



CLIMATE TRANSPARENCY REPORT

2019

Aeon Investment Management (Pty) Ltd

About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US\$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2019 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2019 Reporting Framework response. The full Public Transparency Report is available here (https://reporting.unpri.org/surveys/PRI-reporting-framework-2019/-2EFB975F-244C-4CBA-BA96-21893AAD21A7/00000000-0000-0000-0000-000000000000/doc/2/-%7C%7C*complete*%7C*public*/Merged/). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2019 climate reporting as “private”. Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the [PRI website](#) and on the [Data Portal](#).

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.1	✓	Public				
SG 01.2	✓	Public				
SG 01.3	✓	Public				
SG 01.4	✓	Public				
SG 01.5	✓	Public				
SG 01.6 CC	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	✓	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	Public				
SG 01.11 CC	-	Public				
SG 01.12 CC	✓	Public				
SG 02.2	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	✓	Public				
SG 07.7 CC	✓	Public				
SG 07.8 CC	-	Public				
SG 13.1	✓	Public				
SG 13.2	✓	Public				
SG 13.4 CC	✓	Public				
SG 13.5 CC	✓	Public				
SG 13.6 CC	✓	Public				
SG 13.7 CC	✓	Public				
SG 13.8 CC	-	Public				
SG 14.1	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.4	✓	Public				
SG 14.5	-	Public				
SG 14.6 CC	-	Public				
SG 14.7 CC	-	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	✓	Public				
SG 15.1	✓	Public				
SG 15.2	-	Public				
SG 15.3	-	Public				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation
Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.	

ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS

Name	Aeon Investment Management (Pty) Ltd
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ 1 - 4.99 billion AUM
Main Asset Class	>50% Listed Equity Internally Managed
Signed PRI Initiative	2014
Region	Africa
Country	South Africa
Disclosure of Voluntary Indicators	100% from 38 Voluntary indicators

Aeon Investment Management (Pty) Ltd

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

At Aeon Investment Management, our investment philosophy is based on the conviction that significant inefficiencies can occur in the market, at different times across a range of asset classes and strategies. A structured investment process which is able to monitor and value a wide range of opportunities is best able to capitalise on these inefficiencies.

We focus on the rigorous process of asset valuation and return modelling, using both fundamental and quantitative analysis. Since it is not possible to perfectly predict future market movements, our process guides us in constructing portfolios that can deliver outperformance of the benchmark in a range of scenarios, over a market cycle.

Aeon Investment Management's approach to responsible investment is Environmental, Social & Governance integration. The objective of ESG integration is to protect and enhance the value of our long-term investments. Central to our investment philosophy is the explicit recognition that sustainability factors directly affect long-term business profitability. By incorporating ESG factors we have greater conviction in valuation and risk-reward assessment and we are better able to identify security mispricing.

SG 01.5

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

Responsible investment is defined as the integration of environmental, social and corporate governance (ESG) considerations into the investment management processes and ownership practices in the belief that these factors can have an impact on financial performance.

Aeon Investment Management's motive for developing a responsible investment is to set a clear framework for integrating Economic, Social and Governance (ESG) issues into investment decision making. We believe that an analysis of ESG factors, in combination with fundamental research, delivers insight that enhances investment decisions and returns. By incorporating ESG factors we have greater conviction in valuation and risk-reward assessment and we are better able to identify security mispricing.

We aim to identify companies who have a positive effect on the South African society through Product & Service delivery, Employment, Corporate Social Responsibility and Black Ownership.

Aeon Investment Management's approach to responsible investment is ESG integration. Central to our investment philosophy is the explicit recognition that sustainability factors directly affect long-term business profitability. By incorporating ESG factors we have greater conviction in valuation and risk-reward assessment and we are better able to identify security mispricing.

No

SG 01.6	Additional information [Optional].
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It should be noted that a “one size fits all” approach is not suitable for e.g. in reducing carbon emissions in a developing economy. The job losses that would occur has far more negative social and inequality impacts in an environment that is reducing its fossil fuels.

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 01 CC	Voluntary	Public	Descriptive	General
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SG 01.6 CC	Indicate the climate-related risks and opportunities that have been identified and factored into the investment strategies and products, within the organisation's investment time horizon.
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Aeon Investment Management's approach to responsible investment is Environmental, Social & Governance integration. The objective of ESG integration is to protect and enhance the value of our long-term investments. Central to our investment philosophy is the explicit recognition that sustainability factors directly affect long-term business profitability. By incorporating ESG factors we have greater conviction in valuation and risk-reward assessment and we are better able to identify security mispricing.

