Old Mutual Limited - Climate Change 2020

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Old Mutual was started in Africa in 1845, and rapidly developed into a recognised brand across much of Southern Africa.

Over the years our business expanded internationally and in 1999 we listed on the London Stock Exchange.

In March 2016, it was decided that the best way forward for the Old Mutual Group was to separate its four strong businesses into independent, standalone companies.

The foremost aim of this strategy – called Managed Separation – has been to unlock and create value for shareholders.

In short, it became clear that the Group's complex structure and the high running costs of operating in diverse geographies and regulatory environments actually locked in value. To unlock that value, a Managed Separation of the four underlying businesses – Old Mutual Emerging Markets, Nedbank, UK based Old Mutual Wealth and US based Old Mutual Asset Management – was necessary.

As part of that Managed Separation, it was agreed that Old Mutual Emerging Markets (OMEM) would strengthen its focus on Africa and move its primary listing to Africa.

As Old Mutual Limited, our primary listing is now on the Johannesburg Stock Exchange. We also have a standard listing on the London Stock Exchange and secondary listings on three other stock exchanges in Africa: Namibia, Malawi and Zimbabwe.

The growth opportunities in Africa are enormous and exciting – and we are well positioned to make the most of those opportunities, while contributing significantly to the socio-economic progress of the communities we operate in.

Today Old Mutual Limited (OML) is a premium African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key markets in 14 countries.

Our purpose is to help our customers thrive by enabling them to achieve their lifetime financial goals, while investing their funds in ways that will create a positive future for them, their families, their communities and broader society. In this way, we significantly contribute to improving the lives of our customers and their communities while ensuring a sustainable future for our business. We now employ more than 30 000 people and operate in 14 countries across two regions: Africa (South Africa, Namibia, Botswana, Zimbabwe, Kenya, Malawi, Tanzania, Nigeria, Ghana, Uganda, Rwanda, South Sudan and eSwatini); and Asia (China).

We provide financial solutions to individuals, small and medium-sized businesses, corporates and institutions across several market segments and geographies in South Africa, the Rest of Africa and certain other emerging markets.

Savings and protection: Innovative life assurance based product solutions, addressing both protection and savings needs, as well as short term insurance solutions through Old Mutual Insure.

Investments: Growing our customers' savings and wealth, whether through active and direct asset management through the Old Mutual Investment Group or the selection of funds for customers to invest in through multi-managers.

Lending: Old Mutual offers personal loans and debt consolidation loans tailored to the individual needs of our customers. All loan products are provided through Old Mutual Finance, a licensed financial services and registered credit provider.

Banking: The Money Account is both a low-cost transactional account and a one of a kind unit trust savings account. This innovative banking product is offered by Old Mutual Transaction Services (Pty) Ltd in association with Bidvest Bank Ltd and Old Mutual Investment Administrators, a licensed financial services provider.

Old Mutual Limited's carbon footprint for FY2019 is focused only on its South African operations, which account for 88% of group return on net assets, the rest coming from its Rest of Africa operations. The footprint excludes its 19.9% minority interest in Nedbank who submits its own CDP response as well as the Latin American and Chinese businesses.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2019	December 31 2019	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

South Africa

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

ZAR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which organizational activities does your organization undertake?

Bank lending (Bank)
Investing (Asset manager)
Investing (Asset owner)
Insurance underwriting (Insurance company)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The OML Risk Committee and OML Responsible Business Committee of the Board are formally accountable to climate-related issues. During the year the Responsible Business Committee reviewed and approved the responsible investment policy and monitored compliance with the UN Responsible Investment Principles. The Committees, in conjunction with OML executive team, will set the OML strategic direction and position on climate change, taking into consideration existing approaches within the investment, general insurance, environmental and responsible business units.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our bank lending activities Climate-related risks and opportunities to our investment activities Climate-related risks and opportunities to our insurance underwriting activities Climate-related risks and opportunities to our other products and services we provide to our clients The impact of our own operations on the climate The impact of our investing activities on the climate The impact of our insurance underwriting activities on the climate The impact of other products and services on the climate	The OML Board, via the Board Responsible Business Committee and the Board Risk Committee set the OML direction, strategy and position on Climate Change in conjunction with OML executive team, taking into account existing approaches within the investment, general insurance, environmental and responsible business units. These Committees, collectively, established the OML Climate Change Task Force to facilitate a coordinated and structured response to the identification, assessment and mitigation of climate related risks and opportunities in OML, and set the mandate for the task force. Oversight is provided via quarterly review of OML's progress on climate change.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Risks Officer (CRO)	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our investing activities Risks and opportunities related to our insurance underwriting activities Risks and opportunities related to our other products and services Risks and opportunities related to our own operations	Quarterly
Other, please specify (Head of Responsible Business, who reports into Chief Risks Officer)	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our investing activities Risks and opportunities related to our insurance underwriting activities Risks and opportunities related to our other products and services Risks and opportunities related to our own operations	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Board committees do, in certain instances, have overlapping responsibilities, applying different perspectives as mandated. This is the case for climate change where the Board Responsible Business Committee and the Board Risk Committee set the OML direction, strategy and position on Climate Change in conjunction with OML executive team, taking into account existing approaches within the investment, general insurance, environmental and responsible business units.

The Risk Committee has identified the need to monitor environmental, external and emerging risks, including climate change, and the impact these will have on the Group as a focus area in 2020. The Responsible Business Committee will, in 2020, review and approve performance measures designed by management in respect of responsible business focus areas, including climate change, to ensure it enables the Board to measure success in the achievement of these goals.

The executive team includes the Chief Risk Officer, responsible for overall accountability for managing financial and non-financial risks within the organisation (including climate change), and the Head of Responsible Business, responsible for ensuring climate change directional alignment with our Responsible Business Strategy. The Board Committees and executive team manage the Climate Change Task Force whose responsibilities include: coordinating and overseeing work streams activities; ensuring alignment between works streams and functional areas (Group Strategy, Segments, Group Risk, Responsible Business), and ensuring regulatory and TCFD disclosure requirements are met (4 TCFD pillars), coordinating reporting for the executive team and Board committees. Functional areas of the Task Force include Group Strategy (ensuring Climate Change directional alignment with OML Group strategy), Responsible Business, Responsible Investment, Group Risk Compliance Business Unit Representation (Segment Strategy), External Reporting (ensuring disclosure requirements are met) and Executive owned by (Director: Group Marketing Cluster, Corporate Affairs and Responsible Business).

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	We will continue to engage and challenge executive management to ensure that we can measure our achievements as a Responsible Business. In this regard, certain defined ESG metrics have been added to the relevant scorecards of senior managers already, with the development of an overall ESG metric for our variable pay scheme being developed in 2020.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Chief Operating Officer (COO)	Monetary reward	Emissions reduction project Energy reduction project Efficiency project	Certain defined ESG metrics including emissions reduction projects, energy reduction projects, and efficiency projects have been added to the scorecard of the COO, with the development of an overall ESG metric for our variable pay scheme being developed in 2020.
Chief Risk Officer (CRO)	Monetary reward	Emissions reduction project Energy reduction project Efficiency project	Certain defined ESG metrics including emissions reduction projects, energy reduction projects, and efficiency projects have been added to the scorecard of the CRO, with the development of an overall ESG metric for our variable pay scheme being developed in 2020.
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction project Energy reduction project Efficiency project	Certain defined ESG metrics including emissions reduction projects, energy reduction projects, and efficiency projects have been added to the scorecard of the CSO, with the development of an overall ESG metric for our variable pay scheme being developed in 2020.
Chief Investment Officer (CIO)	Monetary reward	Efficiency project Portfolio/fund alignment to climate-related objectives	Certain defined ESG metrics including efficiency projects and portfolio/fund alignment to climate-related objectives have been added to the scorecard of the CIO, with the development of an overall ESG metric for our variable pay scheme being developed in 2020.
Facilities manager	Monetary reward	Emissions reduction project	Building and facilities managers have energy management and reduction targets within their individual performance targets.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

	We offer an employment-based retirement scheme that incorporates ESG principles, including climate change.	Comment
Row 1	No, but we plan to do so in the next two years	OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, leverage the successes of the businesses with mature responses and to develop explicit strategies for other businesses and products. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for offering employees an employment-based retirement scheme that incorporates ESG principles, including climate change.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	Current year.
Medium-term	1	5	Business plan cycle. Our business strategy is updated on a rolling basis and revalidated on a 3 year rolling basis.
Long-term	5		Five years and beyond.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

We define substantive financial or strategic impact based on the impact a climate-related risk would have, if it materialises, on the following:

· Profits – Financial

· Reputation

· License to Operate

· Business Resilience & Sustainability

The non-financial impacts relate to the examples of media exposure, regulatory censure, and the like.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Our risk management approach is aligned to the Group's purpose and strategy. A comprehensive and mature risk management framework is in place, which is anchored in a three lines of assurance model, and includes a clear articulation of our risk strategy. It ensures disciplined risk based decision making in the Group and active control over the risk exposures to which our earnings and capital are exposed. This achieves a more sustainable delivery of AHE and RoNAV within our chosen risk appetite. We have a comprehensive suite of risk policies to direct how specific risks should be managed and controlled, aligned to our risk categorisation model. Appropriate escalation mechanisms are in place for risk events and breaches in risk limits and targets. A forward looking Own Risk and Solvency Assessment (ORSA) enables us to assess the robustness of our balance sheet in adverse conditions, and we have modelled severe scenarios to ensure strong resilience of solvency capital and liquidity. The Centre of Excellence (COE) for Strategic and External Risks socializes climate change-related risks to the other COE's within Risk who then take this to their respective businesses to discuss during the Risk & Control Self-Assessment (RCSA) process and see which of these risks potentially impacts them. This process occurs bi-annually. Five of the top ten global risks in terms of likelihood include climate action failure, extreme weather, natural disasters, biodiversity loss and human-made environmental disasters. Extreme weather events are already a more frequent feature in some of the countries in which we operate. When considering our investments, our ESG risk screening may identify climate change risk as a concern to a particular company. In this case, we will undertake deep-dive research on how the issue may impact the company's core financial metrics and competitive positioning – this may translate to an adjustment of our base case and/or bull-bear case analysis. In each instance, the analysts on the company are required to prepare a detailed note on how the material ESG issues have been considered in the overall company valuation and buy/hold/sell recommendation. For example, the drought in the Western Cape in 2018 highlighted the risk of increasing frequency of adverse climate change related weather events (floods, drought, cyclones, etc.) that may keep employees from physically and remotely accessing their workplaces, resulting in reduced employee productivity and threats to business reliability. Vulnerability to utility-related disruptions have been integrated into the ongoing work of the Capability Cluster and resulted in, for example, the decision to take 1 Mutual Place (Sandton. Johannesburg Head Office) off-grid from a water perspective. OM Insurance engages with the South African Insurance Association (SAIA) and these interactions feed into the OML risk processes via the climate change working group at OM Insure. This includes, for example, trends regarding weather-related claims in South Africa. With respect to transition risk, as an example, the OML Responsible Investment Team undertook work during 2019 to initiate a process to help OML formulate a principle-based stand on a preliminary set of material ESG issues as it pertains to policyholder and shareholder investments. This included the following process steps: 1) Materiality screening of a long list of ESG issues to establish a short list of material ESG issues 2) Assessing dimension risk in respect of business, client, investment exposure of the most material ESG issues; 3) Proposing an in-principle position on the ESG issues identified.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Businesses identify material risks caused by current climate-related regulation via their Risk Control Self-Assessment (RCSA) process overseen by Risk Committees. Risks are quantified and assessed in line with risk appetites and assigned owners responsible for regular review of the risk and management action. Significant risks are escalated up the business and to Group if required. During 2019, the Carbon Tax came into effect. This was identified as a direct risk but also an indirect risk impacting job markets and the propensity to spend on insurance cover. The business is also considering the impact of the carbon tax on the companies in which we invest. For example, there remains some uncertainty regarding the impacts on the mining sector in South Africa.
Emerging regulation	Relevant, always included	Businesses identify material risks caused by emerging climate-related regulation via their Risk Control Self-Assessment (RCSA) process overseen by Risk Committees. Risks are quantified and assessed in line with risk appetites and assigned owners responsible for regular review of the risk and management action. Significant risks are escalated up the business and to Group if required. An example of emerging regulation is the second phase of the carbon tax and the finalisation of the Climate Change Act. The extent to which the second phase of the carbon tax will affect OML (e.g. through the pass through of the tax in the electricity price) and the relationship between the tax and the measures included in the Act (e.g. carbon budgets) is being monitored and considered within OML's risk assessment processes.
Technology	Relevant, sometimes included	Businesses identify material risks caused by emerging climate-related regulation via their Risk Control Self-Assessment (RCSA) process overseen by Risk Committees. Risks are quantified and assessed in line with risk appetites and assigned owners responsible for regular review of the risk and management action. Significant risks are escalated up the business and to Group if required. For example, OM Alternative Investments considers technology risk in its due diligence processes and turned down a deal as the addition of stranded asset risk tipped the deal over the risk threshold.
Legal	Relevant, always included	Businesses identify material risks caused by climate-related litigation claims via their Risk Control Self-Assessment (RCSA) process overseen by Risk Committees. Risks are quantified and assessed in line with risk appetites and assigned owners responsible for regular review of the risk and management action. Significant risks are escalated up the business and to Group if required. Climate Change presents a direct risk, in the form of potential climate-related litigation claims associated with, for example, investments in carbon intensive assets or industries. It also presents a risk in the form of increased claims associated with our insurance clients facing increasing climate-related litigation claims. This also provides opportunities to provide products and services to clients requiring liability insurance and legal expenses cover, which is also considered as part of OML's risk assessment processes.
Market	Relevant, always included	Businesses identify material risks caused by climate-related market shifts in supply and demand for certain commodities, products, and services via their Risk Control Self-Assessment (RCSA) process overseen by Risk Committees. Risks are quantified and assessed in line with risk appetites and assigned owners responsible for regular review of the risk and management action. Significant risks are escalated up the business and to Group if required. OML is considering changing demands for investments in low carbon sectors or in companies and products with the potential to benefit from climate transition opportunities (e.g. products that offer low carbon alternatives such as electric vehicles). OM Insure considers changing physical climate impacts and how these will change the demand for insurance products. Changing demands for products given both climate transition and physical risks and opportunities will be considered as part of the current process to develop a consolidated and coordinated climate change strategy.
Reputation	Relevant, always included	Businesses identify material risks caused by reputational changes via their Risk Control Self-Assessment (RCSA) process overseen by Risk Committees. Reputational changes are defined as changing customer or community perceptions of an organization's contribution to or detraction from the transition to a lower-carbon economy, be taken into account so that Old Mutual can maintain its market position as a leader in responsible investment. Risks are quantified and assessed in line with risk appetites and assigned owners responsible for regular review of the risk and management action. Significant risks are escalated up the business and to Group if required. Lack of a visible Responsible Business strategy and reporting on our carbon exposure may impact OM's reputation as a leader in responsible business. For example, our competitors already being targeted by shareholder activists for lack of action relating to Climate Change. OML is monitoring this risk and evaluating options to respond as part of the current process to develop a consolidated and coordinated climate change strategy.
Acute physical	Relevant, always included	Businesses identify material risks caused by climate-related acute physical factors via their Risk Control Self-Assessment (RCSA) process overseen by Risk Committees. Risks are quantified and assessed in line with risk appetites and assigned owners responsible for regular review of the risk and management action. Significant risks are escalated up the business and to Group if required. Extreme weather events are seen as both an emerging and existing risk. For example, on the back of the floods in South Africa's neighbouring countries (Mozambique, Zimbabwe and Malawi) and the severe drought across the country in 2019, Kwazulu-Natal was hit by at least three cyclones and Centurion by severe flooding late in 2019. The latter had a direct impact on our general insurance business.
Chronic physical	Relevant, always included	Businesses identify material risks caused by climate-related chronic physical factors via their Risk Control Self-Assessment (RCSA) process overseen by Risk Committees. Risks are quantified and assessed in line with risk appetites and assigned owners responsible for regular review of the risk and management action. Significant risks are escalated up the business and to Group if required. The chronic physical impacts of climate change are considered, as part of OMI's risk processes, given the potential impact on mortality and morbidity assumptions and increasing insurance claims. For example, we are assessing the potential of physical climate impacts such as drought and extreme weather in the rest of Africa, and how these impacts will affect our operations in these countries (see risk 11).

