investments, we have chosen not to consider such impacts at this time. This is predominantly due to the current lack of high quality and consistent data necessary to meet these regulatory obligations. We are open to changing this in the future and will continue to monitor data quality and availability.

This document has been prepared by Genesis on the basis of information and sources believed to be reliable. Index performance calculated by Genesis is based upon index values supplied by MSCI. Other statistics in this document are from a variety of publicly available information obtained through Genesis' research. This document is not intended for distribution to any other person and may not be reproduced in whole or in part without the prior consent of Genesis.

The specific securities identified are not representative of all of the securities purchased, sold or recommended for clients. It should not be assumed that an investment in the securities identified has or will be profitable.

For information on how Genesis processes personal data, please refer to www.giml.co.uk and click on the Privacy Notice link.

Genesis Investment Management, LLP
21 Grosvenor Place
London SW1X 7HU
United Kingdom
Telephone: +44 (0) 20 7201 7200

Please note:
Although Genesis' information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.