Module: Introduction

Page: Introduction

0.1

Introduction
Please give a general description and introduction to your organization

Old Mutual plc is an international long-term savings, protection and investment Group. Originating in South Africa in 1845, the Group provides life assurance, asset management, banking and general insurance to more than 15 million customers in Europe, the Americas, Africa and Asia. Old Mutual plc is listed on the London Stock Exchange and the Johannesburg Stock Exchange, among others. More information about Old Mutual can be found at www.oldmutual.com.

0.2

Reporting Year
Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.
We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.
Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Fri 01 Jan 2010 - Fri 31 Dec 2010

0.3

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country
Austria
Bermuda
China
Colombia
France
Germany
India
Isle of Man
Italy
Kenya
Malawi
Mexico
Namibia
Poland
South Africa
Swaziland
Switzerland
United Kingdom
United States of America
Zimbabwe
Sweden
Denmark
Norway

0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

GBP(£)

0.5

Please select if you wish to complete a shorter information request

0.6

Modules
As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.
If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will be marked as default options to your information request. If you want to query your classification, please email respond@cdproject.net.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see https://www.cdproject.net/en-US/Programmes/Pages/More-questionnaires.aspx.

Module: Management [Investor]

Page: 1. Governance

1.1

Where is the highest level of direct responsibility for climate change within your company?

Individual/Sub-set of the Board or other committee appointed by the Board

1.1a

Please identify the position of the individual or name of the committee with this responsibility

Don Schneider, Director of Human Resources is the Group Executive Committee member with responsibility for reviewing progress and status of objectives regarding climate change. He chairs our Responsible Business Committee (RBC), which was established in 2009 to provide leadership and direction for the Group on the risks and opportunities related to our social and environmental impacts, including climate change. The RBC consists of Group senior management representatives from Corporate Responsibility, Human Resources, Risk, Investor Relations, Brand and Marketing, Financial Crime and Prevention and the Company Secretariat. The RBC meets quarterly and additional ad hoc meetings can be called to discuss urgent matters. The RBC reports directly through Don Schneider into the Group Executive Committee. Updates, which include material issues relating to climate change, are given at least twice a year to the Group Executive Committee and twice a year to the Board, where the Chairman, Patrick O'Sullivan holds responsibility for climate change.

1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

1.2a

Please complete the table

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator
Corporate executive team	Monetary reward	Annual remuneration related performance targets are set for the Group Director of Human Resources in the areas of Communications, Brand and Corporate Responsibility (including climate change) and are aligned with the business strategy.
Environment/sustainability managers	Monetary reward	The Head of Corporate Responsibility, Helen Wilson, has monetary incentives linked to the management of climate change initiatives. Targets are set across a range of areas including internal climate change awareness, environmental management plans, setting of Group GHG target reductions via identification and monitoring of Key Performance Indicators.
Facility managers	Monetary reward	Facility managers: Climate change related targets are not included within the incentives structures of individual management team members outside the Corporate Responsibility function. However, buildings and facilities managers do have energy management and reduction targets within their individual performance targets.
Other: Nedbank employees	Monetary	GHG reduction targets are included on all Nedbank employee's scorecards. The achievement of the targets

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator
	reward	then positively impacts employee bonuses or discretionary pay. Hence there exists a strong incentive to reach greenhouse gas reduction targets. Other forms of recognition and prizes are also used to help to drive the Nedbank green agenda.

Page: 2. Strategy

2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

2.1a

Please provide further details (see guidance)

Every business activity in our Group requires us to put capital at risk, in exchange for the prospect of earning a return. This means risk management is integral to the Group's decision-making and management processes, this includes the process to identify opportunities and risks associated with climate change.

Management of climate change risk at a Group level
We have a Group Executive Risk Committee (GERC) which comprises senior Group Executives - from Risk, Actuarial, Capital, Governance and Compliance, and Internal and External Audit - which acts as an advisory body to the Group Risk and Actuarial Director. The Group Risk and Actuarial Director has the responsibility of ensuring that strategic business decisions are aligned to the Group's risk appetite, including the process to identify opportunities and risks associated with climate change. The Group Risk and Actuarial Director provides quarterly reports on issues discussed by the GERC and risk generally to the Group Executive Committee and the Group Audit and Risk Committee.

Our Responsible Business Committee (RBC) is an additional governance structure we have put in place to ensure that climate change related risks and opportunities are identified and addressed across the Group. The RBC meets at least quarterly and reports directly through its Chair to the Group Executive Committee. Updates are given at least twice a year to the Group Executive Committee and twice a year to the Board.

Management of climate change risk at a business unit level
Managers and employees within each business are responsible for the identification, assessment, management, monitoring and reporting of risks arising within their respective areas. This includes individuals with a corporate responsibility remit reporting on climate change related risks associated with their business unit and geographical location. Management teams perform ongoing reviews of risk identification, exposure levels and remedial action plans, using techniques such as Risk

and Control Self-Assessments which assess and prioritise risks at a business unit level. This means that risk registers are updated on a monthly basis and the top risks identified by each business unit are reported to the Group Risk Committee meetings quarterly.

In addition, climate change risks are fed directly to the RBC quarterly through the Group Head of Corporate Responsibility, Helen Wilson. This structure provides a robust system for maintaining day to day management of climate change issues, as well as a route to raise, discuss and escalate new issues as they arise. Climate change related risks and opportunities, therefore, are managed in a dual top-down/bottom-up process. They can be identified at a business unit level and escalated up to the Group level or vice versa – risks and opportunities identified at a Group level by the RBC will be fed down to the business unit level through the individual responsible for corporate responsibility.

Process, scope and materiality procedure for risk and opportunity identification
Risk and Control Self-Assessments (RCSA)**,** the industry standard approach to identifying, assessing and controlling risk, is used by our business units to consider all risks consistently. Each business unit completes RCSAs regularly and escalates any significant new risks or issues to senior management immediately. This gives Group management an up-to-date view of risks and ensures that decision-makers are aware of areas of concern promptly so that appropriate action can be taken. RCSA is a key component of the Old Mutual Risk Framework, the process incorporates:

- On-going identification of risks that threaten the achievement of objectives
- Assessing these risks in terms of financial and qualitative impacts such as reputational, regulatory or customer
- Determining whether the level of risk being taken is acceptable
- Determining and implementing management action plans to bring risk exposures to an acceptable level if required
- On-going monitoring and reporting of risks, control effectiveness and actions. RCSA has strengthened our Group oversight and enhanced the flow of information, resulting in increased transparency, timely identification of risk trends across the Group and control improvements. The improved consistency of risk assessments in business units has enabled aggregation at a Group level to gain a much better informed picture of the overall Group risk profile.

As with all risks, climate-change related risks and opportunities undergo RCSA and are categorised under one of the following six Group risk categories:

- Business risk (primarily related to expense and persistency risks)
- Asset/liability management risk (the interaction of changes in markets on policyholder assets and liabilities)
- Operational risk (risks related to people, systems and processes and changes in the environment)
- Credit risk (non-payment on credit instruments and counterparty concentration risk)
- Liability risk (related to underwriting insurance risks such as mortality)
- Market risk (shocks to shareholder assets)

Exposure to risk is assessed by looking at the potential “impact” (Very high, Major, Moderate, Minor, Low) and “likelihood” (Rare: 0 – 25%; Possible: 25-50%; Probably: 50-70%; Likely: 70-90%; Almost certain: 90-100%) of a risk before taking into consideration any controls or other mitigation put in place to manage the risk.

Each business unit assesses the risks that are specific to their own operations while Group-wide risks are managed by the Group Risk team based in London. Climate change related risks are entered into the Group risk register by Group Head of Corporate Responsibility, Helen Wilson.

Is climate change integrated into your business strategy?

Yes

2.2a

Please describe the process and outcomes (see guidance)

We want to build a successful long-term savings, protection and investment portfolio, and be our customers' most trusted partner. Trust is based on behaving responsibly. We recognise the fundamental importance of combining strong sustainable financial performance with successful management of our social and environmental impacts, including climate change in achieving commercial success. Climate change impacts, and how we manage our response to them is therefore a core component of our Group strategy.

By integrating climate change impacts in our business strategy, we can not only mitigate the risks that they represent, making us more resilient and better equipped for a carbon constrained future, but can exploit the opportunities it creates in new investment markets and product opportunities; for example through Nedbank Capital's Carbon Finance Team and our energy efficient building portfolio.

In 2010 we improved the way we manage our social and environmental impacts, including climate change; our Group Responsible Business Committee completed its first full year in operation, we rolled out our Responsible Business Policy, launched our Group Climate Change Strategy, introduced a new online environmental data collection system and embedded our Group Operating Manual - a vital tool in embedding all our Group policies.

We also conducted research to identify the issues our different stakeholder groups felt we should address. This research informed a strategic approach to responsible business and climate change focused on nine key material issue areas. Climate change risks and opportunities are addressed in our responsible business strategy through two of these issue areas:

1. Indirect investment impact: the impact of our investment decisions, communications and products
2. Direct environmental impact: the direct impacts of our operations (e.g. office activity, employee travel and the production of materials related to our work)

Both are underpinned by governance and risk procedures, which we analyse rigorously and regularly.

1. Indirect investment impact
The most important components of our long-term strategy that are influenced by climate change are market and financial risks (and opportunities) associated with the investments we hold and the policies we underwrite. Understanding to what extent, and how, climate change will impact or enhance the value of investments is crucial if we are to protect shareholder value, respond to customers' increasing demands and remain competitive:

- Shifting disease vectors will have an impact on mortality and morbidity rates affecting actuarial tables and our health and life assurance business
- Drought and desertification, flood risk and sea level rises shift the boundaries of habitable areas and create migration events with effects on markets, labour forces and communication networks
- Extreme weather events could cost our insurance business through increased claims, e.g. against crop insurance policies

- Investments in carbon intensive businesses could be severely affected by regulations resulting in increased compliance costs. Changes in availability and distribution of natural resources could also seriously impact the supply chains of businesses in which we invest.

Life assurance and insurance are core to our business. Consequently, assessing the financial implications of risk is part of our business process. Climate change risks are largely incorporated into this risk modelling (e.g. financial, reputational, non-compliance, extreme crisis etc.). Our asset diversification policy and in-house Risk Exposure Aggregation System mitigates risk of local ‘trauma’, including that caused by climate change, by ensuring we do not concentrate investments in a particular sector or investment type. To mitigate the risks we face from natural disasters, regardless of cause, we have a catastrophe stop and loss and excess of loss reinsurance treaty in place which covers claims from an incident occurring within a specified period between a range of specified limits. We also use actuarial models to calculate premiums and monitor claims patterns using past experience and statistical methods, to limit our exposure to large single claims and catastrophes.