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	Exposure to climate-related risks and opportunities will be considered as part of the current process to develop a consolidated and coordinated climate change strategy. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform our approach to assessing exposure through our bank lending practices. The OM Finance business in South Africa, primarily an unsecured lender, plays an important role in contributing to the resilience of communities to climate change but has, to date, not included a focus on assessing climate related risks. Similarly, OML's involvement in banking offerings in the rest of Africa contribute to customer resilience but bank lending has not considered climate change risks specifically. OML invests significantly in financial education to try and ensure that money is not only used for consumptive purposes, further contributing to community resilience in the face of climate change risks. OMSFIN offers credit to businesses. Climate change has not been considered a material risk in this portfolio.
Investing (Asset manager)	No, but we plan to do so in the next two years	As an asset consultant, we will actively promote RI as an approach to investments recognizing the ultimate decisions lie with our client. When selecting and appointing asset managers we will consider the extent to which RI is embedded in their investment and ownership practices. Appointed asset managers are expected to have a publicly available RI policy considering risks & opportunities in investment decisions, and be active owners of the assets they manage - mitigating climate-related risks. Old Mutual Equities' (OME's) approach to climate change and broader ESG integration, is in principle guided by our investment philosophy and approach (enhanced value approach, complementing rigorous bottom-up fundamental valuation work in the research portion of our process with three confirming quantitative factors: quality, growth & sentiment in our portfolio construction process). Our approach to ESG integration is a structured and repeatable process led by our portfolio managers and investment analysts in conjunction with our dedicated specialist ESG research unit. The first step involves screening our investment universe with a proprietary ESG quantitative tool developed by our specialist ESG team. For example, ESG risk screening may identify climate change risk as a concern to a company - we will then undertake deep-dive research on how the issue may impact the company's core financial metrics and competitive positioning – may translate to adjustment of base case and/or bull-bear case analysis. In each case, the analysts on the company prepare a detailed note on how material ESG issues have been considered in the overall company valuation and buy/hold/sell recommendation. Late in 2019, OMAI initiated a review of the TCFD framework and how this can be implemented, including a review of climate risk considerations in the investment lifecycle - as asset managers from a governance perspective within OMAI (in 2020). We look to measure the carbon footprint of our portfolios, and the carbon offset generated by our renewable energy investment - driving a transition to a sustainable, 1.5°C world energy mix. This means aligning investments with a practical energy mix across Africa that promotes development but remains within the carbon budget of a 1.5°C world.
Investing (Asset owner)	No, but we plan to do so in the next two years	Exposure to climate-related risks and opportunities will be considered as part of the current process to develop a consolidated and coordinated climate change strategy. This includes the establishment of a climate change governance structure alignment of the OML Responsible Business Strategy with urgent sustainability measures. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks - informing our approach as an asset owner. We are able to draw on the expertise of our Responsible Investment team as specialists on ESG-related engagement, but the responsibility to ensure that companies do the right thing sits with the portfolio manager. As active custodians, we regularly vote on company resolutions (including climate change), but our level of engagement is much more than just proxy voting. When material issues arise that we think could damage (or enhance) shareholder value, we actively lobby for change. With respect to appointed managers with listed equity mandates the expectation for responsible ownership, as outlined in the OML Responsible Investment Policy, is as follows: • Maintenance of a publicly available policy on proxy voting that aligns with relevant standards of corporate governance and applicable legislation. At a minimum, the policies should be consistent with the King IV Code on Corporate Governance, the corporate governance provisions in the Companies Act 71 of 2008 and the JSE listing requirements (if applicable). Proxy policies should be living documents that are reviewed regularly or as dictated by changes in legislation or specific resolutions. • Voting on shares (either directly or via proxy) at company meetings. • Engage with boards and management of Investee Company's on material ESG issues as a basis for driving positive client outcomes. Where the asset manager believes it will be in Old Mutual's best interest, and/or where they have exhausted their engagement with management, they should seek out opportunities to collaborate with co-investors on material issues as a means to drive change. Where such collaborative efforts are undertaken, they must ensure that conflicts of interest and issues relating to "acting in concert" are appropriately addressed. • Public disclosure of annual proxy and engagement outcomes.
Insurance underwriting (Insurance company)	Yes	Extreme weather due to climate change causes damage to infrastructure, disruption of utility services, damage to property and customer assets, and disruption of supply chains. The OM Insure Risk Committee works with the underwriting and product development teams to manage climate-related risks, in addition to all other risks. This risk is managed through appropriate reinsurance and underwriting structures, in line with stated risk appetite limits. This caters for volatility in claims experience, for example through aiming to ensure that exposures do not exceed limits set per specific geographical areas.
Other products and services, please specify	Please select	

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Portfolio coverage	Assessment type	Description
Bank lending (Bank)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	All of the portfolio	Qualitative and quantitative	OM Insure is continuously improving its underwriting and risk selection processes in order to ensure better management of climate-related risks. This is done based on actual emerging claims experience, emerging industry trends and actuarial analyses. In addition, actual events such as the Knysna fires, flooding events, etc. are used to improve our risk surveying and underwriting capacities. External climate risk assessment tools and data are used to inform risk selection, particularly for large risk exposures. We are also considering innovative solutions such as piloting the use of drones for claims underwriting (for example following floods/fires) and underwriting surveys.
Other products and services, please specify	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-FS2.2d

(C-FS2.2d) Do you assess your portfolio's exposure to water-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	<Not Applicable>	Exposure to water-related risks and opportunities will be considered as part of the current process to develop a consolidated and coordinated climate change strategy. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform our approach to assessing exposure through our bank lending practices. The OM Finance business in South Africa, primarily an unsecured lender, plays an important role in contributing to the resilience of communities to climate change but has, to date, not included a focus on assessing climate related risks. Similarly, OML's involvement in banking offerings in the rest of Africa contribute to customer resilience but bank lending has not considered climate change risks specifically. OML invests significantly in financial education to try and ensure that money is not only used for consumptive purposes, further contributing to community resilience in the face of climate change risks. OMSFIN offers credit to businesses. Climate change has not been considered a material risk in this portfolio.
Investing (Asset manager)	Yes	Minority of the portfolio	Exposure to water-related risks and opportunities will be considered as part of the current process to develop a consolidated and coordinated climate change strategy. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform our approach to assessing exposure as an asset manager. OMAI started collecting water use statistics (water use and use of recycled water) in 2019 for a portion of the portfolio targeting investments that likely face material water risks. This was the first time that it was done and lessons are being learned including the need to normalise the data (e.g. consider water use / impact per dollar invested) and to explore how best to utilise the information to better assess and manage water-related risks in the portfolio. We are considering linking a water risk analysis to climate change.
Investing (Asset owner)	No, but we plan to do so in the next two years	<Not Applicable>	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases for particular businesses or products (e.g. through OM Insure and OM Responsible Investment). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. We are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for the assessment of OML's exposure as an asset owner to water-related risks and opportunities.
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	<Not Applicable>	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases for particular businesses or products (e.g. through OM Insure and OM Responsible Investment). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. We are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for the assessment of insurance underwriting's exposure to water-related risks and opportunities.
Other products and services, please specify	Please select	<Not Applicable>	

C-FS2.2e

(C-FS2.2e) Do you assess your portfolio's exposure to forests-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	Not applicable	<Not Applicable>	Exposure to forest-related risks and opportunities through our bank lending activities has not been assessed.
Investing (Asset manager)	Not applicable	<Not Applicable>	Exposure to forest-related risks and opportunities will be considered as part of the current process to develop a consolidated and coordinated climate change strategy. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform our approach to assessing exposure as an asset manager. All investments need to meet performance standard 6 to manage risk in terms of biodiversity. OMAI has not yet come across an asset where there may be a significant forestry-related risk.
Investing (Asset owner)	Not applicable	<Not Applicable>	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases for particular businesses or products (e.g. through OM Insure and OM Responsible Investment). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. We are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for the assessment of OML's exposure as an asset owner to forest-related risks and opportunities.
Insurance underwriting (Insurance company)	Not applicable	<Not Applicable>	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases for particular businesses or products (e.g. through OM Insure and OM Responsible Investment). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. We are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for the assessment of insurance underwriting's exposure to forest-related risks and opportunities.
Other products and services, please specify	Please select	<Not Applicable>	

C-FS2.2f

(C-FS2.2f) Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?

	We request climate-related information	Please explain
Bank lending (Bank)	No, and we don't plan on requesting climate-related information	Following the current process to develop a consolidated and coordinated climate change strategy, we will assess the materiality of climate related risks and opportunities in our bank lending portfolio and will determine whether it is appropriate and necessary to request climate-related information from these clients.
Investing (Asset manager)	Yes, for some	Requesting climate-related information from investees as part of our due diligence will be considered as part of the current process to develop a consolidated and coordinated climate change strategy. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform our approach as an asset manager. For example, at OMAI, we have developed and implemented an integrated Environmental and Social Management System (ESMS) – providing a robust and embedded system that addresses environmental and social management requirements across all our fund portfolios. It is also a mechanism for efficient and transparent ESG reporting to our stakeholders. The system enables us to integrate ESG (including climate change) issues directly into investment decision-making processes; set clear requirements for portfolio companies to develop and implement ESG systems to ensure they meet OMAI's ESG standards; provide a framework for reporting and disclosure on ESG aspects to OMAI by portfolio companies, and work in partnership with portfolio companies to help them identify and implement ESG opportunities and create sustainable value-add that enhances their overall financial performance. Specific ESG quantitative and qualitative information is received from portfolio companies as part of the asset management/monitoring phase of the investment cycle. This includes information related to climate change risks and performance. This allows us to measure and track ESG performance against key performance indicators (KPIs) for the portfolio company while driving positive outcomes benchmarked against United Nations Sustainable Development Goals. OMAI investment professionals use this information to produce better outcomes in their portfolio companies. For example, at the start of the BBOXX Capital deal, ESG screening was undertaken to identify key risks and opportunities. OMAI also ensured the deal was aligned with the AIIF3 mandate, identifying the standards and guidelines to be applied. We then defined the scope of the due diligence phase and the skills and experience required by advisers undertaking it. We appointed Ibis ESG Consulting to conduct the environmental and social due diligence (ESDD) for the transaction.
Investing (Asset owner)	Not applicable	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases for particular businesses or products (e.g. through OM Insure and OM Responsible Investment). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. We are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy with regards to requesting climate-related information from our investees as part of our due diligence process.
Insurance underwriting (Insurance company)	Not applicable	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases for particular businesses or products (e.g. through OM Insure and OM Responsible Investment). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. We are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for insurance underwriting's risk assessment practises regarding the request for climate-related information from clients.
Other products and services, please specify	Please select	

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

The South African Carbon Tax Bill was passed in Parliament on 19 February 2019 and came into effect in June 2019. The Bill includes a R120 per tonne carbon tax for primary greenhouse gas emitters, a carbon tax on liquid fuels, economic incentives for energy efficiency and the use of carbon offsets as a means of reducing the tax burden. What is envisaged is a phased approach, with the first phase extending from June 2019 to December 2021, escalated at 2% above CPI annually. With the implementation of the national carbon tax, we expect that the climate change debate in South Africa will gain further traction and expect greater investor focus on costs, disruption and transition risks. The risk affects all of our facilities in South Africa but also indirectly affects our investments and customers in South Africa who face higher operating costs as a result.

Time horizon

Short-term

Likelihood
Virtually certain

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
31958

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
While the first phase of the carbon tax (2019-2022) will be relatively low, it is expected that the second phase beyond 2022 will be far more punitive with regards the price of the tax and the range of activities that it might cover, including being added to electricity consumption where most of our GHG emissions occur. For the first phase calculations, we have estimated the carbon tax liability by assuming a tax of 7c/litre on petrol and 8c/litre on diesel for 7 months of 2019. We use the 2019 total petrol and diesel usage in order to estimate the 7 month totals, and from there work out the tax. Petrol and diesel consumption - (328 323,47)*(7) + (397 530,73)*(0,08) = 5 478 510,13cc. Therefore, liability for 7 months = R31 958.

Cost of response to risk
5000000

Description of response and explanation of cost calculation
When it comes to our work environment and carbon footprint, it is important that we lead by example. We continuously work to minimize our impact on the environment and to improve our working environment. In addition to driving responsible consumption of resources, we are increasing our solar energy production, recycling and minimising waste across our offices. We have Installed light sensors and LED light panels to reduce energy demand at most of our offices. We have produced 2.1 million kWh of renewable by the solar plant at Mutualpark. Our solar plant at Mutualpark is being expanded to increase capacity to 3800kW. Mutualpark has achieved a 6 star green building rating. Old Mutual Property (OMP) continued to engage with Eskom in its demand-side reduction initiatives and continues to monitor the impact the carbon tax will have on the business and our tenants. In 2019, OML spent approximately R5m on carbon reduction initiatives including upgrading lighting facilities to LED lighting in our Corporate Property portfolio, using solar power to supply water pumps and installation of solar PV to Mutualpark. 11% of OML South Africa's energy needs were met by self-generated renewable energy in 2019.

