

A low-angle photograph of a modern glass skyscraper. The building's facade is composed of many vertical glass panels that reflect the sky and clouds. On top of the building, a man is walking away from the camera, carrying a long wooden staff across his shoulders. He is wearing a colorful, patterned wrap around his waist. In the foreground, two large brown cows with long horns are standing on the edge of the building. The sky is bright blue with scattered white clouds. A green vertical bar is on the left side of the image.

OLDMUTUAL

ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY

April 2021



ALTERNATIVE INVESTMENTS

1. INTRODUCTION

Old Mutual Alternative Investments (OMAI) is one of the largest alternative investment managers in Africa, managing investments in the following four capabilities:

- African Infrastructure Investment Managers (AIIM): Investing in infrastructure assets across Africa.
- Private Equity (OMPE): Investing in unlisted businesses across various asset classes.
- Fund of Funds (OMFoF): Investing in African and international private equity funds.
- Impact Investing: Investing in affordable housing, schools and retirement accommodation to deliver a positive social impact.

Central to OMAI's investment objectives and processes is our commitment to responsible investment and fulfilling our fiduciary duty as the custodian of client funds. In this regard, we consider the incorporation of environmental, social and governance (ESG) factors into our investment and ownership decision processes to support the pursuit of sustainable, superior risk-adjusted returns for our clients in a way that also creates positive futures.

2. PURPOSE

This ESG Policy outlines OMAI's commitment to the incorporation of ESG considerations into its day to day business activities as an operating entity, as well as investment and decision-making processes across the funds and investments under management.

3. SCOPE & APPLICABILITY

This ESG Policy covers all OMAI's activities, including all investments made under each of the four capabilities, namely AIIM, OMPE, OMFoF and Impact Investing. Detailed governance, labour and gender aspects are covered under specific governance, labour and gender related policies, which should be read in conjunction with this ESG Policy. The ESG Policy covers the full spectrum of ESG issues that are considered to materially influence the long-term success of OMAI and its investments. OMAI's ESG practices include risk management, opportunities and positive impact.

4. COMMITMENTS

As part of this ESG Policy, OMAI endeavours to undertake the following:

- Integrate ESG factors into investment analysis and decision-making processes;
- Monitor appropriate ESG factors in portfolio companies in which we invest, assessing and driving performance on these, both on a peer comparison (horizontally) basis and on a timeline basis (longitudinally);
- Obligate investee companies to incorporate the relevant ESG requirements;
- Develop and implement an environmental and social management system (ESMS) for each capability that meets the standards outlined in this policy;
- Identify and implement opportunities to use ESG aspects to enhance portfolio company performance;
- Act as a responsible steward of assets;

- Play an active responsible investment leadership role;
- Manage conflicts of interests;
- Collaborate with co-investors on material ESG issues;
- Develop and implement a monitoring and reporting framework at a capability and OMAI level to track ESG performance and support ESG disclosure and reporting;
- Deliver training to staff responsible for implementing the ESMS within each of the capabilities; and
- Provide regular disclosure regarding our responsible investment progress.

5. STANDARDS AND GUIDELINES

OMAI is committed to implementing best ESG international practice appropriate for the nature of its investments. Standards and guidelines that all OMAI capabilities adhere to include¹:

- Applicable country(s) ESG related legislation
- United Nations Principles for Responsible Investment (signatory status)
- United Nations Global Compact (participant status through Old Mutual Limited)
- United Nations Guiding Principles on Business and Human Rights
- United Nations Sustainable Development Goals
- Equator Principles
- International Finance Corporation Performance Standards
- International Finance Corporation / World Bank EHS Guidelines
- International Labour Organisation
- Task Force on Climate-related Financial Disclosures (TCFD)
- Sustainability Accounting Standards Board (SASB) Materiality
- 2x Challenge
- Institutional Limited Partners Association (ILPA) Diversity in Action
- King IV Code for Corporate Governance

Impact Investing and other identified impact investments across OMAI adhere to the following impact investing related standards and guidelines:

- UN SDG Impact Framework
- Global Impact Investing Network (GIIN) Framework (member status)
- IFC Operating Principles for Impact Management (signatory status)

6. RELATED POLICIES

Other key internal ESG related policies that OMAI adheres to include the Climate Change Policy, Modern Slavery Policy, Sexual Harassment Policy, Unfair Discrimination Policy, Grievance Policy, Maadili Charter and various governance policies specific to a financial services business.