The most important components of the long-term strategy that have been influenced by climate change in 2010 have been around how we manage and incorporate environmental factors (as part of our Environmental Social Governance (ESG) assessment of companies) in our investments:

- We established a Responsible Investment Taskforce, with representatives from Group Head Office and business units, to explore how to embed responsible investment principles across the business, including climate change impacts
- Skandia Denmark and Skandia Investment Group drew up plans to put expanded agreements in place with external fund managers that include social and environmental criteria in 2011
- Nedbank Group continued to chair the UN Environment Programme Finance Initiative African Task Force during 2010, focused on climate change and the water issues facing the continent. It remained a signatory to the Equator Principles and began enhancing its Social and Environmental Risk Management tools to extend the philosophy of the Principles beyond project finance.
- Old Mutual played an active role in drafting the Code for Responsible Investing by Institutional Investors in South Africa
- We developed a metric to look at the % of funds undergoing climate change screening, to be explored further in 2011, with the long-term objective of ensuring a standard assessment process across the Group and achieving 100% screening in line with our Climate Change Strategy targets.

2. Direct environmental impacts

The most important components of our short-term strategy that are influenced by climate change are carbon emissions from our direct operations. Monitoring and measuring our emissions helps us identify efficiency gains and manage them effectively. We have been collecting emissions data from across the Group since 2006 and in 2010 we made good progress in improving the management of our emissions:

- We launched a Group Climate Change Strategy (which complements our strategic approach to responsible business) which sets a group target for carbon reductions
- We introduced a dedicated automated data collection tool. Following trials, the system is being deployed across the Group in 2011, so business units can measure and manage impacts more effectively
- We have made changes to buildings we own or lease to reduce our carbon emissions, such as refitting existing units, and building more environmentally-friendly new ones, e.g. Skandia Nordic relocated four of its largest workplaces including its head office to new, highly energy-efficient office buildings. This reduces operating costs and should prepare us well for further legislation relating to carbon emissions from buildings.

2.2b

Please explain why not

2.3

Do you engage with policy makers to encourage further action on mitigation and/or adaptation?

Yes

2.3a

Please explain (i) the engagement process and (ii) actions you are advocating

A key part of our strategic approach to build a successful long-term savings, protection and investment business is engaging with our stakeholders, including public policy makers. We do this at a local business unit level and have good and long-standing relationships with regulators and policy makers in the majority of the territories in which we operate. Below is an outline of some of the key climate change related activity from across the Group during 2010:

- Old Mutual became a signatory of the Cancun Communiqué on Climate Change which called, on behalf of business, for ambitious, robust and equitable global action on climate change ahead of the UN climate change conference in Cancun in December 2010
- Old Mutual responded through the South Africa Insurance Association (SAIA) to comment on the ‘National Climate Change Response Green Paper’, issued by the South African Department of Environmental Affairs, and the ‘Discussion Paper on Reducing Greenhouse Gas Emissions: The Carbon Tax Option’ issued by the South African National Treasury. Our response was then used by the SAIA in drafting an industry position
- Old Mutual plc and Nedbank Group remained signatories to the United National Global Compact and both completed Communications on Progress in 2010
- Through Nedbank we attended the 'Green Economy Summit' in South Africa (18-20 May 2010) organised by The Department of Environmental Affairs, to contribute insights for the preparation of a ‘Green Economy path in South Africa’.
- Nedbank attended 'The African Carbon and Investment Forum' (4-5 November 2010) arranged by UNEP FI. This forum sought to advance dialogue among, and input by, the African banking sector concerning a regional agenda for tackling climate change and promoting low-carbon economic growth. Nedbank participated in a number of the sessions to help drive an understanding of the carbon market in Africa
- Nedbank attended a Business Unity South Africa (BUSA) event with the Minister of Environmental and Water Affairs to discuss the Government's carbon reduction targets, as set in Copenhagen
- Old Mutual plc submitted a response to the UK Government consultation on the simplification of the CRC Energy Efficiency Scheme (CRC) in light of experience since the scheme began in April 2010
- Skandia Germany ran two panel discussions for customers in collaboration with government and academia on ESG and climate change issues, as part of "Climate and Finance" week.

Page: 3. Targets and Initiatives

3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Intensity target

3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment

3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
1	Scope 1+2+3	16%	12%	metric tonnes CO2e per FTE employee	2007	9.15	2015	Nedbank has set a 12% GHG emissions reduction target per FTE, based on the 2007 emissions report. In 2007 (base and start year) the pollution rate was 9.15 tCO2e per FTE. Progress to the 2010 reporting year was 8.25 tCO2e per FTE. This equates to a 9.88 % reduction from the 2007 base year. By 2015 (target year) a value of 8.05 tCO2e per FTE was set as target. This will imply a 12% reduction from the 2007 base year.

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
2	Scope 2	10%	12%	Other: kWh/FTE	2005	6063	2015	Nedbank has set an electricity reduction target per FTE of 12% from the 2005 base year, to be attained by 2015. In 2005 (Base Year) the pollution rate was 6063 kWh per FTE. In 2007 (Start Year) the pollution rate was 7078 kWh per FTE. Progress to the 2010 reporting year was 5849 kWh per FTE. This equates to a 3.53% reduction from the 2005 base year. For 2015 (Target Year) a target of 5335 kWh per FTE was set.

3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comments
1	Decrease	1.61%	Decrease	8.89%	ID 1 of 3.1b encompases the complete GHG footprint of Nedbank. A 12% reduction in Nedbanks intensity target then relates to a 12% reduction in absolute emissions for Nedbank. Nedbank emissions account for 16% of Group emissions (scopes 1-3). This is estimated as resulting in a 1.61% reduction in total emissions for Group scope 1 and 2 emissions and a 8.89% reduction in scope 3 Group emissions. This is true if no major shift in full time employee (FTE) count is expected. Currently no major shift in FTE count is anticipated.
2	Decrease	1.62%	No change	0%	ID 2 of 3.1b relates to the electricity consumption of Nedbank. A 12% reduction in emissions that covers 10% of Group emissions will result in a 1.62% reduction in total Group emissions. This is true if no major shift in full time employee (FTE) count is expected. Currently no major shift in FTE count is anticipated.

3.1d

Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment

3.1e

Please explain (i) why not; and (ii) forecast how your emissions will change over the next five years

3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

3.2a

Please provide details (see guidance)

We have developed a range of products and services that are designed to help our customers reduce their GHG emissions:

Providing energy efficient buildings for our tenants
Old Mutual Property has £2.2 billion of assets under management, with over 344 buildings. We recognise the benefits of employing new materials and designs in the buildings we develop, and understand how location selection, technologies and management techniques can reduce emissions from our own operations and those of our tenants.

Old Mutual Property has a green building strategy which provides us with a structured approach to improving the environmental sustainability of the buildings in our existing portfolio and the ones we are constructing. For example:

- We have set a new standard for the future of eco-friendly developments in South Africa through our design for a new Old Mutual Property mixed-use development proposal, Zonk'isizwe. In June 2010 it was announced as the winner of the 2010 Global RLI (Retail & Leisure International) Future Project award

- The use of advanced air conditioning controls helped us maintain energy savings at five Old Mutual buildings in the Western Cape and realised savings at the Menlyn Park Shopping Centre in Gauteng of approximately 875 000 kWh per month. This has led to savings of 10,296 tonnes CO2e since 2007
- We officially opened our 21-storey Mutual Tower in Windhoek, Namibia, in May 2010. The building is one of the first commercial green buildings in the country, consuming an estimated 40% less energy than conventional office buildings (based on simulation figures from by Leon Bernard Architects created at the design stage).

Reducing the environmental impact of our investments

Our investment decisions have significant impacts on the environment and society, and on the communities where the investments are based. These include climate change related impacts. We encourage our fund managers to think about these impacts – and how they may influence financial returns – when they make these decisions, subject to client mandates.

We also recognise that many of our customers want environmental, social and governance (ESG) factors to be incorporated explicitly into the investment-making process. Potentially, this can lead to investment and provision of finance to projects that lead to GHG mitigation such as renewable energy projects.

To support this work and the ways in which we can reduce the environmental impacts of our investments we undertook the following activities in 2010:

- We had over £2.8 billion funds under management in specifically social, environmental and transformation related investments – including OMIGSA's (Old Mutual Investment Group South Africa) Futuregrowth fund, the African Infrastructure Investment Managers fund, and Skandia's Ideas For Life fund
- Skandia Germany offered 17 funds classified as sustainable by the European Sustainable and Responsible Investment Forum and rating agency Oekom
- Futuregrowth, part of OMIGSA and Acadian Asset Management, part of United States Asset Management (USAM), remained signatories to the United Nations Principles for Responsible Investment
- Skandia Denmark and Skandia Investment Group drew up plans to put expanded agreements in place with external fund managers that include social and environmental criteria for 2011
- Nedbank Group remained a signatory to the Equator Principles and continued to chair the United Nations Environment Programme Finance Initiative African Task Force during 2010, with a work programme focused on climate change and the water issues facing the continent

We don't have a method of quantifying this impact yet, but in 2011 we will be looking at developing an indicator that will measure the number of investment decisions taking into account environmental, social and governance (ESG) factors as a percentage of all investment decisions across OMIGSA.

Helping our retail banking customers reduce GHG emissions

At Nedbank we offer the following services and products that specifically enable our customers to avoid or offset GHG emissions:

- Nedbank Capital has a dedicated Carbon Finance Team that provides carbon advisory and footprinting services, identification and development of Clean Development Mechanism projects and carbon trading
- In 2010 Nedbank Wealth introduced world-class life insurance offering complemented by a holistic health and wellbeing programme called 'Become'. In addition to personal wellness, the programme provides members with access to information on how they can contribute to the wellbeing of the planet
- At Nedbank, following demand from clients, the Greenbacks loyalty programme was enhanced through the addition of a 'green stream', allowing members of the programme to redeem their loyalty points for goods that are environmentally friendly.

Nedbank estimate the avoided emissions resulting from these activities is 6,000tCO2e per annum (see separate Nedbank submission for details).

