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ESG INTEGRATION INTRINSIC TO ALTERNATIVE INVESTMENTS

Old Mutual Alternative Investments (OMAI) is one of the largest alternative investment managers in Africa, with over R58 billion under management in infrastructure, private equity and impact investing. As well as delivering sustainable, superior returns to investors, we also seek to create a positive, long-term impact in the communities we live, operate and invest in.

At the heart of OMAI's investment objectives and processes is a commitment to responsible investment. We take into consideration the environmental, social and governance (ESG) factors that accompany our investment and ownership decisions.

To this end, we've developed and implemented an integrated **Environmental and Social Management System (ESMS)** - a robust and an embedded system that addresses environmental and social management requirements across all our fund portfolios. It is also a mechanism for efficient and transparent ESG reporting to our stakeholders.



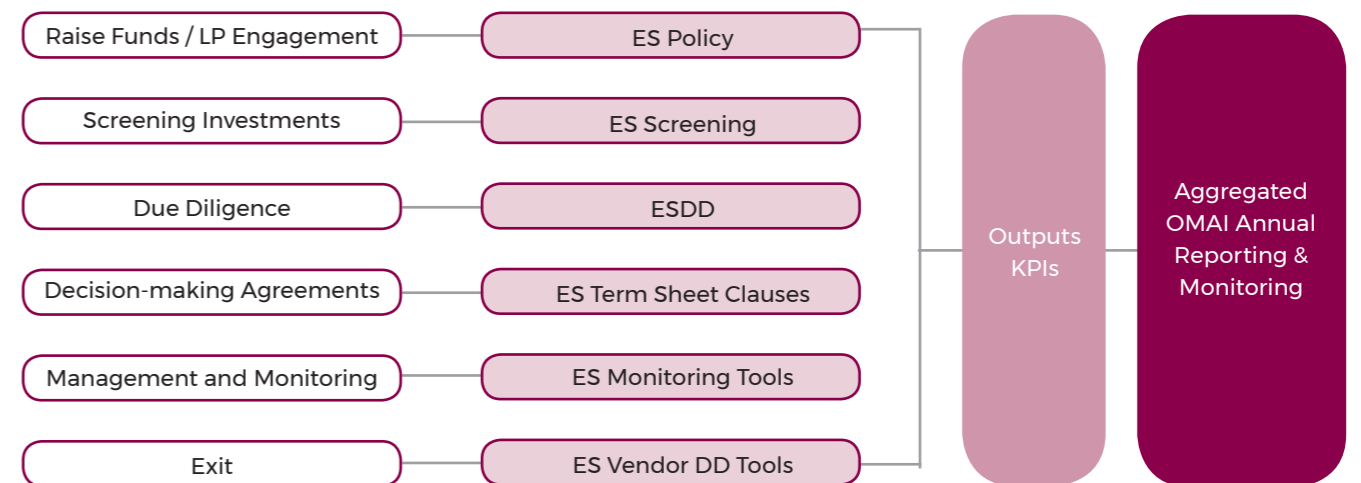
ABOUT OMAI

We operate under four capabilities:

- African Infrastructure Investment Managers (AIIM) invests in infrastructure assets across Africa.
- Private Equity (OMPE) invests in unlisted businesses across a number of sectors.
- Fund of Funds (OMFoF) invests in African and international private equity funds.
- Impact investing in affordable housing, schools and retirement accommodation.

The ESMS is tailored for each OMAI business capability and comprises a set of policies, procedures, tools and reporting guidance that have been customised for the various funds. This enables each fund to identify, assess, manage and report on ESG risks associated with their assets and portfolio companies, and to identify opportunities for positive impact. The ESMS fully integrates ESG into the OMAI investment lifecycle.

AN OVERVIEW OF OUR ESMS



The ESMS enables us to:

- Integrate ESG issues directly into investment decision-making processes;
- Set clear requirements for portfolio companies to develop and implement ESG systems to ensure they meet OMAI's ESG standards;
- Provide a framework for reporting and disclosure on ESG aspects to OMAI by portfolio companies; and
- Work in partnership with portfolio companies to help them identify and implement ESG opportunities and create sustainable value-add that enhances their overall financial performance.

We receive specific ESG quantitative and qualitative information from portfolio companies as part of the asset management/monitoring phase of the investment cycle. This allows us to measure and track ESG performance against key performance indicators (KPIs) for the portfolio company while driving positive outcomes benchmarked against United Nations Sustainable Development Goals.

OMAI investment professionals use this information to produce better outcomes in their portfolio companies. 🌱