Within the context of South Africa, Governance risks are prioritised given our history and current social and political climate. When analysing current and prospective holdings from an Environmental perspective, we consider the following:

- Whether the company engages in practices that are considered destructive>
- Whether the pollution or harmful effects of the company being offset by community improvement and growth?
- Whether the company has a plan to reduce its environmental impact and/or effect going forward

SG 01.7 CC	Indicate whether the organisation has assessed the likelihood and impact of these climate risks?
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Yes

SG 01.8 CC	Indicate the associated timescales linked to these risks and opportunities.
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Aeon Investment Management does not have a uniform "one-size fits all" approach to assessing climate-related risks of our holdings in our portfolio. We do, however, individually assess the impact of companies such as mining corporations and paper producers have on the environment and the community. We continuously engage with management to monitor their level of disclosure and responses to environmental risks that arise as a result of the nature of their operations. For example, we engaged with Mpac Limited and queried management on any strategies they intend on implementing in future to improve their recycling percentage in comparison to their global competitors. Management responded and said Mpac's target for 2020 in terms of recycling is 70% and that they had reached that number in 2017. The beneficiaries of their recyclables are local. South Africa will be one of the best recycling countries in the world in the next two years. This achievement will not necessarily translate into their business and will not increase margins just yet.

Aeon Investment Management submitted a feedback report in July 2018 to PRI stipulating our stance on the Just Transition. We support the need for a move from using natural resources to renewable energy, however, we are highly concerned about the loss of employment that would occur from industries such as the mining sector et. al. because of this transition.

No

SG 01.9 CC	Indicate whether the organisation publicly supports the TCFD?
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Yes

No

SG 01.10 CC	Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.
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Yes

	Describe
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Aeon Investment Management's approach to responsible investment is Environmental, Social & Governance integration. The objective of the ESG integration is to protect and enhance the value of our long-term investments. Central to our investment philosophy is the explicit recognition that sustainability factors directly affect long-term business profitability. By incorporating ESG factors we have greater conviction in valuation and risk-reward assessment and we are better able to identify security mispricing. We have an in-house analyst who keeps track of corporate governance issues of companies listed on the Johannesburg Stock Exchange (JSE). The analyst reports to Asief Mohamed, Chief Investment Officer, who is actively involved in environmental, social and governance engagement. We aim to consider a broad range of ESG issues.

No

SG 1.12 CC	Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.
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- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other

SG 02	Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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Policy setting out your overall approach

	URL/Attachment
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URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment (will be made public)

Attachment

[File 1:Aeon IM Social Responsibility Policy.pdf](#)

Formalised guidelines on environmental factors

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment (will be made public)

Attachment

[File 1:Aeon IM Social Responsibility Policy.pdf](#)

Formalised guidelines on social factors

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment (will be made public)

Attachment

[File 1:Aeon IM Social Responsibility Policy.pdf](#)

Formalised guidelines on corporate governance factors

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment (will be made public)

Attachment

[File 1:Aeon IM Social Responsibility Policy.pdf](#)

Fiduciary (or equivalent) duties

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Proxy-Vote-Policy.pdf}

Attachment (will be made public)

Attachment

[File 1:Aeon IM Social Responsibility Policy.pdf](#)

Asset class-specific RI guidelines

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment (will be made public)

Attachment

[File 1:Aeon IM Social Responsibility Policy.pdf](#)

Screening / exclusions policy

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment (will be made public)

Attachment

[File 1:Aeon IM Social Responsibility Policy.pdf](#)

Engagement policy

URL/Attachment

URL

URL

{hyperlink:https://www.aeonim.co.za/wp-content/uploads/2018/05/Aeon-IM-Engagement-Policy.pdf}

Attachment (will be made public)

Attachment

[File 1:Aeon IM Engagement Policy.pdf](#)

(Proxy) voting policy

URL/Attachment

URL

URL

{hyperlink:https://www.aeonim.co.za/wp-content/uploads/2018/05/Aeon-IM-Proxy-Vote-Policy.pdf}

Attachment (will be made public)

Attachment

[File 1:Aeon IM Proxy Vote Policy.pdf](#)

We do not publicly disclose our investment policy documents

SG 02.2

Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment

File Attachment

{hyperlink:Aeon IM Social Responsibility Policy.pdf [155KB]}

Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment

File Attachment

{hyperlink:Aeon IM Social Responsibility Policy.pdf [155KB]}

Time horizon of your investment

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment

File Attachment

{hyperlink:Aeon IM Social Responsibility Policy.pdf [155KB]}

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment

File Attachment

{hyperlink:Aeon IM Social Responsibility Policy.pdf [155KB]}

ESG incorporation approaches

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment

File Attachment

{hyperlink:Aeon IM Social Responsibility Policy.pdf [155KB]}

Active ownership approaches

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment

File Attachment

{hyperlink:Aeon IM Social Responsibility Policy.pdf [155KB]}

Reporting

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment

File Attachment

{hyperlink:Aeon IM Social Responsibility Policy.pdf [155KB]}

Climate change

URL/Attachment

URL

URL

{hyperlink:http://www.aeonim.com/wp-content/uploads/2018/03/Aeon-IM-Social-Responsibility-Policy.pdf}

Attachment

File Attachment

{hyperlink:Aeon IM Social Responsibility Policy.pdf [155KB]}

We do not publicly disclose any investment policy components

SG 02.3 Additional information [Optional].