3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

3.3a

Please provide details in the table below

Activity type	Description of activity	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Energy efficiency: building services	Improving efficiency of air conditioning units - during 2010 we worked to maintain the energy savings of five of our Old Mutual Property buildings in the Western Cape of South Africa using advanced air conditioning controls, an Eskom Demand Side Management (DSM) project. We have also managed to maintain the savings derived from air conditioning control management in the Menlyn Park Shopping Centre in Gauteng, to the amount of approximately 875,000 kwh per month. This action was voluntary and has resulted in a reduction in Scope 2 emissions.	939424	497321	<1 year
Energy efficiency: building services	Improved lighting - we have continued to implement high efficiency lighting replacement initiatives across our property portfolio at Old Mutual Property, and have increased the effective use of timers, zoned sensor lighting and perimeter sensors for natural daylight adjustment. This action was voluntary and has resulted in a reduction in Scope 2 emissions.	96487	145886	1-3 years
Energy efficiency: building services	Reducing out of hours energy consumption - we have isolated and switched off selected elevator equipment after hours and at weekends in our property portfolio in South Africa. This action was voluntary and has resulted in a reduction in Scope 2 emissions.	8843	0	<1 year
Energy efficiency: building services	Old Mutual Property trialled the use of Light Eco Plus technology at one of its parking facilities which delivered a 30% reduction in energy consumption. This action was voluntary and has resulted in a reduction in Scope 2 emissions.	1238	1592	1-3 years
Energy efficiency: processes	Old Mutual Property - we are investigating thermal storage vessels to assist electrical load shift and are upgrading lift motors to high efficiency machines with regenerative drives and energy saving destination control systems. This action is voluntary and will result in a reduction in Scope 2 emissions.			
Energy efficiency:	Old Mutual Property is developing the company’s new Johannesburg head office. Emphasis is			

Activity type	Description of activity	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
building fabric	being placed on sustainability, including the adoption of environmentally sensitive design and development practices; maximising potential transformation benefits in the design and construction aspects of the project; and ensuring that the development complements the long-term economic sustainability of its immediate environment. Some of the material initiatives being planned for include: • A minimum four star rating, as measured by the Green Building Council of South Africa's rating system • A 40% reduction in overall energy use compared with current industry benchmarks for office buildings (SANS204) • Collection and re-use of rainwater, combined with water-efficient fittings, fixtures and appliances • Use of natural light to improve the health of occupants and reduce artificial lighting energy use • Provision of facilities to encourage employees to cycle to work • Mitigation of the impact of cement, steel and timber use through the use of low-impact or recycled materials • Reduced travel impacts through local procurement • Contractual commissioning requirements for all systems to ensure that they operate efficiently and effectively. This action is voluntary and will result in a reduction in Scope 1 and scope 2 emissions.			
Energy efficiency: building fabric	We officially opened our 21-storey Mutual Tower in Windhoek, Namibia, in May 2010. The building is one of the first big green buildings in Namibia, consuming 40% less energy than conventional office building. This was achieved through maximising the use of natural light and creating a cascading curtain of plants to provide protection from the sun. The building also uses energy efficient light sources and control systems to reduce consumption, an evaporative fresh air cooling system, solar energy for heating purposes and ground water use to reduce consumption from the city's main supply by 50%. A recycling system is also in place. This action is voluntary and will result in a reduction in Scope 1 and scope 2 emissions.			
Transportation: use	Old Mutual Property In 2009, Old Mutual Property established a green travel policy to reduce travel significantly. In 2010, a decision was made to further reduce travel by purchasing a Microsoft collaboration tool that allows instant messaging person to person or group chats. The tool also allows computer-based voice and video calls and desktop sharing, where two distant parties can collaborate in real-time on a shared document. The solution will be available on desk-based PCs as well as in meeting rooms at various locations. This will reduce the need to travel to our various offices for meetings as parties will now be able to see, hear and collaborate without being in the same room. In 2010, we achieved a £504,425 saving in travel costs. This action is voluntary and will result in a reduction in Scope 3 emissions.			
Behavioral change	Old Mutual South Africa has piloted an e-Filing initiative with Personal Financial Advisors (PFAs) in eight Old Mutual offices around South Africa. In addition to reducing printing, paper use and waste, the aim is for e-Filing to help access client information and allow PFAs to operate easily from outside the office, thereby improving service to clients. Our rental saving after our first year is £637.168. In addition to this we have reduced our stationery bill. We plan to introduce an additional three pilots in 2011, which will translate into a forecast 30% of our adviser force using e-Filing by			

Activity type	Description of activity	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
	the end of 2011. This action was voluntary and has resulted in a reduction in Scope 3 emissions.			
Low carbon energy purchase	During the Spring of 2010, Skandia Nordic contracted a new electricity supplier for Skandia Sweden and now purchase Swedish hydroelectric power. This action was voluntary. It will not affect our Scope 2 emissions calculations because a grid average is used.			
Behavioral change	In our Indian operations, we are educating and encouraging employees to become more environmentally friendly through a programme called ‘One World. Handle With Care’. We also encourage employees to conserve resources by recycling and making use of recycled materials wherever possible. We have saved approximately £176,991 through these energy reduction initiatives. This action was voluntary and has resulted in a reduction in Scope 2 and 3 emissions.			
Energy efficiency: building services	At Nedbank, given that the largest percentage of Nedbank’s carbon footprint (77%) is from electricity usage, 2010 saw intense efforts to reduce usage wherever possible. Initiatives included the installation of motion sensors, heat pumps, blackout blinds and the upgrading of numerous building management systems. All electricity purchases relate to Scope 2 emissions. All reductions are deemed voluntary and aligned to our commitment to the National Energy Efficiency Accord. Development stage: All planned initiatives were executed. Further initiates are planned for 2011. Expected lifetime: The equipment installed typically have a technical lifespan of 7 – 10 years. The installations were staggered throughout 2010. The monetary savings will then only be realized on a staggered basis. Hence the payback period is 1-3 years.	12000000	6600000	1-3 years

3.3b

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Group governance and risk management procedures ensure that appropriate investments are made to comply with all regulator requirements, including climate change related ones.
Employee engagement	Engaging our employees in environmental efforts is an important part of delivering change across the Group. We promote a culture of efficiency and are continually looking for opportunities to reduce resource use. Much of this work has been conducted at individual business unit level. However, we also worked to share best practice across the Group through meetings, workshops and our Group ezine, InTouch.
Internal incentives/recognition programs,	Monetary incentives are linked to climate change related objectives for employees within the Corporate Responsibility function, with targets set across a range of areas including climate change awareness of employees, environmental

Method	Comment
	management plans and GHG target reductions. Buildings and facilities managers have energy management and reduction targets within their individual performance targets.
Dedicated budget for other emission reduction activities	At Nedbank, reducing our impact on the environment is a strategic imperative. As such dedicated budgets are available to realize this imperative. In addition self imposed carbon neutrality results in an increased pressure to reduce electricity consumption.

3.3c

If you do not have any emissions reduction initiatives, please explain why not

Page: 4. Communication

4.1

Have you published information about your company's response to climate change and GHG emissions performance for this reporting year in other places than in your CDP response? If so, please attach the publication(s)

Publication	Page/Section Reference	Identify the attachment
In annual reports (complete)	Responsible business section (p.118 - 129)	Old Mutual Annual Report & Accounts 2010
In voluntary communications (complete)	Direct environmental impact (p.24-25)	Building Trust: Responsible Business Report 2010
In voluntary communications (complete)	Environmental sustainability	2010 Nedbank Group Integrated Report - Environmental sustainability
In voluntary communications (underway) – previous year attached	Minimising and managing our impact on the environment (p.58-61)	Old Mutual South Africa Sustainability Report 2009

Attachments

https://www.cdproject.net/Sites/2011/07/13807/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/4.Communication/Old Mutual South Africa Sustainability Report 2009.pdf
https://www.cdproject.net/Sites/2011/07/13807/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/4.Communication/2010 Nedbank Group

Integrated Report - Environmental Sustainability.pdf
https://www.cdproject.net/Sites/2011/07/13807/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/4.Communication/Old Mutual Annual Report and Accounts 2010.pdf
https://www.cdproject.net/Sites/2011/07/13807/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/4.Communication/Building Trust Responsible Business Report 2010.pdf

Module: Risks and Opportunities [Investor]

Page: 5. Climate Change Risks

5.1

Have you identified any climate change risks (current or future) that have potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

5.1a

Please describe your risks driven by changes in regulation

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
RR1	Uncertainty surrounding new regulation	Numerous countries where we have operations– including in the EU, South Africa, United States, India and China – are involved in on-going negotiations to determine international agreements and action on climate change to replace the Kyoto Protocol when it ends in 2012. As negotiations are still underway, the exact nature of the legislation cannot be predicted, although reduction goals for individual nation states already support a path of deep and consistent GHG emission reductions. The uncertainty of the exact	Increased operational cost	Current	Indirect (Supply chain)	Virtually certain	Medium

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		nature of the agreements effects our ability to effectively assess long term investment decisions, which we define here as an indirect operational cost (as opposed to a direct operational cost which would include our office operations). We have £309.3bn funds under management that could potentially be influenced by changes in climate change regulation.					
RR2	Carbon taxes	In 2009 South Africa announced that it would reduce domestic GHG emissions by 34 % by 2020 and 42% by 2025 from business as usual. It has proposed a carbon tax as the primary economic policy instrument for curbing these emissions. The exact timeline for the introduction of a carbon tax is unknown, but in December 2010 the South African Government released a discussion paper for public comment on their proposal and is expected to produce a draft policy towards the end of 2011 and could announce its implementation during the 2012 Budget. The impact on Old Mutual will be in our direct (operation) and indirect operational (investment) costs. Our direct (operational) costs will be incurred through higher cost of energy efficient equipment and infrastructure, particularly for our extensive property portfolio in South Africa where we own and manage over 344 buildings, accommodating over 5 000 tenants. Our increased indirect operational (investment) costs will be as a result of the increased business costs to our more carbon intensive investments. This will primarily affect our South African investment business - Old Mutual Investment Group South Africa (OMIGSA).	Increased operational cost	1-5 years	Direct	Virtually certain	Low-medium
RR3	Carbon taxes	In the UK 2011 Budget, plans were introduced to replace the UK Climate Change Levy with a guaranteed minimum (“floor”) price for carbon emissions produced under the EU ETS of £16 a tonne in 2013, rising to £30 by 2020. This is a tax on energy (lighting, heating and power) delivered to industrial and commercial users, with the aim of improving energy efficiency. Coal and gas plants will start paying the tax in 2013, based on how much carbon they emit. They will be allowed to pass on the cost to consumers in higher bills. This legislation is likely to increase our energy costs but the more significant impact is likely to be on our energy intensive investments. Their cost of operation will increase and therefore potentially their return on investment will be lower. This is most likely to affect our investments made in the UK through	Increased operational cost	1-5 years	Indirect (Supply chain)	Virtually certain	Low-medium