Comment
Costs associated with the carbon tax do not exceed our current costs for monitoring legislation and operating as a business. Old Mutual Property invested approximately R5m into carbon reduction initiatives in 2019.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changes in precipitation patterns and extreme variability in weather patterns

Primary potential financial impact
Increased insurance claims liability

Climate risk type mapped to traditional financial services industry risk classification
Systemic risk

Company-specific description
Extreme weather could cost our insurance business heavily through increased claims, for example against building and crop insurance policies. Our property and casualty insurance arm, Old Mutual Insurance, sees large increases in claims on their crop insurance policies following dramatic changes in weather conditions. In 2017-18, Cape Town had a one in a 100 year drought, which affected both our own operational costs and operational costs to clients. On the back of the floods in South Africa's neighbouring countries (Mozambique, Zimbabwe and Malawi) and the severe drought across the country in 2019, Kwazulu-Natal was hit by at least three cyclones and Centurion by severe flooding late in 2019. The latter had a direct impact on our general insurance business. Where historically one in eight years weather conditions were poor for agriculture, now one in six years have poor farming weather conditions in South Africa meaning our agriculture customers make an increased number of claims. More frequent extreme changes in weather patterns could have an effect on our insurance business resulting in increased frequency of pay-outs with an effect on our actuary tables. Most current climate change models are in agreement that the western part of South Africa will progressively get dryer. Receiving progressively less rain and precipitation is a physical chronic risk that adversely impacts agricultural businesses/endeavours.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have over R766.5bn of funds under management (as at 31/12/19) and part of this is invested in crop insurance.

Cost of response to risk
0

Description of response and explanation of cost calculation
The Risk Committees of our businesses work with product development teams to manage this risk. Old Mutual Insure uses a conservative reinsurance and underwriting structure, in line with risk appetites, to cater for the volatility of crop insurance, ensuring exposures do not exceed limits set per area & crop. We ensure farmers use the right techniques, look at history and set individual rates and underwriting terms thus reducing our exposure to the risk of claims. Our product diversification policy ensures we are not over-exposed to risk in asset classes. High-risk crops are excluded from cover completely. In 2019 Old Mutual Insure retained its membership of AGBIZ, helping create an environment in which agribusinesses of all sizes can thrive. AGBIZ aims to build resilient and sustainable agri-food ecosystems. Risk exposures are monitored through focused underwriting, actuarial reports and models, which in turn inform business decisions on risk appetite. Old Mutual Insure remained on the board of the South African Insurance Association (SAIA) where we engage on innovative ways of mitigating climate change risks.

Comment
The identification and monitoring of this risk is a core part of the risk management strategy and, as such, the financial costs for climate change specific activities do not represent a material additional cost and are not measured separately to Old Mutual's wider risk management costs.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Chronic physical	Changes in precipitation patterns and extreme variability in weather patterns

Primary potential financial impact
Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification
Systemic risk

Company-specific description
Changes to the availability and distribution of natural resources caused by climate change could negatively impact the supply chains of our investments and therefore seriously affect our investment returns. The changes caused by climate change could also lead to an increased risk of violent conflict in these areas.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Old Mutual has funds under management internationally - these funds will potentially be influenced by the effects of climate change on natural resource availability.

Cost of response to risk
0

Description of response and explanation of cost calculation
Our purpose is to enable customers to thrive by investing their funds in ways that will secure a positive future for themselves, their families, communities and the world at large. Responsible Investment (RI) is key to enabling our long-term growth, as a large climate change risk to us is through our investments and policies we underwrite. We define RI as 'a cross-cutting approach to investment that integrates the consideration of material environmental, social and governance factors into investment and ownership practices'. In 2013 we rolled out an RI Standard to track and manage investments from an ESG perspective. Placing emphasis on ESG assessment alongside our asset diversification policy reduces our exposure to carbon intensive investments.

Comment
The development of remedial action plans to mitigate this risk are covered under the businesses risk management frameworks and as such, the financial costs for climate change specific activities do not represent a material additional cost and are not measured separately to Old Mutual's wider risk management costs. The tracking and management of investments against our Responsible Investment Standards comes within the business budgets.

Identifier
Risk 4

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact
Increased insurance claims liability

Climate risk type mapped to traditional financial services industry risk classification
Systemic risk

Company-specific description
Within Old Mutual Insure Climate change can increase the volatility of weather-related claims events that we see. This could mean we see interactions of different claims types to create larger than expected claims. This happened in 2017 in the case of extreme fires in the Knysna area of South Africa's southern Cape coast. The fires followed a period of extreme drought that resulted in a large fuel load of dry vegetation. Winds generated by a cold front fuelled the fire and the financial extent of insurance claims was unprecedented in the area. On the back of the floods in South Africa's neighbouring countries (Mozambique, Zimbabwe and Malawi) and the severe drought across the country in 2019, Kwazulu-Natal was hit by at least three cyclones and Centurion by severe flooding late in 2019. The latter had a direct impact on our general insurance business.

Time horizon
Short-term

Likelihood
More likely than not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The risk lies within our insurance business, OM Insure. OM Insure in South Africa accounts for 3% of our group revenue. This excludes Insure services to the Rest of Africa. Hence, any climate-related event that could affect 10% of OM Insure's revenues, would have a nett effect of 0,3% on group revenues.

Cost of response to risk
0

Description of response and explanation of cost calculation
Risk identification is done by Old Mutual Insure. During this exercise, internal and external risk factors are considered including climate change as an external cause of business risk, e.g. climate-related adverse weather events as a cause of future of high claims. The risks are measured or assessed to determine the severity of the risk, its likelihood and the quantitative impact. This process is done on a quarterly basis and determines our risk response strategy. Within the OML risk management department, there is an external and strategic risk centre that will evaluate climate-related risks across Old Mutual and determine whether any risks have been overlooked or evaluated inappropriately. The risk affects our Rest of Africa business too.

Comment
Management costs are inherent within day-to-day risk management of OM Insure and OML.

Identifier
Risk 5

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Technology	Transitioning to lower emissions technology

Primary potential financial impact
Other, please specify (Capital investments in technology development)

Climate risk type mapped to traditional financial services industry risk classification
Operational risk

Company-specific description
Old Mutual offices and Property business: In response to the carbon-intensive nature of South Africa's national electricity supply and, also, to secure supply in times of electricity load shedding, we have invested in renewable electricity technologies at our Cape Town primary office, Old Mutualpark green building retrofit, and also in our Green Building head office Johannesburg.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
3519122

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The first phase of the solar plant at Mutualpark has resulted in a 1 981 595 kWh saving per annum which would translate into an annual monetary savings of R 1,651,858. Additionally, the projected per annum savings for the second phase will be 2 240 000 kWh, which translates into a R1,867,264 annual monetary saving. Thus, the potential financial impact would be R3,519,122 in total.

Cost of response to risk
51800000

Description of response and explanation of cost calculation
We have produced 2.1 million kWh of renewable at the solar plant at Mutualpark, which is currently being expanded to increase capacity to 3800kW. The first phase of this project cost R23,500,000, and the second phase will start in 2020 and will cost approximately R28,300,000. Thus, in total we end up with a cost of R51,800,000.

Comment
The management of our-owned offices lies with our National Technical Management department that is mandated with full operational control of these facilities and, as such, manages any technology change relating to the due diligence and adoption of renewable electricity installations. Management costs are inherent within day-to-day salary costs of the Old Mutual National Technical Department.

Identifier
Risk 6

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Reputation	Shifts in consumer preferences

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
Reputational risk

Company-specific description
An inability to adequately plan for climate change risks or to transition into climate-resilience would, in time, result in reputational damage and poor customer and investor perceptions of OML. With our competitors already being targeted for lack of action relating to Climate Change, OML leadership needs to urgently define an overarching Climate Change response strategy to address the potential impact to our business and stakeholders. We have the opportunity to establish ourselves as a leader in responsible business by taking the lead in transitioning not only our business, but by providing solutions to our country's stoic economic challenges. Failing to take action will expose our core business with significant exposure to clients that either provide revenue, or are directly or indirectly invested in environmentally sensitive industries.

Time horizon
Medium-term

Likelihood
About as likely as not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Decreased revenue as a result of customer and investor perception that OML is not properly responding to climate-related risks has not been evaluated or quantified.

Cost of response to risk
0

Description of response and explanation of cost calculation
Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, the leverage the successes of the businesses with mature responses and to develop explicit strategies other businesses and products. We are in the process of understanding where we have the

greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. There are numerous examples of where OML is taking a leadership position with respect to climate change. OML has contributed to R28 billion invested in clean energy, over 2.8 million tonnes of reduction in carbon emissions, and 991,329 homes powered by clean energy. When it comes to our work environment and carbon footprint, it is important that we lead by example. We continuously work to minimize our impact on the environment and to improve our working environment. In addition to driving responsible consumption of resources, we are increasing our solar energy production, recycling and minimising waste across our offices. Mutualpark has achieved a 6 star green building rating and 11% of OML South Africa’s energy needs were met by self-generated renewable energy in 2019.

Comment

Management costs are inherent within day-to-day operational and human resource costs across all our businesses.

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market	Uncertainty in market signals

Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification

Market risk

Company-specific description

Old Mutual Investment Group and Old Mutual (OMLACSA): As an asset owner and asset manager, Old Mutual manages over R700bn on behalf of our policy holders, shareholders and third party clients. Climate risks relate to being invested in stranded assets (unanticipated write-downs, devaluations or liabilities as a result of climate change, resource depletion, climate regulations, consumer behaviour and litigation); missing green economic growth opportunities; and/or reputational risk. Although these are not the highest priority sustainability issues facing our investments (poverty and wealth equality are), we view climate change as having a "multiplier" effect, further exacerbating these critical issues facing our investment decision-making. Placing an emphasis on ESG assessment of companies alongside our asset diversification policy helps to reduce and manage the exposure we have to carbon intensive investments.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not yet fully evaluated the financial implication of these risks across all the assets that we own or manage. This process is currently underway.

Cost of response to risk

6000000

Description of response and explanation of cost calculation

Old Mutual Investment Group is guided by a publicly available Responsible Investment policy that commits us to integrate ESG, including climate issues, across all of our investment and ownership capabilities. It has a dedicated ESG specialist unit. We use this framework to identify and respond to instances of policy change among our clients and/or investors in OML as a listed entity. In 2019 we went through a process of policy revision. Our revised policy draws on the principles of the Code for Responsible Investing in South Africa and other focused policies and legislation in South Africa, as well as the United Nations-backed Principles for Responsible Investment. By the end of 2019, we have responsibly invested R133.1 billion in socially inclusive, low carbon and resource efficient investments, representing 17% of assets under management. The OML Responsible Investment Team undertook work during 2019 to initiate a process to help OML formulate a principle-based stand on a preliminary set of material ESG issues as it pertains to policyholder and shareholder investments. This included the following process steps: 1) Materiality screening of a long list of ESG issues to establish a short list of material ESG issues 2) Assessing dimension risk in respect of business, client, investment exposure of the most material ESG issues; 3) Proposing an in-principle position on the ESG issues identified. Various parts of the business are more mature with respect to identifying and managing portfolio risk. For example, OM Alternative Investments considers technology risk in its due diligence processes. and turned down a deal as the addition of stranded asset risk tipped the deal over the risk threshold. Costs include memberships to PRI and CDP, salaries of ESG specialists within Old Mutual Investment Group and development of proprietary ESG analysis tools and development of new ESG Index products and their launch.

Comment

Identifier

Risk 8

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Emerging regulation	Mandates on and regulation of existing products and services

Primary potential financial impact
Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification
Policy and legal risk

Company-specific description
Both as a listed entity, and an asset owner/manager, OML is vulnerable to climate-related policy changes from third party clients and direct investors. There is the risk that we are unable to attract asset as we don't have the necessary "transition risk" products, or alternatively we are unable to produce above benchmark returns and so earn performance fees due to climate risk impacting portfolio returns.

Time horizon
Short-term

Likelihood
About as likely as not

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We have not yet analysed the potential financial impact of a client or investor that changes its investment mandate as a result of new or changed climate policy.

Cost of response to risk
6000000

Description of response and explanation of cost calculation
Old Mutual Investment Group is guided by a publicly available Responsible Investment policy that commits us to integrate ESG, including climate-related issues, across all of our investment and ownership capabilities. It has a dedicated ESG specialist unit. We use this framework to identify and respond to instances of policy change among our clients and/or investors in OML as a listed entity.

Comment
Costs include memberships to PRI and CDP and salaries of ESG specialists within Old Mutual Investment Group.

Identifier
Risk 9

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Technology	Transitioning to lower emissions technology

Primary potential financial impact
Other, please specify (Some of our investments, undertaken on behalf of third party clients, and our policy holders, might be in industries that are affected by technology change with a significant financial impact resulting.)

Climate risk type mapped to traditional financial services industry risk classification
Systemic risk

Company-specific description
As a broad-based asset owner and manager, we are mandated to spread our risk by investing in multitude of industrial and manufacturing sectors. Some of these sectors might be negatively affected by various climate-driven technology changes, e.g. investments in the platinum mining sector might be affected by the widespread introduction of electric vehicles that reduces the demand for platinum in catalytic converters.

Time horizon
Unknown

Likelihood
About as likely as not

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The magnitude and/or financial impact of these risks is unknown as emergent technologies become available and response strategies of affected sectors are unknown.

Cost of response to risk
6000000

Description of response and explanation of cost calculation
Old Mutual Investment Group is guided by a publicly available Responsible Investment policy that commits us to integrate ESG, including climate-related issues, across all of our investment and ownership capabilities. It has a dedicated ESG specialist unit, and we use this and other investment research methods to monitor technological change that has any effect on the assets that we own or monitor. In this area, we are driving innovation. For example, we launched our Listed Equity Stewardship service to third party customers. The service aims to support institutional investors in their efforts to deliver consistent governance outcomes across their listed equity portfolios and to meet the reporting requirements of the FSCA Sustainability Guidance Notice. OMAI's Ideas Managed Fund is the largest private equity investor in renewable energy in South Africa. It is committed to tackling the climate crisis, having invested in 28 renewable energy facilities including 10 wind farms, 15 solar PV farms, one hydropower station and two solar off-grid companies. The fund has achieved an installed capacity of 1.11 GW and produced 3,141GWh of renewable energy in 2019. This clean energy production created a carbon offset of 3.14 million tons of CO2 equivalent. By the end of 2019, we have responsibly invested R133.1 billion in socially inclusive, low carbon and resource efficient investments, representing 17% of assets under management.

