

AfricaSIF.org Trends 2012 Report

Introduction and Thank You

AfricaSIF.org and our project partners - Government Employees Pension Fund of South Africa, Investec Asset Management, Mergence Investment Managers, Old Mutual Investment Group, MSCI, Bloomberg, Frost & Sullivan, RisCura, B-Lab, and SinCo - are pleased to invite you to complete this online survey into the investment practices in Africa. Every two years, the global Sustainable Investment Forum organizations (see www.africasif.org/global-sifs.php) conduct a survey of investors to determine the size and characteristics of the investment industry. For the first time ever, in 2012 AfricaSIF.org is contributing an African perspective to this marketplace survey. We are integrating our results with global sustainable investment organizations and are therefore using harmonized terminology. For more on the project, please see <http://www.africasif.org/marketplace-and-trends-report.php>

Your response is critical to preparing a valid and meaningful global report and will help inform our understanding of ESG and sustainable investment. Please do not hesitate to contact AfricaSIF.org with any questions or concerns while completing this survey.

AfricaSIF.org defines "sustainable investment" in the report as "an approach to investment in any asset class in Africa where environmental, social and governance (ESG) factors are proactively integrated at any stage of the investment life cycle."

HOW TO COMPLETE THE SURVEY

Please work through these questions, part multiple choice and/or part text commentary or data capture. You may save and return to the survey later. Investment into Africa in the context of this survey is defined as investment in/into Africa in any asset class, regardless of domicile or total fund exposure.

Your answers will be treated in the strictest confidence and will be used only for purposes of this study. AfricaSIF.org is committed to maintain the confidentiality of all information collected and will not disclose disaggregated data to any third party, except with your prior consent. As a courtesy, all respondents will be acknowledged and listed in the endnotes of the report in 2012.

Please use data at 31 December 2011 in US\$ or local currency (just note which you are using).

We expect the 25 question survey will take a maximum of 20 - 40 minutes to complete depending on your fund / firm's data analysis and record keeping policies. We acknowledge gathering the data may require some work, and we thank you in advance for your efforts, and suggest that gathering data within your organisation on ESG may have an immediate benefit to your organization as the sustainability theme and ESG becomes increasingly important.

Thank you in advance.

If you have any questions, please email us africasif@gmail.com

AfricaSIF.org Trends 2012 Project Team
<http://www.africasif.org/marketplace-and-trends-report.php>
September 2012
[Update 6 November 2012]

Information

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1. Please complete your basic information:

Name:

Company / Organization:

Title:

City/Town:

Web address:

Country:

Email Address:

Phone Number:

2. Are you an asset owner or asset manager?

- Asset owner
- Asset manager
- Multi-manager
- Fund-of-funds
- Other (please specify)

3. Please report in US\$ OR please name the local currency (with ISO standard 3 letter code) used in your answers. AfricaSIF.org analytics team will convert answers to US\$ as at 31 December 2011:

4. Please complete missing data

***use data at 31 December 2011. **numbers only no punctuation, spaces or text. ***ESG-integrated denotes a firm and/or fund strategy where ESG factors are integrated into the investment lifecycle.**

Total AuM of your firm / funds - global, any country, any asset class

Total AuM of Africa investment exposure, any / all asset class

Total AuM of Africa investment exposure, managed with any kind of ESG screens / integration / approach

Any comments / clarifications:

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5. For your firm / fund, please complete AuM in each asset class for global AuM:

***use data at 31 December 2011. **numbers only; no punctuation, spaces or text**

Private Equity	<input type="text"/>
Hedge Fund	<input type="text"/>
Fixed Interest (Bonds)	<input type="text"/>
Money Market	<input type="text"/>
Real Estate / Property	<input type="text"/>
Listed Equity	<input type="text"/>
Infrastructure	<input type="text"/>
Agriculture	<input type="text"/>
Other	<input type="text"/>

ESG Screening

To explain screening - ESG Screening – for this survey we use the global SIFs' definitions of three ESG approaches to screening:

a. negative / exclusionary - exclusion of investments or classes of investment based on pre-determined environmental, social and governance (ESG) criteria. This can involve the simple screening of shares in companies that are involved in controversial activities like the manufacturing of weapons or tobacco, the screening out of entire sectors, or screening out poor performing companies, using an ESG analysis, from an investable universe. Screening out poor performing companies using a best-of-sector analysis is an example of negative screening.

b. positive / best-in-class - Strategy that seeks out leading companies, based on ESG criteria, within an investable universe. Selecting or "screening in" top performing companies using an ESG analysis from a potential group of investments is an example of positive or best-in-class screening - for example - oil & gas major with lowest carbon footprint; company board diversity with maximum board representation across gender profiles.

c. norms-based screening - screening of investments based on compliance with international norms and standards - for example - the UN Global Compact, OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, or the UN Draft Human Rights Norms for Business, etc.

