



OMIGSA | CRISA DISCLOSURE

February 2013

OMIGSA is pleased to provide disclosure on our application of the Code for Responsible Investing in South Africa (CRISA) for the period 1 January 2012 to 31 December 2012. In line with the requirements of CRISA, the scope of this disclosure is limited to cover the investment and ownership activities of OMIGSA's listed equity investment capabilities. For details of our full Responsible Investment (RI) programme across all asset classes, please refer to the RI section in the Old Mutual plc Annual Report.

As per the recommendation made in the CRISA Disclosure Practise Note, the OMIGSA annual disclosure is structured to address the following three key elements:

- Disclosure of policies;
- Disclosure of responsible ownership practises; and
- Comprehensive disclosure of CRISA implementation.

OMIGSA recognises CRISA as an important voluntary professional benchmark for responsible investment practises in South Africa. We are mindful of our commitment to making progress on the application of CRISA; where we have been unable to meet the full application of the CRISA principles we have provided disclosure as to the reasons why and, in addition, set appropriate targets to drive further progress in 2013.

RI POLICIES

OMIGSA's Responsible Investment activities are guided by the following publically available policies and guidelines:

- Responsible Investment Guidelines;
- Responsible Ownership Guidelines;
- Listed Equity Proxy Voting Policy;
- OMIGSA Conflict of Interest Management Policy;

These documents are available to the public and can be found at www.omigsa.com. Our guidelines and policies are living documents. They will be reviewed and where necessary updated through interaction with our key stakeholders during the course of 2013.

A description of the governance structures and practises in place to give effect to these policies is provided in the section on implementation below.

RESPONSIBLE OWNERSHIP PRACTISES

OMIGSA's responsible ownership practises are guided by our responsible ownership guideline document and our listed equity proxy voting policy. Our approach to responsible ownership of listed equity comprises the following key elements:

- Publically available proxy voting policy;
- In-house voting of proxies;
- Disclosure of proxy vote results directly to our clients;

- Engagement with management concerning issues on material ESG factors; and
- Collaboration with co-investors on key governance issues.

As per our responsible ownership guideline document, we vote all proxies and the results of our proxy votes are available to our clients on a quarterly basis in arrears. Our client proxy vote reports detail how we voted on each resolution, with details being provided where we have voted against a resolution. Our approach to proxy vote disclosure was driven through our interpretation of client mandates and our understanding of the requirements of CRISA. During the course of 2012 we engaged with our clients regarding best practise on proxy vote result disclosure and will be making adjustments to our disclosure policy in 2013 to allow for greater public access to proxy vote results.

The OMIGSA approach to engagement is detailed in our responsible ownership guideline document. Our approach is to constructively engage with company Boards and management in a non-public manner to achieve positive change. During 2012, OMIGSA's investment teams met regularly with company management on operational and company-specific issues, as well as on issues of an ESG nature. These issues include, but are not limited to, executive remuneration, broad based black economic empowerment, climate change risks and sustainability disclosure.

During 2013 we will further strengthen our engagement programme in those sectors that we deem to have high ESG risks.

CRISA IMPLEMENTATION

OMIGSA gives effect to its CRISA commitments through its formally constituted Responsible Investment Committee (RIC). The RIC is tasked with the formalisation of RI activities across OMIGSA and is chaired by the OMIGSA CEO. The RI committee representation from the various OMIGSA investment boutiques met on a quarterly basis in 2012. The work of the OMIGSA RI Committee is co-ordinated by the OMIGSA Head of Sustainability Research and Engagement. During 2012, OMIGSA approved the appointment of a second dedicated ESG research analyst to support the RI journey across the group.

OMIGSA's commitment to Responsible Investment was further strengthened in 2012 when the Old Mutual Group became a signatory to the United Nations Backed Principles of Responsible Investment.

Details regarding our approach to RI implementation, key areas of progress and forward-looking commitments for 2013 are provided against each of the CRISA principles in the section below:

PRINCIPLE 1 - ESG INCORPORATION

OMIGSA's approach to ESG incorporation is built on an understanding of the sustainability megatrend and its implications for long-term business performance.



Our efforts regarding ESG incorporation are driven by the Head of Sustainability Research, who interfaces with the various boutiques to ensure that they have the necessary ESG research and data available. We source ESG ratings from MSCI and supplement this with ESG data research from local and international brokers, as well as through interfacing with a range of local and international NGO's and think tanks.

Our approach to ESG incorporation recognises the unique nature of the investment process and philosophy of each boutique. For example, our tracker funds, in line with current international practice, are agnostic regarding ESG issues as they simply own the equity market, whereas our more traditional equity boutiques may use ESG data / research in a variety of ways, depending on the investment philosophy of the boutique and the materiality of the issue. Examples of ESG incorporation include, but are not limited to: to support a deeper understanding of macro thematic drivers within a sector; as a basis for including news costs or line items in a model; as a lens to interrogate assumptions in discounted cash flow models; and as a framework to support stronger engagement with management. Key progress regarding ESG incorporation in 2012 included:

- In order to further enhance the incorporation of ESG data by analysts, the ESG ratings have been built directly into the electronic tools used by listed equity analysts and portfolio managers on a daily basis. This ensures ease of access to ESG information by the analyst in the normal course of their working day.
- We further supported the development of greater understanding of ESG risks and opportunities through structured quarterly workshops with analysts and portfolio managers to deepen their understanding of key trends and themes.
- In 2012 we provided structured feedback to local and international brokers on the quality of their ESG research as a basis for enhancing the level of overall ESG research in the South African market.
- Extension of our agreement with MSCI, an international service provider, for ESG ratings of South African listed companies. This information is used by our analysts along with ESG research provided by brokers and our in-house ESG research team.
- In 2013 we will be working on:
 - Enhancing the ESG data availability and analysis tool for our listed equity research teams;
 - Further engaging with the SA broker community regarding ESG research; and
 - Working with individual boutiques to clearly articulate their individual approaches to ESG incorporation in a manner that is consistent with their philosophy and approach.

PRINCIPLE 2 - RESPONSIBLE OWNERSHIP:

The OMIGSA approach to implementation of responsible ownership practises is addressed above. Key progress in 2012 included:

- Publishing our Responsible Ownership Guidelines along with our Listed Equity Proxy Voting Policy;
- Developing a system to ensure that our boutiques without fundamental research capability are able to leverage the in-house proxy vote recommendations; and
- Systemising our back office processes to ensure accurate reporting on proxy vote results for clients.
- In 2013 we will be working to:
 - Update our responsible ownership policy;
 - Update our listed equity proxy voting guideline document;
 - Further develop our engagement program on key ESG risks; and
 - Ensure greater public disclosure of proxy vote results.

PRINCIPLE 3: COLLABORATION AND INDUSTRY LEADERSHIP

As a founding member of the CRISA committee, OMIGSA recognises the importance of industry collaboration to promote the acceptance and implementation of Responsible Investment practises in South Africa. During 2012 we:

- Continued to play a role on the CRISA committee;
- Undertook sponsorship of AfricaSIF first annual African Marketplace report on RI in Southern Africa;
- Supported and undertook a range of pension fund Trustee training programs on Responsible Investment;
- Worked with a major South African multi-manager to enhance the level of understanding on sustainability issues with their advisors; and
- Provided support to a range of students undertaking post-graduate research on responsible investment.

In 2013 we will continue to seek out collaborative opportunities to further the Responsible Investment agenda in South Africa.

PRINCIPLE 4 : CONFLICT OF INTERESTS

OMIGSA recognises the potential for conflict of interest through our Conflict of Interest Policy. The policy is implemented through a framework of compliance controls and checks on an on-going basis. We will continue to proactively manage the potential for conflicts of interest in 2013.

PRINCIPLE 5 : DISCLOSURE

OMIGSA will provide disclosure on its application of CRISA on an annual basis. Further to this, additional disclosure concerning the OMIGSA RI program will be provided in the Old Mutual plc Annual Report and through our annual UN PRI reporting.

In 2013 we will seek feedback from our key stakeholders regarding the levels of our RI disclosure and transparency, with a view to strengthening reporting in 2014.