¹ While Impact Investing strives to meet the intentions of the accepted international industry standards and guidelines across all its funds, the commitment is not retroactively applied to its existing funds (as of adoption of the first version of the Policy in May 2017). Existing funds as of May 2017 are the Housing Impact Fund South Africa, Schools and Education Impact Investment Fund, Financial Sector Charter Targeted Investments Fund and Old Mutual Retirement Accommodation Fund. Rather, Impact Investing commits to national legislative requirements across all these funds, and the committed international standards and guidelines in any funds created post May 2017.

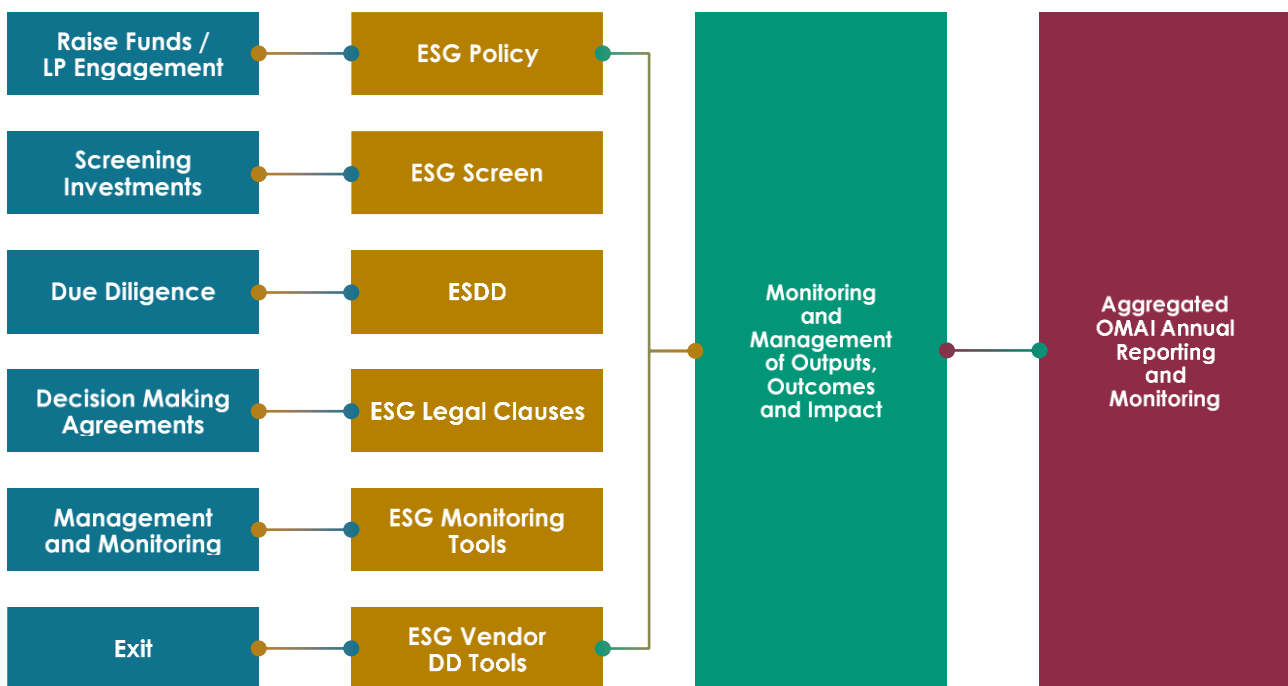
OMAI investments are expected to implement similar policies in line with governance best practice. Compliance with these standards and policies ensures that all aspects of ESG are appropriately managed for OMAI investments.

We assess our performance holistically across the entire set of assets for which we have stewardship, specifically to answer the following questions on a regular (annual) basis:

1. What is our aggregate environmental and social impact across the assets we own for those factors considered relevant?
2. What strategies do we have in place and what actions are we taking to improve the factors measured in 1 above?
3. Over time, are we improving impact and delivering against targets?

7. ESG ASSESSMENT AND MANAGEMENT

Key steps in the incorporation of ESG considerations across the OMAI portfolio is illustrated below.



8. ROLES AND RESPONSIBILITIES

The implementation of this Policy is the responsibility of all members of the OMAI team. Oversight and support for the implementation of this Policy is provided by the appointed Head of ESG.