Comment
Costs include memberships to PRI and CDP and salaries of ESG specialists and research analysts within Old Mutual Investment Group.

Identifier
Risk 10

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Chronic physical	Other, please specify (Transport difficulties, supply chain interruptions)

Primary potential financial impact
Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification
Systemic risk

Company-specific description
Climate change impacting mortality and morbidity assumptions and increasing insurance claims. Climate related risks have been impacting the quality of the air we breathe and also the quality of water we drink. Climate risks pertaining to temperature increases, food and water security may have knock on effects on the health of individuals going forward. Warm temperatures may exacerbate the mosquito friendly climates and the increase of diseases like malaria, yellow fever, Zika, etc.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The risk lies within our insurance business, OM Insure. OM Insure in South Africa, accounts for 3% of our group revenue. This excludes Insure services to the Rest of Africa. Hence, any climate-related event that could affect 10% of OM Insure's revenues, would have a nett effect of 0,3% on group revenues.

Cost of response to risk
0

Description of response and explanation of cost calculation
Risk identification is done by Old Mutual Insure. During this exercise, internal and external risk factors are considered including climate change as an external cause of business risk, e.g. Climate change impacting mortality and morbidity assumptions and increasing insurance claims. The risks are measured or assessed to determine the severity of the risk, its likelihood and the quantitative impact. This process is done on a quarterly basis and determines our risk response strategy. Within the OML risk management department, there is an external and strategic risk centre that will evaluate climate-related risks across Old Mutual and determine whether any risks have been overlooked or evaluated inappropriately.

Comment
Management costs are inherent within day-to-day risk management of OM Insure and OML.

Identifier
Risk 11

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact
Other, please specify (Disruptions to operations)

Climate risk type mapped to traditional financial services industry risk classification
Systemic risk

Company-specific description
Extreme weather events pose a risk to our operations and therefore our ability to conduct our business and offer products and services to customers. Examples affecting our Rest of Africa operations include Namibia drought in 2018/2019; Zimbabwe drought in 2018/2019; Harmattan Haze in Nigeria (with a particularly bad experience in Jan/Feb 2020 and extreme flooding and locust invasion in East African region Q1 and Q2 2020. In addition, Cyclone Idai which hit Mozambique and Zimbabwe in March 2019 however the financial impact for the business is unclear.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
2120000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The water plant established at Mutualpark in 2018 has enabled a saving of 99 813 kilolitres water per annum, which results in a saving of approximately R2,120,000.

Cost of response to risk
37899785

Description of response and explanation of cost calculation
OML monitors climate-related physical risks to business operations across the geographies in which we operate. Where necessary, investments have been made to ensure resilience in the face of anticipated future climate impacts such as reduced availability and security of supply risks associated with water and electricity at our operations in South Africa. OML is exploring the potential of self sufficient water sources, investment in renewable energy, recycling and reverse vending machines. To date, we have produced 133 million litres of recycled drinking water from our water filtration plant at Mutualpark since August 2018, this represents 90% of our required water usage. We have increased rainwater harvesting for irrigation and toilet flushing at 1 Mutual Place. Water efficient fittings are now in place in our offices, including a 9 step filter system from basins and showers used to flush toilets at Wanooka Place. The total cost of the water plant established at Mutualpark was R37, 899,785. Business disruption impact has been minimal. None of our offices were affected across the locations in Africa.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Move to more efficient buildings

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
Green building technologies enable us to reduce costs, mitigate risks associated with security of electricity and water supply and to provide more productive spaces. The technologies available also enable us to live up to our ethos "Old Mutual Cares" and play a leadership role in driving a positive response to the climate challenge. In 2017, we moved to our new head office in Sandton, Johannesburg - a new "as-built" five-star rated building by the Green Building Council of South Africa. Our Cape Town office space, Mutualpark has achieved a 6 star green building rating.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
9239122

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The financial impact figure is the estimated savings generated through the resource efficiencies realised as a result of meeting the various green building criteria of the GBCSA. This figure amounts to approximately R9,239,122, which as a percentage of our total operating costs is deemed to be a medium-low impact. The first phase of the solar plant at Mutualpark has resulted in a 1 981 595 kWh saving per annum which would translate into an annual monetary savings of R 1,651,858. Additionally, the projected per annum savings for the second phase will be 2 240 000 kWh, which translates into a R1,867,264 annual monetary saving. Thus, the potential financial impact for this would be R3,519,122 in total. Adding to this, the LED initiatives implemented have an overall saving of 3,600,000 per year, and the water plant at Mutualpark saves R2,120,000 annually based on the 99 823 kilolitres of water saved per annum.

Cost to realize opportunity
94689785

Strategy to realize opportunity and explanation of cost calculation
When it comes to our work environment and carbon footprint, it is important that we lead by example. We continuously work to minimize our impact on the environment and to improve our working environment. In addition to driving responsible consumption of resources, we are increasing our solar energy production, recycling and minimising waste across our offices. In this regard, capital is allocated to investments in green building technology across our property portfolio and operations. For example, OML is exploring the potential of self sufficient water sources, investment in renewable energy, recycling and reverse vending machines. We have produced 133 million litres of recycled drinking water from our water filtration plant at Mutualpark since August 2018, this represents 90% of our required water usage. We have increased rainwater harvesting for irrigation and toilet flushing at 1 Mutual Place. Water efficient fittings are now in place in our offices, including a 9 step filter system from basins and showers used to flush toilets at Wanooka Place. We have Installed light sensors and LED light panels to reduce energy demand in most of our offices, costing approximately R5 million. We have produced 2.1 million kWh of renewable at the solar plant at Mutualpark, which is currently being expanded to increase capacity to 3800kW. The first phase of this project cost R23,500,000, and the second phase will start in 2020, costing approximately R28,300,000. Thus, in total we end up with a cost of R56,800,000. Overall, 11% of OML South Africa's energy needs were met by self-generated renewable energy in 2019. And we have diverted 52% of our waste from landfill, up from 38% in 2018. In addition, the water plant implemented in 2018 at Mutualpark cost R37 889 785.

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Primary potential financial impact
Returns on investment in low-emission technology

Company-specific description
Various renewable energy and resource efficient initiative implemented across OM Property's property portfolio and our main office parks.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
3600000

Potential financial impact figure – maximum (currency)
12000000

Explanation of financial impact figure
These financial savings are the sum of annual savings generated through efficiency initiatives within Old Mutual Property's portfolio, as well as those implemented within our own office environment.

Cost to realize opportunity
55000000

Strategy to realize opportunity and explanation of cost calculation
Within OML Property, a continuous process of resource efficiency analysis takes place to ensure that we are able to provide best value for our tenants. As a minimum, we abide by all national and local legislation and building standards and analysis the cost-benefit ratios for Green Building Council of South Africa ratings for any new build that we are involved with. This includes the installation of internal LED lighting and parking LED lighting at Bedford Centre. Installation of LED lighting at Khulani Business Park, Jet Park Speculative and The Zone @ Rosebank. Additionally, we have Installed light sensors and LED light panels to reduce energy demand at most of our offices. Our solar plant at Mutualpark is being expanded by 2700kW to increase capacity to 3800kW (We generated 2.1 million kWh of energy from our 1 100kW solar panels, contributing to monthly diesel savings). 11% of OML South Africa's energy needs were met by self-generated renewable energy in 2019. As a responsible business committed to reducing our impact on the environment, we are on a journey to reduce the amount of waste we send to landfills, and our use of single-use plastics. During the year, Mutualpark banned the use of plastic bags and straws, allowing only the use of certified compostable "green" packaging to be sold by vendors. This has led to the reduction of waste transported to landfills, subsequently contributing to the reduction of our carbon footprint. At 1 Mutual Place, the introduction of bio bins and the supply of fresh milk in reusable glass bottles, instead of plastic or box cartons, has positively contributed to the amount of waste we diverted from entering the waste stream. We have also piloted the use of Reverse Vending Machines (RVMs) to maximise our recycling initiatives. The machines allow users to deposit bar-coded plastic bottles, glass bottles, aluminium cans and tetrapak (milk and juice cartons) into the machines for recycling to earn rewards such as airtime. At Wanooka Place, efforts to maximise recycling and reduce waste contamination include the installation of recycling bins throughout the building and the appointment of an onsite supplier that separates waste for recycling and facilitates the conversion of food waste into compost.

Comment
Costs are capital expenditure to deploy new cleaner sources of energy across our property portfolio and owned/occupied office space.

Identifier
Opp3

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
During 2018 OML Investment Group engaged with various investees on ESG-related matters. Of these ESG engagements, seven per cent were directly related to climate change and five per cent related to investee's ESG strategies. Other ESG issues included remuneration, board composition, transformation, etc

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The impact of these actions is intangible and cannot be financially quantified.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, the leverage the successes of the businesses with mature responses and to develop explicit strategies other businesses and products. We are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. There are numerous examples of where OML is taking a leadership position with respect to climate change. OML has contributed to R28 billion invested in clean energy, over 2.8 million tonnes of reduction in carbon emissions, and 991,329 homes powered by clean energy. When it comes to our work environment and carbon footprint, it is important that we lead by example. We continuously work to minimize our impact on the environment and to improve our working environment. In addition to driving responsible consumption of resources, we are increasing our solar energy production, recycling and minimising waste across our offices. Mutualpark has achieved a 6 star green building rating, and 11% of OML South Africa's energy needs were met by self-generated renewable energy in 2019.

Comment
Embedded within day-to day operational costs of Old Mutual Investment Group's Responsible Investment team.

Identifier
Opp4

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Other, please specify (Better competitive position to reflect shifting consumer preferences, resulting in increased revenues)

Company-specific description
OML is driving investments in green growth which represent an increasing opportunity for the business. Green growth comprises socially inclusive, low carbon and resource efficient investments. Investment in green growth is aligned with our core objective to deliver risk-adjusted returns to our policy holders, shareholders and third-party customers while supporting sustainable social and economic development. For example, Across Old Mutual Alternative Investments (OMAI), Old Mutual Specialised Finance and Futuregrowth – all part of Old Mutual Investment Group – we manage approximately R122 billion of our clients' capital in green economy investments, both debt and equity. These businesses are a constructive voice across a range of national interest issues such as renewable energy, land reform and governance at State-owned entities. In 2018 Old Mutual Investment Group launched an ESG Index fund range of investment products for retail investors. These products, that include a consideration of climate-related performance, are increasingly being shown to deliver better returns. As an example, the MSCI Emerging Market ESG Leaders Index, which focuses on companies with higher sustainability performance than their peers in their sector, outperformed the MSCI's standard emerging markets index on a total return basis by 103% during the past decade. We are working on a capability to develop a low-carbon themed fund.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
10000000000

Potential financial impact figure – maximum (currency)
30000000000

Explanation of financial impact figure
Prior to the launch of the Index Fund products in 2018, Old Mutual Investment Group managed R10 billion of client's capital in ESG index products. New funds have been added to this and the amount in our ESG index range is now 30 billion, which is just under four percent of the total R766.5 billion of assets currently under OML management.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
These financial products have been specifically designed to offer investors the opportunity to achieve market-related returns by investing in researched and specific companies that are measurably better for the planet from an ESG perspective. By the end of 2019, we have responsibly invested R133.1 billion in socially inclusive, low carbon and resource efficient investments, representing 17% of assets under management. OMAI's Ideas Managed Fund is the largest private equity investor in renewable energy in South Africa. It is committed to tackling the climate crisis, having invested in 28 renewable energy facilities including 10 wind farms, 15 solar PV farms, one hydropower station and two solar off-grid companies. The fund has achieved an installed capacity of 1.11 GW and produced 3,141GWh of renewable energy in 2019. This clean energy production created a carbon offset of 3.14 million tons of CO2 equivalent. Within OMAI, African Infrastructure Investment Fund 3 (AIIF3) is AIIM's flagship Pan-African infrastructure fund continuing the mandate and strategy executed for the AIIF2 fund. The USD320 million fund targets core and core-plus infrastructure investments in the power, transport, digital infrastructure and midstream energy sectors across sub-Saharan Africa. Low carbon power generation in 2019 has been delivered by BBoXX off-grid solar (Rwanda, DRC, Kenya) and StarSight a distributed efficiency business combining solar photovoltaic and diesel power generation (Nigeria). Direct low carbon power generation investments still in the construction and development phase include Zina Solaire (20MW solar PV plant, Burkino Faso), AIIM Hydroneo (mini-mid Pan-Africa hydropower platform).

Comment
Embedded within day-to day operational costs of Old Mutual Investment Group's Responsible Investment team.

Identifier
Opp5

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Other, please specify (Increased revenue through new solutions to adaptation needs (e.g., insurance risk transfer products and services).)

Company-specific description
As traditional energy resources become more finite we need to help economies transition to a mixed energy future. In our role as custodian of our shareholders' and beneficiaries' long-term futures, the global trend to move to renewable energy means that Old Mutual will continue to consider the relevant material environmental, social and governance factors throughout the investment decision making process. Responsible investment is an important element of our commitment to operating responsibly. Old Mutual Alternative Investments (OMAI) has developed an integrated Environmental and Social Management System (ESMS) assessing environmental and social

management requirements across its infrastructure investments and private equity operations.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
28000000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
OML has contributed to R28 billion invested in clean energy, over 2.8 million tonnes of reduction in carbon emissions, and 991,329 homes powered by clean energy.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
The bespoke ESMS system is used to screen investments, review due diligence reports, assist decision-making agreements, manage and monitor and ultimately exit investments timeously.

Comment
Costs to realise the opportunity is embedded within day-today operational, management and IT costs to OMAI.