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		Skandia UK, Skandia International and Skandia Investment Group. Skandia UK's sales reached £6 billion in 2010 while Skandia Investment Group (SIG) has more than £750 million Spectrum risk-targeted funds under management.					
RR4	Carbon taxes	In December 2009 the Obama administration officially pledged that the United States would cut its GHG emissions in the range of 17 per cent below 2005 levels by 2020. Although US Congress continues deliberations over how to reduce emissions in line with this pledge, the expected impact on Old Mutual will be to increase our direct operational costs, and the costs to some of the companies that we invest in through our funds (indirect operational costs). This will affect our Asset Management business based in the US. This represents £166.6bn funds under management and 5.9% of Group Adjusted operating profit.	Increased operational cost	1-5 years	Indirect (Supply chain)	Virtually certain	Low-medium
RR5	Cap and trade schemes	The third phase of the EU Emissions Trading Scheme will begin in 2013, and will include greenhouse gases other than carbon dioxide and incorporate all major industrial emitters. The new measures will also reduce the emission allowances put on the market year on year so that emissions covered by the trading scheme will be reduced by 21% from 2005 levels in 2020. This will not directly affect our operational activities in the UK, France, Italy, Spain, Austria, Germany, Poland, Denmark and Sweden, but our investment teams are aware of the possible business implications of the legislation related to our investment decisions.	Increased operational cost	1-5 years	Indirect (Supply chain)	Virtually certain	Low-medium
RR6	Cap and trade schemes	2010 saw the start of the CRC Energy Efficiency Scheme (CRC). Old Mutual plc and Skandia UK are required to purchase allowances to cover the emissions resulting from their electricity and fossil fuel consumption. Changes to the legislation mean a refund of purchased permits will no longer be given, increasing the business cost and case for reducing emissions. Reporting and compliance has direct operational cost implications for our UK business and covers 13 properties.	Increased operational cost	1-5 years	Direct	Virtually certain	Low-medium
RR7	Emission reporting obligations	The UK introduced a legally binding framework to cut greenhouse gas emissions through the Climate Change Act, which came into effect in 2008. The binding target is a cut of at least 80% in greenhouse gas emissions by 2050 from 1990 levels. This Act requires the Government to introduce mandatory reporting by April 2012. This is likely to initially apply to larger organisations	Increased operational cost	1-5 years	Indirect (Supply chain)	Virtually certain	Low-medium

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		but will be extended to smaller ones in due course. This legislation will affect not only our direct operations but also the companies that we invest in (indirect operational costs), as a result of increased reporting burdens and hence costs The implication on our indirect operational costs through our investments is likely to be greater than our direct operational costs. This will affect Skandia business in the UK (Skandia UK's gross sales reached £6 billion in 2010). The impact will be greatest for our energy intensive investments due to a greater increase in regulatory compliance costs and reporting burden.					
RR8	Product efficiency regulations and standards	The Energy Performance of Buildings Directive (EPBD) requires all EU countries to enhance their building regulations and to introduce energy certification schemes for buildings. All countries are also required to have inspections of boilers and air-conditioners. On the 19 May 2010 the European Parliament and Council published a recast of the Directive (2010/31/EU) containing amendments. Member States shall bring into force, by 20 June 2011 at the latest, the laws, regulations and administrative provisions necessary to comply with this Directive. This legislation affects the properties we currently rent, own and invest in across Europe – including the UK, France, Italy, Spain, Austria, Germany, Poland, Denmark and Sweden - and changes to the legislation will impact our operations accordingly.	Increased operational cost	1-5 years	Direct	Virtually certain	Low-medium
RR9	Fuel/energy taxes and regulations	The National Energy Regulator of South Africa (NERSA) granted state-owned utility Eskom the following tariff increases: 20010/11: 24.8% making the average Eskom electricity price 41.31c per kWh 2011/12: 25.1% making the average Eskom electricity price 51.68 c per kWh 2012/2013: 25.9% making the average Eskom electricity price 65.06c per kWh. Possible liquid fuel taxes by are also proposed in the region of 20-30 cents per. Specific to Nedbank: For 201 Nedbank's electricity consumption formed 77% of its carbon footprint. Electricity is also by far the biggest energy source of Nedbank. The electricity increases that were granted will have a drastic influence of the expected operational cost of the bank. This again could affect profits negatively.	Increased operational cost	Current	Direct	Virtually certain	Medium

5.1b

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

Regulatory risks are currently not quantified at a climate change specific level. During 2011 the Corporate Responsibility function will work with the Group risk function to isolate climate change risk from within the overall risk model. The development of remedial action plans to mitigate risks is an integral part of Old Mutual's risk management strategy and as such, the financial costs for climate change specific activities are not measured independently from the wider risk management costs. For those regulatory climate change risks identified we have taken a range of actions to monitor and control them, including:

Assigning risk responsibility (This applies to risks RR1-9):
All of our business units have someone responsible for corporate responsibility. These employees are responsible for the identification, assessment, management, monitoring and reporting of risks arising from climate change through our integrated and company-wide risk management processes. In addition, Old Mutual sets up additional working groups, as required, to deal with climate change related regulations. For example, Old Mutual plc established a CRC Energy Efficiency Scheme (CRC) working group, which meets at least quarterly to manage our CRC responsibilities (RR6). These working groups receive support from our legal, finance and compliance teams where needed. This structure provides a robust system for maintaining day to day management of climate change issues and mitigates the risks and maximises the opportunities they provide.

Resource allocation:
Budget is allocated for compliance measures where applicable. For example, we have mitigated the current risks of the CRC (RR6) by providing relevant training to a number of employees. Resources may also be allocated to meet the costs of improvements in infrastructure necessary for legislative compliance.

Monitoring future legislation:
We have dedicated Group and business unit compliance teams who closely monitor new and changing regulatory developments and liaise regularly with their local regulators. This Group compliance function undergoes an independent review annually by the Group Internal Audit function to ensure an objective view of the status of compliance. In conjunction with this, climate change specific regulation will also be picked up by business unit level Corporate Responsibility teams and any associated risks fed into the Responsible Business Committee (RBC) quarterly. The corporate responsibility function at the business unit level is in many cases supported by external consultants who provide an additional level of regulatory scanning. (RR1)

Working with policy makers
A key part of our strategic approach to build a successful long-term savings, protection and investment business is engaging with public policy makers. We engage with regulators and policy makers at a local business unit level and have good and long-standing relationships. Where relevant, this includes engagement around climate change related legislation. For example in 2010:

- Old Mutual became a signatory of the Cancun Communiqué on Climate Change which called, on behalf of business, for ambitious, robust and equitable global action on climate change ahead of the UN climate change conference in Cancun in December 2010 (RR1)
- Old Mutual responded through the SAIA (South Africa Insurance Association) to comment on the Government 'National Climate Change Response Green Paper' and the 'Discussion Paper on Reducing Greenhouse Gas Emissions: The Carbon Tax Option'. Our response was then used by the SAIA in drafting an industry position (RR2).

Carbon management of our direct operations
Our energy efficiency and production of GHG emissions through our direct operations (e.g., running our offices and employee travel) are monitored and managed across the Group. We have launched a Group Climate Change Strategy which aims to improve the completeness and accuracy of our emissions data, sets a group target for carbon reductions, and will create initiatives to engage all our stakeholders.

Measuring our carbon emissions provides the foundation of our climate change strategy, helping us to manage and report on our progress and identify where we can make efficiency gains. We have collected emissions data from across the Group since 2006 and in 2010 we introduced a dedicated automated data collection tool. Following initial trials, the system will be deployed across the Group in 2011.

We have made changes to the buildings we own or lease to reduce our carbon emissions. This short term strategy also reduces operating costs and should protect us from the risk of higher operational costs resulting from further legislation relating to the carbon emissions from buildings. These changes include refitting existing units and building or leasing more environmentally-friendly new ones. At Nedbank we have carried out research to evaluate electricity generation options to reduce operational costs due to local carbon tax implementation. This research has cost an estimated £9,000.

This will help us mitigate the risks that high GHG emissions represent to our business (RR2, RR4, RR6, RR7, RR8,RR9), making us more resilient to its impacts and a carbon restrained and more heavily regulated future.

Indirect impact through our investments
Our asset diversification policy and in-house Risk Exposure Aggregation System (REAS) ensures that we do not have a concentration of investment in a particular sector or investment type. This would include any that were going to be significantly affected by climate change regulation in a way that would affect the value of our investments. Within our asset management business we also include environmental factors (including climate change) into our investment decisions as part of our Environmental, Social and Governance (ESG) assessment of companies, through the fund management process.

In 2010 we established the Responsible Investment Council – with representatives from Group Head Office and business units to explore how we can embed responsible investment principles across the business, including climate change impacts. We now need to understand the best way to create a framework for responsible investment guidelines that all our business units agree are in the best interests of our customers. We have also developed a metric to look at the % of funds undergoing climate change screening, which will be explored further in 2011 (RR3, RR4, RR5).

Employee engagement:
Engaging our employees in environmental efforts is an important part of delivering change across the Group. We promote a culture of efficiency and are continually looking for opportunities to reduce resource use. Much of this work has been conducted at individual business unit level. However, we also worked to share best practice across the Group through meetings, workshops and our Group ezine, InTouch (RR1-8).

5.1c

Please describe your risks that are driven by change in physical climate parameters

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
PR1	Other physical climate drivers	Extreme weather could cost our insurance business heavily through increased claims, for example against building and crop insurance policies. The business unit which will incur the most significant risk is Mutual & Federal, which provide short-term insurance and operates in Southern Africa and represents 2.7%	Inability to do business	6-10 years	Indirect (Client)	Very likely	Medium-high

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		(based on Group Diversified Earnings) of Old Mutual.					
PR2	Change in mean (average) temperature	Small increases in average temperatures across all regions where we have operations have the potential to impact on our costs through higher energy consumption for internal climate control. This will most significantly impact Old Mutual Property, based in South Africa which owns and manages 344 properties and represents 31.4% (based on Group Diversified Earnings) of our business.	Increased operational cost	>10 years	Direct	More likely than not	Low-medium
PR3	Induced changes in natural resources	Changes in the availability and distribution of natural resources due to changes in climatic conditions caused by climate change could seriously affect our investment portfolio with climate change having negative impacts on the supply chains of businesses in which we have investments. This will primarily impact our Asset Management business, which represents 1.7% (based on Group Diversified Earnings) of Old Mutual.	Increased operational cost	Unknown	Direct	More likely than not	Medium
PR4	Other physical climate drivers	Severe weather conditions could lead to property damage and disruption of utility supplies. This could result in loss of business due to properties being uninhabitable and financial cost from repair to damages. Extensive damage to our properties could also lead to loss of essential business data through the destruction of paper and electronic storage of business files and contacts. This would affect our South African business, where we manage 344 properties.	Increased capital cost	6-10 years	Direct	More likely than not	Medium
PR5	Other physical climate drivers	Severe weather conditions could lead to property damage and disruption of utility supplies that could affect our investments. This will primarily impact our Asset Management business, which represents 1.7% (based on Group Diversified Earnings) of Old Mutual.	Increased capital cost	6-10 years	Direct	More likely than not	Medium

5.1d

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

Physical risks are currently not quantified at a climate change specific level. During 2011 the Corporate Responsibility function will work with the Group risk function to look at isolating climate change risk from within this overall risk modelling.

