PRI Principles for Responsible Investment

RI TRANSPARENCY REPORT

2013/14

Royal Bafokeng Holdings (Pty) Ltd

UNEP Finance Initiative Changing finance, financing change | United Nations Global Compact

An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

About this report

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. A copy of this report will be publicly disclosed for all reporting signatories on the PRI website, ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six Principles for Responsible Investment. It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
🏳	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

PRI disclaimer

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Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	-	n/a							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	-	n/a							✓
OA 07	Governance, management structures and RI processes	-	n/a							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	-	n/a							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	-	n/a				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	-	n/a	✓						
OA 14	Allocation of assets to environmental and social themed areas	-	n/a	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	-	n/a							✓
OA 19	Internal and external review and assurance of responses	-	n/a							✓

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Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private	✓						
LEI 02	Description of ESG incorporation	-	n/a	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	-	n/a	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	🔒	n/a	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	-	n/a	✓						
LEI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 10	Description of ESG integration	🔒	n/a	✓						
LEI 11	Review ESG issues while researching companies/sectors	🔒	n/a	✓						
LEI 12	Processes to ensure integration is based on robust analysis	🔒	n/a	✓						
LEI 13	Aspects of analysis ESG information is integrated into	🔒	n/a	✓						
LEI 14	ESG issues in index construction	🔒	n/a	✓						
LEI 15	How ESG incorporation has influenced portfolio composition	-	n/a	✓						
LEI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	-	n/a	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	-	n/a	✓						
LEI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	

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Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Breakdown of investments by strategy	✓	Private							✓
PE 02	Typical level of ownership	✓	Private							✓
PE 03	Description of approach to RI	-	n/a	✓					✓	
PE 04	Investment guidelines and RI	✓	Public		✓					
PE 05	Fund placement documents and RI	✓	Public	✓			✓		✓	
PE 06	Formal commitments to RI	-	n/a				✓			
PE 07	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 08	ESG advice and research when selecting investments	-	n/a	✓						
PE 09	ESG issues in investment selection process	✓	Public	✓		✓				
PE 10	Types of ESG information considered in investment selection	-	n/a	✓		✓				
PE 11	Encouraging improvements in investees	-	n/a	✓	✓					
PE 12	ESG issues impact in selection process	-	n/a	✓						
PE 13	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 14	Proportion of portfolio companies with sustainability policy	🔒	n/a		✓					
PE 15	Actions taken by portfolio companies to incorporate ESG issues into operations	🔒	n/a		✓					
PE 16	Type and frequency of reports received from portfolio companies	🔒	n/a		✓	✓				
PE 17	Disclosure of ESG issues in pre-exit	-	n/a		✓					
PE 18	ESG issues affected financial/ESG performance	-	n/a	✓	✓					
PE 19	Examples of ESG issues that affected your PE investments	-	n/a	✓		✓				
PE 20	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	
PE 21	Approach to disclosing ESG incidents	-	n/a						✓	

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PRI Principles for Responsible Investment

Royal Bafokeng Holdings (Pty) Ltd

Reported Information

Public version

Organisational Overview

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PRI Principles for Responsible Investment

Basic Information

OO 01	Mandatory	Gateway/Peering	General

OO 01.1 Select the services you offer.

☑ Fund management

% of assets under management (AUM) in ranges

- ○ <10%
- ○ 10-50%
- ◉ >50%

☐ Fund of funds, manager of managers, sub-advised products

☐ Other, specify

☐ Execution and advisory only services

OO 02	Mandatory	Peering	General

OO 02.1 Select the location of your organisation's headquarters.

South Africa

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- ◉ 1
- ○ 2-5
- ○ 6-10
- ○ >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

25

OO 03	Mandatory	Descriptive	General

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- ○ Yes
- ◉ No

OO 04	Mandatory	Gateway/Peering	General

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PRI Principles for Responsible Investment

OO 04.1 Indicate the year end date for your reporting year.

31/12/2013

OO 04.2 Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		39	697	058	019
Currency	ZAR				
Assets in USD		3	843	624	878

OO 04.3 Indicate the level of detail you would like to provide about your asset class mix.