6. What AuM [Africa exposure] are you managing using each of these ESG approaches to screening. Please complete the missing data for your screened portfolios [numbers only; no %; no punctuation, spaces or text]:

[Africa exposure] Norms-based Screening	<input type="text"/>
[Africa exposure] Negative / Exclusionary Screening	<input type="text"/>
[Africa exposure] Best-in-class / Positive Screening	<input type="text"/>
[Africa exposure] Proportion of total Africa AuM (%) using any kind of screening?	<input type="text"/>

7. What screens does your fund / portfolio use - POSITIVE [screening into portfolio] or NEGATIVE [screening out of portfolio] - check only statements that apply?

	Positive screen	Negative screen
Nuclear power	<input type="checkbox"/>	<input type="checkbox"/>
Armaments	<input type="checkbox"/>	<input type="checkbox"/>
Nuclear weapons	<input type="checkbox"/>	<input type="checkbox"/>
Genetically modified organisms	<input type="checkbox"/>	<input type="checkbox"/>
Biodiversity	<input type="checkbox"/>	<input type="checkbox"/>
Tobacco	<input type="checkbox"/>	<input type="checkbox"/>
Pornography	<input type="checkbox"/>	<input type="checkbox"/>
Green House Gas emissions	<input type="checkbox"/>	<input type="checkbox"/>
Water use / intensity	<input type="checkbox"/>	<input type="checkbox"/>
Carbon dioxide footprint	<input type="checkbox"/>	<input type="checkbox"/>
Human Rights	<input type="checkbox"/>	<input type="checkbox"/>
Child Labour	<input type="checkbox"/>	<input type="checkbox"/>
Political lobbying and funding	<input type="checkbox"/>	<input type="checkbox"/>
Terrorism	<input type="checkbox"/>	<input type="checkbox"/>
Abortion	<input type="checkbox"/>	<input type="checkbox"/>
Religion - Islamic	<input type="checkbox"/>	<input type="checkbox"/>
Religion - other	<input type="checkbox"/>	<input type="checkbox"/>

Other (please specify)

8. Please provide details of your ESG screening strategy, if relevant. For example, what is the process used? How is research used? Include weblinks where available.

ESG Integration

Integration - Integration is the explicit consideration of environmental, social and governance factors in the investment decision-making process. Integration must be demonstrated to be guided by a transparent and systematic process that is informed by ESG research and analysis. For example...

9. How much of the funds / portfolio invested in Africa uses an ESG integration approach - in terms of % AuM and value of AuM (at 31 December 2011) [numbers only no %, punctuation, spaces or text]:

[Africa exposure] Portion of overall AuM with African exposure using ESG integration (%)

[Africa exposure] Value of AuM with African exposure using ESG integration

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10. Please provide details of your ESG integration strategy, if relevant. For example, what is the process used? How is research used? Include weblinks where available.

Sustainability / ESG - themed funds

Sustainability-themed investing - investment funds that address specific sustainability issues, sector or industries such as climate change, corporate governance, food security, water, micro-finance / -insurance, renewable energy / clean technology, agriculture, health & wellness etc.

11. How much of the funds / portfolio invested in Africa - in terms of % AuM and value of AuM - has a sustainability theme, for example, investment funds that address specific sustainability issues, sector or industries such as climate change, food security, water, renewable energy / clean technology, agriculture, etc., at 31 December 2011? - [numbers only; no %; punctuation, spaces or text]:

Portion of overall sustainability-themed AuM with African exposure (%)

Value of sustainability-themed AuM with African exposure

12. Please provide details of your sustainability theme investment strategy, if relevant. For example, what is the process used? How is research used? Include weblinks where available.