The development of remedial action plans to mitigate risks is an integral part of Old Mutual's risk management strategy and as such, the financial costs for climate change specific activities are not measured independently from the wider risk management costs. For those physical climate change risks identified we have taken a range of actions to monitor and control the risks, including:

Protecting our investments and insurance business from the physical effects of climate change (PR3, PR5)

- We are members of various groups across the world that help us share best practice in the financial services sector and emerging knowledge on the impacts of climate change, such as through Nedbank's participation in the United Nations Environment Programme Finance Initiative
- We also invest in research into the impacts of climate change. We awarded a PhD scholarship to Imperial College London student Giovanni Rapacciuolo to look into how climate change alters species distribution and agricultural systems
- In 2010 we established the Responsible Investment Taskforce – with representatives from Group Head Office and business units to explore how we can embed responsible investment principles across the business, including climate change impacts
- We are developing a metric to look at the percentage of funds undergoing climate change screening, which is being explored further in 2011
- Our asset diversification policy and in-house Risk Exposure Aggregation System (REAS) mitigates risk of local 'trauma', including that caused by climate change, by ensuring that we do not have a concentration of investment in a particular sector or investment type
- Our Group-level liability risk policy sets out the internal controls and processes that we must follow in long-term and short-term insurances.
- To mitigate the risks we face from natural and non-natural disasters, regardless of the cause, we have a catastrophe stop and loss and excess of loss reinsurance treaty in place which covers claims from an incident occurring within a specified period between a range of specified limits. We also use actuarial models to calculate premiums and monitor claims patterns using past experience and statistical methods, to limit our exposure to large single claims and catastrophes. This is particularly important in Mutual & Federal.
- At Nedbank we have embarked on initiatives to reduce potable water consumption and to ensure current and future supply. For example, installation of a water purification system at Olwazini (Nedbank training centre). and rain capture tanks at several branches. This cost an estimated £620,000 (see Nedbank submission for more details).

Protecting our direct operations from the physical effects of climate change (PR1, PR2, PR4)

- We worked to improve the processes and tools in place for managing and improving the energy efficiency of our operations, thereby making us more resilient to fluctuations in increasing fuel costs, climatic pressures on the ambient controls of our buildings and disruptions in utility supplies caused by severe weather events:
    - We have developed our first Group Climate Change Strategy which aims to improve the completeness and accuracy of our emissions data, sets a group target for carbon reductions, and will create initiatives to engage all our stakeholders
    - We have introduced a dedicated automated data collection tool. Following initial trials, the system will be deployed across the Group in 2011, enabling business units to measure and manage impacts more effectively
    - We have made changes to the buildings we own or lease to reduce our carbon emissions. These changes include refitting existing units and building or leasing more environmentally-friendly new ones
- We are working to reduce the water used in our South African properties that we manage through bleed-off and rainwater harvesting, using treated effluent for irrigation and upgrading toilet facilities with low-flow taps

- We provide back-up generators extensively across our African and emerging market operations to counteract any disruptions in energy provision within these regions, which could potentially be caused by climate change events
- We have appropriate insurance for our properties to cover ourselves for the cost of any climate change related damage
- We have emergency recovery plans (Business Continuity Plans) and back-up data across all business units. Old Mutual plc, for example, has a disaster recovery site where electronic copies of all documents are stored and which can be accessed remotely with the use of a pass code. Head of Group Financial Crime Prevention and Security has overall responsibility for oversight of business continuity arrangements.

5.1e

Please describe your risks that are driven by changes in other climate-related developments

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
OR1	Reputation	Our reputation improves our ability to attract customers, employees and investment, to motivate employees and suppliers, and to differentiate us from our competitors. Climate change is widely recognised as the greatest environmental challenge facing the world today and we recognize that our business needs to go significantly beyond compliance to meet the increasing expectations from stakeholders that we will deal with these challenges.	Inability to do business	1-5 years	Indirect (Client)	Unlikely	Medium-high
OR2	Changing consumer behaviour	Poor or instable economic and social situations caused by severe climate change impacts could reduce the ability of potential customers to take advantage of our products.	Reduced demand for goods/services	>10 years	Indirect (Client)	Unlikely	High
OR3	Induced changes in human and cultural environment	We work hard to attract, engage and develop the best people and climate change could seriously impact on the health and availability of our employees. Potential water scarcity, food shortages and threat of disease could lead to migration and loss of health. Whilst disruption to transport links caused by severe weather could have an onward impact on our people and their ability to get to work.	Inability to do business	>10 years	Direct	Unlikely	High
OR4	Fluctuating socio-economic conditions	Climate change impacts on our investments can create financial risks through raised risk in our lending portfolio, and our portfolio of insured assets.	Inability to do business	>10 years	Indirect (Supply chain)	Unlikely	Medium-high
OR5	Other drivers	Financial risk: As part of our business offers life assurance and health cover, we are mindful of the impacts of climate change on the health of our clients. Shifting disease vectors	Inability to do business	>10 years	Direct	Unlikely	Medium-high

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		will have an impact on mortality and morbidity rates affecting actuarial tables. As a result, the life assurance business remains sensitive to changes in these trend lines. These risks are particularly relevant to Mutual & Federal and Old Mutual South Africa who offer extensive health and life insurance related products and operate in a part of the world that is likely to be most heavily affected by climate change and has a less developed health care system for dealing with these challenges.					

5.1f

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions

Risks are currently not quantified at a climate change specific level. During 2011 the Corporate Responsibility function will work with the Group risk function to isolate climate change risk from within this overall risk model. The development of remedial action plans to mitigate risks is an integral part of Old Mutual’s risk management strategy and as such, the financial costs for climate change specific activities are not measured independently from the wider risk management costs. For the climate change risks identified above we have taken a range of actions to monitor and control the risks, including:

Reputation management:
The management of our reputation through our social and environmental impacts is a central part of what it means for us to be a responsible business and deliver long-term sustainable success. Maintaining our reputation means not only taking action to mitigate our own climate change impacts but creating new products to meet customer demand and committing to a broader role in helping tackle the global challenges that climate change presents. The following points illustrate some of the key things we do to help build a reputation of being our customers most trusted partner through managing our climate change risks and exploiting the opportunities it creates (OR1):

- We have integrated climate change into our business strategy
- Climate change risks and opportunities are incorporated into our multi-disciplinary company-wide risk management processes
- We have a Responsible Business Policy that has been rolled out across the Group
- In 2010 we developed our first Group Climate Change Strategy with targets to reduce the GHG emissions from our operations
- We are in the process of implementing an online data collection tool to improve the completeness and accuracy of our emissions data
- We talk to our stakeholders. Understanding what matters to them, is always important, including discussing issues around climate change
- We use external guidelines and frameworks - such as the FTSE4Good Index, JSE's Socially Responsible Investment Index and the United National Global Compact - to help inform our approach to governance and risk

- We offer services and products that specifically enable our customers to avoid or offset GHG emissions such as The Nedbank Green Affinity, Savvy Account and Solar water heater programme.

Market risk

We define market risk as the risk of changes in the value of our financial assets or liabilities arising from changes in equity, bond and real estate prices, interest rates and foreign exchange rates, in the way they impact on shareholder assets. The impacts of climate change could affect consumer behaviour which would impact this market risk (OR2). The following points illustrate some of the key things we do to manage this risk:

- We offer innovative products to suit different clients and different client needs, enabling us to find opportunities even in challenging market conditions, including those caused by climate change. We closely monitor lapse rates and persistency information, adapting our business approach as necessary. Old Mutual is diversified across territories and product lines minimising the impact of any specific sector or territory
- As a long-term savings, protection and investment business we are focused on helping people plan ahead and provide for unforeseen expenses and circumstances. As part of this we provide financial education to our customers and wider society to help them with this. In 2010 for example:
    - Group Head Office continued to support financial education in London through the Young Enterprise Scheme, reaching over 2,100 young people
    - Skandia's Colombia and Mexico business conducted financial education lessons and seminars in schools and companies to help promote a savings culture
    - Skandia Nordic ran training sessions in six Swedish municipalities on socio-economic modelling
    - Mutual & Federal worked with the South African Insurance Association and the Financial Sector Charter on programmes such as the Managing Your Money initiative to help improve the low levels of mathematical literacy in South African schools
    - Old Mutual South Africa established its Learners' Scholarship Programme to give promising students from previously disadvantaged groups the opportunity to finish their schooling at top mathematics schools
- In South Africa we also provide enterprise development projects to improve economic prosperity that will provide economic resilience in the face of climate change. An example is the Tshapile Ulimo Agricultural Co-operative – where funding has been leveraged to fence grazing and agricultural lands.

Employee wellbeing

We operate an employee well-being programme across the Group, that offer counselling and information service to employees to help them manage periods of stress and illness. For example, during 2010:

- Old Mutual South Africa provided a comprehensive employee wellbeing programme which includes a counselling service 365 days a year
- Nedbank launched an online programme to help employees achieve work/life balance and personal wellbeing
- Skandia Colombia delivered a week-long wellness at work programme providing health, sports and recreational activities for employees and their families.

These services should help our employees cope with the changes they experience as a result of climate change, increases in illnesses that may arise and the trauma potentially experienced due to extreme weather events (OR3). Where possible and appropriate we also provide employees with the equipment and systems necessary to work remotely. This has obvious business benefits but also provides the capacity to continue to operate remotely through secure web access should extreme or severe weather conditions caused by climate change prevent physical access to our offices for employees.