◉ Approximate percentage breakdown to the nearest 5% (e.g. 45%)

○ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 04.4 Additional information. [Optional]

Kindly note that total AUM given as gross asset value, net asset value: R 30,311,826,979

OO 06 | **Mandatory** | **Descriptive** | **General**

OO 06.1 To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

◉ Publish our asset class mix as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	88	0
Fixed income – corporate	0	0
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	0	0
Private equity	12	0
Property	0	0
Infrastructure	0	0

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Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

○ Publish our asset class mix as broad ranges

○ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png,.bmp and .gif)

Gateway asset class implementation indicators

OO 10 | **Mandatory** | **Gateway** | **General**

OO 10.1 Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

☑ We incorporate ESG issues into investment decisions on our internally managed assets

☐ We engage with companies on ESG issues via our staff, collaborations or service providers

☐ We cast our (proxy) votes directly or via service providers

☐ None of the above

OO 11 | **Mandatory** | **Gateway** | **General**

OO 11.1 Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

☑ Private equity

☐ None of the above

OO 12 | **Mandatory** | **Gateway** | **General**

OO 12.1 The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.

Core modules

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☑ Organisational Overview

☑ Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

Direct - Listed Equity incorporation

☑ Listed Equity incorporation

Direct - Other asset classes with dedicated modules

☑ Private Equity

Closing module

☑ Closing module

Note: Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

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PRI Principles for Responsible Investment

Royal Bafokeng Holdings (Pty) Ltd

Reported Information

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Overarching Approach

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Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General

OA 01.1 Indicate if you have a responsible investment policy.

- (•) Yes
- ( ) No

OA 01.2 Indicate if you have other guidance documents or more specific policies related to responsible investment.

- (•) Yes
- ( ) No

OA 01.3 Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

The Policy for Sustainable Responsible Investment and Portfolio Management defines the principles, objectives and systems for sustainable investment with respect to Environmental, Social and Governance [ESG] issues. The policy provides guidance regarding the process for investment decision-making, ESG criteria and an exclusion list (as part of a process of negative screening).

Other policies and procedures related to Responsible Investment include the Royal Bafokeng Holdings:

- Sustainability Strategy
- Corporate Governance Strategy
- Code of Ethics
- Preferential Procurement Policy
- Employment Equity Policy
- Corporate Social Investment Policy

OA 02	Mandatory	Core Assessed	PRI 6

OA 02.1 Indicate if your responsible investment policy is publicly available.

- (•) Yes

OA 02.2 Provide a URL to your responsible investment policy.

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	URL

http://www.bafokengholdings.com/hr/files/RBH-investment-policy.pdf

○ No

OA 02.3	Indicate if your other policies or guidance documents related to responsible investment are publicly available.

◉ Yes

◉ Yes, all

○ Yes, some

OA 02.4	List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
Sustainability Strategy	http://www.bafokengholdings.com/hr/files/RBH-sustainability-strategy.pdf
Corporate Governance Strategy	http://www.bafokengholdings.com/cc/files/Corporate_Governance_Policy.pdf
Code of Ethics	http://www.bafokengholdings.com/cc/files/Code_of_Ethics_13.pdf
Preferential Procurement Policy	http://www.bafokengholdings.com/hr/files/procurement_policy.pdf
Employment Equity Policy	http://www.bafokengholdings.com/hr/files/ee_policy.pdf
Corporate Social Investment Policy	http://www.bafokengholdings.com/cc/files/RBH_CSI_policy_apr2010.pdf

○ No

OA 03	Mandatory	Core Assessed	PRI 1,2

OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

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Policy components/types	Coverage by AUM
☑ Policy setting out your overall approach ☐ (Proxy) voting policy ☑ Engagement/active ownership policy ☐ Specific guidelines on corporate governance ☐ Specific guidelines on environmental issues ☐ Specific guidelines on social issues ☐ Asset class-specific guidelines ☑ Screening/exclusion policy ☐ Other, specify ☐ Other, specify	○ Applicable policies cover all AUM ◉ Applicable policies cover a majority of AUM ○ Applicable policies cover a minority of AUM

OA 03.2 Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]

RBH considers active ownership as an important part of responsible investment. RBH has identified "Focus Companies" with whom effort toward collaboration on environmental and community development issues are specifically directed. The identification of these "Focus Companies" is based on the size of the investment, the level of influence and the potential extent and severity of the environmental and social impacts associated with the operations.

OA 04 | Mandatory | Core Assessed | General

OA 04.1 Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

○ Yes
◉ No

Objectives and strategies

OA 05 | Mandatory | Gateway/Core Assessed | General

OA 05.1 Indicate if your organisation sets objectives for its responsible investment activities.

◉ Yes

OA 05.2 Indicate how frequently your organisation sets or revises objectives for responsible investment.