Identifier
Opp6

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Transition and physical climate risks are contributing to changing demands for products that present an opportunity for OML to develop products to meet those needs and to contribute to greater, and more diversified, revenue sources. An increasing demand for low carbon, energy efficient products and services that reduce customers costs and mitigate climate-related risks, will drive the demand for investment in these areas. This presents an opportunity for the Housing Impact Fund of South Africa (HIFSA). HIFSA, is a Development Impact Fund managed by Old Mutual Alternative Investments, and its investors comprise Old Mutual Life Assurance Company South Africa, the Government Employees Pension Fund, the Development Bank of Southern Africa and the Eskom Pension and Provident Fund. It also presents opportunities for our funds investing in Africa, where there are significant needs in relation to energy access and climate resilience. More broadly this presents opportunities for OML to take a leadership position in contributing to societal resilience through, for example, our investments in financial education and digitalisation that enhance the resilience of our customers and enable them to reduce their energy consumption.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Please select

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
OML has contributed to R28 billion invested in clean energy, over 2.8 million tonnes of reduction in carbon emissions, and 991,329 homes powered by clean energy.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
Various products have been developed by OML to take advantage of these opportunities. For example, in December 2018 the African Infrastructure Investment Fund 3

(AIIF3) acquired a minority stake in BBOXX's operations in East Africa, as part of a US$31 million investment plan. BBOXX Capital is a pay-as-you-go solar electricity service company that designs, manufactures and distributes plug-and-play solar home systems for off-grid rural and peri-urban communities. AIIF3 has a minority interest in BBOXX's subsidiaries operating in Kenya, Rwanda and the Democratic Republic of Congo, referred to as Next Generation Utilities (NGUs). BBOXX's vision is to provide 20 million people with electricity by 2020. BBOXX focuses on satisfying the fundamental need for electricity as well as providing superior customer service. To date over 250 000 people have been positively impacted by BBOXX solar products; 4 GWh of energy have been generated using BBOXX solar home systems, 63 000 school-aged children can now study comfortably, US$2.4 million has been saved in energy expenses and 40 000 tonnes of CO2 has been avoided. HIFSA funded the development of Fourleaf Estate, a residential development in Port Elizabeth, offers 323 affordable housing units to low and middle income families. HIFSA, is a Development Impact Fund managed by OMAI, and its investors comprise Old Mutual Life Assurance Company South Africa, the Government Employees Pension Fund, the Development Bank of Southern Africa and the Eskom Pension and Provident Fund. Fourleaf Estate became the first residential development in Africa to receive the EDGE final certification and includes features such as advanced green initiatives, security, internet connectivity, innovative landscaping and community vegetable gardens. Homes in the estate are modern designs with flexible add-on options to suit different budgets. The houses deliver significant energy savings through practical solutions, such as heat pumps for hot water, low-flow taps which reduce hot water consumption through aeration and water-efficient fittings including low-flow showerheads and dual-flush toilets. Adjusted window-to-wall ratios and good roof insulation also ensure optimal energy efficiency. This estate is predicted to realise annual savings of R414,000 as a result of applying EDGE certified energy and water efficiency measures. This is expected to translate into approximately R1,280 savings in utility costs for each housing unit.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.1c

(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?

Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, the leverage the successes of the businesses with mature responses and to develop explicit strategies other businesses and products.

With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for undertaking qualitative climate-scenario analysis. This process will be led by the OML Climate Change Task Team under the Risk and Responsible Business Committees of the Board as part of the iterative process of reviewing our long term strategy.

Various parts of OML have been exploring the implications of, and taking steps towards implementing, the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) to assess the resilience of OML's strategy to physical and transition risks associated with different climate futures. Late in 2019, OMAI initiated a review of the TCFD framework and how this can be implemented. This included a review of climate risk considerations in the investment lifecycle, as asset managers of existing portfolios and from a governance perspective within OMAI, which will be implemented in 2020.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	With the rise in carbon taxes it is predicted that demand for renewable energy will increase, as will the need for businesses to be less carbon intensive. Our investment teams are aware of the opportunity carbon taxes present to create carbon efficient products for customers and integrate the development of these into usual practice. In 2016, for example, Old Mutual Investment Group (OMIG) launched the first responsible investment equity index fund for institutional investors in South Africa, which invests in companies that have high sustainability measures. Controlling carbon emissions requires a global effort, which has resulted in proposals for a global cap and trade system in which the developing world would come to the fore. Old Mutual will monitor how the extension of CAT schemes globally affects opportunities for investment e.g. motivating selling of green funds. Extreme weather could cost our insurance business heavily through increased claims, for example against building and crop insurance policies. The Risk Committees work with product development teams to manage this risk. Old Mutual Insure uses a conservative reinsurance and underwriting structure, in line with risk appetites, to cater for the volatility of crop insurance, ensuring exposures do not exceed limits set per area and crop. Climate change and environmental degradation pose threats to the global economy and the wellbeing of citizens in every country. This has the potential to undermine development investments and recent gains in poverty alleviation, food and water etc, particularly in vulnerable developing countries. Since Old Mutual invests funds in ways that create a positive future for our customers and their communities, this is a risk to Old Mutual and so operating responsibly is a priority. Unstable economic and social situations caused by severe climate change impacts could reduce the ability or demand of potential customers to take advantage of our products (Risk 6). To counter this Old Mutual offers products to suit different customer needs even in challenging market conditions e.g. those caused by climate.
Supply chain and/or value chain	Evaluation in progress	Changes to the availability and distribution of natural resources caused by climate change could negatively impact the supply chains of our investments and therefore seriously affect our investment returns. Responsible Investment is therefore a focus area for the business. Placing emphasis on ESG assessment alongside our asset diversification policy reduces our exposure to carbon intensive investments. With respect to transition risk, as an example, the OML Responsible Investment Team undertook work during 2019 to initiate a process to help OML formulate a principle-based stand on a preliminary set of material ESG issues as it pertains to policyholder and shareholder investments. This included the following process steps: 1) Materiality screening of a long list of ESG issues to establish a short list of material ESG issues 2) Assessing dimension risk in respect of business, client, investment exposure of the most material ESG issues; 3) Proposing an in-principle position on the ESG issues identified. Future work underway includes evaluating the implications of different positions to ultimately agree on decision-making rights along with sign off processes with respect to this material ESG issue. We also share knowledge and best practice through memberships to like-minded organisations. Security of power and water supply is a risk that influences our operations directly and this has influenced our strategy with respect to investing in self-generation of power (through the installation of rooftop solar PV predominantly) as well as efforts to become water self-sufficient at our head office buildings. More generally, climate change has played a driving role in our efforts to invest in green building technology and to play a leadership role in this regard. For example, Mutualpark has achieved a 6 star green building rating. A process to align the OML Responsible Business Strategy with urgent sustainability measures, including reducing our carbon footprint, is underway and will be completed in 2020.
Investment in R&D	Evaluation in progress	We view the Sustainable Development Goals (SDGs) as an opportunity for us to collaborate with others to scale up and innovate around existing initiatives that contribute to progress towards achieving the goals, particularly in our Rest of Africa market.
Operations	Evaluation in progress	In 2019, OML undertook the process of improving the overall alignment of the OML Responsible Business strategy with urgent sustainability measures, and will continue to do so throughout 2020. Included in this process is the generation of a series of ESG indicators, so as to monitor the progress and overall performance in meeting these sustainability objectives. Climate change features most directly in the impact area ‘reduced greenhouse gases’ and the carbon that is saved in this respect can be used as a measure of achievement. Additional impact areas are being explored with an indirect link to climate change and the role of OML in contributing to societal resilience in the face of physical and transition climate risks. These include contributions to localised economic growth, reduced interest payments for society, increased lifetime earnings for members of society and avoided government benefit payments. A subsequent task will be to value the impact of the strategy. Our strategic focus is thus on carbon saving from the reduction in GHGs emissions, in terms of all OML operations (investments, buildings, branches etc.) as a result of policy and investment decisions. To reduce our operational impact and mitigate climate related risks to our operations, OML is exploring the potential of self sufficient water sources, investment in renewable energy, recycling and reverse vending machines. For example, we have produced 133 million litres of recycled drinking water from our water filtration plant at Mutualpark since August 2018, this represents 90% of our required water usage. We have produced 2.1 million kWh of renewable energy by the solar plant at Mutualpark, with 11% of OML South Africa’s energy needs being met by self-generated renewable energy in 2019. Additionally, we have diverted 52% of our waste from landfill, up from 38% in 2018.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Capital expenditures Acquisitions and divestments	Five year budgets now include provision for green building investments such as rooftop solar PV, water filtration plants, light sensors and LED light panels, etc. OML has invested R23.5 million in renewable energy generation since 2018. OM Properties has acquired the Bedford Centre and is planning to install Solar PV on the rooftop of the shopping centre. OMAI has adopted an ESG and Impact Management Framework to achieve our vision of continual improvement in ESG performance and this informs financial planning at the business.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C-FS3.2

(C-FS3.2) Are climate-related issues considered in the policy framework of your organization?

No, but we plan to consider climate-related issues in our policy framework in the next two years

C-FS3.2c

(C-FS3.2c) Why are climate-related issues not considered in the policy framework of your organization?

Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, to leverage the successes of the businesses with mature responses and to develop explicit strategies for other businesses and products.

With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for developing a coordinated approach to the consideration of climate-related issues in our policy framework.

Examples at individual OML business levels include:

· Old Mutual Investment Group is guided by a publicly available Responsible Investment policy that commits us to integrate ESG issues across all of our investment and ownership capabilities. Its objective is to publicly set out the OML Group-wide principles for Responsible Investment, and in so doing, to give effect to the applicable national legislation and industry codes of best practice. OML is a signatory to the United National Global Compact and the Sustainable Development Goals (SDGs). Our Responsible Business approach takes into consideration our quest to respond to the SDGs that are aligned to our business. These include: poverty alleviation, addressing inequality, quality education, infrastructure, energy, human rights and climate change. As such, our Responsible Business framework guides our ability to track and evidence our business and societal impact. It enables us to disclose and report on our commitments as per signed agreements with the UN Global Compact (UNGC) and the Sustainable Development Goals (SDGs).

· OMAI considers climate-related risk in its due diligence processes turned down a deal as the addition of stranded asset risk tipped the deal over the risk threshold.

· OM Properties undertakes due diligence on direct property investments, which include an analysis of ESG risks and opportunities (including climate change). In the construction and development phase, we require assessments of energy efficiency strategies so as to reduce future maintenance and resources costs, and to protect against costs of potential regulatory changes requiring retrofitting and refurbishment. Where properties are already developed, we require managers to consider the long-term financial benefits of retrofitting and refurbishment to improve energy efficiency. This is relevant given the long-term and illiquid nature of these investments.

C-FS3.3

(C-FS3.3) Are climate-related issues factored into your external asset manager selection process?

Not applicable, because we don't have externally managed assets

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

No target

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	This is the second year that OML has assessed our carbon footprint since the managed separation process. We continue to focus on improving the accuracy and completeness of our emissions data and expect to be in a position to more accurately forecast emissions in the future. We do anticipate reported emissions increasing as the boundary increases to include the rest of Africa as well as the emissions associated with OML's investment portfolio.	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, to leverage the successes of the businesses with mature responses and to develop explicit strategies for other businesses and products. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for emissions target development.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number
Oth 1

Year target was set
2018

Target coverage
Site/facility

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	Other, please specify (60% waste to landfill diversion at Mutualpark office block (Cape Town))

Target denominator (intensity targets only)
<Not Applicable>

Base year
2018

Figure or percentage in base year
38

Target year
2020

Figure or percentage in target year
60

Figure or percentage in reporting year
52

% of target achieved [auto-calculated]
63.6363636363636

Target status in reporting year
Underway

Is this target part of an emissions target?
No, it's not part of an emissions target currently. Landfill waste is a potent source of greenhouse gas emissions and will, in time, be included in our Scope 3 supply chain emission reporting.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain (including target coverage)
Our National Technical Department has set a target for our main office complex in Cape Town (Mutualpark) to divert 60% of all waste away from landfill and towards recycling and/or reuse initiatives. In 2019 we diverted 52% of our waste from landfill, up from 38% in 2018.

Target reference number
Oth 2

Year target was set
2018

Target coverage
Site/facility

Target type: absolute or intensity
Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Renewable fuel consumption	Percentage of total fuel consumption that is from renewable sources

Target denominator (intensity targets only)
<Not Applicable>

Base year
2018

Figure or percentage in base year
8

Target year

2019

Figure or percentage in target year
11

Figure or percentage in reporting year
11

% of target achieved [auto-calculated]
100

Target status in reporting year
Achieved

Is this target part of an emissions target?
No, it's not part of an emissions target currently. South Africa has a highly carbon-intensive national electricity supply which affects our greenhouse gas emissions generated from our electricity consumption. Hence, any initiative to source clean electricity from renewable sources has a significant impact on our Scope 2 indirect emissions from electricity consumption.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain (including target coverage)
11% of OML South Africa energy needs were met by self-generated renewable energy in 2019.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	1	2330
Implementation commenced*	0	0
Implemented*	6	2170
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
2153

Scope(s)
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
3627829

Investment required (unit currency – as specified in C0.4)
4959546

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
Installation of internal LED lighting and parking LED lighting at Bedford Centre. Installation of LED lighting at Khulani Business Park, Jet Park Speculative and The Zone @ Rosebank. We have Installed light sensors and LED light panels to reduce energy demand at most of our offices (including at Mutualpark during 2019).

Initiative category & Initiative type

Waste reduction and material circularity	Waste reduction

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s)
Scope 3

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)
0

Payback period
No payback

Estimated lifetime of the initiative
Ongoing

Comment
As a responsible business committed to reducing our impact on the environment, we are on a journey to reduce the amount of waste we send to landfills, and our use of single-use plastics. During the year, Mutualpark banned the use of plastic bags and straws, allowing only the use of certified compostable “green” packaging to be sold by vendors. This has led to the reduction of waste transported to landfills, subsequently contributing to the reduction of our carbon footprint. At 1 Mutual Place, the introduction of bio bins and the supply of fresh milk in reusable glass bottles, instead of plastic or box cartons, has positively contributed to the amount of waste we diverted from entering the waste stream. We have also piloted the use of Reverse Vending Machines (RVMs) to maximise our recycling initiatives. The machines allow users to deposit bar-coded plastic bottles, glass bottles, aluminium cans and tetrapak (milk and juice cartons) into the machines for recycling to earn rewards such as airtime. At Wanooka Place, efforts to maximise recycling and reduce waste contamination include the installation of recycling bins throughout the building and the appointment of an onsite supplier that separates waste for recycling and facilitates the conversion of food waste into compost.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
17

Scope(s)
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
14738

Investment required (unit currency – as specified in C0.4)
250000

Payback period
16-20 years

Estimated lifetime of the initiative
16-20 years

Comment
We have Installed light sensors and LED light panels to reduce energy demand at most of our offices (including at Mutualpark during 2019).