Financial risk

Understanding to what extent, and how, climate change will impact or enhance the value of investments is crucial if we are to protect shareholder value. The following points illustrate some of the key things we do to manage this risk (OR4 and OR5):

- Our asset diversification policy and in-house Risk Exposure Aggregation System (REAS) mitigates risk of local 'trauma', including that caused by climate change, by ensuring that we do not have a concentration of investment in a particular sector or investment type

- To mitigate the risks we face from natural and non-natural disasters, regardless of the cause, we have a catastrophe stop and loss and excess of loss reinsurance treaty in place which covers claims from an incident occurring within a specified period between a range of specified limits. We also use actuarial models to calculate premiums and monitor claims patterns using past experience and statistical methods, to limit our exposure to large single claims and catastrophes. This is particularly important in Mutual & Federal

5.1g

Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1h

Please explain why you do not consider your company to be exposed to risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1i

Please explain why you do not consider your company to be exposed to risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Page: 6. Climate Change Opportunities

6.1

Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
Opportunities driven by changes in physical climate parameters
Opportunities driven by changes in other climate-related developments

6.1a

Please describe your opportunities that are driven by changes in regulation

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
RO1	International agreements	The increased demand and need for low-carbon energy to mitigate greenhouse gas emissions provides a business opportunity for our project developers and investors through the creation of new investment markets. The HSBC Climate Change Centre of Excellence estimated in 2009 that over USD470 billion of fiscal stimulus has been earmarked by governments to climate change investment themes.	Investment opportunities	Current	Indirect (Supply chain)	Virtually certain	Medium
RO2	Cap and trade schemes	Cap and Trade schemes will create the need for offsetting and advisory services that could be provided by our business units. Nedbank has already created a Carbon Team to explore these possibilities and expects to generate project funding in excess of $100 million over the next two to five years.	Increased demand for existing products/services	Current	Indirect (Client)	Virtually certain	Medium
RO3	Fuel/energy taxes and regulations	Efficiency gains are available through reducing energy consumption in light of potential increases in regulation surrounding energy consumption and emissions. For example, increased building regulations will lead to more efficient building stock that will directly reduce our operational costs and potentially increase the value of energy efficient building investment portfolios.	Reduced operational costs	Current	Direct	Virtually certain	Low-medium

6.1b

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

The financial implications of the opportunities available as a result of climate change related regulation are not currently quantified at a climate change specific level and the action plans to maximise these opportunities are not measured independently from the wider business costs. As a Group we have taken a number of actions to take advantage of the climate change related regulations identified above.

Increased investment opportunities
The increased demand and need for low-carbon energy to mitigate greenhouse gas emissions (RO1) provides a business opportunity for our project developers and investors through the creation of new investment markets.

For example, Nedbank Capital has a dedicated Carbon Finance Team that provides carbon advisory and footprinting services, identification and development of Clean Development Mechanism (CDM) projects and carbon trading.

As legislation and carbon taxes alter the financial viability of projects, lifting the project return on capital where income streams from the sale of carbon credits can be taken into account. Profits on CDM and voluntary renewable energy projects are enhanced through carbon credit acquisition (trading profit) and sales and distribution (brokerage) services. Nedbank is engaging with development agencies and international financial institutions to create joint funds specifically targeting new technology and technology transfer in clean energy and energy efficient project development. We have also conducted market research into the readiness of the South African market to take up financing solutions for solar water heaters and other "green" financing products. These initiatives are expected to realise project funding in excess of US$100m over the next 2 to 5 years.

Increased demand for existing products/services
We offer a range of products and services that specifically enable our customers to avoid or offset GHG emissions. Demand for these products and services is likely to increase as organisations, governments and individuals seek to comply with the increasing climate change-related legislation (RO2).

- In South Africa, Nedbank is already involved in carbon offsetting services that will be demanded through cap and trade schemes. In late 2009 Nedbank Capital and Wildlife Works Inc (WWI) signed a multimillion-dollar agreement on an East African carbon project – Rukinga Wildlife Sanctuary. Nedbank Capital will acquire carbon credits from the Rukinga Project for on sale to South African companies and other players in the global carbon market. The more than 2.5 million tonnes of carbon will primarily be made available through avoiding the deforestation of the Kasigau Corridor which would otherwise have taken place. Climate change regulation and cap and trade schemes will increase the demand for such services.
- As energy taxes increase the demand for energy efficient buildings will also increase. To help us maximise this opportunity (RO2), we have a Group Climate Change Strategy which aims to improve the completeness and accuracy of our emissions data, sets a group target for carbon reductions, and will create initiatives to engage all our stakeholders. At a business unit level, Old Mutual Property has a green building strategy and which provides us with a structured approach to improving the environmental sustainability of the buildings in our existing portfolio and the ones we are constructing.

Energy efficiency gains and cost savings:
We have been working to improve the processes and tools in place for managing and improving the energy efficiency of our operations, enabling us to capitalise on the cost savings from efficiency gains (RO3).

- We have developed our first Group Climate Change Strategy which aims to improve the completeness and accuracy of our emissions data, sets a Group target for carbon reductions, and will create initiatives to engage all our stakeholders

- We have introduced a dedicated automated data collection tool. Following initial trials, the system will be deployed across the group in 2011, enabling business units to measure, manage impacts more effectively
- We have made changes to the buildings we own or lease to reduce our carbon emissions. These changes include refitting existing units and building or leasing more environmentally-friendly new ones.

Investment figures for the development of these opportunities are not currently available. We will look at the possibility of capturing this information for future submissions.

6.1c

Please describe the opportunities that are driven by changes in physical climate parameters

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
PO1	Other physical climate drivers	The increase in extreme weather conditions caused by climate change is likely to lead to significant increases in the scale and frequency of significant financial costs as a result of damage to infrastructure, disruption of utility services (for example access to water), damage to property and crops, disruption of supply chains and distribution of natural resources. Insurance products can offer a method of spreading the risks associated with these impacts and as the impacts of climate change grow, so too is the likely demand for insurance products. The business units able to maximise these opportunities are Old Mutual Bermuda, Old Mutual Specialised Finance, Old Mutual Life Assurance company of South Africa Limited, Nedgroup Life Assurance Company Limited and Old Mutual Financial Life Insurance company (OMFLIC) which provide long-term insurance and Nedgroup Insurance Company Limited and Mutual & Federal, which provide short-term insurance.	Increased demand for existing products/services	1-5 years	Indirect (Client)	Virtually certain	Medium

6.1d

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

The financial implications of the opportunities available as a result of the global physical changes caused by climate change are not currently quantified at a climate change specific level and the action plans to maximise these opportunities are not measured independently from the wider business costs. As a Group we have taken a number of actions to take advantage of the climate change related changes identified above.

Increased demand for our products (PO1)

As a long-term savings, protection and investment business we are focused on helping people plan ahead and provide for unforeseen expenses and circumstances, including those that arise due to the physical impacts of climate change, as demonstrated by the list of customer offerings listed below:

- Investments and savings products that can help grow our customers' money or draw an income – depending on their needs.
- Risk cover provides financial security for customers in the event of disease, disablement, death or retrenchment
- Medical cover ensuring that our customers have access to the best medical care available
- Life cover protects customers and their families from financial loss as a result of death and disability
- Funeral cover to remove the burden of administration and expense in the event of a death in the family
- Through Mutual & Federal, which also offers various business specific schemes such as crop insurance products for farmers, we also make use of brokers who belong to the Agri Guild to give advice on risk management.

6.1e

Please describe the opportunities that are driven by changes in other climate-related developments

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
OO1	Reputation	Our reputation improves our ability to attract customers, employees and investment, to motivate employees and suppliers, and to differentiate us from our competitors. Climate change is widely recognised as the greatest environmental challenge facing the world today. We recognise the opportunities available to the business in going significantly beyond compliance to meet our stakeholder expectations in dealing with climate change: • Employee calibre and retention: Through the development and promotion of the Group as a responsible business, including the management of our environmental impact, we can maintain our employee engagement levels. It also has the potential to attract and retain motivated and high calibre employees. • New customers and retention of existing customers: A reputation as a company	Increased stock price (market valuation)	1-5 years	Direct	Very likely	Medium

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		that acts responsibly and that is committed to tackling the challenges of climate change can lead to the retention of ethical consumers and those whose purchases are influenced by corporate responses to climate change. • Shaping policy and regulation: those companies that have a good reputation will be in a better position to work closely with government and regulators to help shape and inform upcoming legislation and regulation.					
OO2	Other drivers	Consumers are increasingly looking for companies that are minimising their environmental footprint and can provide innovative ways in which to help the consumer make a positive contribution to the challenges of climate change.	New products/business services	1-5 years	Indirect (Client)	Likely	Medium

6.1f

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

The financial implications of the opportunities available as a result of climate change are not currently quantified at a climate change specific level and the action plans to maximise these opportunities are not measured independently from the wider business costs. As a Group we have taken a number of actions to take advantage of the climate change related changes identified above.

Reputational opportunities (OO1)
We have taken the following actions that demonstrate to different stakeholder groups the ways in which we are tackling climate change and acting as a responsible business and maximise the reputational opportunities that climate change represent:

- Employee engagement: As well as promoting behaviour change at work to help us reach our own environmental targets, we have also run programmes throughout the Group to help employees take action at home. For example, Nedbank promotes environmental awareness is through an annual Deep Green Day
- Supplier engagement: In 2010 business units signed up to our new Responsible Business Policy which includes commitments to factors into procurement decisions, wherever practical, the environmental and social impacts of our suppliers and to work with suppliers to create awareness and progress understanding of their social and environmental impacts. Nedbank developed a nine-point procurement scorecard as a requirement for prospective suppliers in 2010. They also hosted two supplier training and awareness sessions on sustainability with 150 key suppliers in the Retail and Group Technology areas. Skandia UK now include a requirement in all Requests for Proposals that suppliers have a corporate responsibility policy that matches, or exceeds, the Group policy.
- Wider stakeholder engagement: We have made a number of commitments and undertaken activities across the Group which demonstrates our commitment to deal with climate change and engage with policy makers. For example:

- Old Mutual became a signatory of the Cancun Communiqué on Climate Change which called, on behalf of business, for ambitious, robust and equitable global action on climate change ahead of the UN climate change conference in Cancun in December 2010
- Old Mutual responded through the South Africa Insurance Association (SAIA) to comment on the ‘National Climate Change Response Green Paper’, issued by the South African Department of Environmental Affairs, and the ‘Discussion Paper on Reducing Greenhouse Gas Emissions: The Carbon Tax Option’ issued by the South African National Treasury. Our response was then used by the SAIA in drafting an industry position
- Old Mutual plc and Nedbank Group remained signatories to the United National Global Compact and both completed Communications on Progress in 2010
- Through Nedbank we attended the 'Green Economy Summit' in South Africa (18-20 May 2010) organised by The Department of Environmental Affairs, to contribute insights for the preparation for a ‘Green Economy path in South Africa’.

As a result of our efforts, Nedbank Group has won various sustainability awards including Climate Change Leadership Awards (Winner: Corporate Services Sector) in South Africa and the Financial Times Emerging Markets Sustainability Bank of the Year for Middle East and Africa.