○ At least once per year
◉ Less than once per year

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OA 05.3	Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- (●) Quarterly
- ( ) Biannually
- ( ) Annually
- ( ) Every two years or less
- ( ) It is not reviewed

( ) No

Governance and human resources

OA 08	Mandatory	Gateway/Core Assessed	General

OA 08.1	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

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	Roles present in your organisation

☑ Board members or trustees

- ☑ Oversight/accountability for responsible investment
- ☐ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment

☑ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee

- ☑ Oversight/accountability for responsible investment
- ☐ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment

☐ Other Chief-level staff or head of department, specify

☑ Portfolio managers

- ☑ Oversight/accountability for responsible investment
- ☑ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment

☑ Investment analysts

- ☐ Oversight/accountability for responsible investment
- ☑ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment

☑ Dedicated responsible investment staff

- ☐ Oversight/accountability for responsible investment
- ☑ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment

☐ External managers or service providers

☐ Other role, specify

☐ Other role, specify

OA 08.2	Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

	Number

2

Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5

OA 10.1	Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

◉ Yes

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OA 10.2	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

☐ Asian Corporate Governance Association

☐ Association for Sustainable & Responsible Investment in Asia

☐ Australian Council of Superannuation Investors

☐ CDP Climate Change

☐ CDP Forests

☐ CDP Water

☐ CFA Institute Centre for Financial Market Integrity

☐ Council of Institutional Investors (CII)

☐ Eumedion

☐ Extractive Industries Transparency Initiative (EITI)

☐ Global Investors Governance Network (GIGN)

☐ Global Real Estate Sustainability Benchmark (GRESB)

☐ Institutional Investors Group on Climate Change (IIGCC)

☐ Interfaith Center on Corporate Responsibility (ICCR)

☐ International Corporate Governance Network (ICGN)

☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)

☐ Investor Network on Climate Risk (INCR)/CERES

☐ Local Authority Pension Fund Forum

☑ Principles for Responsible Investment

	Your organisation's role in the initiative during the reporting period (see definitions)

☑ Basic

☐ Moderate

☐ Advanced

☐ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

☐ Shareholder Association for Research and Education (Share)

☐ United Nations Environmental Program Finance Initiative (UNEP FI)

☐ United Nations Global Compact

☐ Other collaborative organisation/initiative, specify

☐ Other collaborative organisation/initiative, specify

☐ Other collaborative organisation/initiative, specify

☐ Other collaborative organisation/initiative, specify

○ No

OA 11	Mandatory	Core Assessed	PRI 4

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OA 11.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- ○ Yes
- ◉ No

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PRI Principles for Responsible Investment

Royal Bafokeng Holdings (Pty) Ltd

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Direct - Listed Equity Incorporation

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PRI Principles for Responsible Investment

ESG incorporation in actively managed listed equities

Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1

LEI 03.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

☑ Screening alone (i.e. not combined with any other strategies)

Percentage of active listed equity to which the strategy is applied (estimate +/- 10%)	% 100

☐ Thematic alone (i.e. not combined with any other strategies)

☐ Integration alone (i.e. not combined with any other strategies)

☐ Screening + Integration strategies

☐ Thematic + integration strategies

☐ Screening + thematic strategies

☐ All three strategies combined

☐ No incorporation strategies applied

	Total actively managed listed equities

100%

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LEI 03.2	Describe your primary reasons for choosing a particular ESG incorporation strategy.

Royal Bafokeng Holdings (Pty) Ltd (hereafter referred to as the RBH), wholly owned by the Royal Bafokeng Nation Development Trust (RBNDT), is a community-based investment company. Its core business function is to develop and manage the commercial assets of the Royal Bafokeng Nation (hereafter referred to as the RBN). The dividends received from investee companies fund the RBN for the development of sustainable community projects.

The overall business objective of RBH is to maximise financial returns to enable the RBN to deliver sustainable benefits to the Bafokeng community. The funds have been used to finance educational, municipal, medical and social services for the Bafokeng community. RBH's primary responsibility in terms of sustainable development is to act as a responsible investor, while the Royal Bafokeng Administration (hereafter referred to as the RBA) is to act as the custodian of the RBN owned land.

(A) Implementation: Screening

LEI 06	Mandatory	Descriptive	PRI 1

LEI 06.1	Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

☑ Negative/exclusionary screening

Screened by

☐ Product
☑ Activity
☐ Sector
☐ Country/geographic region
☑ Environmental and social practices and performance
☐ Corporate governance

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PRI Principles for Responsible Investment

Description

RBH applies a process of negative screening based on the following an exclusion list. The RBH Exclusion List defines the types of investments that will not be considered. A reasonableness test will be applied. RBH will not invest, either directly or indirectly, in companies or project that are involved in:

- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
- Production or trade in weapons and munitions.
- Production or trade in alcoholic beverages (excluding beer and wine).
- Production or trade in tobacco.
- Gambling, casinos and equivalent enterprises.
- Trade in wildlife or wildlife products regulated under CITES.
- Production or trade in radioactive materials.
- Production or trade in or use of unbonded asbestos fibers.
- Purchase of logging equipment for use in primary tropical moist forest.
- Production or trade in pharmaceuticals subject to international phase outs or bans.
- Production or trade in pesticides/herbicides subject to international phase outs or bans.
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
- Production or activities involving harmful or exploitative forms of forced labour/harmful child labour
- Production or trade in products containing PCBs.
- Production or trade in ozone depleting substances subject to international phase out.
- Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples.