Aeon Investment Management's detailed ESG Annual Reports are available on request:
<https://www.aeonim.co.za/engagement-activities/#>

Governance and human resources

SG 07 CC	Voluntary	Public	Descriptive	General
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SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.
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	Board members or trustees
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Portfolio managers

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Investment analysts

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Dedicated responsible investment staff
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

External managers or service providers
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

SG 07.6 CC	For board level roles for which have climate-related issues oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.
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All the staff at Aeon Investment Management are responsible for incorporating ESG into the investment process and philosophy.

SG 07.7 CC	For the management-level roles that assess and manage climate-related issues, provide further information on the structure and process involved.
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All the staff at Aeon Investment Management are responsible for incorporating ESG into the investment process and philosophy.

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1	Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
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- Yes, to assess future ESG factors

Describe

Aeon Investment Management integrates ESG scenario analysis and modelling from brokers and we are continuously improving an adopted in-house ESG scorecard to monitor disclosure, ESG implementation progress and to use as a comparative tool.

- Yes, to assess future climate-related risks and opportunities

Describe

In collaboration with external broker research, we utilise an in-house ESG scorecard that has been adopted and used to identify companies that pose as high risks investments as they relate to identification, mitigation and exposure to ESG risk

- No, not to assess future ESG/climate-related issues

SG 13.2 Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 13 CC	Voluntary	Public	Descriptive	General
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SG 13.4 CC Describe how the organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, the results and any future plans.

- Initial assessment

Describe

We do not have a formalised standard for assessing climate-related risk, all portfolio managers and analysts adopt a holistic approach to analysing the impact companies have on communities and the environment.

We have an in-house analyst who keeps track of corporate governance issues of companies listed on the Johannesburg Stock Exchange (JSE). The analyst reports to Asief Mohamed, Chief Investment Officer, who is actively involved in environmental, social and governance engagement. We aim to consider a broad range of ESG issues.

Environmental issues we consider are climate change, water scarcity, pollution, packaging, and sourcing of raw materials. The Social issues we consider are diversity, workplace health and safety, product standards, community relationships and staff turnover metrics. The Governance issues we consider are disclosure, director independence, qualification and experience, remuneration benchmarking, board tenure and attendance. Our Analysts also read integrated reports of companies in our coverage and we consider economic, social and governance issues in valuation methodologies.

- Incorporation into investment analysis

	Describe
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We do not have a formalised standard for assessing climate-related risk, all portfolio managers and analysts adopt a holistic approach to analysing the impact companies have on communities and the environment.

We have an in-house analyst who keeps track of corporate governance issues of companies listed on the Johannesburg Stock Exchange (JSE). The analyst reports to Asief Mohamed, Chief Investment Officer, who is actively involved in environmental, social and governance engagement. We aim to consider a broad range of ESG issues.

Environmental issues we consider are climate change, water scarcity, pollution, packaging, and sourcing of raw materials. The Social issues we consider are diversity, workplace health and safety, product standards, community relationships and staff turnover metrics. The Governance issues we consider are disclosure, director independence, qualification and experience, remuneration benchmarking, board tenure and attendance. Our Analysts also read integrated reports of companies in our coverage and we consider economic, social and governance issues in valuation methodologies.

Inform active ownership

	Describe
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We do not have a formalised standard for assessing climate-related risk, all portfolio managers and analysts adopt a holistic approach to analysing the impact companies have on communities and the environment.

We have an in-house analyst who keeps track of corporate governance issues of companies listed on the Johannesburg Stock Exchange (JSE). The analyst reports to Asief Mohamed, Chief Investment Officer, who is actively involved in environmental, social and governance engagement. We aim to consider a broad range of ESG issues.

Environmental issues we consider are climate change, water scarcity, pollution, packaging, and sourcing of raw materials. The Social issues we consider are diversity, workplace health and safety, product standards, community relationships and staff turnover metrics. The Governance issues we consider are disclosure, director independence, qualification and experience, remuneration benchmarking, board tenure and attendance. Our Analysts also read integrated reports of companies in our coverage and we consider economic, social and governance issues in valuation methodologies.

