



25 August 2021

Old Mutual Alternative Investments Pty Ltd
Mutual Park, West Campus, Entrance 2
Jan Smuts Drive
Pinelands 7405
Cape Town
South Africa

Attention: Dean Alborough, Head of ESG

Re: Independent Verification of Alignment with the Operating Principles for Impact Management

Dear Dean,

As a signatory of the Operating Principles for Impact Management (February 2019) (the “Impact Principles”), Old Mutual Alternative Investments (OMAI) is committed to disclosing the degree of alignment of its impact management system with the Impact Principles. As of 31 June 2021, OMAI’s assets under management covered by the Impact Principlesⁱ totaled approximately US\$955M.

OMAI engaged Camp Consult to independently verify OMAI’s alignment. Camp Consult is an independent environmental and social consultancy that specializes in impact and risk management.

Camp Consult’s assessment included the following:

- Review of OMAI’s Operating Principles for Impact Management Disclosure Statement dated August 2021
- Review of OMAI’s impact management policies and procedures against the requirement of each element of the Principles
- Evaluation of the quality of the policies and procedures in terms of completeness, applicability, useability, and robustness
- Interviews with people responsible for establishing and maintaining the impact management policies and procedures and with selected users
- Review of a sample of the application of policies and procedures

Summary Assessment

Camp Consult assessed the OMAI impact management system in terms of degree of alignment with the Principles using a rating system as follows:

- **Advanced** - Aligned with the requirement, element fully covered and limited opportunity for improvement or enhancement
- **High** - High degree of alignment, element covered with a few opportunities for improvement or enhancement
- **Moderate** - Moderate level of alignment, element covered but with a number of improvements or enhancements needed
- **Low** - Low level of alignment, element not covered or significant improvement or enhancement is needed

The table below summarizes the assessment.

Principle	Requirement	Alignment
<i>Principle 1</i>	<i>Define strategic impact objective(s), consistent with the investment strategy.</i>	Advanced
<i>Principle 2</i>	<i>Manage strategic impact on a portfolio basis.</i>	High
<i>Principle 3</i>	<i>Establish the Manager's contribution to the achievement of impact.</i>	High
<i>Principle 4</i>	<i>Assess the expected impact of each investment, based on a systematic approach.</i>	High
<i>Principle 5</i>	<i>Assess, address, monitor, and manage potential negative impacts of each investment.</i>	Advanced
<i>Principle 6</i>	<i>Monitor the progress of each investment in achieving impact against expectations and respond appropriately.</i>	Moderate
<i>Principle 7</i>	<i>Conduct exits considering the effect on sustained impact.</i>	High
<i>Principle 8</i>	<i>Review, document, and improve decisions and processes based on the achievement of impact and lessons learned.</i>	Moderate
<i>Principle 9</i>	<i>Publicly disclose alignment with the Principles and provide regular independent verification of the alignment.</i>	High

From our review we noted several areas of strength. OMAI has established clear impact performance goals and objectives for the covered funds and follows a strategy for implementation (Principle 1). Impact management systems are established and maintained by a qualified ESG team working with portfolio managers (Principle 2). The Theory of Change approach provides a logically structured framework for defining impact targets (Principle 3). OMAI has a comprehensive system for managing environment and social risks that includes procedures to screen, set corrective actions, and monitor performance of fund investments. The system is robust and consistently applied (Principle 5). OMAI has established a process to exit an investment that considers impact issues (Principle 7).

We also noted areas for improvement. The application of the Theory of Change framework and development of specific targets across all covered funds can be improved (Principle 3), as can linkage to industry standard social performance management tools (Principle 4). Integration of impact performance management processes into OMAI's ESG risk management approach and systems can be improved and setting and monitoring of impact indicators needs to be more consistent (Principle 6). OMAI should consider including impact performance into fund management incentives (Principle 2).

Conclusion

Based on the assessment, for the covered assets under management as of August 19, 2021, we verify that the impact management systems and processes of OMAI are in alignment with the requirements of the Impact Principles.

Camp Consult's assessment is based on information and documentation provided by OMAI. Camp Consult is not responsible for the accuracy or completeness of the information provided by OMAI. The assessment does not include a verification of the actual impacts achieved or accuracy of the impact performance reported by OMAI. The results of Camp Consult's assessment represent our professional judgement based on our knowledge and experience.

Yours sincerely,

A handwritten signature in black ink that reads "Henry Camp". The signature is written in a cursive, slightly slanted style.

Henry Camp
Director

ⁱ Funds covered in the review are OMAI's Impact Investing funds and African Infrastructure Investment Managers (AIIM) renewables investments.