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	OML governance and risk management procedures ensure that appropriate investments are made to comply with all regulatory requirements, including climate change-related ones.
Dedicated budget for other emissions reduction activities	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases for particular businesses or products (e.g. through OM Insure and OM Responsible Investment). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised methods used to drive emissions reduction activities.
Employee engagement	Engaging our employees in environmental efforts is an important part of delivering change across our businesses. We promote a culture of efficiency where employees are given license to think green and are continually looking for opportunities to reduce resource use. Much of this work has been conducted at individual business level.
Internal incentives/recognition programs	Monetary incentives are linked to climate change-related objectives for employees within the Responsible Business function, with targets set across a range of areas including climate change awareness of employees, environmental management plans and GHG target reductions. Building and facilities managers have energy management and reduction targets within their individual performance targets. Certain defined ESG metrics including emissions reduction projects, energy reduction projects., efficiency projects, and portfolio/fund alignment to climate-related objectives have been added to the relevant scorecards of senior managers already (COO, CRO, CSO, and CIO), with the development of an overall ESG metric for our variable pay scheme being developed in 2020.
Dedicated budget for energy efficiency	At Old Mutual, reducing our impact on the environment is a strategic imperative. As such, dedicated budgets are available to realise this imperative. Old Mutual Property uses budget within operational expenditure to choose energy efficient options (e.g. light fittings) whilst ensuring we remain within budget and specification. Upgrades to emissions-reduction activities (e.g. Solar and Water Treatment projects) are submitted to our Executive Committee as a full Business Case where the ROI and IRR projections are scrutinised for consideration. Old Mutual Property allocates capital expenditure budget to replace all end-of-life assets with sustainable solutions.
Please select	

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation
Group of products

Description of product/Group of products
Across Old Mutual Alternative Investments (OMAI), Old Mutual Specialised Finance and Futuregrowth – all part of Old Mutual Investment Group – we manage approximately R122 billion of our clients' capital in green economy investments, both debt and equity. These businesses are a constructive voice across a range of national interest issues such as renewable energy.

Are these low-carbon product(s) or do they enable avoided emissions?
Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Own Approach)

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types
Please select

Comment
OMAI's Impact Investing division has been a leader in generating positive social and environmental impact alongside financial returns since 2007, identifying assets and regions where gaps or backlogs in social infrastructure have been identified. We seek to create commercially sustainable investments that provide large scale positive impact which benefit mainly lower to middle income communities, particularly in affordable housing and quality education. Environmental, social and governance (ESG) factors are at the forefront of our investments decisions. This is especially evident in our housing and schools portfolio where green building certification system EDGE (Excellence in Design for Greater Efficiencies) plays an important role in water conservation and efficient use of energy in our housing units and school buildings. The renewable energy projects we have invested in help us avoid approximately 3 million tonnes of carbon dioxide from the environment every year.

Level of aggregation
Product

Description of product/Group of products
OMAI's Ideas Managed Fund enables deployment of renewable energy

Are these low-carbon product(s) or do they enable avoided emissions?
Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Own approach)

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types

Investing	Private Equity

Comment
OMAI's Ideas Managed Fund is the largest private equity investor in renewable energy in South Africa. It is committed to tackling the climate crisis, having invested in 28 renewable energy facilities including 10 wind farms, 15 solar PV farms, one hydropower station and two solar off-grid companies. The fund has achieved an installed capacity of 1.11 GW and produced 3,141GWh of renewable energy in 2019. This clean energy production created a carbon offset of 3.14 million tons of CO2 equivalent.

Level of aggregation
Product

Description of product/Group of products
In December 2018 the African Infrastructure Investment Fund 3 (AIIF3) acquired a minority stake in BBOXX's operations in East Africa, as part of a US$31 million investment plan. BBOXX Capital is a pay-as-you-go solar electricity service company that designs, manufactures and distributes plug-and-play solar home systems for off-grid rural and peri-urban communities. AIIF3 has a minority interest in BBOXX's subsidiaries operating in Kenya, Rwanda and the Democratic Republic of Congo, referred to as Next Generation Utilities (NGUs). BBOXX's vision is to provide 20 million people with electricity by 2020. BBOXX focuses on satisfying the fundamental need for electricity as well as providing superior customer service.

Are these low-carbon product(s) or do they enable avoided emissions?
Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Own approach)

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types
Please select

Comment
To date: over 250 000 people have been positively impacted by BBOXX solar products; 4 GWh of energy have been generated using BBOXX solar home systems; 63 000 school-aged children can now study comfortably; US$2.4 million has been saved in energy expenses; 40 000 tonnes of CO2 has been offset

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Level of aggregation
Product

Description of product/Group of products
Old Mutual Property regularly improves the efficiency of its property portfolio as part of its Green Building Strategy. This enables tenants and employees to work in more energy efficient buildings and avoid additional emissions.

Are these low-carbon product(s) or do they enable avoided emissions?
Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Own approach)

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types

Investing	Real Estate/ Property

Comment
Every year OML undertakes energy efficiency projects in our properties to reduce emissions, helping tenants avoid emissions. In 2019, OML undertook the installation of internal LED lighting and parking LED lighting at Bedford Centre. Installation of LED lighting at Khulani Business Park, Jet Park Speculative and The Zone @ Rosebank. Additionally, they installed light sensors and LED light panels to reduce energy demand at most of their offices. This cost approximately R5 million with an estimated annual CO2 emission saving of 2 153 tCO2e, and an annual monetary saving of approximately R3,6 million..

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
947

Comment

Scope 2 (location-based)

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
99713

Comment

Scope 2 (market-based)

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
99713

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
2200

Start date
<Not Applicable>

End date
<Not Applicable>

Comment
This figure includes emissions from stationary fuels and fugitive emissions. It does not include mobile fuels from owned-vehicles. This information is not available and will be immaterial as Old Mutual does not own many vehicles.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
No low carbon instruments purchased. Hence, market-based and location-based Scope 2 emissions are the same.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
83530

Scope 2, market-based (if applicable)
83530

Start date
<Not Applicable>

End date
<Not Applicable>

Comment
OML's market-based electricity is identical to location-based electricity because no supplier-provided contractual instruments were reported in FY2019.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Emissions generated by the following facilities and/or entities are excluded from the reporting boundary: - Old Mutual South Africa (OMSA) leased portfolio - 9 Wellington Road, Old Mutual Properties (OMP) – building mothballed - Old Mutual ROA owned facilities (including Old Mutual UAP) - Old Mutual Insure branches (including Credit Guarantee Insurance Corporation (CGIC)): o South African branches (leased) o Rest of Africa branches in the following countries: ▪ Zimbabwe ▪ Nigeria ▪ Uganda ▪ Malawi ▪ Ghana ▪ Rwanda ▪ Namibia ▪ Kenya ▪ Latin America ▪ Eswatini ▪ Tanzania ▪ China ▪ Botswana ▪ South Sudan

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are relevant but not yet calculated

Explain why this source is excluded

Organisational boundaries are established on either the control approach or the equity share approach. Under the control approach – either financial or operational control – a company accounts for all emissions by entities and activities that are under the direct control of the organisation. Under the equity share approach, a company accounts for its GHG emissions from operations according to its share of equity in the operation. OML reports on all emissions using the operational control approach. The following facilities are included in the 2019 OML CFR: - Mutualpark - Mutual Place - Mupine - Marriott - Investment Properties: o Old Mutual Properties (OMP) – 31 properties o Futuregrowth – 19 properties o Bishopscourt – 1 property - OMI Head Office (Wanooka) - Corporate buildings: o Port Elizabeth o Pretoria

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Source

Fugitive emissions apart from air-conditioning gas refills in OMP and Mutualpark facilities.

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions from these sources cannot be calculated as data is unavailable .

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

1516

Emissions calculation methodology

An emission factor for Mondi Rotatrim paper was used (August 2019 via private communication). Emission factors for water purchased is provided by Defra, Guideline to Defra’s GHG Conversion Factors for Company Reporting; Annexes. Updated in July 2019.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

14,87 tonnes of office paper was purchased in the reporting year, with 0,08 tonnes purchased by Corporate PE and 14,79 tonnes by Mutual Place. In order to calculate the metric tonnes of carbon emissions. 1 611 025.35 kilolitres of municipal water was purchased by OML in the reporting year. Information on other goods and services not evaluated.

Capital goods

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

OML purchases a wide variety of capital goods. As this is our first year of reporting, we have not collected emissions-related data from our suppliers and, as a result, are not in a position to provide this figure.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Metric tonnes CO2e
8102

Emissions calculation methodology
Electricity transmission and distribution losses using relevant emission factors as provided by the Eskom 2019 Integrated Annual Report.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Emissions from electricity transmission and distribution losses that result from our consumption of electricity from the South African national grid.

Upstream transportation and distribution

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
OML makes use of various courier and delivery services. As this is our first year of reporting, we have not collected emissions-related data from our suppliers and, as a result, are not in a position to provide this figure.

Waste generated in operations

Evaluation status
Relevant, calculated

Metric tonnes CO2e
8810

Emissions calculation methodology
Waste to landfill and waste recycled or composted were used to calculate emissions according to the GHG Protocol using Defra's 2019 emission factors for municipal waste.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
The waste generated in operations includes waste to landfill and waste recycled or composted, but this is a limited measure with 21 buildings unable to report full waste data. We are in the process of conducting a full waste audit and management plan.

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
18516

Emissions calculation methodology
Car rental and air flight emissions incurred by our employees, calculated using the GHG Protocol methodology and relevant emission factors as provided by Defra, Guideline to Defra’s GHG Conversion Factors for Company Reporting; Annexes. Updated in July 2019. Air travel: An 8% uplift factor is included to take into account non-direct routes and delays/circling. The impact of radiative forcing has also been included. Travel Hub flight data from 2018 was used as a proxy as the 2019 data was unreliable. Short-haul flights are assumed to be domestic flights <463km although HFM captured the data as <16 000km.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Business travel Includes rental cars, commercial flights, accommodation, and travel claims (Marriott only). Travel data provided for OMSA as a whole. Information on other “Business travel” not available. Accommodation data for Marriott was unavailable.

Employee commuting

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
We have not yet undertaken an employee commuting survey.

Upstream leased assets

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This is our first year of reporting and, as such, we have not yet evaluated emissions we are responsible for in using or occupying any facilities that we lease from a third party.

Downstream transportation and distribution

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
OML makes use of various courier services to deliver documents. As this is our first year of reporting, we have not collected emissions-related data from our suppliers and, as a result, are not in a position to provide this figure.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
OML is a financial services provider and does not process or manufacture products.

Use of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
OML is a financial services provider and does not process or manufacture products.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
OML is a financial services provider and does not sell products that generate emissions in their use.

Downstream leased assets

Evaluation status
Relevant, calculated

Metric tonnes CO2e
237269

Emissions calculation methodology
Tenants that have a Full Maintenance Lease (FML) are billed by the municipality directly and are billed zero for electricity. Kilowatt hours are estimated based on average kilowatt hour estimations. Electricity-generated emissions using Eskom emission factor for South African national electricity grid, as supplied by Eskom Integrated Report 2019.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Partially reported: OML-own properties and electricity consumed by tenants is included. Information on other downstream leased assets not evaluated.

Franchises

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
OML does not own any franchises.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
There are no other upstream activities that need to be included in the OML carbon footprint.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
There are no other downstream activities that need to be included in the OML carbon footprint.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
7.892

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
85730

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
10863

Scope 2 figure used
Location-based

% change from previous year
0

Direction of change
No change

Reason for change
In 2018, OML did not report on intensity metrics as reliable data was not available within the boundary of the Report.

Intensity figure
0.06

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
85730

Metric denominator
square meter

Metric denominator: Unit total
1419807

Scope 2 figure used
Location-based

% change from previous year
0

Direction of change
No change

Reason for change
In 2018, OML did not report on intensity metrics as reliable data was not available within the boundary of the Report.

C7. Emissions breakdowns

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?
Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	In the reporting year there was no change in emissions by OML that can be attributed to a change in renewable energy consumption. However, prior to this reporting year, OML installed solar PV at Mutualpark, producing 2.1 million kWh of renewable energy - currently being expanded to increase capacity to 3800kW. 11% of OML South Africa's energy needs were met by self-generated renewable energy in 2019
Other emissions reduction activities	2170	Decreased	2.16	A saving of 2170 tCO2e was due to the installation of internal LED lighting and parking LED lighting at Bedford Centre. Installation of LED lighting at Khulani Business Park, Jet Park Speculative and The Zone @ Rosebank. We have Installed light sensors and LED light panels to reduce energy demand at most of our offices (including at Mutualpark during 2019). Therefore, due to 'other emissions reduction activities' implemented during the year, 2170 tCO2e avoided. Our total Scope 1 and Scope 2 emissions in the 2018 was 100 660 tCO2e, therefore we arrived at -2.16% through (-2 170/100 660) * 100= -2.16% (i.e. a 02.16% decrease in emissions).
Divestment	0	No change	0	Unity Centre was sold in FY2018. This is not deemed a material reason for changes in Scope 1&2 emissions.
Acquisitions	0	No change	0	Futuregrowth properties increased from 17 to 19 properties. This is not deemed a material reason for changes in Scope 1&2 emissions.
Mergers	0	No change		There were no mergers by OML during the reporting period.
Change in output	0	No change	0	There was no change in emissions by OML that can be attributed to a change in output.
Change in methodology	2162	Decreased	2.15	Bedford Square: In 2018 municipal accounts were used for electricity consumption but from 2019, meter readings, which are more accurate are used – explaining the decrease in electricity purchased (2079mWh, which equates to approximately 2162 tCO2e). Our total Scope 1 and Scope 2 emissions in the 2018 was 100 660 tCO2e, therefore we arrived at -2.15% through (-2162/100 660) * 100= -2.15% (i.e. a 2.15% decrease in emissions).
Change in boundary	307	Decreased	0.31	Mupine: This facility is leased to tenants, whereas in 2018 it was occupied by OML. Electricity consumption was Scope 2 in 2018 and in 2019 it is Scope 3. This explains a decline of 307 tCO2e. Our total Scope 1 and Scope 2 emissions in the 2018 was 100 660 tCO2e, therefore we arrived at -0.31% through (-307/100 660) * 100= -0.31% (i.e. a 0.31% decrease in emissions).
Change in physical operating conditions	0	No change	0	There was no change in emissions by OML that can be attributed to a change in physical operating conditions.
Unidentified	3512	Decreased	3.49	There was a 3 512 tCO2e decrease in emissions by OML that we attributed to a change in unidentified emissions, which are as a result of more accurate reporting of electricity consumption Our total Scope 1 and Scope 2 emissions in the 2018 was 100 660 tonnes CO2e, therefore we arrived at -3.49% through (3 512/100 660) * 100= -3.49% (i.e. a 3.49% decrease in emissions).
Other	6779	Decreased	6.73	Emissions from stationary combustion increased by 556 tCO2e or 410,18% when compared to 2018, due to an increase in diesel consumption in generators as a result of Eskom's load shedding during the year. Emissions from the vehicle fleet was reported for the first time increasing Scope 1 emissions by 1 139 tCO2e. Emissions from air conditioning and refrigeration gas refills decreased by 442 tCO2e or 54,46% when compared to 2018. Results differ year-on-year due to adhoc and/or non-annual maintenance schedules. Cavendish Close: Decrease in electricity over Christmas and load shedding resulted in a reduction of electricity. Cavendish Square: An increase in onsite solar, resulted in a reduction of overall electricity. Overall, this explains a 2 224 tCO2e reduction. Mahogany Ridge: Decrease in electricity consumption is linked to tenancy vacancies – 498 tCO2e decrease. Both Riverside Mall and The Zone @ Rosebank used less electricity due to onsite renewable solar generation. This resulted in a 3032 tCO2e reduction. Therefore, due to the above OML saw a 6 779 tCO2e reduction. Our total Scope 1 and Scope 2 emissions in the 2018 was 100 660 tonnes CO2e, therefore we arrived at -6.73% through (6 779/100 660) * 100= -6.73% (i.e. a 6.73% decrease in emissions).