9. OMAI EXCLUSION LIST

Although each Fund that OMAI manages may have its own specific Exclusion List agreed with the fund Limited Partners, OMAI applies a minimum exclusion list to all funds under management. OMAI will not finance any activity, production, use of, trade in, distribution of or involving:

1. Forced labour² or child labour³
2. Activities or materials deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
 - a) Ozone depleting substances, PCB's (Polychlorinated Biphenyl's) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals;
 - b) Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or
 - c) Unsustainable fishing methods (e.g. blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 km in length)
3. Cross-border trade in waste and waste products, unless compliant to the Basel Convention and the underlying regulations
4. Destruction⁴ of High Conservation Value areas⁵
5. Radioactive materials⁶ and unbounded asbestos fibres
6. Construction of new, existing and/or extension of any existing coal fired thermal power plants
7. Pornography and/or prostitution
8. Racist and/or anti-democratic media
9. In the event that any of these following products form a substantial part of an investment's primary financed business activities:⁷
 - a) Alcohol beverages (except beer and wine)
 - b) Tobacco
 - c) Weapons and munitions; or
 - d) Gambling, casinos and equivalent enterprises



Paul Boynton

Chief Executive Officer

26 August 2021

² Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

³ Persons may only be employed if they are at least 15 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art.2), unless local legislation specifies compulsory school attendances or the minimum age for working. In such cases the higher age shall apply.

⁴ Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost.

⁵ High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance (see <http://www.hcvnetwork.org>).

⁶ This does not apply to the purchase of medical equipment, quality control (measurement) equipment or any other equipment where the radioactive source is understood to be trivial and/or adequately shielded.

⁷ For portfolio companies, "substantial" means more than 10% of their consolidated balance sheets or earnings. For financial institutions (banks), "substantial" means more than 10% of their underlying portfolio.

REGULATORY INFORMATION

Old Mutual Alternative Investments (Pty) Ltd (Reg No 2013/113833/07) (FSP 45255) is a licensed financial services provider, approved by the Registrar of Financial Services Providers (www.fsb.co.za) to provide advisory and/or intermediary services in terms of the Financial Advisory and Intermediary Services Act 37, 2002. Old Mutual Alternative Investments (Pty) Ltd is a wholly owned subsidiary of Old Mutual Investment Group Holdings (Pty) Limited and is a member of the Old Mutual Investment Group.

Investment portfolios are market-linked. Pooled products are either policy based, via a linked policy of insurance issued by Old Mutual Life Assurance Company of South Africa Ltd, which is a registered Long Term Insurer. Contractual rights and obligations of investors are set out in the relevant investor agreements and or mandates.

Unlisted investments have short term to long term liquidity risks and there are no guarantees on the investment capital nor on performance. It should be noted that investments within the fund may not be readily marketable. It may therefore be difficult for an investor to withdraw from the fund or to obtain reliable information about its value and the extent of the risks to which it is exposed. Market fluctuations and changes in exchange rates as well as taxation may have an effect on the value, price, or income of investments and capital contributions. Since financial markets fluctuate, an investor may not recover the full amount invested. Past performance is not necessarily a guide to future investment performance.

Old Mutual Investment Group is a member of the Old Mutual group. Accordingly, Old Mutual and Nedbank are related entities. We outsource investment administration of our local funds to Curo Fund Services, 35% of which is owned by the Old Mutual Investment Group. All inter-group transactions are done on an arms lengths basis. Personal trading by staff is restricted to ensure that there is no conflict of interest. All directors and those staff who are likely to have access to price sensitive and unpublished information in relation to the Old Mutual group are further restricted in their dealings in Old Mutual shares. All employees of the Old Mutual Investment Group are remunerated with salaries and standard incentives. Unless disclosed to the client, no commission or incentives are paid by the Old Mutual Investment Group to any persons other than its representatives.

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Old Mutual Investment Group has comprehensive crime and professional indemnity insurance which is part of the Old Mutual group cover. For more detail and information on how to contact us as well as on how to access information please visit www.oldmutualalternatives.com or call us on 021 509 5022.

Find out how to live exceptionally today. Call 0860 INVEST, speak to an accredited Old Mutual Financial Planner or go to www.oldmutualalternatives.com



ALTERNATIVE INVESTMENTS