



momentum
investments

2025

ANNUAL STEWARDSHIP REPORT

Signatory of:

 **PRI** | Principles for
Responsible
Investment

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Ferdi van Heerden
CEO of Momentum Investments

A message from our chief executive officer

“

Let's stay grounded in our purpose: To build and protect our clients' financial dreams. While financial results are important, our impact on our clients matters even more.

”

Welcome to the 2025 edition of the Momentum Investments Stewardship Report, our annual publication where we report on the activities and progress of our responsible investment journey. Our focus remains on creating long-term value for all our clients and other stakeholders, standing firm in our commitment to also contribute positively to a stable financial market.

The green swan - study, a research paper on central banking and financial stability in the age of climate change, shows empirical evidence that risks, such as climate change, degradation of nature and excessive inequality may impact the financial stability of markets in the future.

Momentum Investments remains committed to supporting a cohesive approach to advance sustainable development in line with the United Nations 2030 Agenda and the Sustainable Development Goals (SDGs). This principled stance stems from our belief that the goals remain a relevant source of guidance to measure our progress, as demonstrated in the Momentum Group Sustainability report.

Environmental, social, and governance (ESG) considerations play an increasingly important role in investment decisions spanning our key strategic themes, of driving aggressive growth, delivering exceptional client experiences, creating a lean and efficient (“future-fit”) operating model and developing products that leverage technology and simplicity.

We take our responsibility as a custodian of our clients' assets seriously, and act as a responsible investor by integrating ESG factors and stewardship principles with commercial factors to ensure good outcomes for our clients.

Furthermore, we are dedicated to making a positive difference by encouraging and helping the companies we invest in to make the right decisions for a better future world that is good for our clients and the societies they live in. We are active investors to help bring about change in existing companies, whilst at the same time also investing in new green opportunities through our Impact Fund, managed by our Alternative Investments team.

As the global investment landscape continues to present challenges to investors, our team of investment professionals remains committed to scaling up responsible investment in line with their fiduciary duties with the ambition to address system-level sustainability risks and support a just transition through our actions.

In conclusion, our commitment to responsible investing is unwavering. We can create sustainable value for our clients and contribute to a better world. We are proud of the progress we have made and remain dedicated to advancing our responsible investment journey.

Thank you for your continued trust and support.

Yours sincerely

Ferdi van Heerden

CEO
Momentum Investments



Mike Adsetts

Global Chief Investment Officer

A message from our global chief investment officer

Welcome to the sixth edition of the Momentum Investments Stewardship Report, our annual publication where we focus and track progress on our stewardship and sustainability journey.

As we make steady progress on our sustainability journey, this report also provides an opportunity for us to reflect on the progress that we have made, with a purpose that we continue to be committed to, notwithstanding the apparent backlash against all things ESG.

This report starts with an overview of how we approach sustainability and ESG, focusing on our pragmatic approach to deal with the myriad challenges in a measured way, balancing the need for impact in the context of limited resources. One of the key approaches to leveraging available resources is through collaboration and focus. This is facilitated through our active participation in numerous industry initiatives where the combination of effort amplifies the impact. The membership of the UN PRI and Climate Action 100+ are examples of these approaches where the sum is bigger than the parts.

Training and education are great ways to draw benefit from the wisdom of others and stay on top of global best practice. We have encouraged our investment team to complete the Robeco Sustainability training modules, learnings that I personally have found insightful and rewarding.

Proxy voting and engagement activities remain a cornerstone of our sustainability approach and in this year's report we provide feedback on numerous such engagement initiatives.

Integrating sustainability and responsible investment practices is key to how we think about investing. In the report, we demonstrate practically how we have done this across a broad array of portfolios.

The Climate Section of the report provides an update on our pragmatic approach to addressing climate change. This is demonstrated through our Decarbonisation Strategy and a report on the Climate Metrics of portfolios. In the [Robeco Global Climate Survey](#), evidence is presented on how investors are thinking or back-tracking on climate change. What is apparent is there are significant regional differences in opinions and a marked increase from a focus on mitigation to that of adaptation as it becomes increasingly clear that many climate goals are becoming increasingly difficult to achieve.

The report concludes with a description of some of our business sustainability practices.

Stewardship is not just a portfolio prerogative but also infuses how we conduct ourselves as a business that truly believes in sustainability. I trust that you will enjoy this report!

Yours sincerely

Mike Adsetts

Global Chief Investment Officer
Momentum Investments



Overview



Snapshot of Momentum Investments



One of the largest investment management businesses in South Africa



Experts in local and global investment solutions



Part of Momentum Group's balance sheet

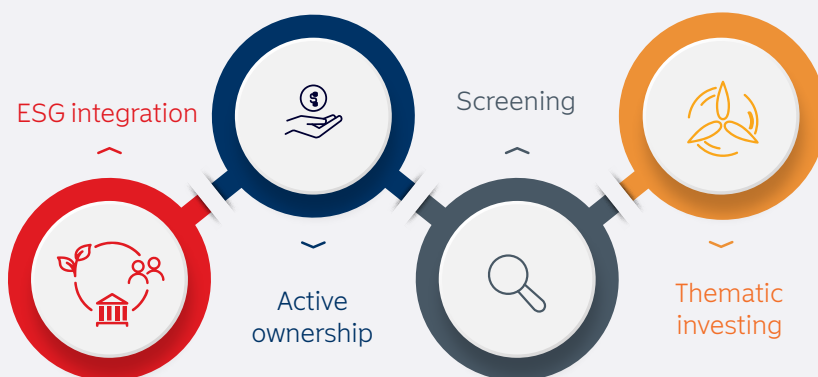


Responsible investment practices are embedded into our investment thinking and management

Our responsible investment framework is based on the Principles of Responsible Investment (PRI), the UK Stewardship Code and the Code for Responsible Investment in South Africa (CRISA 2.0).

We consider the environmental, social and governance (ESG) risks of our investments relevant to the performance of the overall investment objective across all asset classes, sectors, markets, and over time.

Our methods of integration include:



R532.8 billion total discretionary assets¹ under management

Total discretionary assets under management by Momentum Investments (South Africa)²

Momentum Investments (SA)

Listed Equity	51%
Fixed income	29%
Other ⁴	14%
Hedge funds	3%
Real estate	2%
Private equity	1%

For more information on our Responsible Investment practices, you can visit our website [here](#).

Total discretionary assets under management by Momentum Investments (UK)³

Momentum Investments (UK)

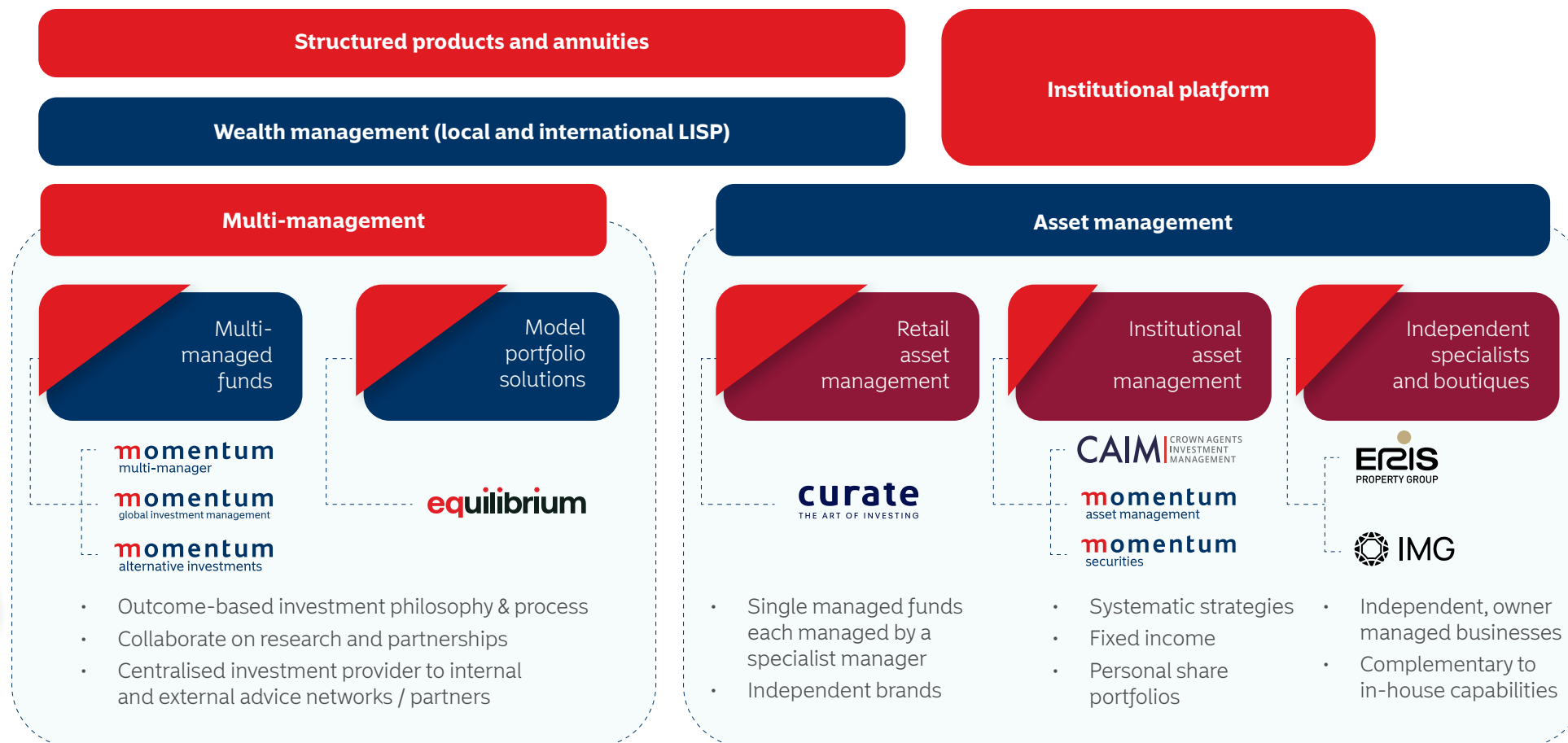
Listed Equity	53%
Fixed income	43%
Other ⁴	3%

For more information on our Responsible Investment practices, you can visit our website [here](#).

1. Discretionary assets under management (AUM) of Momentum Investments (South Africa) and Momentum Investments (U.K); The total assets managed by our company, after we excluded all execution and/or advisory services.
2. The total Discretionary AUM of Momentum Investments (South Africa) consist of: Momentum Asset Management (Pty) Ltd; Momentum Multi-Managers (Pty) Ltd; Momentum Investment Consulting (Pty) Ltd; Momentum Alternate Investments (Pty) Ltd; Momentum Collective Investments (RF) (Pty) Ltd, after we excluded all execution and/or advisory services.
3. The total Discretionary AUM of Momentum Investments (UK) consist of: Momentum Global Investment Managers (Pty) Ltd; Crown Agents Investment Management Ltd.
4. Other includes cash and money market instruments, cash equivalents and/or overlays and money market assets, trade finance, derivative securities related to asset classes.

We help you grow your wealth, whether you're an individual saving for retirement, a business looking to build your portfolio or a financial adviser in need of tools and solutions. With us, investing is personal. From how our experts push the boundaries to create innovative and tailored solutions that can help you achieve your goals on your investment journey, to how we act as the guardians of your legacy, it's personal.

Our diverse range of capabilities



Click on the logos above to visit the website.

Our winning aspiration

“ Being a trusted investment and wealth manager, who crafts sustainable local and global solutions offering unique engagement journeys that advisers and clients can rely on to build and protect their financial dreams. ”

Our responsible investing approach

We commit to best practice



We integrate ESG

We have a responsible investment committee that serves as an oversight function across the various investment capabilities within the team. We integrate ESG across all our discretionary assets under management.