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

Don't know

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	7378	7378
Consumption of purchased or acquired electricity	<Not Applicable>	0	80612	80612
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	10881	<Not Applicable>	10881
Total energy consumption	<Not Applicable>	10881	87990	98871

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Other, please specify (Purchased electricity (total building) OMP)

Metric value
205.13

Metric numerator
kWh

Metric denominator (intensity metric only)
square metre

% change from previous year
11.74

Direction of change
Decreased

Please explain
Cavendish Square, Gateway Theatre of Shopping, Riverside Mall, The Zone @ Rosebank, and Vincent Park are all under OMP. Collectively, they increased the quantity of solar renewable energy generated onsite from 2 359 578 kWh in 2018 to 5 741 418 kWh (143,32% increase). This meant that less electricity was purchased by these buildings in 2019.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Old Mutual Limited 2019 Verification Statement[7134].pdf

Page/ section reference
p.1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Old Mutual Limited 2019 Verification Statement[7134].pdf

Page/ section reference
p.1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Old Mutual Limited 2019 Verification Statement[7134].pdf

Page/ section reference
p.1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Purchased goods and services

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Old Mutual Limited 2019 Verification Statement[7134].pdf

Page/section reference
p.1-2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year change in emissions (Scope 1 and 2)	ISO14064-3	In the attached report, year-on-year changes in emissions verified. Old Mutual Limited 2019 Verification Statement[7134].pdf
C6. Emissions data	Year on year change in emissions (Scope 3)	ISO14064-3	In the attached report, year-on-year changes in emissions verified. Old Mutual Limited 2019 Verification Statement[7134].pdf
C8. Energy	Other, please specify (Energy-related data used for GHG Inventory)	ISO14064-3	In the attached report, year-on-year changes in emissions verified. Old Mutual Limited 2019 Verification Statement[7134].pdf

C11. Carbon pricing

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers
Yes, our investee companies
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5
0

Rationale for the coverage of your engagement
Responsible Investment (RI) is essential to Old Mutual's goal of pursuing long-term risk adjusted returns for its customers, while aligning with the broader interests of society. The core elements of our approach to RI include ensuring that climate change issues are considered when selecting and appointing investment service providers. We actively engage with these service providers regarding our RI intentions, including issues related to climate change.

Impact of engagement, including measures of success
Where gaps exist between our service providers' RI practices and our own RI expectations we will work with the appointed service provider over time to support them in strengthening their RI practice. Success is measured in terms of compliance with the OM Responsible Investment Policy as well as our performance with respect to commitments as per signed agreements with the UN Global Compact (UNGC) and the Sustainable Development Goals (SDGs) and UNPRI as well as industry best practice standards and indices.

Comment

Type of engagement
Compliance & onboarding

Details of engagement
Included climate change in supplier selection / management mechanism
Code of conduct featuring climate change KPIs
Climate change is integrated into supplier evaluation processes

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5
100

Rationale for the coverage of your engagement
OML aims to limit the use of finite resources in all business ventures. In particular, we recognise the importance of our environmental role in responsibly managing buildings and the land we occupy, including effective waste management and careful use of energy and water. When it comes to our work environment and carbon footprint, it is important that we lead by example. We continuously work to minimize our impact on the environment and to improve our working environment. In addition to driving responsible consumption of resources, we are increasing our solar energy production, recycling and minimising waste across our offices. We therefore require our preferred and appointed suppliers to ensure that responsible business considerations form an integral part of their daily business activities throughout its supply chain. All service providers are scrutinised in terms of providing their services in a sustainable way, however, depending on our budget and the service being provided, climate-related factors do not prohibit selection of any particular supplier at present. Climate-related factors are mainly considered for material suppliers. There are no set incentives for suppliers at this time. In Cape Town, our Mutualpark campus has been certified as a 6-star Green Building. As part of this, there are a number of policies that we uphold through our contractors: • Green Leasing – to encourage tenants renting our space to use it in a sustainable way in terms of energy, water and waste. • Green Cleaning Policy – ensuring our cleaning contractor uses only chemicals that are green rated. • An Integrated Waste and Water Management Policy – striving to divert all possible waste streams from landfill and recycling it. In 2019 we diverted 52% of our waste from landfill, up from 38% in 2018 • Sustainable energy alternatives and equipment for all capital upgrades of equipment using large amounts of energy, i.e. LED light panels, air con, lifts, escalators, etc. • Hard surface management policy – implementing sustainable hard surfaces and paving to ensure rainwater is not washed away destructively, but can be soaked into the ground properly to recharge the groundwater system. • Landscaping and pest control policy – ensuring the use of local flora and not introducing any alien plants. Sustainable pest control, no harmful chemicals, only using natural means where possible.

Impact of engagement, including measures of success
Every year Old Mutual Property undertakes energy efficiency projects in our properties to reduce emissions, helping tenants avoid emissions. In 2019, OMP undertook lighting retrofit projects in several properties, refitting existing lighting with more efficient LED lights. The installation of the LED lights was completed at Bedford Centre (internal and parking), The Zone @ Rosebank, Jet Park Speculative, and Khulani Business Park resulting in a 2 070 394kWh per annum saving, or a 2 153 tCO2e saved. In addition, this results in an estimated annual monetary saving of approximately R3,6 million. In 2019 11% of OML South Africa's energy needs were met by self-generated renewable energy. This was as a result of the various emission reduction activities that were undertaken during the reporting year.

Comment

Type of engagement
Innovation & collaboration (changing markets)

Details of engagement
Run a campaign to encourage innovation to reduce climate impacts on products and services

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
Through Old Mutual's large presence in South Africa, with its ongoing resource supply constraints, we continue to look for innovative ways of contributing positively to the

environment and ensuring our business approach reflects best environmental practices, for example in our approach to tackling water scarcity. The World Economic Forum's (WEF) Global Risk Report 2019 lists a global water supply crisis as the fourth most important global risk. Water scarcity poses serious risks to corporates in numerous ways with regulatory, physical and reputational risks, e.g. supply chain failures, operational crises, increasing costs, brand management and broader corporate social responsibility. Private sector investment in water security therefore contributes towards risk mitigation.

Impact of engagement, including measures of success
As part of our water stewardship and 2019 World Wildlife Fund Water Partnership, we helped to address South Africa's water challenges by partnering with the WWF and other corporate funders to establish a water catchment facility in the Boland area of Cape province, one of the highest rainfall regions in the country, and a critical source of fresh water for Cape Town. The initiative provided R250 000 support for local agriculture via a successful multi-partner model that can guide future ventures. A successful multi-partner partnership with the African Climate and Development initiative has resulted in the development of a Cape Town Drought Response Film Library. The library will provide an ongoing learning platform on water usage that will be a crucial resource for water-scarce communities.

Comment

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect climate change and carbon information at least annually from suppliers

% of suppliers by number
80

% total procurement spend (direct and indirect)
80

% of supplier-related Scope 3 emissions as reported in C6.5
100

Rationale for the coverage of your engagement
OML aims to engage with all its key suppliers to continuously gather climate change-related information from the suppliers. The majority of the key suppliers, based on % total procurement spend (direct and indirect), are engaged with on a continuous basis. OML-specific description of engagement, including details on what the engagement activity entails: The engagement activity is normally a number of meetings, telephone calls and emails which result in a service level agreement that fulfils OML's agenda of moving towards a low carbon future. An example of this is in Cape Town at our Mutualpark campus, which has been certified as a 6-star Green Building - our Green Cleaning Policy ensures that our cleaning contractor uses only chemicals that are green rated.

Impact of engagement, including measures of success
The purpose of the engagement is to produce a service level agreement that fulfils OML's agenda of moving towards a low carbon future. An example of a positive outcome achieved is in Cape Town at our Mutualpark campus, which has been certified as a 6-star Green Building - our Green Cleaning Policy ensures that our cleaning contractor uses only chemicals that are green rated.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement
Education/information sharing

Details of engagement
Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)
Unknown

Please explain the rationale for selecting this group of customers and scope of engagement
We remain focused on our purpose of helping our customers thrive by enabling them to achieve their lifetime financial goals, while investing their funds in ways which create a positive future for them, their families, their communities and the world at large. We engage with our clients to understand them, their aspirations, businesses and financial services needs better, whilst engagement also allows us to provide appropriate advice, proactive financial solutions and value-adding services. Specific engagements in 2019 were: Interactions through branch outlets, relationship managers, call centres, complaint lines, and information technology assistance; Client seminars and surveys; Annual reports; Central capability that improves customer service through the use of robotics; Social media, and marketing and advertising activities; and specific client engagements, including focus groups, one-on-one meetings, functions and events. We have trained our call centre agents and advisers in branches in digital tools and products available to customers to drive digital adoption. We continue to create awareness about our digital offerings through focused marketing of Old Mutual rewards.

Impact of engagement, including measures of success
In 2019, OML engaged clients by implementing branch activations in order to convert customers to digital platforms – 5000 customers were engaged as part of this branch activations. By the end of 2019 OML had invested R133.1 billion in Responsible Business Investments (socially inclusive, low carbon and resource efficient), representing 17% of assets under management. Of this, R28 million has been invested in financial education initiatives to help reduce debt and promote a saving culture. This contributes to building the resilience of our customers to physical and transition climate risks. Financial inclusion in Africa has grown significantly over the last few years driven by the adoption of digital financial services such as mobile money, but there is still a sizeable gap to be addressed. Sub Saharan Africa leads the way with 43% of adults holding a bank account but other regions still have large segments of the population that are unbanked with limited access to financial services. Penetrating this market represents an opportunity to create shared value through building the resilience of communities in Africa to climate change and acquiring new customers for OML.

C-FS12.1c

(C-FS12.1c) Give details of your climate-related engagement strategy with your investee companies.

Type of engagement
Information collection (Understanding investee behavior)

Details of engagement
Collect climate change and carbon information from new investee companies as part of initial due diligence

% of investees by number

% Scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

Portfolio coverage
Unknown

Rationale for the coverage of your engagement
This was the first time that it was done and lessons are being learned including the need to normalise the data (e.g. consider water use / impact per dollar invested) and to explore how best to utilise the information to better assess and manage water-related risks in the portfolio.

Impact of engagement, including measures of success
Across OMAI we further enhanced our ESG integration practices by investing in additional specialist skills and through investments in the systems to track and report on impact data. We now have the systems to track and report on the contribution our clients' capital makes towards the United Nations Sustainable Development Goals (SDGs). For example, in 2019, OMAI started to measure the carbon footprint of our portfolios, and the carbon offset generated by our renewable energy investments. OMAI also started collecting water use statistics (water use and use of recycled water) in 2019 for a portion of the portfolio targeting investments that likely face material water risks. We are considering linking a water risk analysis to climate change.

Type of engagement
Engagement & incentivization (changing investee behavior)

Details of engagement
Exercise active ownership

% of investees by number

% Scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

Portfolio coverage
Unknown

Rationale for the coverage of your engagement

Impact of engagement, including measures of success
As defined by our Responsible Investment philosophy, we seek to promote sustainable environmental, social and governance (ESG) best practice in our investee companies. This includes climate change. We believe that ESG issues are key components in managing climate-related investment risk. We are able to draw on the expertise of our Responsible Investment team as specialists on ESG-related engagement, but the responsibility to ensure that companies do the right thing sits with the portfolio manager. As active custodians, we regularly vote on company resolutions (including climate change), but our level of engagement is much more than just proxy voting. When material issues arise that we think could damage (or enhance) shareholder value, we actively lobby for change. We currently deliver proxy voting and engagement services to over R300 billion of our customers' investment capital.

Type of engagement
Engagement & incentivization (changing investee behavior)

Details of engagement
Support climate-related issues in proxy voting

% of investees by number

% Scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

Portfolio coverage
Unknown

Rationale for the coverage of your engagement

Impact of engagement, including measures of success
As defined by our Responsible Investment philosophy, we seek to promote sustainable environmental, social and governance (ESG) best practice in our investee companies. This includes climate change. We believe that ESG issues are key components in managing climate-related investment risk. We are able to draw on the expertise of our Responsible Investment team as specialists on ESG-related engagement, but the responsibility to ensure that companies do the right thing sits with the portfolio manager. As active custodians, we regularly vote on company resolutions (including climate change), but our level of engagement is much more than just proxy voting. When material issues arise that we think could damage (or enhance) shareholder value, we actively lobby for change. We currently deliver proxy voting and engagement services to over R300 billion of our customers' investment capital.

Type of engagement
Information collection (Understanding investee behavior)

Details of engagement
Collect climate change and carbon information at least annually from long-term investees

% of investees by number

% Scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

Portfolio coverage
Unknown

Rationale for the coverage of your engagement
This was the first time that it was done and lessons are being learned including the need to normalise the data (e.g. consider water use / impact per dollar invested) and to explore how best to utilise the information to better assess and manage water-related risks in the portfolio.