Impact investing

Impact Investing - Impact investing is a strategy within socially responsible investing referring to targeted investments, typically made in private markets, aimed at solving social or environmental problems. Impact investing includes community investing, where capital is specifically directed to traditionally underserved individuals or communities, or financing that is provided to businesses with a clear social or environmental purpose, or to enterprising (i.e. revenue-generating) non-profits.

***13. How much of the funds / portfolio invested in Africa - in terms of % AuM and value of AuM has an impact investing theme (at 31 December 2011) [numbers only no %, punctuation, spaces or text]?:**

Portion of overall AuM in impact investing with African exposure (%)

Value of impact investing AuM with African exposure

14. Please provide details of your impact investment strategy, if relevant. For example, what is the process used? How is research used? Include weblinks where available.

Shareholder Engagement with Company Management

Shareholder engagement with company management aims to encourage positive change in companies, both to establish certain commitments and to encourage concrete progress.

15. For African exposure, do you have a formal policy with a structured environmental, social and governance (ESG) corporate engagement and / or shareholder advocacy program? If yes, please describe and give weblink.

16. Please indicate the portion and value of total assets that your ESG corporate engagement program applies to.

Portion of Africa investment AuM that ESG corporate engagement program applies to (%):

Proportion of Africa investment AuM that ESG corporate engagement program applies to:

Shareholder Activism and Proxy Voting

Shareholder Activism is the process of dialogue with company executives and filing shareholder resolutions generates investor pressure on corporate executives, garners media attention (which adds even more pressure on corporations to improve their behavior), and educates the public on often-ignored social, environmental, and labor issues. The process has served as a powerful tool to encourage corporate turnaround in social and environmental policies.

17. For your Africa investments in any of Africa's 54 countries, do you have proxy voting guidelines that address environmental, social or corporate governance (ESG) issues (please include weblink)?

18. How many shareholder resolutions did your fund / portfolio participate in during the period 1 January 2010 to 31 December 2011 for companies listed (primary or secondary listing) on an African stock exchange and / or doing business in Africa?

2010

2011

Any comments / clarifications?:

19. Of the shareholder resolutions (above), how many had an ESG focus?

2010

2011

Any comments / clarifications?:

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20. Relating to the shareholder resolutions / activism (above), please provide details, including companies, dates, weblink to resolution and outcomes.

Institutional Membership and Collaborative Initiatives

21. If applicable, please mark off your fund / firm / organization participation in any sustainable investment / ESG-issue related organizations or collaborative initiatives, noting when your fund / firm joined up:

	<2007	2007	2008	2009	2010	2011	2012
International Corporate Governance Network (ICGN)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
OECD Guidelines for Miltinational Enterprises	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
ILO Tripartite Declaration of Principles	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
UN Draft Human Rights Norms for Business	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Carbon Disclosure Project (CDP)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Institutional Investors Group On Climate Change (IIGCC)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Global Investors Governance Network (GIGN)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Investor Network on Climate Risk (INCR) / CERES	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Principles for Responsible Investments (PRI)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
United Nations Environmental Program Finance Initiative (UNEP FI)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Regional and / or national Sustainable Investment Forums (e.g. AfricaSIF.org, Eurosif)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Code for Responsible Investment in South Africa (CRISA)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
UN Global Compact	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Equator Principles (EP3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Extractive Industries Transparency Index (EITI)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other (please specify)

Attitudes

22. As an investor in a hypothetical investment in Africa today, you have the choice of investing in one of two companies (A and B) that are similar in every way EXCEPT for the fact that one company (A) has better environmental, social or governance (ESG) characteristics than another company (B). Hypothetically, what PREMIUM would you be willing to pay to purchase the company with the better ESG characteristics (ie A not B)?

	No premium	0 < 5%	5 < 10%	10 < 15%	15 < 20%	20 < 30%	30%+
Better ENVIRONMENTAL performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Better SOCIAL performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Better GOVERNANCE performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Better OVERALL ESG performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other (please specify)	<input type="text"/>						

23. In African investment in the PAST 2 years, if / how has the demand for ESG in investment mandates increased?

- Demand is unchanged
- Reduced demand
- Demand increases
- Demand increases 20%+
- Other (please specify)

24. In African investment in the NEXT 2 years, if / how do you expect demand to vary for investment with ESG characteristics thru 2014?

- Demand is unchanged
- Reduced demand
- Demand increases
- Demand increases 20%+
- Other (please specify)

25. Any final comments or context?