



RESPONSIBLE INVESTING POLICY



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INTRODUCTION

This policy has been formulated to reflect the role of **Responsible Investment** in the long-term investment goals of Visio Fund Management Pty Ltd (“Visio”) with Environmental, Social and Governance (“ESG”) being an important consideration in Visio’s research and investment process.

Visio is committed to creating value for its clients by accepting ownership for investment activities and promoting good governance as a Responsible Investor.

In an effort to continually monitor the effectiveness of this living document, reviews will be conducted as determined by the Board of Directors.

COMMITMENT TO INTERNATIONAL AND LOCAL CODES FOR RESPONSIBLE INVESTMENT

Visio is a signatory to the United Nations Principles for Responsible Investment (“UNPRI”) which requires annual reporting on progress with responsible investing initiatives and endorses the local responsible investment codes such as Code for Responsible Investment in South Africa (“CRISA”). Visio is also a signatory to the Task Force on Climate-related Financial Disclosures (TCFD). Reference to these codes is made in Appendix 1 and Appendix 2 respectively.

RESPONSIBLE INVESTMENT GUIDELINES

Visio incorporates ESG factors into its investment decision-making processes.

The approach to responsible investing is summarized as follows:

Recognition of the relationship between sustainability and “going concern”

- ❖ Growing risk of government intervention if sustainability issues are not addressed.

Governance is a core consideration

- ❖ Avoid companies and investment instruments that Visio considers to be poorly governed;
- ❖ Strive to initiate and support, shareholder resolutions aimed at adopting higher corporate governance standards and responsibility;
- ❖ Engage management and the Board on key areas of concern such as executive compensation, worker safety, progress on climate change, etc.;
- ❖ Actively exercise proxy voting to enhance shareholder value; and

- ❖ Support public policy initiatives that promote greater corporate sustainability, transparency, and accountability.

Environmental issues are becoming increasingly important (and costly)

- ❖ Consider the sustainability of operational and environmental rehabilitation obligations and long-term risks to growth and capital expenditure;
- ❖ Actively using our proxy vote to drive environmental issues.

Social issues are important for continued company performance

- ❖ Understand the costs and opportunities in the “license to operate” across sectors and geographies for the investee companies.
- ❖ Engage with the public about their perception on investee companies and provide feedback to management.

Engagement with regulators

- ❖ To gain clarity from company management on their compliance within these regulations and the impact this has on the companies they operate and ultimately their profitability; and
- ❖ To further gain clarity on recommendations on international best practices.

While ESG is integral to our research and investment process and a factor in our risk assessment, we do consider other factors when making investment decisions.

ESG concerns may not necessarily preclude Visio from investing in a company but will require further engagement on ESG issues. Please read this policy in conjunction with the Visio ESG Policy Statement and Declaration.

ACTIVE OWNERSHIP THROUGH PROXY VOTING AND ENGAGEMENT

Visio remains committed to creating value for its clients by accepting ownership for investment activities and promoting good governance as a Responsible Investor.

The purpose of the Proxy Voting Policy is to ensure that Visio votes in the best economic and long-term interest of its clients and in accordance with Visio’s principles of Responsible Investing. Full proxy voting is disclosed to clients quarterly or as requested.

ESG issues are central to our interactions with company management, and we regularly engage with management teams and boards of directors to ensure that their and shareholders’ (ourselves and our clients) interests are aligned.

The Investment Team meets regularly with analysts and market commentators on ESG, operational and specific company topics to ensure that Visio is aware of key issues surrounding companies in its portfolio and the market.

UNPRI SIX PRINCIPLES AND VISIO'S COMMITMENT

As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social, and corporate governance (ESG) issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time).

We also recognise that applying these Principles may better align investors with broader objectives of society. Therefore, where consistent with our fiduciary responsibilities, we commit to the following:

- PRINCIPLE 1** We will incorporate ESG issues into investment analysis and decision-making processes.
- PRINCIPLE 2** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- PRINCIPLE 3** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- PRINCIPLE 4** We will promote acceptance and implementation of the principles within the investment industry.
- PRINCIPLE 5** We will work together to enhance our effectiveness in implementing the principles.
- PRINCIPLE 6** We will each report on our activities and progress towards implementing the principles.

The Principles for Responsible Investment were developed by an international group of institutional investors reflecting the increasing relevance of environmental, social, and corporate governance issues to investment practices. The process was convened by the United Nations Secretary-General.

In signing the Principles, we as investors publicly commit to adopt and implement them, where consistent with our fiduciary responsibilities. We also commit to evaluate the effectiveness and improve the content of the Principles over time. We believe this will improve our ability to meet commitments to beneficiaries as well as better align our investment activities with the broader interests of society.

We encourage other investors to adopt the Principles.

Source: PRI

CODE FOR RESPONSIBLE INVESTING IN SOUTH AFRICA (CRISA) KEY PRINCIPLES

The five Key Principles of CRISA below provide guidance on how institutional investors should exercise rights, perform investment activities in order to promote good governance:

- ❖ An institutional investor should incorporate sustainability considerations, including environmental, social and governance, into its investment analysis and investment activities as part of the delivery of superior risk-adjusted returns to the ultimate beneficiaries.
- ❖ An institutional investor should demonstrate its acceptance of ownership responsibilities in its investment arrangements and investment activities.
- ❖ Where appropriate, institutional investors should consider a collaborative approach to promote acceptance and implementation of the principles of CRISA and other codes and standards applicable to institutional investors.
- ❖ An institutional investor should recognise the circumstances and relationships that hold a potential for conflicts of interest and should proactively manage these when they occur.
- ❖ Institutional investors should be transparent about the content of their policies, how the policies are implemented and how CRISA is applied to enable stakeholders to make informed assessments.