Impact of engagement, including measures of success

Across OMAI we further enhanced our ESG integration practices by investing in additional specialist skills and through investments in the systems to track and report on impact data. We now have the systems to track and report on the contribution our clients' capital makes towards the United Nations Sustainable Development Goals (SDGs). For example, in 2019, OMAI started to measure the carbon footprint of our portfolios, and the carbon offset generated by our renewable energy investments. OMAI also started collecting water use statistics (water use and use of recycled water) in 2019 for a portion of the portfolio targeting investments that likely face material water risks. We are considering linking a water risk analysis to climate change.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

To act as responsible stewards of assets, we ensure that the management teams of investee companies are accountable for company performance and conduct. In our Responsible Business Report, we emphasise the importance of the outcomes achieved from successfully concluded engagements and show where we have collaborated with other institutional investors to achieve these key benefits:

· Fulfilling fiduciary duties

· Obtaining more in-depth insight into investee companies

· Increased collaboration between the portfolio manager, analyst teams and ESG analysts

· Raising companies' awareness of investors' ESG concerns

· Improved relationships with investee companies

· The transformation of investee companies' corporate behaviour

· Partnerships and collaboration

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations
Funding research organizations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Climate finance	Support	Old Mutual Investment Limited (South Africa) was actively involved in the implementation of the Code for Responsible Investing in South Africa (CRISA) and in 2019 OML continued to support the process of implementation within the industry. The Head Responsible Investment at OML is a member of the CRISA Committee. He attends committee meetings and participates in ongoing discussions.	The South African market is predominantly driven by a non-mandatory market-based code of governance for companies (King Report on Governance), as opposed to legislation. It is in this context that CRISA aims to provide the investor community with the guidance needed to implement ESG factors into investment decisions in order to reduce the environmental impact of investments. At Old Mutual, we are committed to responsible investment and we continue to support this agenda through our role on the CRISA Committee.
Climate finance	Support	In 2019, Old Mutual continued its work in supporting the Principles for Responsible Investment (PRI) having become an asset owner signatory in 2012. As a PRI signatory, we are aware of the mandatory PRI reporting requirements of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) that comes into effect in 2020, and we are committed to supporting the TCFD principles as part of our overall RI strategy.	The PRI provides a recognised framework for the incorporation of environmental, social and governance issues into investment and ownership decision making practices. At Old Mutual we believe that considering relevant material ESG factors in our investment and ownership decisions is consistent with the pursuit of superior risk-adjusted returns for our beneficiaries and clients. It not only makes sound business sense, in our role as custodian of our shareholder and beneficiary's long-term future, it is the right thing to do. As an asset owner signatory to the UNPRI we support this position.
Adaptation or resilience	Support	As a Responsible Business we focus on Financial Education, Financial Inclusion and responsible investment focusing on financial wellbeing and responsible investment. Through these focus areas we are aligned to the South African Government's National Development Plan (NDP) and committed to working with others in civil society and across the private and public sector to building a prosperous and equitable South Africa.	The National Development Plan (NDP) offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal. The NDP aims to eliminate poverty and reduce inequality by 2030. Old Mutual is proud to be involved in the communities we serve – an ethos which is a cornerstone in each of our businesses. We support the NDP's goals of eliminating poverty and reducing inequality in South Africa.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association
South African Insurance Association (SAIA)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
The SAIA's position is in favour of supporting and encouraging the insurance industry to take action to reduce the industry's impact on the environment through identifying and analysing environmental and social risks and their potential negative impact. To further this agenda, in 2012, the SAIA established The Environmental and Social Risks Board Committee which oversees strategic initiatives in support of the top ten environmental and social risks the Committee has identified as central to the insurance industry in South Africa.

How have you influenced, or are you attempting to influence their position?
In 2019, the CEO of Old Mutual Insure continued to support SAIA at the Board and committee level. On Committees, Old Mutual Insure works to improve multi-peril insurance and its approach to climate change risks from an insurer's perspective.

Trade association
South African Property Owners Association (SAPOA)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
In 2014, SAPOA took a position on the promotion of good governance and city management - which includes environmentally sustainable spaces - by signing a Memorandum of Understanding with the South African Cities Network. The partnership aims to establish forums in which the public and private sector can build consensus on a range of issue areas, including climate change. SAPOA encourages participation to promote the sustainable expansion of South Africa's commercial and industrial property sectors.

How have you influenced, or are you attempting to influence their position?
Old Mutual Property (OMP) is an advocate of sustainable properties and the Managing Director of OMP is President of SAPOA. At this level, Old Mutual seeks to forward the environmental agenda of property management within SAPOA, ensuring that the concerns and opinions of the property industry are heard by the government and other stakeholders.

Trade association
Association for Savings & Investment in South Africa (ASISA)

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
ASISA is a non-profit company formed in 2008 to represent the savings, investment and insurance industry that contributes trillions of rand to South Africa's economy. Our mission is to promote a culture of savings and investment in South Africa by: • Building a transformed, vibrant, and globally competitive financial sector. • Actively participating in education, transformation and social development. • Encouraging South Africans to save. • Promoting transparency and disclosure. • Focussing on the consumer. • Encouraging ethical and equitable behaviour. • Collaborating with Government to: Achieve level playing fields and healthy competition; and Engage on policy and regulatory issues.

How have you influenced, or are you attempting to influence their position?
Old Mutual Emerging Markets Limited is a voting member, meaning that they can nominate and elect representatives to serve on the ASISA Board in accordance with ASISA's Memorandum of Incorporation (MOI); Vote on matters that are dealt with at the Association's Annual General Meetings; and Nominate representatives to serve on all ASISA's technical committees, which include board committees, standing committees and working groups.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?
No

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, leverage the successes of the businesses with mature responses and to develop explicit strategies for other businesses and products.

With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML.

This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy to ensure that all direct and indirect activities that influence policy are consistent with the overall climate change strategy.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports

Status
Complete

Attach the document
integrated-report.pdf

Page/Section reference
p.13,15-26,44,46-59

Content elements
Governance
Strategy
Risks & opportunities

Comment
This report covers the activities of the Group for the period 1 January 2019 to 31 December 2019. It provides an overview of our strategy and key activities to create value over the short, medium and long term in each of our operating environments. This report extends beyond financial reporting and includes non-financial performance, our approach to risk management, an overview of our material risks and a summary of our governance and remuneration practices.

Publication
In voluntary communications

Status
Complete

Attach the document
2019-public-transparency-report-for-old-mutual.pdf

Page/Section reference
p.6,10-14,17,24,28,30,34,36

Content elements
Governance
Strategy
Other metrics

Comment
The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders.

Publication
In mainstream reports

Status
Complete

Attach the document
responsible-business-impact-report.pdf

Page/Section reference
p.3,8,15

Content elements
Strategy
Risks & opportunities
Other metrics

Comment
Responsible Business Approach, including our actions to minimize our impact to the environment.

Publication
In mainstream reports

Status
Complete

Attach the document
responsible-investment-policy.pdf

Page/Section reference
p.3-4

Content elements
Governance
Strategy

Comment
The OML Responsible Investment Policy is subordinate to the Old Mutual Limited (OML) Level 2 Responsible Business Risk policy, which forms part of the OML Group Governance Framework (GGF). Its objective is to publicly set out the OML Group-wide principles for Responsible Investment, and in so doing, to give effect to the applicable national legislation and industry codes of best practice – see Annex A.

C-FS12.5

(C-FS12.5) Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

	Industry collaboration	Comment
Reporting framework	Principles for Responsible Investment (PRI) Task Force on Climate-related Financial Disclosures (TCFD)	Our RI approach draws on the principles of the Code for Responsible Investing in South Africa (CRISA) and other RI focused policies and legislation both in South Africa (including Regulation 28 of the Pension Funds Act, the Financial Sector Charter (FSC) and the King IV Code of Corporate Governance (Principle 17), and globally in terms of the United Nations backed Principles for Responsible Investment (UNPRI). It is also guided by best practice principles globally such as the OECD Corporate Governance Principles (2015); and the ICGN Global Governance Principles (2014). We are actively engaged with the RISA Committee, the ASISA RI Committee and the National Advisory Body for impact investing. Globally we are members of the UN PRI and active members of the International Corporate Governance Network.
Industry initiative	Principles for Responsible Investment (PRI)	Our RI approach draws on the principles of the Code for Responsible Investing in South Africa (CRISA) and other RI focused policies and legislation both in South Africa (including Regulation 28 of the Pension Funds Act, the Financial Sector Charter (FSC) and the King IV Code of Corporate Governance (Principle 17), and globally in terms of the United Nations backed Principles for Responsible Investment (UNPRI). It is also guided by best practice principles globally such as the OECD Corporate Governance Principles (2015); and the ICGN Global Governance Principles (2014). We are actively engaged with the RISA Committee, the ASISA RI Committee and the National Advisory Body for impact investing. Globally we are members of the UN PRI and active members of the International Corporate Governance Network.
Commitment	Please select	

C14. Portfolio Impact

C-FS14.1

(C-FS14.1) Do you conduct analysis to understand how your portfolio impacts the climate? (Scope 3 portfolio impact)

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Comment
Bank lending (Bank)	No	<Not Applicable>	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases for particular businesses or products (e.g. through OM Insure and OM Responsible Investment). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML regarding the analysis to understand how our portfolio impacts the climate (scope 3 portfolio impact).
Investing (Asset manager)	Yes	Please select	Across OMAI we further enhanced our ESG integration practices by investing in additional specialist skills and through investments in the systems to track and report on impact data. We now have the systems to track and report on the contribution our clients' capital makes towards the United Nations Sustainable Development Goals (SDGs). For example, in 2019, OMAI started to measure the carbon footprint of our portfolios, and the carbon offset generated by our renewable energy investments. The current process to align the OML Responsible Business strategy with urgent sustainability measures is exploring appropriate metrics to understand and track how OML's portfolio impacts the climate.
Investing (Asset owner)	No, but we plan to do so in the next two years	<Not Applicable>	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases for particular businesses or products (e.g. through OM Insure and OM Responsible Investment). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML regarding the analysis to understand how our portfolio impacts the climate (scope 3 portfolio impact). The current process to align the OML Responsible Business strategy with urgent sustainability measures is exploring appropriate metrics to understand and track how OML's portfolio impacts the climate.
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	<Not Applicable>	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases for particular businesses or products (e.g. through OM Insure and OM Responsible Investment). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML regarding the analysis to understand how our portfolio impacts the climate (scope 3 portfolio impact). The current process to align the OML Responsible Business strategy with urgent sustainability measures is exploring appropriate metrics to understand and track how OML's portfolio impacts the climate.
Other products and services, please specify	No	<Not Applicable>	

C-FS14.1a

(C-FS14.1a) What are your organization’s Scope 3 portfolio emissions? (Category 15 “Investments” total emissions)

Category 15 (Investments)

Evaluation status
Relevant, calculated

Scope 3 portfolio emissions (metric tons CO2e)
115269

Portfolio coverage
More than 0% but less than or equal to 10%

Percentage calculated using data obtained from client/investees
100

Emissions calculation methodology
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). IPCC 2006 guidelines, default emission factors and country specific emission factors. Data collection process: online capturing - monthly data.

Please explain
We have not yet conducted analysis to understand how our portfolio impacts the climate, beyond the initial work at OMAI. In this regard, OMLAC 's investments in OMAI amounted to R24.9 billion. This makes up just under 3.5 percent of the total R766.5 billion of assets currently under OML management. Late in 2019, OMAI initiated a review of the TCFD framework and how this can be implemented. This included a review of climate risk considerations in the investment lifecycle, as asset managers of existing portfolios and from a governance perspective within OMAI, which will be implemented in 2020. We look to measure the carbon footprint of our portfolios, and the carbon offset generated by our renewable energy investments, and drive a transition to a sustainable, 1.5°C world energy mix. This means aligning our investments with a practical energy mix across Africa that promotes development but remains within the carbon budget of a 1.5°C world.

C-FS14.1c

(C-FS14.1c) Why do you not conduct analysis to understand how your portfolio impacts the climate? (Scope 3 Category 15 “Investments” emissions or alternative carbon footprinting and/or exposure metrics)

We have not yet conducted analysis to understand how our portfolio impacts the climate, beyond the initial work at OMAI. Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, to leverage the successes of the businesses with mature responses and to develop explicit strategies for other businesses and products.

With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for understanding how our portfolio impacts the climate.

C-FS14.2

(C-FS14.2) Are you able to provide a breakdown of your organization's Scope 3 portfolio impact?

	Scope 3 breakdown	Comment
Row 1	None of the above, but we plan to do this in the next 2 years	With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for understanding how our portfolio impacts the climate, and how to go about with the breakdown of OML's total Scope 3 portfolio impact.

C-FS14.3

(C-FS14.3) Are you taking actions to align your portfolio to a well below 2-degree world?

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, to leverage the successes of the businesses with mature responses and to develop explicit strategies for other businesses and products. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for consolidating an OML Group approach to align our portfolio to a well below 2-degree world.
Investing (Asset manager)	No, but we plan to do so in the next two years	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, the leverage the successes of the businesses with mature responses and to develop explicit strategies other businesses and products. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for consolidating an OML Group approach to align our portfolio to a well below 2-degree world. Late in 2019, OMAI initiated a review of the TCFD framework and how this can be implemented. This included a review of climate risk considerations in the investment lifecycle, as asset managers of existing portfolios and from a governance perspective within OMAI, which will be implemented in 2020. We look to measure the carbon footprint of our portfolios, and the carbon offset generated by our renewable energy investments, and drive a transition to a sustainable, 1.5°C world energy mix. This means aligning our investments with a practical energy mix across Africa that promotes development but remains within the carbon budget of a 1.5°C world. OMAI is currently working on a position paper detailing the investment strategy across all fossil fuels.
Investing (Asset owner)	No, but we plan to do so in the next two years	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, to leverage the successes of the businesses with mature responses and to develop explicit strategies for other businesses and products. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for consolidating an OML Group approach to align our portfolio to a well below 2-degree world.
Insurance underwriting (Insurance company)	No, but we plan to do so in the next two years	Following the separate listing of OML on the JSE in 2018, OML has initiated a strategic process to develop a consolidated climate change strategy. OML has a long history of doing business responsibly and making a real impact in the communities in which we operate. Historically, OML has driven climate change-related responses in a decentralised way based on clear business cases (for example OM Insure has experienced direct impacts from climate change and thus developed a mature response). In the last reporting year, we have recognised the need to bring the climate change strategies of each business together in a coordinated, centralised way. Our Responsible Business Strategy, a component of OML's strategic pillar "Old Mutual Cares", is our mechanism to coordinate our approach to climate change, the leverage the successes of the businesses with mature responses and to develop explicit strategies other businesses and products. With reference to the TCFD recommendations, we are in the process of understanding where we have the greatest climate impact, and where we face the greatest climate risks, and this will inform the new centralised process at OML. This includes the establishment of a climate change governance structure and the overall alignment of the OML Responsible Business Strategy with urgent sustainability measures. OML's strategy will look to consolidate existing best practice within the Group and establish a group strategy for consolidating an OML Group approach to align our portfolio to a well below 2-degree world.
Other products and services, please specify	Please select	

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Director Group Marketing and Communications, Corporate Affairs and Responsible Business	Chief Sustainability Officer (CSO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms