

OLD MUTUAL INVESTMENT GROUP **RESPONSIBLE INVESTMENT GUIDELINES**

First published: JUNE 2012

Latest update: DECEMBER 2014



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INTRODUCTION

This document presents an agreed guideline for responsible investment practices at Old Mutual Investment Group. The Old Mutual Investment Group Responsible Investment Guidelines (the Guidelines) are applicable to all Old Mutual Investment Group boutiques, recognising:

- the diversity of asset classes managed by the various boutiques;
- the unique value proposition of each boutique and the independent nature of their investment styles; and
- the mandated responsibility of boutiques to pursue superior risk-adjusted returns on behalf of their clients.

The remainder of this document describes our understanding of responsible investing and the manner in which the guidelines will be given effect within the scope of our investment and ownership practices.

OLD MUTUAL INVESTMENT GROUP'S UNDERSTANDING OF RESPONSIBLE INVESTMENT

The Guidelines draw on the key elements of the United Nations-backed Principles of Responsible Investment (PRI), the requirements of Regulation 28 of the Pension Funds Act (Reg 28) and the Code for Responsible Investing in South Africa (CRISA). The Guidelines also build on Old Mutual Investment Group's pedigree as a leading provider of socially responsible investment (SRI) products in South Africa and the existing Group Responsible Business policy, which recognises the potential for indirect social and environmental impacts, both positive and negative, that may arise from our investment and ownership decisions.

Our approach to responsible investment is founded on an understanding of the growing sustainability trend and its potential to impact the competitive landscape across sectors. Consequently, as a long-term investor, we believe that incorporating the consideration of relevant material environmental, social and governance (ESG) factors into our investment and ownership decisions is aligned with the pursuit of superior risk-adjusted returns for our beneficiaries and clients. Not only does this make sound business sense, but as an advocate for our shareholders and for the long-term futures of our beneficiaries it is also, we believe, the right thing to do.

Old Mutual Investment Group sees responsible investment as integral to the provision of our professional services. We will seek out the appropriate mechanisms to incorporate the consideration of relevant material ESG risks and opportunities in our investment and ownership decisions across all classes, where appropriate and consistent with our duties to clients.

APPLICATION OF THE RESPONSIBLE INVESTMENT GUIDELINES

The Guidelines are given effect through the Old Mutual Investment Group's Responsible Investment Team (RIT), which is formally mandated to co-ordinate and drive the Group's approach to responsible investing, while the boutiques are responsible for implementing these Guidelines, as well as providing annual feedback on their progress.

These Guidelines are implemented through the following key activities on behalf of our policyholders, customers and shareholders. These key activities will be undertaken in a manner that is consistent with existing mandates:

1. The appropriate consideration of material environmental, social and governance factors through the investment decision-making process

At Old Mutual Investment Group we will look to identify and focus on the key ESG factors that presently, or at some point in the future, may materially impact the long-term value of a company. We will incorporate the consideration of relevant material ESG factors into our investment management practices in a manner that is consistent with the relevant investment philosophy, investment approach and client mandate, as well as local business requirements and applicable regulations.

2. To act as a responsible steward of assets

Old Mutual Investment Group takes its responsibility as a shareholder seriously; as a result, we aim to ensure that the management teams of investee companies are accountable for company performance and conduct. We will act as a responsible steward of assets on behalf of our policy holders, clients and shareholders by:

- maintaining a copy of our Listed Equity Proxy Voting Policy on our website,
- voting all proxies in a manner consistent with our proxy policy and specific client guidelines,
- publishing the votes on our website,
- working with other co-investors regarding material ESG issues at investee companies, being mindful of acting in concert,
- reviewing and updating our proxy policy annually as required.

3. To play a leadership role with regard to Responsible Investment

We are mindful of our role within the broader investment community and will seek opportunities to play a leadership role regarding responsible investment in situations where that is appropriate. For example, this may include, but is not limited to, working with regulators and or industry bodies on responsible investment-related issues, supporting academic work in the field of responsible investment, and engaging with issuers on ESG issues.

4. Transparency & Disclosure

We will proactively manage potential conflicts of interests through our existing conflict of interest management processes.

In order to ensure that all stakeholders are able to make informed decisions, we will produce an annual report that discloses our progress and performance regarding responsible investment activities across the Old Mutual Investment Group. This disclosure will be undertaken in line with our annual reporting cycle.

We will make this responsible investment standard document publically available and will review and, if necessary, update it on an annual basis.