New services and/or product market opportunities (OO2)

New services will be needed to help people protect themselves from the risks of climate change (e.g. crop insurance) as well as for those who are actively seeking to make a positive contribution to the challenge of climate change (e.g. through investing in social or environmental focused funds). Below are examples of the range of products and services that are designed to attract eco-conscious customers and capture the opportunities available to Old Mutual through climate change:

- Old Mutual South Africa has a wide range of social, environmental and transformation related funds. In 2010 we had over £2.8 billion funds under management in specifically social, environmental and transformation related investments – including OMIGSA’s Futuregrowth fund, the African Infrastructure Investment Managers fund, and Skandia’s Ideas For Life fund
- At Nedbank we offer an Affinity card which appeals to the eco-conscious customer by offering the opportunity to donate to climate change related projects at no additional cost to the customer. Please see the Nedbank CDP submission for more details
- Nedbank Capital has a dedicated Carbon Finance Team that provides carbon advisory and footprinting services, identification and development of Clean Development Mechanism projects and carbon trading
- Nedbank Wealth Become Programme – In 2010 Nedbank Wealth introduced a world-class life insurance offering, complemented by a holistic health and wellbeing programme called 'Become'. In addition to personal wellness, the programme provides members with access to information on how they can contribute to the wellbeing of the planet
- Greenbacks 'green stream' – following demand from clients, the Greenbacks loyalty programme was enhanced through the addition of a 'green stream', allowing members of the programme to redeem their loyalty points for goods that are environmentally friendly. To date more that 3% of the total number of client redemptions have been for 'green' products.

Investment figures for the development of these opportunities are not currently available. We will look at the possibility of capturing this information for future submissions.

6.1g

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1h

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1i

Please explain why you do not consider your company to be exposed to opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading [Investor]

Page: 7. Emissions Methodology

7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Fri 01 Jan 2010 - Fri 31 Dec 2010	10364	672612

7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

7.2a

If you have selected "Other", please provide details below

7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO_2	Other: 2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
CH_4	Other: 2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting

7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data

Fuel/Material/Energy	Emission Factor	Unit	Reference
Diesel/Gas oil	2.64	kg CO_2e per litre	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Natural gas	0.19	Other: kg CO_2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Natural gas	20.02	Other: kg CO_2e per M3	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Motor gasoline	2.30	kg CO_2e per litre	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting

Fuel/Material/Energy	Emission Factor	Unit	Reference
Other: Electricity Austria	0.23	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Bermuda	0.60	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity China	0.84	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Colombia	0.23	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity France	0.09	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Germany	0.43	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity India	1.29	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Isle of Man	0.54	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Italy	0.43	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Kenya	0.73	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Malawi	0.73	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Mexico	0.23	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Namibia	0.73	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Poland	0.72	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity South Africa	0.91	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Swaziland	0.73	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity Switzerland	0.03	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity United Kingdom	0.54	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting
Other: Electricity United States of	0.60	Other: kg CO2e per	2010 Guidelines to Defra / DECC's GHG Conversion

Fuel/Material/Energy	Emission Factor	Unit	Reference
America		kWh	Factors for Company Reporting
Other: Electricity Zimbabwe	0.73	Other: kg CO2e per kWh	2010 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting

Page: 8. Emissions Data - (1 Jan 2010 - 31 Dec 2010)

8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Equity share

8.2a

Please provide your gross global Scope 1 emissions figure in metric tonnes CO2e

10363.83

8.2b

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 1 breakdown

Boundary	Gross global Scope 1 emissions (metric tonnes CO2e)	Comment

8.2c

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 1 Total

Gross global Scope 1 emissions (metric tonnes CO2e) - Total Part 1	Comment

8.2d

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 2

Gross global Scope 1 emissions (metric tonnes CO2e) - Other operationally controlled entities, activities or facilities	Comment

8.3a

Please provide your gross global Scope 2 emissions figure in metric tonnes CO2e

672611.89

8.3b

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 breakdown

Boundary	Gross global Scope 2 emissions (metric tonnes CO2e)	Comment

8.3c

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 Total

Gross global Scope 2 emissions (metric tonnes CO2e) - Total Part 1	Comment

8.3d

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 2

Gross global Scope 2 emissions (metric tonnes CO2e) - Other operationally controlled entities, activities or facilities	Comment

8.4

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

8.4a

Please complete the table

Reporting Entity	Source	Scope	Explain why the source is excluded

8.4

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions which are not included in your disclosure?

Yes

8.4a

Please complete the table

Source	Scope	Explain why the source is excluded
Triangle Fund India	Scope 1	Our new property portfolio in India was not included in the calculations. Unfortunately it was not feasible to collect

Source	Scope	Explain why the source is excluded
	and 2	data from this new part of the business in 2010 but we are working towards including this data in 2011.
Heat, Steam and Cooling	Scope 1	We were not able to collect enough information from the source of the heat, steam and cooling to be able to measure emissions through this source of energy consumption. We will work to include this in our 2011 reporting.
Certain electronic banking service devices like: ATM, SST and POS	Scope 2	Reliable data for electricity consumption for electronic banking service devices (Automated Teller Machines (ATM), Self Service Terminals (SST) and Point of Sale (POS) devices) is not currently available.
Nedbank offshore operations	Scope 1	Scope 1 emission for non-South African and partially owned subsidiary companies are not currently included in the reporting boundary. Reliable data collection from these operations is not currently available. We are engaging with these entities with the medium term view to developing systems and information gathering. In 2010 electricity (Scope 2 emissions) from non-South African facilities was accounted for.
Nedbank Bancassurance and Wealth Financial Advisors	Scope 2	Electricity consumed by approximately 60 (less than 0.3% of FTE count) Financial Advisors that work from home offices is not currently reported. Reliable data cannot be obtained. Emissions from this source are not material.
Pick-n-Pay in store Nedbank outlets	Scope 2	Separate electricity meters are not installed for approximately 100 small Nedbank service outlets at in-store Nedbank "kiosks". These outlets consist of two to three staff with computer and printing facilities. A proxy calculation of associated emissions is being developed.
Skandia International services offices	Scope 1 and 2	We have a number of small offices in our Skandia International operation in Finland, Dubai, Hong Kong and Singapore where information has not been collected due to reporting and data collection barriers. These sites are small and employees are located in serviced offices making data collection difficult. We are reviewing the data collection from these sites in 2011

8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and Scope 2 figures that you have supplied and specify the sources of uncertainty in your data gathering, handling, and calculations

Scope	Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Data Gaps Metering/ Measurement Constraints	Estimates were used in a small number of locations for scope 1 emissions such as diesel for generators. We plan to improve our data collection and reduce estimates in 2011 through our online data collection system and moving from an annual to a quarterly reporting schedule.
Scope 2	More than 2% but less than or equal to 5%	Data Gaps Assumptions Metering/ Measurement	Some parts of the business had problems gaining energy consumption data from landlords where Old Mutual is a tenant and estimates were made. At some of our properties in South Africa electricity consumption and billing is based on estimates. We plan to improve our data collection and reduce estimates in 2011 through our online data collection system and moving from an annual to a quarterly

Scope	Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
		Constraints	reporting schedule.

8.6

Please indicate the verification/assurance status that applies to your Scope 1 emissions

Verification or assurance complete

8.6a

Please indicate the proportion of your Scope 1 emissions that are verified/assured

More than 0% but less than or equal to 20%

8.6b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard	Relevant statement attached
Limited assurance (qualified)	Other: As evaluated by Ernst & Young Inc - The auditing firm used	Ernst & Young audited the greenhouse gas inventory as supplied to them by Nedbank. The information provided in 8.6 b: (i) Relates to Scope 1 emissions; (ii) Ernst & Young provided limited assurance based on their in house assurance methods as relating to the GHG Protocol used by Nedbank, and; (iii) The assurance was provided for the 2010 disclosure period coinciding with the current CDP disclosure year.

8.7

Please indicate the verification/assurance status that applies to your Scope 2 emissions

Verification or assurance complete

8.7a

Please indicate the proportion of your Scope 2 emissions that are verified/assured

More than 0% but less than or equal to 20%

8.7b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard	Relevant statement attached
Limited assurance (qualified)	Other: As evaluated by Ernst & Young Inc - The auditing firm used	See attached document: Nedbank Limited Assurance Statement Ernst & Young audited the greenhouse gas inventory as supplied to them by Nedbank. The information provided in 8.7 b: (i) Relates to Scope 2 emissions; (ii) Ernst & Young provided limited assurance based on their in house assurance methods as relating to the GHG Protocol used by Nedbank, and; (iii) The assurance was provided for the 2010 disclosure period coinciding with the current CDP disclosure year.

8.8

Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?

No

8.8a

Please provide the emissions in metric tonnes CO2e

Further Information

Please note that we have detected a printing error on page 109 of Nedbank's 2010 Integrated Report in the sub-total of the Scope 2 emissions: The figure 165 343.42 should read 165 313.42.

Attachments

https://www.cdproject.net/Sites/2011/07/13807/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/8.EmissionsData (1Jan2010-31Dec2010)/Nedbank Limited Assurance Statement.pdf

Page: 9. Scope 1 Emissions Breakdown - (1 Jan 2010 - 31 Dec 2010)

9.1

Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

9.1a

Please complete the table below

Country	Scope 1 metric tonnes CO2e
Austria	123.24
Bermuda	0
China	26.05
Colombia	26.41
France	80.87
Germany	276.85

Country	Scope 1 metric tonnes CO2e
India	0
Isle of Man	16.84
Italy	0
Kenya	15.85
Malawi	90
Mexico	60.35
Namibia	210.80
Poland	159.96
South Africa	7849.53
Swaziland	27.56
Switzerland	91.45
United Kingdom	936.61
Zimbabwe	371.42
Other: Nordic	0
United States of America	0.04

9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division
By GHG type

9.2a

Please break down your total gross global Scope 1 emissions by business division

Business Division	Scope 1 metric tonnes CO2e
Long-term Savings	6539.93
Banking	917.31
Short-term Insurance	2906.55

Business Division	Scope 1 metric tonnes CO2e
US Asset Management	0.04
Bermuda	0

9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 metric tonnes CO2e

9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 metric tonnes CO2e
CO2	5419.54
Other: R22	3620
Other: R134A	332.50
Other: R410A	210.80
Other: Air conditioning emissions from Nedbank	780.99

9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 metric tonnes CO2e

Further Information

Old Mutual has restated 2009 Scope 1 emissions in light of improved data collection and information leading to improved estimations. Scope 1 emissions for 2009 are now reported as 10,017tCO2e.

Page: 10. Scope 2 Emissions Breakdown - (1 Jan 2010 - 31 Dec 2010)

10.1

Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

Yes

10.1a

Please complete the table below

Country	Scope 2 metric tonnes CO2e
Austria	55.48
Bermuda	125.53
China	185.03
Colombia	337.71
France	30.36
Germany	365.80
India	2409.85
Isle of Man	1091.08
Italy	210.41
Kenya	328.98
Malawi	78.34
Mexico	118.13
Namibia	1924.56
Poland	194.89
South Africa	641344.59
Swaziland	30.84
Switzerland	9.61

Country	Scope 2 metric tonnes CO2e
United Kingdom	6198.36
United States of America	7705.03
Zimbabwe	488.93
Other: Nordic	4217.25
Other: Nedbank non-South African regions (Guernsey, Isle of Man, UK, Jersey, Lesotho, Swaziland, Malawi, Namibia, Zimbabwe)	5161.13

10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 metric tonnes CO2e
Long-term savings	565802.86
Banking	90922.38
Short-term insurance	8471.82
US Asset Management	7289.3
Bermuda	125.53

10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 metric tonnes CO2e

10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 metric tonnes CO2e

Further Information

Old Mutual has restated 2009 Scope 2 emissions in light of improved data collection and information leading to improved estimations. Scope 2 emissions for 2009 are now reported as 627,708tCO2e.

Page: 11. Emissions Scope 2 Contractual

11.1

Do you consider that the grid average factors used to report Scope 2 emissions in Question 8.3 reflect the contractual arrangements you have with electricity suppliers?

Yes

11.1a

You may report a total contractual Scope 2 figure in response to this question. Please provide your total global contractual Scope 2 GHG emissions figure in metric tonnes CO2e

11.1b

Explain the basis of the alternative figure (see guidance)

11.2

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

Yes

11.2a

Please provide details including the number and type of certificates

Type of certificate	Number of certificates	Comments
Other: Voluntary Emission Reduction (VER) credits	91300	Nedbank is the first African bank to obtain carbon neutral status. The complete footprint of the bank was offset and by implication all the Scope 2 and/or electricity used by Nedbank was offset. A "reduce before offset" approach is followed throughout Nedbank with regards to all greenhouse gas contributing utilities/products. Nedbank retired 166000 in total, Old Mutual has reported 55% of these, in line with its Nedbank shareholding.

Further Information

Nedbank calculates its emissions and reports its emissions data to Old Mutual. All other parts of the Group report their raw energy consumption data, from which Old Mutual calculates its emissions. For details of how Nedbank calculates its emissions, please see the separate Nedbank CDP submission.

Page: 12. Energy

12.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

12.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has consumed during the reporting year

Energy type	MWh
Fuel	7304
Electricity	806875
Heat	
Steam	
Cooling	

12.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	5119
Other: Gas/Diesel oil	1722
Motor gasoline	358
Distillate fuel oil No 2	105

Page: 13. Emissions Performance

13.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

13.1a

Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment
Other: Improved data accuracy	7	Increase	80% of Old Mutual's emissions are generated in our South African property portfolio, which includes shopping malls and office buildings. The emissions from this section of the business increased in 2010 (by 9%) due to improved data collection from these sites. This represents a significant proportion of our Group emissions and outweighed reductions made elsewhere in the business. 90% of the increase in emissions is due to the increase of emissions from Old Mutual Property. However, we see improving data accuracy as a key step in improving our understanding of where our emissions are generated in order to act to reduce our emissions in the long-term.

13.2

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
31.9	metric tonnes CO2e	unit total revenue	2.5	Increase	The increased accuracy in data collection and reported emissions in our South African property portfolio (over 344 buildings) increased our emissions with no subsequent impact our revenue. This means that our emission intensity in terms of revenue increased from last year.

13.3

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
11.57	metric tonnes CO2e	FTE Employee	1.9	Decrease	In 2010 Old Mutual saw a significant increase in our employee figures from 54,067 to 59,032 which outweighed the increases in emissions from 637,725

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
					tCO2e to 682,976tCO2e, which was largely due to improvements in data accuracy in our property portfolio.

13.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Explanation
0.22	metric tonnes CO2e	square meter	7	Increase	The increased accuracy in data collection and reported emissions in our South African property portfolio (over 344 buildings) increased our emissions with no significant change in the size of the property portfolio in terms of m2. This means that our emission intensity in terms of m2 increased from last year.

Further Information

At Old Mutual, we break our emissions down into employee locations which represents the core running of our business and our property portfolio. In 2010 we decreased our Scope 1 and 2 emissions intensity to 2.32 tonnes of CO2e per employee (2009: 2.33*) but recorded an increase in emissions intensity in our African property portfolio to 0.17 tonnes CO2e/m2 (2009: 0.16*).

* 2009 figures have been restated in light of improved data collection in 2010.

Page: 14. Emissions Trading

14.1

Do you participate in any emission trading schemes?

No, and we do not currently anticipate doing so in the next two years

14.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

14.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

14.2

Has your company originated any project-based carbon credits or purchased any within the reporting period?

Yes

14.2a

Please complete the following table

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits retired	Purpose e.g. compliance

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits retired	Purpose e.g. compliance
Credit Purchase	Forests	The Kasigau Corridor REDD Project , Rukinga Sanctuary.	VCS	110000	110000	No	Voluntary Offsetting
Credit Purchase	Methane avoidance	Soil & More Reliance Composting Project, Cape Town, South Africa This project generates carbon offsets through the avoidance of methane emissions by displacing the dumping of organic waste by the anaerobic composting treatment of garden and park waste in Cape Town.	Other: TUV Nord in-house standard	110000	110000	No	Voluntary Offsetting

Further Information

Old Mutual is a 55% shareholder of Nedbank and as such reports emissions according to shareholder value. In total Nedbank purchased 200,000 tCO2e. The figure was reported here in the CDP submission as 110,000 tCO2e in line with the rest of the emissions reporting in this submission.

Page: 15. Scope 3 Emissions

15.1

Please provide data on sources of Scope 3 emissions that are relevant to your organization

Sources of Scope 3 emissions	metric tonnes CO2e	Methodology	If you cannot provide a figure for emissions, please describe them
Business travel	12658.25	Data is provided from our external travel agency who provide records of air travel for our main business units. The air flights are categorised as long, medium and short haul (short = <1,000km, medium = 1,001 -	

Sources of Scope 3 emissions	metric tonnes CO2e	Methodology	If you cannot provide a figure for emissions, please describe them
		4,000km, long = >4,000km). conversion factors were taken from the 2010 Guidelines to Defra/DECC's GHG Conversion Factors for Company Reporting, Annex 6 - Passenger Transport Conversion Tables. Nedbank emissions were calculated at the individual business unit level (for flights, business travel in rental cars and business travel in employee owned cars) and details of their calculations are outlined in the Nedbank submission.	
Employee commuting	19318.11	This covers employee commuting in Nedbank only. A staff survey is done annually to derive modes of transport and commuting distances. Commuting emissions for all staff are estimated by multiplying the average emissions per survey respondent by the FTE count. The 2010 South African staff commuting survey again received valid responses from approximately 65%, or 16859 staff. Examples/case studies and other quantitative information: Emissions from staff commuting rose by approximately 10% to 35124 tCO2e as a consequence of a small rise in the average emissions per FTE (+3% from 1.32tCO2e per person to 1.36tCO2e per person) and an additional 1600 staff falling with the reporting boundary in 2010 (mainly due to integration of Imperial Bank staff).	
Transportation and distribution of sold products	1.49	This covers transportation and distribution of sold products in Nedbank only. There are emissions arising from the transport of mobile bank branches and "branch-in-a-box" temporary Nedbank retail outlets. Increased level of detail pertaining to Nedbank: Nedbank offers mobile banking facilities to various rural communities. Some of these mobile bank branches are referred to as “branch-in-a-box” units and resembles shipping container size vessels. Examples/case studies and other quantitative information: Emissions calculated from fuel-use estimates make use of data such as distance travelled, mode of transport and emissions factors for the fuel used. The most recently published DEFRA guidelines are used.	
Supplier emissions	2285.93	This covers supplier emissions for Nedbank only. Supplier emissions refer to emissions associated with the paper consumption of Nedbank in 2010. Increased level of detail pertaining to Nedbank: The level of monitoring and measuring of paper consumption is increasing. The result is that better quality data is progressively becoming available to Nedbank regarding internal consumption. There are though regulatory constraints that prevent Nedbank from reducing paper consumption below a certain level. These regulatory constraints include national laws that insist that paper copies of certain documents must be signed and send on in hard copy format. Examples/case studies and other quantitative information: A small decrease (less than 1%) has been recorded in total year-on-year paper consumption. This translates into a 7% reduction in paper consumption per FTE.	

15.2

Please indicate the verification/assurance status that applies to your Scope 3 emissions

Verification or assurance complete

15.2a

Please indicate the proportion of your Scope 3 emissions that are verified/assured

More than 60% but less than or equal to 80%

15.2b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Relevant standard	Relevant statement attached
Limited assurance (qualified)	Other: Ernst & Young performed the audit to align with their in-house standard applied to Nedbank's application of the GHG Protocol	Nedbank Limited Assurance Statement

15.3

How do your absolute Scope 3 emissions for the reporting year compare to the previous year?

Increased

15.3a

Please complete the table

Reason	Emissions value (percentage)	Direction of Change	Comment
Change in boundary	97	Increase	We have extended our Scope 3 to include employee commuting, transportation and distribution of sold products and supplier emissions through Nedbank. Nedbank already record and report these emissions and so they have been included in this years Group CDP report for 2010.
Emissions reduction activities	36	Decrease	there is a 36% reduction in flights from the business in 2010 (2010: 11,102tCO2e) compared to 2009 (2009:17,374tCO2e). This is due partly to improved data collection for flights data from Old Mutual South Africa, where the majority of our flight emissions originate, but also due to emission reduction activities. In 2009, Old Mutual Property established a green travel policy to reduce travel significantly. In 2010, a decision was made to further reduce travel by purchasing a Microsoft collaboration tool that allows instant messaging person to person or group chats. The tool also allows computer-based voice and video calls and desktop sharing, where two distant parties can collaborate in real-time on a shared document. The solution will be available on desk-based PCs as well as in meeting rooms at various locations. This will reduce the need to travel to our various offices for meetings as parties will now be able to see, hear and collaborate without being in the same room. In 2010, we achieved a £504,425 saving in travel costs.

Attachments

https://www.cdproject.net/Sites/2011/07/13807/Investor CDP 2011/Shared Documents/Attachments/InvestorCDP2011/15.Scope3Emissions/Nedbank Limited Assurance Statement.pdf

Module: Sign Off

Page: Sign Off

Please enter the name of the individual that has signed off (approved) the response and their job title

Helen Wilson
Head of Corporate Responsibility, Old Mutual