Other

SG 13.5 CC	Indicate who uses this analysis.
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- Board members, trustees, C-level roles, Investment Committee
- Portfolio managers
- Dedicated responsible investment staff
- External managers
- Investment consultants/actuaries
- Other

SG 13.6 CC	Indicate whether the organisation has evaluated the impacts of climate-related risk, beyond the investment time-horizon, on the organisations investment strategy.
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Yes

	Describe
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We are long-term investors and are cognisant of the impact of climate change on the global community. We continuously monitor and analyse our holdings on whether or not they assess and address environmental risks inherent within their operations and the relevance of the environmental disclosures they provide to the public.

No

SG 13.7 CC	Indicate whether a range of climate scenarios is used.
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- Yes, including analysis based on a 2°C or lower scenario
- Yes, not including analysis based on a 2°C or lower scenario
- No, a range is not used

SG 13.8 CC	Indicate the climate scenarios the organisation uses.
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Provider	Scenario used
IEA	<input type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)
IEA	<input type="checkbox"/> Energy Technology Perspectives (ETP) 2 Degrees scenario
IEA	<input type="checkbox"/> Sustainable Development Scenario (SDS)
IEA	<input type="checkbox"/> New Policy Scenario (NPS)
IEA	<input type="checkbox"/> Current Policy Scenario (CPS)
IRENA	<input type="checkbox"/> RE Map
Greenpeace	<input type="checkbox"/> Advanced Energy [R]evolution
Institute for Sustainable Development	<input type="checkbox"/> Deep Decarbonisation Pathway Project (DDPP)
Bloomberg	<input type="checkbox"/> BNEF reference scenario
IPCC	<input type="checkbox"/> Representative Concentration Pathway (RCP) 8.5
IPCC	<input type="checkbox"/> RPC 6
IPCC	<input type="checkbox"/> RPC 4.5
IPCC	<input type="checkbox"/> RPC 2.6
Other	<input type="checkbox"/> Other (1)
Other	<input type="checkbox"/> Other (2)
Other	<input type="checkbox"/> Other (3)

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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SG 14.1

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14.2

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments

Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.

	trillions	billions	millions	thousands	hundreds
Total AUM		5	284	124	885
Currency	ZAR				
Assets in USD			388	785	254

Specify the framework or taxonomy used.

In the initial assessment of the potential investment in a company, Aeon Investment Management considers all factors of ESG. We take into consideration the environmental impact a company has and the efforts or plans that management has implemented to ensuring improvement. We also engage with the management of a company to monitor the progress of their environmental strategy and implementation; for e.g. in 2018 we engaged with Mpact Limited on their current recycling levels and recycling strategy going forward.

In our assessments of holdings that we are invested in and have deemed low carbon and climate resilient portfolios; we have thus excluded Sasol Limited, Exxaro Resources Limited and PPC Limited as they are high emitters of carbon. We have also excluded the AUM of cash instruments from the Total AUM.

- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify
- None of the above

SG 14.3

Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

SG 14.4

If you selected disclosure on emissions risks, list any specific climate related disclosure tools or frameworks that you used.

We use trend data as a discussion point for plans by company management to assess their reduction in climate-related risks. We generally discuss these climate-related risks with company management and what their plans are.

SG 14 CC	Voluntary	Public	General
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**SG 14.8
CC**

Indicate whether climate-related risks are integrated into overall risk management and explain the risks management processes for identifying, assessing, and managing climate-related risks.

- Process for climate-related risks is integrated into overall risk management

Please describe

Aeon Investment Management's motive for developing a responsible investment policy is to set a clear framework for integrating Economic, Social and Governance (ESG) issues into investment decision making. We believe that an analysis of ESG factors, in combination with fundamental research, delivers insight that enhances investment decisions and returns. By incorporating ESG factors we have greater conviction in valuation and risk-reward assessment and we are better able to identify security mispricing.

We continuously assess and monitor the following:

- Whether the company engages in practices that are considered destructive?
- Whether pollution or harmful effects of the company being offset by community improvement and growth?
- Whether the company have a plan to reduce its environmental effect going forward?

Examples of environmental issues we consider include but is not limited to climate change, water scarcity, pollution, packaging, and sourcing of raw materials.

Process for climate-related risks is not integrated into our overall risk management

SG 14.9 CC	Indicate whether the organisation undertakes active ownership activities to encourage TCFD adoption.
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Yes

Please describe

Aeon Investment Management votes for all proxy resolutions for shares held in our portfolios and we provide full detail of our voting record quarterly on our website (<http://www.aeonim.com/engagement-activities>). Aeon Investment Management's Voting Policy covers Corporate Governance, Environmental and Social issues. The policy incorporates principles from the United Nations Principles for Responsible Investment (see below), King III Code, CRISA (see below), as well as any client mandate restrictions and guidelines.

No, we do not engage

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SG 15.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
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Yes

No