

CITY OF LONDON INVESTMENT MANAGEMENT ANNOUNCES AN ESG INITIATIVE AIMED AT CLOSED-END FUNDS

City of London Investment Management Will Utilize Sustainalytics Research to Attempt to Assist Investment Trusts and Closed-End Funds Improve their ESG Practices

(COATESVILLE, PA, *March 3, 2015*) – City of London Investment Management Company Limited (CLIM) is pleased to announce a program which is believed to be the first of its type whereby the firm will promote Environmental, Social and Governance (ESG) awareness in emerging market investment trusts and closed end funds (CEFs). CLIM firmly believes that businesses which adopt best practice in their ESG policies will ultimately earn better returns and will use Sustainalytics ESG research as the basis for its work with investment managers.

Barry M. Olliff, CEO & CIO of CLIM, noted, “We have a unique opportunity from a bottom up, and a top down, perspective to positively influence investment managers and Boards of Directors regarding ESG issues that is significantly disproportionate to our actual ownership.” This includes 85% of the securities managed by CLIM on behalf of its clients, including more than 80 CEFs managed by over 40 fund management companies who themselves manage in excess of \$12 trillion of assets.

Sustainalytics will provide analytical ESG reports and a portfolio scoring methodology to assist CLIM in raising ESG awareness among investment companies and their Boards of Directors.

CLIM cannot screen out securities in the various CEF’s according to ESG variables but it can encourage greater transparency from CEF investment managers. The CLIM Research and Corporate Governance teams will work with Sustainalytics to measure progress on adopting ESG criteria within each portfolio over annual scoring periods. This project will involve no change to CLIM’s investment process which has continued to develop over the years.

CLIM’s intention is to encourage CEF investment managers to be more explicit about how ESG considerations are integrated into their investment processes thereby participating in the expected superior returns emanating from the performance of these securities as ESG factors become more material to total returns. At the beginning of March CLIM will start presentations with investment consultants and clients to update them on this initiative.

Background

City of London Investment Management Company Limited is an emerging markets fund manager which specializes in investing in closed-end investment companies. The firm is authorized and regulated by the Financial Conduct Authority and registered as an Investment Advisor with the Securities and Exchange Commission.

Sustainalytics is the world’s leading independent provider of environmental, social and governance (ESG) research, analysis, and support services. The firm serves some of the world’s largest asset owners and asset managers. Through 20 years of experience serving the responsible investment (RI) market, the firm has gained a reputation for providing high-quality ESG research solutions and excellent client service.

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