

Responsible Investment Policy

1. Our purpose and vision

Our purpose is to ensure due care and diligence is taken when making responsible investment decisions. We help people grow their savings, protect what matters to them and invest for the future. The intent of this policy is to address the importance of taking environmental, social and governance (ESG) risk factors into consideration that may affect the sustainable nature of an investment.

2. The scope and review of the policy

The policy describes Momentum Metropolitan's overarching responsible investment policy through its views and commitments. It focuses on the key elements of responsible investment practices. (Refer to Annexure A for a list of documents that support the responsible investment policy).

This policy applies to Momentum Metropolitan Holdings Limited and all its subsidiaries.

Momentum Metropolitan has adopted the following principles and codes of industry and regulated bodies to maintain the highest level of integrity within responsible investment practices (Refer to Annexure B for more detailed information):

- » United Nations-supported Principles for Responsible Investment (UN PRI)
- » The UK Stewardship Code 2020 (the Code)
- » Code for Responsible Investing in South Africa (Crisa)

This policy is approved by the Momentum Metropolitan Holdings executive committee and practically implemented and maintained by the relevant business areas.

The executive committee will review this policy at such time as it sees fit to revise the policy.

3. Our position on responsible investment

We are privileged to act as fiduciary to our clients and stakeholders.

Our values will always remain our foundational pillars, and these values are accountability, diversity, excellence, innovation, integrity and teamwork.

Responsible investing is imperative if we are to be true to our values, and this forms a key part of our core beliefs. We firmly believe that sustainable and responsible investment practices are non-negotiable if we are to ensure the long-term success of our business and our clients.

We consider the ESG risks of our investments to be relevant to the performance of the overall objective - across all asset classes, sectors, markets and through time.

We endorse and, where practical, practice the definition of responsible investment, as envisaged in the Fiduciary Duty in the 21st Century report.

This is an approach to investment management that explicitly acknowledges the relevance to the investor of ESG factors and of the long-term health and stability of the market as a whole. It recognises that the generation of long-term sustainable returns is dependent on stable, well-functioning and well-governed social, environmental and economic systems.

4. Our fiduciary duty to stakeholders

We work to incorporate ESG factors into our investment considerations and ensure sustainability forms a cornerstone of our business principles as well as in our business dealings and undertakings.

Through our responsible investment approach, we aim, as fiduciaries of clients' investments, to invest in a manner that is fair and driven by the intention to generate long-term, sustainable investment returns, while at the same time ensure we remain true to our philosophy, portfolio construction and robust investment processes.

We will consider any appropriate ESG factor which may materially affect the sustainable long-term performance of the investments we make across all asset classes and categories of assets.

5. Long-term interests

We are long-term investors and our investment philosophy is an outcome-based investing approach, which makes it incumbent on us to be aware of managing the clients' experience throughout the investment journey, with an aim to achieve a defined investment goal over a determined time period.

We realise ESG risk factors affect the sustainability of companies and, therefore, it is especially relevant to our investment decision-making process.

6. Implications for our investment approach

We have set goal posts to help build on our responsible investment approach. Under each goal post is a list of actions we implement and annually review to strengthen our responsible investment approach.

These goal posts are:

- » ESG integration
- » Active owners
- » Seek disclosure
- » Regulation and codes
- » Advocacy
- » Report progress

Our focus is to be proactive in terms of ESG factors in our investment decision making and engagement with issuers and other third-party stakeholders (i.e. fund managers) so that we can identify and act on any risk before these escalate to be material events that may affect the investment outcomes of our clients.

Should any ESG related risks occur or be identified by us or others, we will adopt an assertive approach regarding the entity in question. It is our fiduciary duty to follow up on material ESG concerns and engage appropriately.

Collaboration on responsible investment initiatives and the encouragement of sharing ESG information within the investment industry is important to us. We will support and participate in appropriate networks and platforms and seek to collectively address relevant emerging issues.

We encourage better transparency and disclosure of responsible investment practices across the investment industry. Therefore, we promote integration of this information in investment decision making to internal and external investment professionals, service providers and consultants.

7. Reporting on progress

We undertake to:

- » Update members on responsible investment initiatives in our annual stewardship report
- » Disclose our proxy voting results on our website
- » Participate in the reporting requirements of the UN PRI

Additional documents

This policy is not a standalone document and is supported by:

- » Our policy on proxy voting and engagement
- » Our climate change Investment policy
- » Our Statement of investor commitment to support a Just Transition
- » Our UK stewardship statement
- » Our annual stewardship report
- » Our parent company sustainability framework (available on request)