☐ Positive/best-in-class screening

☐ Norms-based screening

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LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

The screening criteria has been established in accordance with the International Finance Corporation (IFC) Exclusion List which defines the types of projects that IFC does not finance. The IFC guidelines are specifically referred to as the policies of the IFC provide a frame of reference for international lending institutions to review of environmental and social risks of projects, particularly those undertaken in developing countries.

The screening criteria is outlined in the RBH Policy for Responsible Investment and Portfolio Management and was develop during the course of 2011. The Policy was approved by the Board in 2012 (Q4).

The Policy which includes the screening criteria is published in the Royal Bafokeng Holdings website and further public communication is enabled through the publication of the Annual Royal Bafokeng Holdings Integrated Report.

LEI 07	Mandatory	Core Assessed	PRI 1

LEI 07.1	Indicate which processes your organisation uses to ensure that screening is based on robust analysis.

☐ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.

☐ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies

☐ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar

☐ Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies

☐ A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions

☑ A periodic review of the quality of the research undertaken or provided is carried out

☐ Other, specify

☐ None of the above

Communication

LEI 18	Mandatory	Core Assessed	PRI 2,6

LEI 18.1	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

◉ We disclose it publicly

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	Provide URL

http://www.bafokengholdings.com/hr/files/RBH-sustainability-strategy.pdf

	Provide URL

http://www.bafokengholdings.com/hr/files/RBH-investment-policy.pdf

LEI 18.2	Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

◉ Yes

LEI 18.3	Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

◉ Broad approach to ESG incorporation

○ Detailed explanation of ESG incorporation strategy used

LEI 18.4	Indicate how frequently you typically report this information.

○ Quarterly or more frequently

◉ Between quarterly and annually

○ Less frequently than annually

○ Other, specify

○ No

○ We disclose it to clients and/or beneficiaries only

○ We do not proactively disclose it to the public and/or clients/beneficiaries

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PRI Principles for Responsible Investment

Royal Bafokeng Holdings (Pty) Ltd

Reported Information

Public version

Direct – Private Equity

PRI disclaimer

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PRI Principles for Responsible Investment

Overview

PE 04	Mandatory	Core Assessed	PRI 2

PE 04.1 Indicate if your organisation's investment guidelines for private equity refer to responsible investment.

- ◉ Our investment guidelines do refer to responsible investment
- ○ Our investment guidelines do not refer to responsible investment
- ○ We do not have investment guidelines

Fundraising of private equity funds

PE 05	Mandatory	Core Assessed	PRI 1,4,6

PE 05.1 Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

- ◉ Yes

PE 05.2 Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- ☑ Policy and commitment to responsible investment
  - ◉ Always
  - ○ In a majority of cases
  - ○ In a minority of cases
- ☑ Approach to ESG issues in pre-investment processes
  - ◉ Always
  - ○ In a majority of cases
  - ○ In a minority of cases
- ☐ Approach to ESG issues in post-investment processes

- ○ No

Pre-investment (selection)

PE 07	Mandatory	Gateway	PRI 1

PE 07.1 Indicate if your organisation typically incorporates ESG issues when selecting private equity investments.

- ◉ Yes
- ○ No

PE 09	Mandatory	Core Assessed	PRI 1,3

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PE 09.1 Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.

ESG issues

☑ Environmental

List up to three typical examples of environmental issues

Negative Screening

Evidence of the appropriate assessment of environmental impact and mitigation or offset strategy

Acceptability of the level of legal compliance

☑ Social

List up to three typical examples of social issues

Negative Screening

Employment Equity

Acceptability of the level of consideration for ESG Principles in business strategy and decision making

☑ Governance

List up to three typical examples of governance issues

Negative Screening

Evidence of effectiveness of risk identification process and management system implementation

Acceptability of the level of King III compliance

Post-investment (monitoring and active ownership)

PE 13	Mandatory	Gateway/Core Assessed	PRI 2

PE 13.1 Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.

○ Yes

◉ No

Communication

PE 20	Mandatory	Core Assessed	PRI 6

PE 20.1 Indicate whether your organisation proactively discloses ESG information on your private equity investments.

○ Disclose publicly

○ Disclose to investor clients (LPs)/beneficiaries only

◉ No proactive disclosure to the public or to clients (LPs)/beneficiaries

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