We advocate

We have committed to the below Sustainable Development Goals (SDG) for a focused approach and engage with our investees accordingly.

SDG 4: Quality education
SDG 7: Affordable and clean energy
SDG 8: Decent work and economic growth
SDG 9: Industry, innovation and infrastructure
SDG 13: Climate action

We report on progress

We want to be demonstrable in our progress, please visit our responsible investment [webpage](#) for:

- The latest proxy voting history
- The PRI transparency and assessment report
- The Stewardship report, which shows the yearly update on our stewardship efforts
- The UK Stewardship [report](#), which shows the yearly update of our UK team
- The Sustainability report shows our company's wider sustainability efforts.
- The responsible investment related policies

We are active owners

We use our influence to help maintain a well-governed corporate South Africa.

Number of shareholder meetings	204
Total resolutions	3608
Abstentions*	74
Votes in favour	3189
Votes against	345

1 July 2024 to 30 June 2025

* We will abstain if there are conflicts of interest

We seek disclosure

Through our engagement efforts with our investees, we advocate the importance of transparency which result in better quality information and sustainable outcomes for our clients.



Jana Van Rooijen
Head: Responsible
Investing



Our ongoing commitment to responsible investment

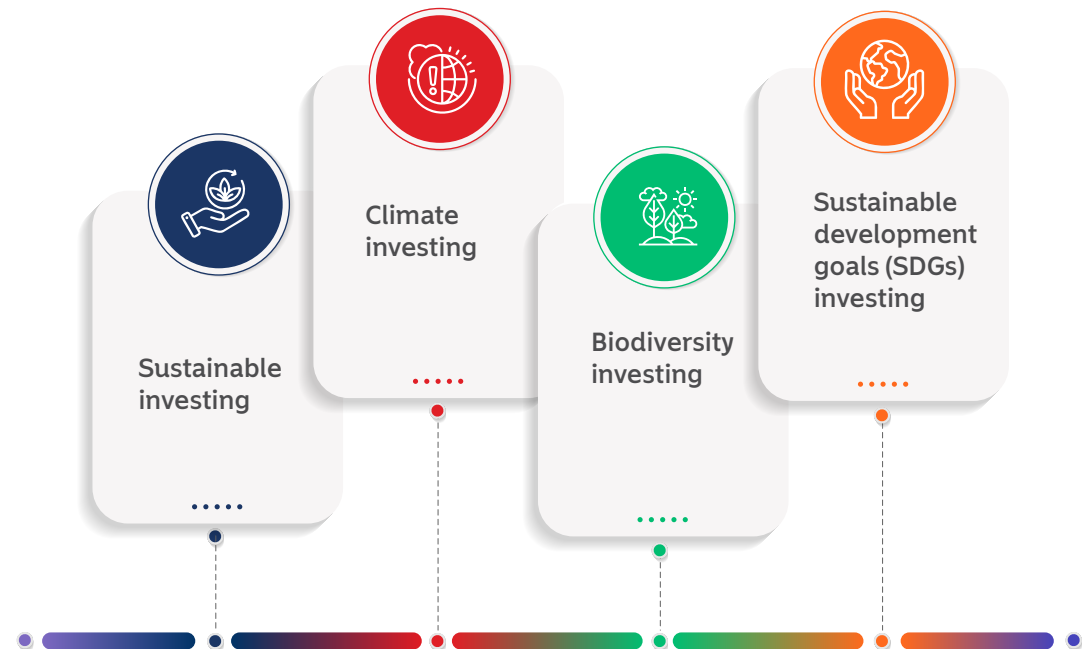
This year, the responsible investment committee reviewed the group company's Impact strategy and Sustainable Strategic Framework, highlighting the integration of responsible investing into its corporate agenda. For the next three years (2025 to 2027), the company has committed to focusing on three interrelated strategic themes: climate change, diversity, equity and inclusion (DEI), and biodiversity. Our aim is to drive positive impact through intentional investment and stewardship efforts to create systemic environmental and social value.

Integrated strategy on climate, water, and biodiversity

We recognise that climate change exacerbates water-related challenges, which are critical to biodiversity preservation. Declining biodiversity, in turn, threatens water security, underscoring the complex interdependence among these environmental factors. Mitigating these risks simultaneously, while embedding considerations of diversity, equity, and inclusion, is essential for sustainable outcomes. We work towards a just transition approach to address social injustices alongside environmental challenges, striving to support a fair and equitable path to sustainable development that benefits clients and communities alike.

Capacity building and responsible investment education

Momentum Investments has prioritised upskilling through Robeco's educational modules on responsible investing. Each module consists of eight chapters awarding investment staff with two hours of CPD points. The Investment staff were trained in fundamentals across:



This initiative strengthens our capabilities to incorporate responsible investment strategic themes effectively.



Collaboration on sustainable finance and water stewardship

At the beginning of this year, we joined the South African Green Finance Taxonomy Pilot initiative, led by the FSCA and the World Bank. It aims to evaluate the market's readiness to report to regulators and investors on taxonomy alignment of private sector activities. A green finance taxonomy is a classification system that defines a minimum set of assets, projects, activities and sectors that are eligible to be defined as "green" in line with international best practice and national priorities.

Without water there is no economy and no future. Therefore, we also recently became part of the Water Engagement Group, a collection of Southern African asset managers, asset consultants, and related industry organisations, to engage with entities on water-related ESG risks. These collaborations aim to deepen understanding of water management practices, improve stakeholder engagement, and foster knowledge sharing amongst asset managers around water themes.

Supporting global biodiversity goals

As a PRI signatory, we endorsed the [SPRING](#) initiative, a PRI-led collaborative focused on halting and reversing nature loss. SPRING concentrates investor stewardship on influential companies worldwide to improve corporate practices regarding biodiversity risks. This aligns with our support of the Kunming-Montreal Global Biodiversity Framework ([GBF](#)), to which South Africa

is a signatory. This UN-adopted framework sets ambitious global targets for biodiversity conservation and restoration by 2030 and 2050, driving nations and organisations to act collaboratively against biodiversity loss.

Governance leadership and policy engagement

In governance, we submitted commentary on the draft King V Code published by the Institute of Directors in South Africa (IoDSA) in February 2025. The [King V](#) Code updates King IV to emphasise ethical leadership, ESG integration, and stakeholder inclusivity. Our feedback supported these key points and recommended improvements such as enhanced usability, retention of shareholder remuneration voting rights, and stronger links between governance principles and outcomes. It also pressed for clearer climate governance and more focus on diversity and inclusion.

Looking ahead, we will continue to take up our fiduciary duty to manage our clients' assets responsibly. Despite noise on ESG pushback globally, we remain committed to our belief that responsible investment practices contribute to a stable and sustainable market that will enable us to deliver on our set investment objectives.



**We
participate
and
collaborate**



Important memberships



Principles for Responsible Investment (PRI)

- We have been signatories to the United Nations-supported Principles for Responsible Investment (PRI) since 2006 and continue to report on our progress against these principles.



UK Stewardship Code

- Momentum Global Investment Management has been listed as a signatory to the UK Stewardship Code recognised by the Financial Reporting Council (FRC) since July 2024. You can read our UK Stewardship report on our website [here](#).



Code for Responsible Investment in South Africa (CRISA)

- We proudly support the CRISA code. You can read our CRISA 2.0 statement on our website [here](#).



Task Force on Climate-related Financial Disclosures (TCFD)

- By following TCFD guidelines, we aim to provide investors, stakeholders and the broader market with clear and consistent information about our climate-related risks, resilience strategies and their financial implications. This commitment underscores our proactive approach to addressing climate change and promoting sustainable financial practices.



Climate Action 100+

- We are signatories to the Climate Action 100+ initiative. We serve on the Eskom and Sasol engagement working groups.



CDP

- We are a voluntary participant in the annual CDP (formerly the Carbon Disclosure Project) and achieved a B score for 2024, affirming our commitment to catalyse action towards a sustainable, decarbonised, deforestation-free and water-secure world.



The Association for Savings and Investment South Africa (ASISA)

- We are a member of the ASISA responsible investment committee. We have wide representation across various ASISA technical and investment committees and working groups. Our chief investment officer serves as a representative on the ASISA investments board.



Investments Consultants Sustainability Working Group (ICSWG)

- We are a member of the UK Investment Consultants Sustainability Working Group through representation in the Momentum Investment Solutions and Consulting team. It leads UK investment consulting firms that aim to improve sustainability investment practices across the industry.



2023*UN PRI Scorecard

Module name

Our score

Global median score

Policy, Governance and Strategy

84%

59%

Indirect - Listed Equity - Active

71%

57%

Direct - Listed Equity - Active Fundamental

68%

71%

Direct Fixed Income - Sovereigns, supranationals and agencies (SSA)

83%

59%

Direct - Fixed Income - Corporate

83%

59%

The modules listed cover at least 50% or more of our assets under management. Visit our website to view our PRI Assessment report and Transparency report [here](#).

*The next PRI assessment result will be shared for 2025, once it becomes available.

**We protect
your
investments**





Luvuyo Mdingi
ESG Analyst

Year under review

Our stewardship work this year was guided by a clear strategy built around three overarching themes: embedding climate key performance indicators (KPIs) into executive remuneration, supporting a climate just transition, and addressing water stewardship and biodiversity. As a responsible investment team, what matters most is staying committed to our proxy voting and responsible investing policies, while engaging constructively with companies to drive tangible impact.

Between July 2024 and June 2025, we voted on 3 608 resolutions across 204 shareholder meetings, supporting 88%, voting against 10%, and abstaining on 2% where conflicts of interest arose. Compared with the market, we were generally aligned but applied greater scrutiny on remuneration and capital structure, reflecting our belief that executive pay should be clearly tied to performance and climate commitments, and shareholder rights safeguarded in capital actions.

Our engagements focused on climate-linked remuneration and climate change with a just transition. On remuneration, we encouraged the selected companies to define clear threshold, target, and stretch performance measures that directly link executive pay to climate outcomes, ensuring leadership accountability. On just transition, we engaged on the need for forward-looking workforce planning, reskilling, and equitable transition strategies in energy-intensive sectors. The companies we engaged with have generally been more responsive to climate-linked pay discussions than to the just transition.

We also observed important governance trends. Companies such as Foschini, Dis-Chem and Vodacom have begun tabling Social, Ethics and Transformation Committee (SETC) resolutions at AGMs. We welcome this shift and expect these committees to face greater scrutiny, as stakeholders demand measurable outcomes on social, ethical, and transformation matters. Meeting this higher standard will require independence, clear mandates, and demonstrable impact.

Overall, our engagements reflect a journey in partnership with companies to strengthen sustainable practices. By focusing on our strategic priorities, we aim to align executive incentives and corporate strategies with social responsibility, reinforcing accountability, transparency, and measurable impact.

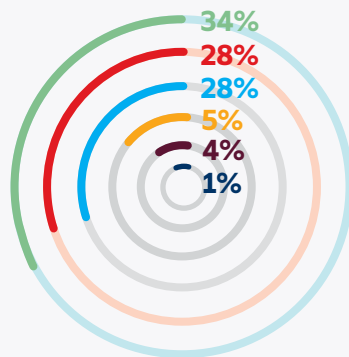


Stewardship activities of Momentum Investments

from 1 July 2024 to 30 June 2025



Proxy votes against by category from 1 July 2024 to 30 June 2025



Remuneration issues

Director issues

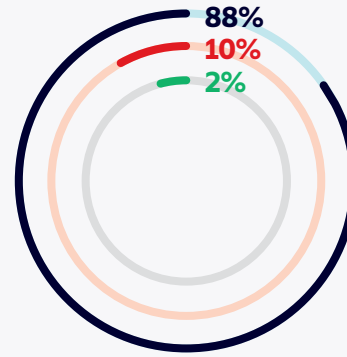
Capital structure

Other

External audit appointments

Corporate action

Proxy votes by resolution from 1 July 2024 to 30 June 2025



For

Against

Abstentions*

*We will abstain when there is conflict of interest

Industries engaged

Industries engaged	Frequency
Real estate	5
Energy	5
Financial services	3
Chemicals	3
Utilities	3
Banks	1
Industrial goods and services	1
Personal care, drug and grocery stores	1
Travel and leisure	1

Engagement topics

Climate policies and regulation	23%
Remuneration policy	23%
Climate change risks	16%
Just transition	12%
Company board governance	10%
Succession planning	6%
Social policy/regulation	6%
Diversity and equity	2%
Pre-voting discussions	2%

Engagement outcomes

Positive	21
Negative	2

Number of meetings per quarter

Q3 2024	4
Q4 2024	3
Q1 2025	10
Q2 2025	6

Engagement status

Closed	19
Ongoing	4

Engagement type

Virtual	9
In person	8
Written correspondence	6

Summary of stewardship activities of our appointed external investment managers

from 1 July 2024 to 30 June 2025

As part of our annual due diligence process, we asked our appointed external investment managers to complete our engagement template. The summary below outlines how twenty-two of our appointed South African investment managers, managing assets on our behalf, engaged with the market.

Industries engaged

Basic resources	21%
Real estate	14%
Financial services	8%
Industrial goods and services	8%
Banks	7%
Chemicals	5%
Food, beverage and tobacco	5%
Retail	5%
Telecommunications	4%
Consumer products and services	4%
Technology	3%
Energy	3%
Health care	3%
Personal care, drug and grocery stores	3%
Insurance	3%
Construction and materials	2%
Travel and leisure	1%
Automobiles and parts	1%

Engagement topics

Remuneration policy	23%
Company board governance	22%
Environmental management	13%
Capital structure	9%
Climate change risks	6%
Climate policies and regulation	5%
Community relation	5%
Social policy/regulation	3%
Renewable energy investments	3%
Human rights	3%
Succession planning	2%
Environmental considerations in mining sector	1%
Pre-voting discussions	1%
Just transition	1%
Diversity and equity	1%
Policy, regulation, legal & compliance	1%
Other	1%

Number of meetings per quarter

Q3 2024	245
Q4 2024	229
Q1 2025	174
Q2 2025	139

Engagement status

Closed	400
Ongoing matter	387

Engagement type

Virtual/Telephone call	310
In person	292
Written correspondence	185

To view how our global external managers engaged on our behalf, please [read](#) our UK Stewardship report.



Luvuyo Mdingi
ESG Analyst

Case study: Sasol Ltd

Sasol is a global integrated energy and chemical company based in South Africa, producing fuels, chemicals, and co-products through oil-to-chemicals and gas-to-liquids operations. As one of the world's largest industrial carbon emitters, its environmental and social footprint is significant, making it strategically critical for us to engage. As we recognise the scale of Sasol's challenges, we understand that the most effective way to influence outcomes is through collaboration with the global investor engagement Group CA100+ and multi-channel engagement initiatives.

In 2023, Sasol tabled a standalone Climate Change Report at its AGM. However, shareholder support declined and protests disrupted the AGM, which was later held online. This highlighted the need for transparent reporting and measurable accountability.

As of 2024, Sasol had not published a revised standalone Climate Change Report. At the ESG roundtable that year, the board indicated that the updated climate plans would be presented at Capital Markets Day in early 2025. This update has now taken place, with Sasol's climate strategy fully embedded within its Integrated Annual Report and no longer tabled separately. We recently engaged through site visits to Secunda and their mining operations; Climate Action 100+ cohorts; ESG forums, and a formal letter sent on 16 May 2025. Engagement concerns focused on emissions reduction, net zero planning, renewable energy investments, executive accountability,

and just transition outcomes. Site visits and presentations offered insight into operations and community programmes like "Bridge to Work," though measurable outcomes remain limited.

In addition to our own observations, the insights from Just Share, a non-profit shareholder activism organisation, the recent research publication [Obstruction Playbook \(May 2025\)](#) and Morgan Stanley Capital International's (MSCI's) Climate Risk reports highlighted conflicts with the public interest and systemic risks to communities and investors, reinforcing the need for robust disclosure, measurable outcomes, and executive accountability for climate and just transition commitments.

Looking ahead, we will continue to press for clear, measurable disclosures on site-specific pollution, social transition outcomes, and board accountability. Our engagement aims to strengthen transparency, accountability, and sustainable outcomes, helping align executive incentives with long-term success for the company and its stakeholders.





Luvuyo Mdingi
ESG Analyst

Case Study: Exxaro Resources Ltd

Exxaro Resources is one of South Africa's largest coal producers and a significant contributor to the country's carbon footprint. Its operations have wide-ranging environmental and social impacts, particularly in coal-dependent regions.

A positive example of progress was evident: Exxaro revised its remuneration policy to include climate targets with thresholds, target and stretch goals, demonstrating alignment with investor expectations and linking executive pay to climate and social outcomes.

We have always maintained an ongoing relationship with Exxaro. The company has always welcomed input and has created opportunities for investors to give input.

On 30 September 2024, we attended an in-person governance roadshow. Discussions included decarbonisation targets, climate-linked executive pay, board gender composition, and Social, Ethics, and Transformation Committee (SETC) oversight. Exxaro reported board gender representation at 53% and highlighted strengthened diversity policies.

There were leadership changes between December 2024 and February 2025. The CEO, Dr Nombasa Tsengwa, was suspended pending an investigation in December 2024 and subsequently resigned on 6 February 2025. Acting CEO Pieter Adriaan Koppeschaar remained in place. We requested clarity on the investigation and CEO succession, emphasising governance continuity and ESG oversight.

In early 2025, Exxaro presented a 17% carbon intensity reduction target by 2026 and 20% by 2050, alongside water and equipment efficiency improvements and planned solar integration. We highlighted the need for measurable Scope 3 reductions and clear ESG-linked executive pay.

We also engaged on just transition initiatives including a skills roadmap to reskill and redeploy coal workers; pilot carbon offset projects at Grootegeluk and Leeuwpan and partnerships with Eskom, the Council for Geoscience, and the Agricultural Research Council to drive emissions reduction; carbon capture, utilisation, and storage (CCUS) research, and climate-smart agriculture in local communities.

Looking ahead, we will continue to persist in our efforts to request transparency on their near-term Scope 3 reductions, clear ESG-linked remuneration, and measurable just transition outcomes.





Luvuyo Mdingi
ESG Analyst

Case study: Fortress REIT Ltd

The property sector faces growing scrutiny over its environmental footprint, in particular, the energy consumption, carbon emissions, and water usage. Fortress Real Estate Investment Trust (REIT) with its substantial commercial and retail portfolio, provides an opportunity to demonstrate how leadership accountability can drive tangible climate outcomes.

We engaged Fortress as part of our commitment to SDG 13: Climate Action. On 20 March 2025, we met with the chairman of the Remuneration Committee and the chairman of the Social, Ethics and Transformation Committee, following a formal letter shared earlier in the month. Our discussion highlighted international best practice in climate-linked remuneration, regulatory developments, and emerging trends in the real estate sector.

Fortress recognised the importance of moving from broad ESG commitments to specific, measurable climate Key Performance Indicators. They outlined plans during the engagement on how they could potentially integrate these considerations into their performance metrics. We will continue to engage with Fortress, monitoring implementation, supporting metric refinement, and ensuring accountability remains central.

This engagement illustrates how investors might influence companies from broad sustainability statements to actionable outcomes, reinforcing transparency, accountability, and alignment with long-term value, while showing that embedding climate metrics in remuneration is both feasible and impactful.



FORTRESS

REAL ESTATE INVESTMENTS



Global Case Study: BP Plc

This case study was provided by Robeco, one of our global investment managers.

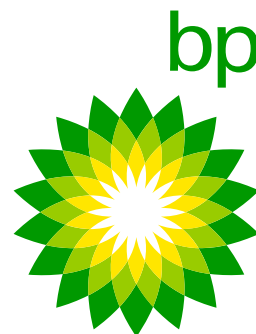
Having once set a sector-leading transition plan, BP weakened their transition targets in 2023. Despite consistent engagement on capital discipline, they were hinting at further reversing their transition strategy. Greater fossil fuel capex and weaker decarbonisation targets increases the transition risks faced as well as leading to higher absolute emissions, whilst not tackling underlying financial performance issues.

In advance of any further strategy changes being announced, Robeco wrote a letter to the chairman highlighting the necessity of ongoing capital discipline, and improved disclosure to demonstrate BP's resilience through the transition. The letter also requested that BP repeat their say on Climate vote in the event of any significant strategy changes, to provide a consistent feedback mechanism.

The letter was signed by Momentum, alongside 48 other investors with £5 trillion in AUM, and was widely covered by the media. Through extensive media briefings and interviews, the prevailing narrative of investors pushing back on ESG issues was successfully balanced, highlighting the ongoing support for ambitious transition plans and the need for capital discipline in the sector.

Ultimately, the company did weaken its transition plan further, reducing low carbon investment and decarbonisation targets whilst increasing upstream capex. This led to Robeco pre-declaring an intention to vote against the chairman and chair of the sustainability committee, with the chairman ultimately stepping down due to significant opposition to his leadership at the AGM.

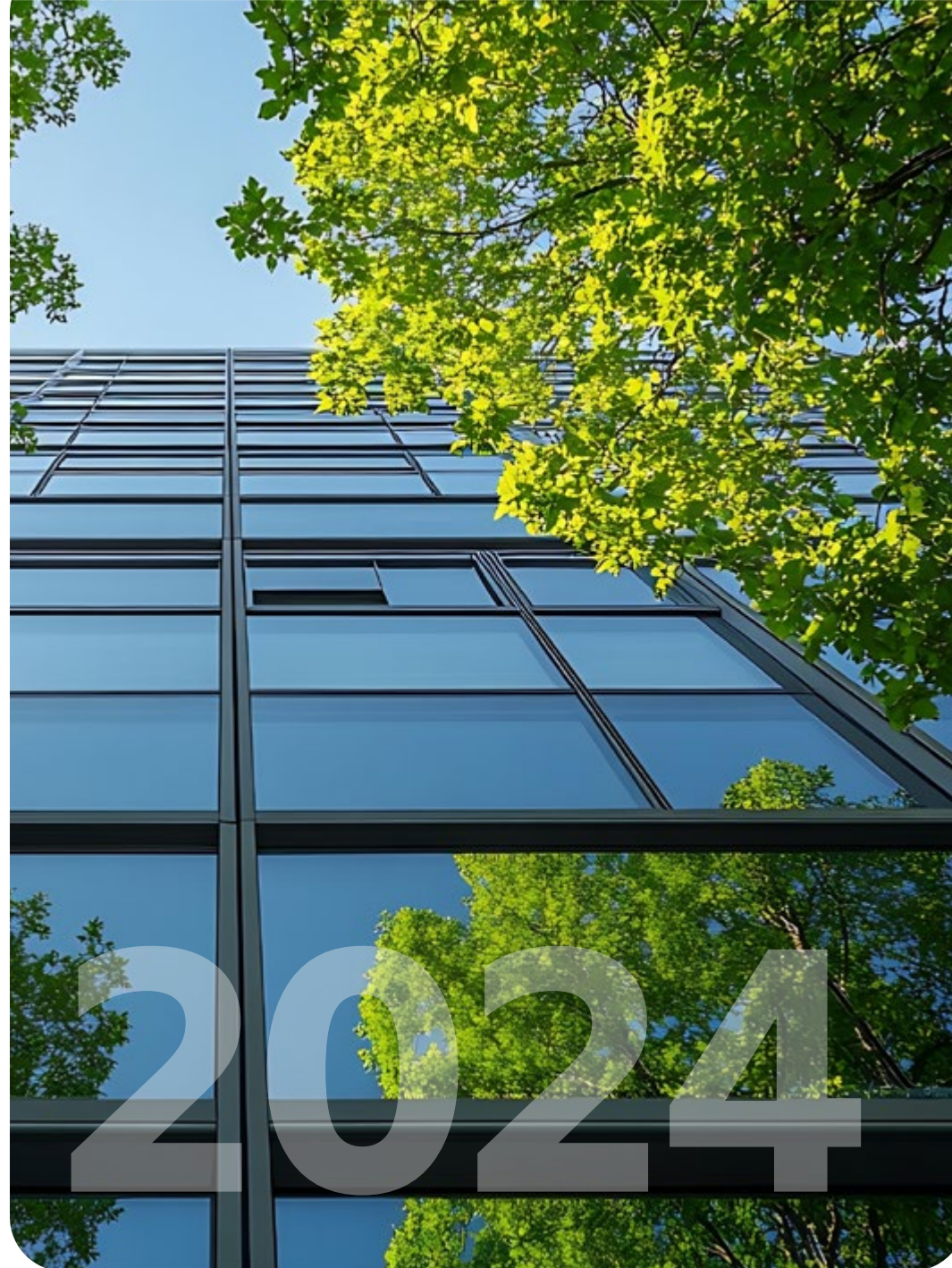
Despite being under additional pressure from activist managers on performance issues, the proactive engagement contributed to the company not backtracking as much as had been feared and demonstrated widespread ongoing support for decarbonisation amongst institutional investors. It has also ensured BP have remained receptive to constructive engagement on better demonstrating their resilience and competitiveness through the transition and calls for ongoing disclosure on sustainability issues.



Engagement register

from 1 July 2024 to 30 June 2025

Date (2024)	Company	Topic
JULY 10	Climate Action 100+	A general global update on sector-wide climate policy and regulation.
AUGUST 15	Vukile Property Fund	Encouraged climate change key performance indicators in remuneration policies and raised concerns about gender representation.
SEPTEMBER 13	Mas Plc	Discussed company board changes.
SEPTEMBER 30	Exxaro Resources Ltd	Advocated for clearer climate key performance indicators with defined thresholds and stretch targets in director pay, and queried Scope 3 disclosure and the decarbonisation roadmap.
OCTOBER 23	Shoprite Holdings Ltd	Received a detailed remuneration breakdown; Noted limited ESG metrics in long-term incentives and encouraged adding climate-specific key performance indicators.
NOVEMBER 5	Sasol Ltd	Queried on the timeline for the revised climate change report.
NOVEMBER 12	Growthpoint Properties Ltd	Discussed climate targets, CEO pay alignment with performance, pre-voting considerations, and climate just transition plans.



Engagement register

Date	Company	Topic
FEBRUARY 10	Exxaro Resources Ltd	Seeked clarity on reasons for CEO's resignation.
FEBRUARY 11	Exxaro Resources Ltd	Follow-up correspondence letter highlighting the Board's commitment to confidentiality, fulfilment of fiduciary duties, and ongoing search for a suitable CEO, focusing on board governance and succession planning.
FEBRUARY 28	Stor-Age Property REIT Ltd	Encouraged clearer climate specific targets, with thresholds and stretch performance measures in director remuneration.
MARCH 11	Climate Action 100+	Participated in collaborative engagements with financial sector stakeholders on climate action in South Africa, sharing insights on Sasol and Eskom and exploring collaboration opportunities.
MARCH 11	PRI	Participated in a PRI event on stewardship practices in South Africa, covering practitioner perspectives and AGM voting approaches.
MARCH 12	Spur Corporation Ltd	Encouraged directors' remuneration to include clear climate-specific key performance indicators with threshold, targets and stretch performance measures.
MARCH 13	Rand Water	Participated in a sector-wide water engagement with Rand Water as part of the Water Investment Engagement Group, focusing on climate change risks.
MARCH 19	RMB	Engaged in a further sector-wide water discussion with RMB as part of the Water Investment Engagement Group, focusing on climate change risks.

Date	Company	Topic
MARCH 20	Fortress REIT Ltd	Advocated strengthening existing climate-related key performance indicators in director pay by setting clear thresholds and stretch performance measures.
MARCH 20	Vukile Property Fund Ltd	Written correspondence advocating strengthening existing climate-related key performance indicators in director pay by setting clear thresholds and stretch performance measures. The letter was tabled at the latest remuneration meeting.
2025 Q1	Trencor Ltd, Metair Investments Ltd, Truworths International Ltd, Metrofile Holdings Ltd, RH Bophelo Ltd, Fairvest Ltd	Encouraged these companies by letter to incorporate climate performance indicators into their remuneration policies, with clearly defined threshold, target, and stretch performance measures.
MAY 14	Nedbank Group Ltd	Nedbank governance roadshow covering succession planning, and discussions around their entire remuneration structure.
MAY 20	Sasol Ltd	Capital Markets Day update.
MAY 22	Sasol Ltd	Attended Sasol's Secunda site visit and raised concern over the limited focus on social transition.
MAY 26	Exxaro Resources Ltd	Sought clarity on remuneration and just transition, encouraging social metrics in their decarbonisation plan.
JUNE 10	Barloworld Ltd	Engaged Barloworld on linking executive incentives to climate key performance indicators and strengthening disclosure on social transition commitments within their decarbonisation strategy.
JUNE 12	Eskom Holdings SOC Ltd	Recommended integrating climate key performance indicators into executive remuneration as Eskom reinstates short-term incentive and long-term incentive schemes.
2025 Q2	Gold Fields Ltd, Glencore Plc, Kumba iron Ore, African Rainbow Minerals Ltd, Anglo American Plc, AngloGold Ashanti Plc	Encouraged these companies by letter to provide clarity on remuneration and just transition plans, and to incorporate social metrics into their decarbonisation strategies.

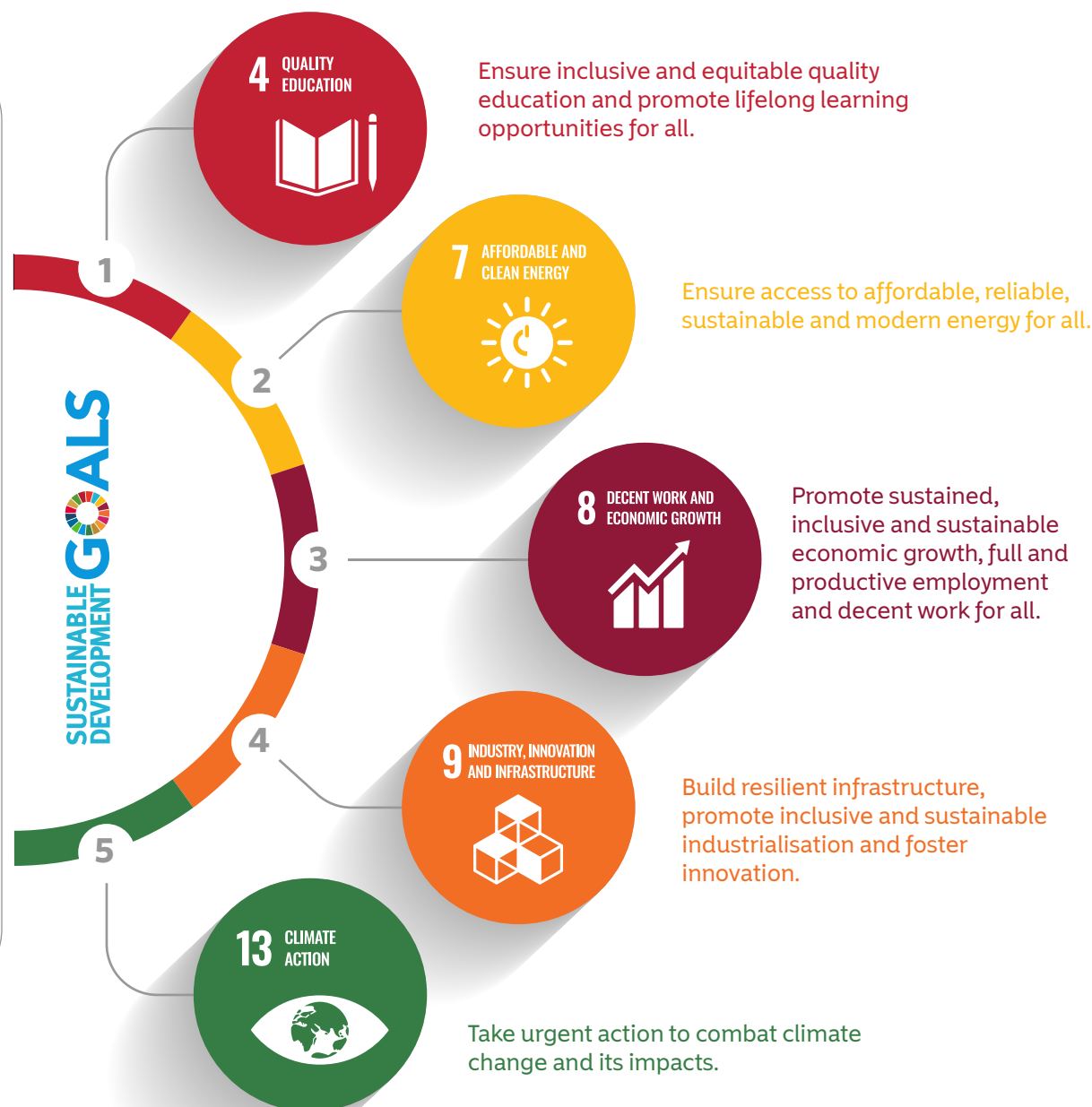


**We
integrate
ESG**



SDG Framework 2025 (year-on-year progress update)

We have selected **five** SDGs for a more focused approach that seeks alignment, practical integration and scale across Momentum Group. Our SDG framework provides an overview of the responsible investing practices across the various teams



SDG Framework F2025

Team

Target name

Target description

Metrics

Impact

Ensure affordable and reliable access to student accommodation.

Increase number of student beds to 16 000.

The number of student beds increased from 5130 (2024) to 5800 (2025)



Team

Target name

Target description

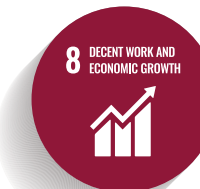
Metrics

Fixed income

The underlying investments within our fixed income portfolios will be used to finance businesses and projects that promote the selected five SDGs as outlined in our SDG bond framework.

Sustainability bonds are specifically designed to raise money for environmental and social responsible initiatives. We will endeavour to increase our exposure to sustainability bonds.

Our exposure to sustainable bonds has decreased from 0.8% (2024) to 0.6% (2025) across our total assets under management. Our total exposure to sustainable bonds as at 30 June 2025 is R468 million. Although the exposure decreased, due to an impaired bond instrument, our team remains committed to look for opportunities to invest in sustainable bonds.



SDG Framework F2025

SDG 7

7 AFFORDABLE AND
CLEAN ENERGY



Team

Target name

Target description

Metrics

Impact

Contribute to the supply of affordable, reliable and modern energy services.

Increase our investments in clean energy sources such as solar and wind.

Total emissions generated by investing in renewables investments: 406 596 MWh (per year).
Number of houses powered by renewable energy: 147 200. Total emissions saved by investing in renewables:
429 223 tCO₂eq/per year, Total amount invested in renewables (solar 74% wind 26%) is R148.6 million.

Team

Target name

Target description

Metrics

Portfolio solutions

Substantially increase the generation of clean and affordable energy.

Increase the number of sites for solar to generate clean energy and limit its CO₂ emissions.

Number of solar sites remained at ten (2025). Total renewable power generated by the solar sites:
10 018 019 kWh/per year. Total emissions saved by investing in the solar sites: 15 823 tCO₂eq/per year.



SDG Framework F2025

SDG 13

13 CLIMATE ACTION



Team

Target name

Target description

Metrics

Hedge fund

Climate change investment policy adoption.

Create climate awareness and achieve climate policy adoption across all appointed investment managers.

Percentage of appointed investment managers with climate policies increased from 43% (2024) to 69% (2025).

Portfolio solutions

Percentage of appointed investment managers with climate policies increased from 45% (2024) to 78% (2025).

Team

Target name

Target description

Metrics

Listed equity

Listed companies to disclose remuneration policies with climate-specific key performance indicators.

Encouraging our targeted listed equity companies, where we have material influence, to have remuneration policies in place with climate-specific key performance indicators.

For the financial year end 2025 period we assessed the ten companies of which Stor-Age Property REIT Ltd, Vukile Property Fund, Fortress REIT Ltd and Fairvest Ltd have adequately linked their climate change goals to their remuneration policies.

Team

Target name

Target description

Metrics

Private equity

Climate change investment policy adoption.

Create climate awareness and achieve policy adoption across appointees.

17% of our appointees currently have climate investment policies in place.



Team

Target name

Target description

Metrics

Impact

Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

Increase the number of vehicles that use the road infrastructure we invest such as the N3 toll road concession and the Trans African Concessions that manages the N4 Toll Route.

Number of vehicles (million) decreased to 32, decreasing by 2.73% from last year.

Team

Target name

Target description

Metrics

Impact

Significantly increase access to information and communications technology and strive to provide affordable access to the internet.

Increase the information and communications technology breadth across South Africa.

50k kilometers coverage to service businesses with fiber. 2.6 million homes passed to service with fiber. A total of 1.1m k homes connected.

Team

Target name

Target description

Metrics

Private equity

Facilitate sustainable and resilient industry, innovation and infrastructure development in developing countries through investment support to African countries.

Improve innovation, industry and infrastructure in Africa.

The total Africa Infrastructure market value invested increased to a total of R596.7 million, a 16.% increase from last year.





Our investment team capabilities

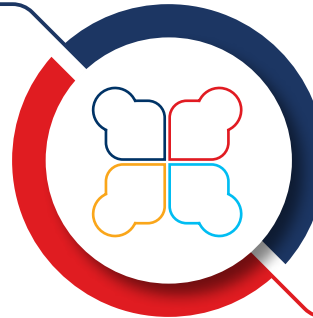


Multi-management

Multi-asset-class investments

Multi-asset-class investments contain various asset classes, including equities, bonds and cash.

It is important to integrate ESG considerations throughout our selection, appointment and monitoring process of our appointed investment managers.



Global investments

On our global mandates we collaborate with Momentum Global Investment Management (MGIM), which was established in the UK in 1998 as a specialist global investment manager.

Selection, appointment and monitoring of investment managers

Selection process

- Ensure we know the full scope of investment managers
- Conduct virtual meetings and site visits
- We ask responsible investment questions in our due diligence questionnaire

Appointment process

- The South African investment managers adopt our RI policy, and we maintain our voting rights on governance resolutions
- The investment managers will report back on material ESG risks
- Investment managers engage with companies and bond issuers on our behalf, in addition to our own stewardship efforts

Monitoring process

- Report-back meetings are held to ensure the investment managers implement RI practices
- The manager research team may request specific ESG-related information for the manager to report on



Our responsible investment due diligence allows us to better understand the following key considerations of our appointed external investment managers:



Investment manager organisation
Responsible Investment culture.



Resources
Level of oversight and accountability assigned to management and investment staff.



Skillset
Skillset to identify and interpret ESG risk rather than the type or form being implemented.



Active ownership
Do they use their formal rights to influence the activity and behaviour of the companies they invest in.

The SA multi-management team has also committed to SDG 7: Affordable and Clean Energy and SDG 13: Climate Action. Refer to [page 25-29](#) for more information.

Our global investment multi-manager team, Momentum Global Investment Management (MGIM), is aligned with the same selection, appointment and monitoring process as we consider responsible investment practices across the investment managers we appoint. Please refer to the published UK Stewardship Report of 2025 for further information.

Article 8 Fund, under the European Union (EU) Sustainable Finance Disclosure Regulation (SFDR):

The Curate Global Sustainable Equity Fund

**Value R22.3 billion
(F2024: R15.7 billion)**

Key performance indicators

The fund is Article 8 under the EU SFDR. The fund aims for consistent outperformance versus the MSCI World Index, while simultaneously delivering an improved sustainability profile. It targets a reduced environmental footprint compared to the benchmark. The fund aims for a ESG score that is 10% better than the benchmark based on Sustainalytics ratings, indicating lower ESG risk.

The fund achieves these goals by:

- Excluding stocks with exposure to sectors such as coal, tobacco, palm oil, firearms, arctic drilling and oil sands
- Integrating ESG and SDG factors in the investment process and portfolio construction
- Allocating higher investments to companies scoring better on a range of ESG metrics
- Excluding all companies that have a strongly or moderately negative impact on any of the 17 UN Sustainable Development Goals, as measured according to a proprietary Robeco framework.

F2025 environmental metrics relative to the benchmark:














- **55.4%** lower GHG (Scope 1 and 2) than the benchmark
- **30.3%** lower waste generation than the benchmark
- **87.2%** lower water consumption than the benchmark

- At least 20% lower water usage than the benchmark
- At least 20% lower waste generation than the benchmark
- At least a 30% reduction in greenhouse gas emissions (Scope 1 and 2)

Alternative investments

Exploring opportunities in hedge funds, impact investing and private markets.

Our way of working when it comes to responsible investing:

Hedge funds	Impact investing	Private markets
 Active ownership	 Active ownership	 Active ownership
 *SDG 13 Climate Action	<div>  *SDG 13 Climate Action </div> <div>  SDG 7 Affordable and Clean Energy </div> <div>  SDG 9 Industry, Innovation and Infrastructure </div>	<div>  SDG 13 Climate Action </div> <div>  *SDG 9 Industry, Innovation and Infrastructure </div>
	 Thematic	 Screening
	 ESG integration	 ESG integration Our side letters give guidance on ESG matters included in our formal agreements with investees.

* Refer to page 25-29 for how the respective teams measure and track their SDG progress

Impact investing investable portfolios

Momentum Impact Portfolio

Value R448 million (F2024: R370 million)

The portfolio invests in the three portfolios mentioned below to provide clients with a diversified exposure to various infrastructure assets and impact themes.

Momentum Alternative Energy Portfolio

Value R109 million (F2024: R99 million)

7 AFFORDABLE AND CLEAN ENERGY



This portfolio invests in equity and mezzanine debt instruments related to renewable energy infrastructure. These investments help contribute to the expansion of renewable energy capacity, reduce reliance on fossil fuels and mitigate climate change impacts.

Momentum Diversified Infrastructure Portfolio

Value R221 million (F2024: R188 million)

9 INDUSTRY INNOVATION AND INFRASTRUCTURE



This portfolio invests in core infrastructure, including roads, rail, telecommunications and agriculture. By focusing on these essential infrastructure areas, the portfolio seeks to contribute to the development and improvement of critical systems and services that support economic growth and societal well-being.

Momentum Social Infrastructure Portfolio

Value R118 million (F2024: R83 million)

4 QUALITY EDUCATION



This portfolio invests in student accommodation and affordable housing. This investment aligns with our broader sustainable development objectives by providing accessible and affordable housing solutions for communities. Additionally, investing in student accommodation supports educational opportunities and enhances the overall quality of life for students pursuing higher education.

Fixed income

Fixed income - Local

The aim of fixed income investments is to generate consistent inflation-beating returns, while maintaining a strong focus on capital preservation.

Fixed income - Global

Our responsible investment approach includes:

1 ESG integration

2 Negative screening

3 *SDG commitments

4 Active ownership

5 Industry collaboration:

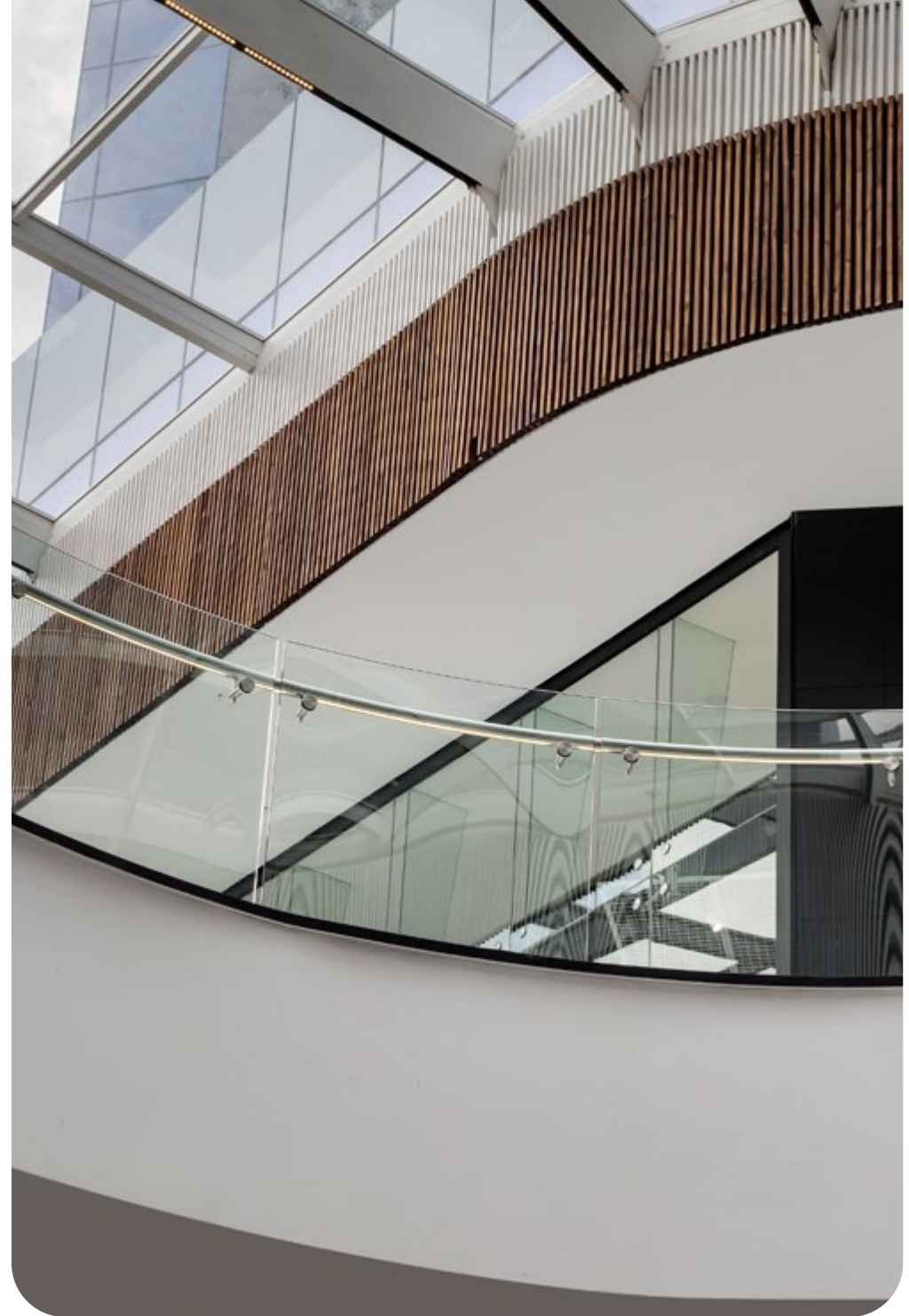
- SA Investor Water engagement group
- Participating in the Financial Sector Conduct Authority's (FSCA's) Green Finance Taxonomy Project.
- We serve as a participant in the Climate Action 100+ engagement group of Sasol and Eskom

* Refer to [page 25-29](#) for how the respective teams measure and track their SDG progress.

ESG considerations are an integral component of our credit investment process and are thoroughly evaluated prior to the allocation of capital to any counterparty. Furthermore, ESG considerations continue to be monitored post investment as we understand that ESG risk (and opportunity) factors are relevant to the overall performance of our investments. Our focus is to be proactive in terms of ESG factors in our investment decisions and in our engagements with issuers and third-party stakeholders so that we can identify and act on any risk before these escalate into material events that may affect the investment outcomes of our clients. Should any ESG-related risks be identified, we will adopt an assertive approach regarding the entity in question. This typically results in the entity being placed on our watchlist and being subjected to a higher frequency of monitoring as well as restrictions around further investment. This action will be contingent upon an engagement with the management of the entity to address the identified ESG concerns and/or the entity demonstrating measurable progress in addressing the identified areas of concern.

We take a hard line on governance. We don't invest where there is a proven or potential risk of governance failings. From an environmental and social perspective, we look to support responsible corporate citizens. We invest in companies that invest in communities in which they operate, we invest in companies that have a diverse employee and leadership base and/or are showing good track record of improvement in this regard. We also invest in companies that are tracking and showing a good track record of improvement in respect of their carbon footprint, waste recycling and water usage etc.

Furthermore, we look to grow our exposure to investments with a strong societal impact. These include our investment in digital infrastructure (e.g. data centers and telecommunication towers) and affordable rental housing initiatives. We also look to grow our exposure to sustainability-linked bonds, an emerging segment of the listed domestic debt market. These securities may include coupon-adjustment features to encourage sustainable practices or may restrict the usage of funds raised to projects with impact from an environmental and societal perspective. Examples would include projects in renewable energy, sustainable water and wastewater management, clean transportation, socio-economic advancement and empowerment generation.



Systemic strategies

Index-tracker investments

Low-cost exposure to an equity index and certainty that returns will be in line with the benchmark

Smart beta investments

Achieve benchmark-outperforming returns at lower fees than what is associated with traditional equity portfolios

Our responsible investment approach includes:



SDG 13 Climate Action



Active ownership

We vote on every holding we own and will only abstain if there is conflict of interest. Our company engages with company management through our responsible investment team.



Industry collaboration

CA100+ We serve as a participant in the Climate Action 100+ engagement group of Sasol

* Refer to [page 25-29](#) for how the respective teams measure and track their SDG progress.

Climate change



Decarbonisation strategy

Our aim is to work towards a Just Transition and achieve a low carbon economy while being aligned to the Paris Agreement¹.

Reduce our carbon footprint as a business

We are long-time supporters of reporting our carbon footprint and have been a signatory to the Carbon Disclosure Project (CDP) since 2013, also working towards a science-based aligned approach. We publish our company climate approach in our Sustainability Report on our website.

1

Work towards a Just Transition

Managed transition

We support low- and high-emitting firms, to ensure delivery of critical services and through our stewardship efforts, ensure entities have a robust climate strategy and support a Just Transition.

Finance and invest in climate solutions

We increase our focus on low-emitting technologies and services, thereby replacing high-emitting technologies or services over time.

Green economy

We increase our investment exposure in the green economy.

2

4

Promote climate-aligned investing

3

Through our stewardship efforts, we collaborate and create awareness across the investment industry.

We will be demonstrable in our progress.

Climate-related reporting is important to ensure transparency and accountability.

Sustainability Report

Targets all stakeholders seeking insight into our Sustainability Framework and key areas such as financial inclusion, social and employee well-being, climate change (TCFD) and environmental stewardship. Click [here](#) to read our **published report**.

Stewardship Report (For policy holders)

This report demonstrates the extent to which we have integrated responsible investment practices. Disclosing the carbon footprint of our financed emissions

Client-specific reports (For policy holders)

Carbon footprint of the South African local equities and fixed income exposures held within our client portfolios. Available on request.

1. By Paris Alignment, we mean that MML Ltd will be consistent with the objectives of the Paris Agreement and a country's pathway towards low greenhouse gas emissions and climate-resilient development. Taking into account the principle of common but differentiated responsibilities and respective capabilities, in light of countries' different national circumstances.

Climate risk assessment

Physical and transitional risk assessment

Momentum Investments assesses its climate-related risks and opportunities. This is done through the MSCI One climate analysis tool. Two scenarios were assessed for the South African listed equity and fixed income discretionary assets under management at the end of the 2025 financial year, including 1.5°C NGFS Orderly Aggressive and Average, with the overall outputs presented below.

Top portfolio physical risks

- > Extreme heat
- > Coastal flooding

Portfolio transition risks

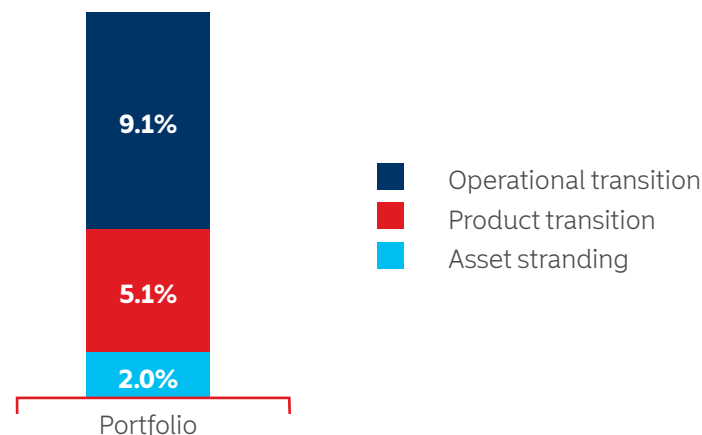
Low-carbon transition risk refers to the financial and economic risks associated with shifting from a high-carbon to a low-carbon economy.

The South African Discretionary Listed equity and Fixed Income portfolios' exposure to companies classified as low-carbon transition risk is 11%.

Over the next decades, it is expected that **revenue losses and asset damages** will increase for companies exposed to physical climate risks. Reducing GHG emissions and **keeping global warming to 1.5°C**, as prescribed by the Paris Agreement, could decrease the physical climate risk impact.

Transition risk

Exposure to low carbon transition risk



Source: MSCI

1

Operational transition:

Companies with increased operation and/or capital cost due to carbon taxes and/or investment in carbon emission mitigation measures leading to lower profitability of the companies.

Product transition:

Companies that face reduced demand for carbon-intensive products and services. Leaders and laggards are defined by the ability to shift product portfolio to low-carbon products.

2

3

Asset stranding:

Potential to experience "stranding" of physical/natural assets due to regulatory, market or technological forces arising from low-carbon transition.

Climate metrics

For F2025, financed carbon emissions are calculated for listed South African discretionary equities and fixed income asset classes which accounts for more than 59% of total SA discretionary assets under management. In addition, some of our global equity assets are included in separate tables below, whereby these MSCI results are provided by Russell which are administered on their Enhanced Portfolio Implementation platform. Our other listed assets outside of South Africa are not included due to current data limitations.

Decarbonisation area	Climate metric	Overview	Scope	External data provider	Section
Discretionary assets under management for: <ul style="list-style-type: none"> SA listed equity and fixed income Momentum and Curate global equity funds 	Temperature alignment	Measure our portfolio alignment to the Paris Agreement target as shown in degrees Celsius.	Policy holder	MSCI	1
Discretionary assets under management for: <ul style="list-style-type: none"> SA listed equity and fixed income Momentum and Curate global equity funds 	Financed emissions	Attributed emissions and intensity data of our investments. This covers Scope 3 category 15 – Scope 1 and 2 of the investee companies.	Policy holder	MSCI	2
Discretionary assets under management for: <ul style="list-style-type: none"> SA listed equity and fixed income Momentum and Curate global equity funds 	WACI Corporate constituents	Measures a portfolio's exposure to carbon-intensive companies, defined as the portfolio weighted average of companies' Carbon Intensity (emissions/sales).	Policy holder	MSCI	3
Discretionary assets under management for: <ul style="list-style-type: none"> SA listed equity and fixed income 	WACI Sovereign constituents	Measures a portfolio's exposure to carbon-intensive economies, defined as the portfolio weighted average of sovereigns' greenhouse gas (GHG) Intensity (emissions/GDP).	Policy holder	MSCI	4

Climate metrics

Section 1 Implied Temperature Rise

The Implied Temperature Rise (ITR) metric indicates how well public companies align with global temperature goals. Expressed in degree Celsius, it is an intuitive, forward-looking metric that shows how a company aligns with the ambitions of the Paris Agreement - which is to keep a global temperature rise this century well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5°C.

SA discretionary assets under management within listed equity and fixed income as of 30 June 2025

Implied temperature rise:

2.7 °C



> AUM (R'bn)	237
> ITR Rise coverage	66.1%
> PCAF Weighted score	2.26

Source: MSCI

The issuers within our FYE 2025 portfolio analysis are distributed according to their Implied Temperature Rise showing the number who are aligned with the Paris Agreement and the more ambitious 1.5°C temperature goal.

Implied temperature	Rise categories	% of companies in category
1.5 °C aligned	<= 1.5 °C	21.6%
2 °C aligned	> 1.5 °C - 2 °C	23.4%
Misaligned	> 2 °C - 3.2 °C	28.8%
Strongly misaligned	> 3.2 °C	26.1%

From this distribution, 45% of companies are aligned with the goal of limiting temperature increase to below 2°C. 21.6% of companies are aligned with the goal of limiting temperature increase to below 1.5°C.

Climate metrics

Momentum Global Equity Funds as of 30 June 2025

	Market value (USD 'm)	MSCI implied temperature rise	MSCI data coverage	Partnership for Carbon Accounting Financials (PCAF) score
Momentum GF Global Equity Fund	473	1.6°C	100%	2.20
Curate Global Quality Equity Fund	86	1.6°C	100%	2.07
Curate Global Value Equity Fund	93	1.6°C	100%	2.28
Curate Global Growth Equity Fund	97	1.6°C	100%	2.27

Source: MSCI

Climate metrics

Section 2 Financed emissions

Financed emissions represent the estimated carbon emissions of our investment portfolio. We monitor the emissions of our investment portfolio for shareholders, with-profits and policyholder funds and our progress towards our climate ambitions. We use three metrics to assess our financed emissions: absolute emissions which represent attributed estimated emissions, an asset class specific intensity metric and economic carbon intensity which enables comparison across asset classes.

Financed emissions by asset class for FY2025 (Investee Scope 1 and Scope 2, excluded Investee Scope 3)

Asset class 30 June 2025	Scope 1 and 2 financed carbon emissions tCO2e/ USD M invested (EVIC)	Scope 3 upstream financed carbon emissions tCO2e/ USD M invested (EVIC)	Scope 3 downstream financed carbon emissions tCO2e/ USD M invested (EVIC)	Scope 1 and 2 financed carbon intensity tons CO2e/USD M sales	Scope 3 upstream financed carbon intensity tons CO2e/USD M sales	Scope 3 – downstream financed carbon intensity tons CO2e/USD M sales	Data coverage (%)	PCAF data score	AUM (R'bn)
SA Discretionary Listed Equity and Fixed Income	165.8	131.6	664.8	309.3	245.5	1240.4	66.1	2.26	237
SA Discretionary Listed Equity	129.6	139.6	756.5	236.4	254.7	1380.5	95	2.28	139
SA Discretionary Fixed Income	361.5	88.4	168.8	767.9	187.8	358.6	25	2.17	98
Asset class 30 June 2024	Scope 1 and 2 financed carbon emissions tCO2e/ USD M invested (EVIC)	Scope 3 upstream financed carbon emissions tCO2e/ USD M invested (EVIC)	Scope 3 downstream financed carbon emissions tCO2e/ USD M invested (EVIC)	Scope 1 and 2 financed carbon intensity tons CO2e/USD M sales	Scope 3 upstream financed carbon intensity tons CO2e/USD M sales	Scope 3 – downstream financed carbon intensity tons CO2e/USD M sales	Data coverage (%)	PCAF data score	AUM (R'bn)
SA Discretionary Listed Equity and Fixed Income	110.5	122.7	847.1	213.3	238.8	1660.7	70.7	2.08	220
SA Discretionary Listed Equity	136.3	146.3	1093.4	249.4	270.2	2036.4	92.8	2.05	81.2
SA Discretionary Fixed Income	34.2	52.7	121.8	80.3	123.7	286.1	40.8	2.16	139.6

Source: MSCI

Climate metrics

Momentum and Curate global equity funds as of 30 June 2025

Asset class 30 June 2025	Scope 1 and 2 financed carbon emissions tCO ₂ e/ USD M invested (EVIC)	Scope 3 upstream financed carbon emissions tCO ₂ e/ USD M invested (EVIC)	Scope 3 downstream financed carbon emissions tCO ₂ e/ USD M invested (EVIC)	Scope 1 and 2 financed carbon intensity tons CO ₂ e/USD M sales	Scope 3 upstream financed carbon intensity tons CO ₂ e/USD M sales	Scope 3 - downstream financed carbon intensity tons CO ₂ e/USD M sales	Data coverage (%)	PCAF data score
Momentum GF Global Equity Fund	21.9	74.9	86.4	61.8	211.5	244.2	100	2.20
Curate Global Quality Equity Fund	2.5	48.2	14.5	13.9	271.9	81.7	100	2.07
Curate Global Value Equity Fund	59.6	143.1	218.6	79.3	190.2	290.7	100	2.28
Curate Global Growth Equity Fund	4.1	33.1	28.2	29.9	243.6	207.3	100	2.27

Source: MSCI

Section 3 Weighted Average Carbon Intensity

3.1 Corporate constituents

The weighted average carbon intensity of the corporate constituents, measures a portfolio's exposure to carbon-intensive companies, defined as the portfolio weighted average of companies' Carbon Intensity (emissions/sales).

Asset class 30 June 2025	Scope 1 and 2 corporate constituents tCO2e/USD M sales (WACI)	Scope 3 upstream corporate constituents tCO2e/USD M sales (WACI)	Scope 3 downstream corporate constituents tCO2e/USD M sales (WACI)	Data coverage	PCAF data score
SA Discretionary AUM Momentum Group Listed Equity and Fixed Income	294.5	238.7	886.7	66.1	2.26
SA Discretionary Listed Equity	194.3	246	996.9	95	2.28
SA Discretionary Fixed Income	835.9	199	291.1	25	2.17
SA Discretionary Listed Equity and Fixed Income	397.8	236.6	1223.9	72.6	2.08
SA Discretionary Listed Equity	182.7	250.0	1602.9	92.8	2.05
SA Discretionary Fixed Income	831.3	185.5	213.9	44.1	2.16

Momentum global equity funds as of 30 June 2025

Asset class 30 June 2025	Scope 1 and 2 corporate constituents tCO2e/USD M sales (WACI)	Scope 3 upstream corporate constituents tCO2e/USD M sales (WACI)	Scope 3 downstream corporate constituents tCO2e/USD M sales (WACI)	Data coverage	PCAF data score
Momentum GF Global Equity Fund	36.1	211.0	150.0	100	2.2
Curate Global Quality Equity Fund	10.2	218.3	74.3	100	2.07
Curate Global Value Equity Fund	75	195.5	245.4	100	2.28
Curate Global Growth Equity Fund	24.5	218.9	135.6	100	2.27

Climate metrics

3.2 Monitoring sovereign holdings

The weighted average carbon intensity of the sovereign constituents, it measures the overall fixed income's exposure to carbon-intensive economies, defined as the weighted average of sovereign GHG Intensity (emissions/GDP).

Asset class 30 June 2025	GHG Intensity sovereign constituents tons CO2e/USD M GDP Nominal (WACI)	Data coverage	PCAF data score
SA Discretionary Listed Equity and Fixed Income	1,371.50	24.4	2.26
SA Discretionary Fixed Income	1371.5	59.2	2.17

Asset class 30 June 2025	GHG Intensity sovereign constituents tons CO2e/USD M GDP Nominal (WACI)	Data coverage	PCAF data score
SA Discretionary Listed Equity and Fixed Income	1313.6	20.4	2.08
SA Discretionary Fixed Income	1317	38.7	2.16

Source: MSCI




Note:

- By Paris Alignment, we mean that MML Ltd will be consistent with the objectives of the Paris Agreement and a country's pathway towards low greenhouse gas emissions and climate-resilient development. Taking into account the principle of common but differentiated responsibilities and respective capabilities, in light of countries' different national circumstances.

Disclaimer: This disclosure was developed using information from MSCI ESG Research LLC or its affiliates or information providers. Although Momentum Outcome-based Solutions (Pty) Ltd.'s information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

SA discretionary assets invested in carbon intensive assets

The totals represent the South African discretionary carbon-related assets* managed by Momentum Investments at 30 June 2025.

	F2025	F2024	F2023
 Total carbon-related assets* (R billion)	50.9	39.3	30.6
 Total coal** (R billion)	3.7	3.7	2.4
 Total oil and gas (R 000)	0	613	737




Source: Momentum Investments

* The following sectors, which are aligned to the Supersectors of the ICB classification, were included in the carbon-related assets: Beverages; Chemicals; Construction and Materials; Electronic and Electrical Equipment; Food Producers; General Industrials; Industrial Engineering; Industrial Materials; Industrial Metals and Mining; Industrial Transportation; Mining; Oil, Gas and Coal; Personal Care; Drug and Grocery Stores; Pharmaceuticals and Biotechnology and Tobacco

**Includes Eskom, Thungela Resources Ltd and Exxaro Resources Ltd.

UK discretionary assets invested in carbon intensive assets:

The totals represent the UK discretionary listed equity, carbon-related assets* managed by Momentum Investments at 30 June 2025.

	F2025
 Total carbon-related assets* (R billion)	7.0
 Total coal** (R million)	15.8
 Total oil and gas*** (R billion)	1.2

* Includes companies within the following ICB sectors: Beverages; Chemicals; Construction and Materials; Electronic and Electrical Equipment; Food Producers; General Industrials; Industrial Engineering; Industrial Materials; Industrial Metals and Mining; Industrial Transportation; Mining; Oil, Gas and Coal; Personal Care; Drug and Grocery Stores; Pharmaceuticals and Biotechnology and Tobacco

**Includes companies from the Bloomberg sector classifications' sub-group, coal

***Includes companies from the Bloomberg sector classifications' sub-groups: Gas-Distribution and Oil Comp-Integrated

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It is our fiduciary duty to ensure we manage climate change risk concerns on our clients' behalf.

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Through our climate decarbonisation strategy, we acknowledge the importance of working with our investee companies to ensure they have a robust climate strategy and support a Just Transition. Our investment actions result in an implied temperature rise and carbon footprint, which we endeavour to manage responsibly by keeping to our company's decarbonisation strategy.

Our governance team has committed to their SDG 13: Climate Action goal to encourage their targeted listed equity companies to disclose and link remuneration policies with climate-specific key performance indicators (click [here](#) to view our SDG framework (listed equity). As stated in our climate change investment policy, we are committed to refraining from direct investment allocation towards financing new coal-fired power stations.

Climate metrics

CO2e



Carbon dioxide equivalent.

PCAF



Partnership for Carbon Accounting Financials principles.

**Financed
Carbon
Emissions**



Allocated emissions to all financiers (EVIC) normalised by \$m invested. Measures the carbon emissions, for which an investor is responsible, per USD million invested, by their equity ownership. Emissions are apportioned based on equity ownership (% market capitalisation).

**Financed
Carbon
Intensity**



Allocated emissions per allocated sales. Measures the carbon efficiency of a portfolio, defined as the ratio of carbon emissions for which an investor is responsible to the sales for which an investor has a claim by their equity ownership. Emissions and sales are apportioned based on equity ownership (% market capitalisation).

**Sovereign
constituents**



Measures a portfolio's exposure to carbon-intensive economies, defined as the portfolio weighted average of sovereigns' GHG Intensity (emissions/GDP).

EVIC



Enterprise Value Including Cash (EVIC) is an alternate measure to Enterprise Value (EV) to estimate the value of a company by adding back cash and cash equivalents to EV. The underlying data used for EVIC calculation is sourced from a company's accounting year-end annual filings. EVIC is updated and reflected once a year as the data is sourced annually.

**Data
Coverage**



The percentage of the portfolio value for which the stated metric is calculated.



Transformation **in the** asset manager industry





Jean Badenhorst
Head: Manager Research

Navigating the new global frontier: Strategic imperatives for South African asset managers

The recent expansion of the offshore investment allowance for South African retirement funds marks a pivotal moment for the domestic asset management industry. This regulatory shift allows South African pension funds to invest up to 45% of their portfolios offshore, replacing the previous 30% limit, to be allocated to global assets, unlocking significant opportunities for diversification into high-growth sectors not available locally. However, it simultaneously presents formidable challenges, particularly for emerging, domestic-focused managers.

The primary hurdle is the capability gap. Many smaller Black South African firms lack the deep-seated global market expertise and extensive research infrastructure required to compete effectively against established international managers. This creates intense pressure to either build in-house global teams—a capital- and time-intensive endeavour—or partner with offshore firms.

We anticipate this new landscape will accelerate industry consolidation, as scale and global reach become critical for survival. Black firms managing under R10 billion may face significant viability pressures. Nevertheless, opportunities exist for agile Black boutique managers who can leverage niche strategies, attractive fee models, and differentiated product offerings to attract capital. Ultimately, strategic adaptation and a clear demonstration of global investment acumen will be the key differentiators for success in this evolving, globally integrated environment.

As it pertains to Momentum Multi-Manager, the next three-year transformation plan will be to: monitor succession, the front office, black woman ownership, amongst other things. We will do granular reporting with active engagement being our lever, to effect change going forward. For further information, please see our company's [Transformation policy](#).



UK Stewardship Report



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This is our fourth Stewardship Report. With each edition, we've improved our reporting by better aligning with UK Stewardship Code guidelines and providing more comprehensive, objective commentary on our stewardship processes and progress. We appreciate the detailed feedback from the Financial Reporting Council (FRC) on every edition and are proud to have earned signatory status following our 2024 report. We've taken additional steps to address the FRC's feedback on our previous edition. We believe this report demonstrates both our sincere commitment and effective execution of our stewardship responsibilities as an investment manager and adviser.

Andrew Hardy

Managing Director

Momentum Global Investment Management

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Responsible investment function



The responsible investment team

Our dedicated responsible investment team works closely with our investment team to support the integration of ESG, promote active ownership and facilitate research and learning. They refine, own and champion our responsible investment policies and drive adoption across the respective investment team capabilities.



Jana van Rooijen as head of responsible investing, specialises in the overall strategic approach to responsible investment, advocating for activities across business, research, reporting, and Sustainable Development Goals (SDGs). She brings nearly 20 years of industry experience, with 10 years dedicated to responsible investment. She has also completed the Sustainability Practitioner Programme at the Cambridge Institute for Sustainability Leadership.



Luvuyo Mdingi is an ESG analyst with over 10 years of industry experience. Her role spans a wide range of responsibilities, including proxy voting and active engagement with investee companies. She ensures the execution of engagement strategies that align with Momentum's responsible investment objectives. She has also completed the Sustainability Practitioner Programme at the Cambridge Institute for Sustainability Leadership.



Jade Coysh – Responsible investment specialist and senior analyst with 14 years of industry experience, including 5 years in responsible investment, she provides ESG insights across all asset classes to the UK based investment team. She has also completed the CFA Certificate in ESG Investing.



The responsible investment committee

At the management level, the Momentum Investments Responsible Investment Committee, established in 2016, provides oversight and monitors the relevance and integrity of our responsible investment practices and policies. This committee ensures alignment with global best practices. While it does not enforce decisions, it guides and seeks to influence the Group towards responsible investment choices.

Additional responsibilities include:

Agreeing and defining the key responsible investment themes and goals in partnership with the Group, on an annual basis.

Oversight of the practical implementation of RI Policies, the UN PRI principles, and the UK Stewardship Code principles.

Oversight of any material initiatives, goals, or developments relating to RI, ESG and climate change.

The Responsible Investment Committee (RIC) comprises seven voting members and includes standing invitations to the respective heads of the investment teams. The MGIM responsible investment working group provides quarterly feedback to the committee

Global Chief Investment Officer of Momentum Investments (Chairman)
Mike Adsetts



Daleen Lessing



Chief Risk Officer
Momentum Investments

Andrew Hardy



Managing Director
Momentum Global Investment Management

Jana van Rooijen



Head: Responsible Investing
Momentum Investments

Godfrey Albertyn



Portfolio Manager: Impact fund
Momentum Investments

Charlene Lackay



Head: Sustainability
Momentum Group

Rob Southey



Head: Asset Consultants
Momentum Consultants and Actuaries

MGIM Responsible investment working group

The aim of the responsible investment group is to discuss the implementation and impact of responsible investment objectives and initiatives set by the RIC and MGIM on the various areas of the investment universe.

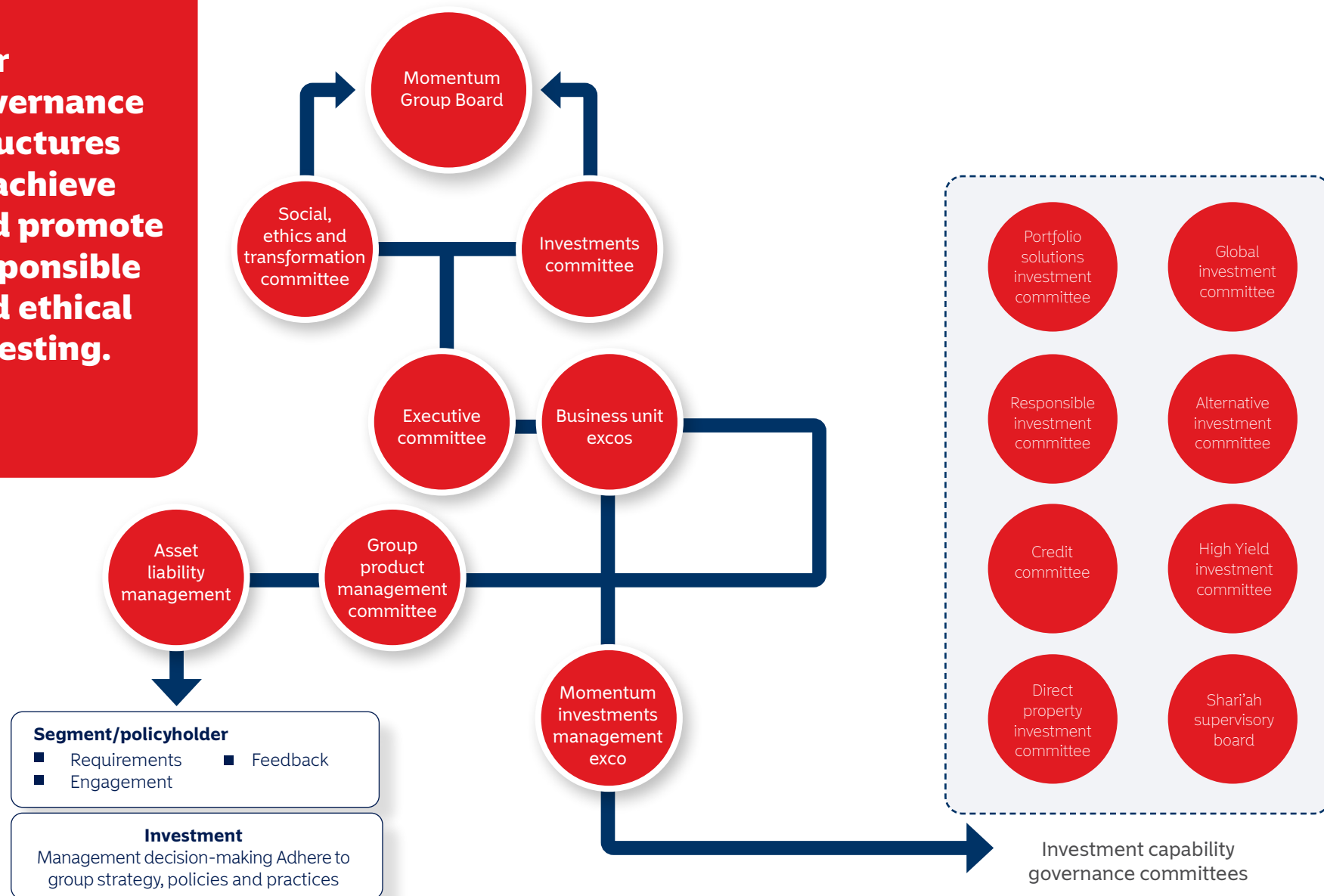
MGIM's Responsible Investment Working Group (RIG), led by RI specialist Jade Coysh, comprises representatives from various locations in the UK and South Africa, covering a diverse range of asset classes including equities, fixed income, direct investments, real assets, and alternatives.



Business sustainability matters



Our governance structures to achieve and promote responsible and ethical investing.



Our investments committee and Social, Ethics and Transformation Committee are mandated by the Board to provide oversight of the Group's application of responsible and economically sensible investment practices. At the management level, the responsible investment committee monitors the relevance and integrity of our responsible investment practices and policies and ensures alignment with global best practices. It does not enforce but guides and seeks to influence the Group towards responsible investment decisions. The management teams lead all efforts to regularly assess and disclose our performance as a responsible investor against global standards such as the PRI.

How we manage conflict of interest: [Click here](#)

Our business transformation story

Summary

Transformation remains a key strategic priority within our business, given its direct impact on our overall business strategy and long-term sustainability. In 2023, Momentum Investments initiated the process of securing its own independent B-BBEE scorecard in line with FSTC requirements. Over the past year, we have continued to drive targeted strategies that not only contribute to the Momentum Group and Momentum Investments B-BBEE scorecards but also deliver measurable impact in alignment with the objectives of the B-BBEE Act. We are proud to have secured a Level 1 outcome in 2024, reflecting the success of these initiatives.

Management control

Our focus on ensuring a representative workforce remained a focus over this year, as we improved our overall representation at all occupational levels as indicated in the table below. Whilst we celebrate the shift in our overall representation, our focus remains on ensuring that we improve representation in both middle and senior management levels to achieve representation targets in alignment with the Amended Employment Equity Act as gazetted in 2024.

Headcount movements		2024		2025		
		ACI	% ACI	ACI	% ACI	
	Senior management	6	22.22	10	30.30	Improved
	Middle management	89	43.84	112	44.98	Improved
	Junior management	225	76.01	227	76.95	Improved
	Semi-skilled	144	86.75	153	91.07	Improved

In a specialist investment environment, we were intentional about creating opportunities of growth for employees, through targeted talent management and development strategies. This is to ensure that we enable internal pipelines that promote opportunities and the growth of employees to meet the future skills needs of the business.

Skills development

Phambili 2.

Our skills development strategy saw the development of a targeted approach to effectively drive both socio-economic impact, as well as create a talent pipeline. The following key initiatives were driven during this fiscal year:



The Phambili Internship Programme offered three unemployed youths the opportunity to go through an internship program to gain investment experience. To create further depth and credibility, we added a Financial Markets Practitioner qualification to the internship program, facilitated in partnership with The Association for Savings and Investment South Africa (ASISA). All learners completed their South African Institute of Stockbrokers (SAIS) examinations. Two of the three interns were successfully absorbed into the business.



The Phambili Bursary Program was launched in January 2023 to support high-achieving students with limited financial resources pursuing tertiary qualifications. In 2024, the programme sponsored 17 students across various South African universities and for the 2025 intake, 16 students are being sponsored. The bursary provides comprehensive support, including tuition fees, accommodation, prescribed textbooks and a monthly stipend. Selection is based on academic merit and bursars have consistently demonstrated strong academic performance. To further enable and set our bursars up for success, we have initiated a mentorship program, which is specifically set up to help students successfully navigate their student and career journeys.



Financial Markets Practitioner Employed Learnership was initiated to create an opportunity for junior employees to broaden their exposure in the broader investment environment while attaining an NQF Level 7 qualification in partnership with ASISA. This learnership targets employees with the ability, aptitude, and drive to become investment professionals. During the F2025 fiscal year, two employees participated in this programme and completed their SAIS examinations. While we continue to await the outcome of their exams, we are proud of the determination and grit shown by these learners during the past year.

An important milestone for Momentum Investments, was the start of our participation in the Youth Employment Services (YES), in partnership with the presidency, responding to the youth unemployment crisis in South Africa. In its first year, the program enabled 27 unemployed youth, followed by 30 youth in the second year, all aged 18 to 25 from previously disadvantaged groups, to gain practical experience and enhance their employability. Momentum Investments has successfully absorbed 11 learners since the program's inception.

Through the various programmes implemented, we have reached a total of **95 beneficiaries**, significantly impacting their career growth and future success.

The Momentum iSabelo Trust

The iSabelo Trust is a broad-based, equity-settled employee share ownership trust approved on 26 November 2020. The initial unit allocation was on 22 April 2021 with ongoing allocations to new employees until the scheme's fifth anniversary.

The April 2025 allocation was the final allocation to eligible new employees who joined the Group after the previous annual allocations from April 2021 to April 2024.

iSabelo

Our long-term empowerment strategy is driven by the iSabelo Trust, which supports the Momentum Group's transformation and South African B-BBEE goals. The trust allocates units to all permanent South African employees, prioritising black employees **(85% of benefits, including 55% for black women)**. Share allocations began on 22 April 2021 and continued for five years. Units vest over seven years and convert into Momentum shares after 10 years.

During the restricted period, **80%** of dividends settle trust debt with up to 20% paid to participants. No performance conditions apply to the shares.

Now in its fifth year, the iSabelo employee share ownership scheme has **over 15 148 beneficiaries** (F2024: 14 389), with dividends paid in October 2024 and April 2025.

Momentum Group sustainability report



[Click here to view report](#)

At Momentum Group, our approach to sustainability is rooted in our purpose: to enable people to thrive in a sustainable world and economy where we support them in reaching their financial dreams through preserving and safeguarding their assets. We commit, through our Sustainability Framework, to make financial services more inclusive, enhance financial health and well-being and play a role in building a low-carbon economy. We place great importance on ensuring that our sustainability efforts are continuously evaluated and aligned to South Africa's developmental priorities. While we recognise the external pressures that could impact our sustainability agenda, including shifting regulatory frameworks, global commitments and market expectations, our sustainability commitments are strategic and rooted in our resolve to create cost effective solutions for business and deliver value to society.



momentum.co.za

Disclaimer

This document is applicable to the following authorised financial services providers in terms of the Financial Advisory and Intermediary Services Act, 2002 (FAIS) and registered entity:

Momentum Asset Management (Pty) Ltd (FSP 623)

Momentum Multi-Manager (Pty) Ltd (FSP 19840)

Momentum Alternative Investments (Pty) Ltd (FSP 34758)

Momentum Collective Investments (RF) (Pty) Ltd (registration number: 1987/004287/07)

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