

Principles for Responsible Investment (PRI)

Annual disclosure statement ending 31 December 2022

Our philosophy on being a responsible investor

Futuregrowth is a fiduciary asset manager, and we believe that non-financial factors i.e., environmental, social and governance (ESG) are important sustainability issues that should be considered as part of an integrated investment process.

Our commitment

We strive to invest our clients' assets responsibly, making a concerted effort to be aware of these issues. The purpose of integrating non-financial analysis into our investment process is to identify and price for any risks, improve the analysis of our investments and to promote improving standards of practice.

Futuregrowth has with reasonable diligence assessed the factors, which may materially affect the sustainable long-term performance of the assets that we manage, including, but not limited to, those of an environmental, social and governance character.

PRI annual disclosure ending 31 December 2022

We believe that the PRI principles, which considers non-financial (i.e., ESG) factors, can be applied across all asset classes including fixed income where the majority of our assets under management is invested on behalf of our clients.

Futuregrowth is a signatory to the PRI and endorses the Code for Responsible Investment in South Africa (CRISA). Below is a summary of Futuregrowth's disclosure based on our application of the PRI principles.

PRI principles	Futuregrowth's application of these principles
Principle 1 We will incorporate ESG issues into investment analysis and decision-making processes.	Our Responsible Investment (RI) Policy outlines our commitment to responsible investment practices and the integration of non-financial analysis into investment and decision-making processes.

FUTUREGROWTH

/ ASSET MANAGEMENT

Principle 2

We will be **active owners** and incorporate ESG issues into our ownership policies and practices.

Our active ownership approach is based on our Responsible Investment, Corporate Governance & Proxy Voting framework and policies.

We practice active ownership through the following:

- Filing shareholder resolutions;
- Exercising voting rights and engage in proxy voting issues; and
- Attending annual general meetings and other relevant meetings,.

Our active engagement strategy follows two broad paths:

- To engage and promote change within the capital markets, as bondholders and equity investors; and
- To engage issuers on material non-financial (ESG) matters.

Principle 3

We will seek appropriate **disclosure** on ESG issues by the entities in which we invest.

We will seek appropriate disclosure on relevant non-financial issues by the investee companies in which we allocate capital, by engaging companies to report and disclose material non-financial issues. In addition, we will disclose and report on our progress towards implementing the principles.

This can be evidenced in the following reports.

- Futuregrowth's Responsible Investment Policy
- Futuregrowth's Corporate Governance & Proxy Voting Policy
- PRI Annual Disclosure Statement
- PRI Annual Scoring
- CRISA Annual Disclosure Statement

[View the reports.](#)

Principle 4

We will **promote acceptance** and **implementation** of the Principles within the investment industry.

As a responsible investor we promote acceptance of the Principles through our support and engagement with the industry and investee companies, privately and sometimes publicly, on sustainability issues.

We continue to work steadfastly to improve South Africa's debt capital market standards.

Principle 5

We will **work together** to enhance our effectiveness in implementing the Principles.

We work together and collaborate with the industry on RI and sustainability principles. These include:

- Industry bodies like e.g., ASISA, Chartered Financial Analyst (CFA) SA, etc.; and
- Representation on a few industry working groups e.g., ASISA Bond committee, ASISA Infrastructure Working Group, ASISA RI Committee, PRI SA and the CRISA Review Working Group.
- Regulatory body engagement e.g., FSCA etc.

Principle 6

We will each **report** on our activities and progress towards implementing the Principles.

We will disclose and report on sustainability, this includes non-financial issues and our progress towards implementing the principles.

This can be evidenced in the following reports.

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- Futuregrowth's Corporate Governance & Proxy Voting Policy
- PRI Annual Disclosure Statement
- PRI Annual Scoring
- CRISA Annual Disclosure Statement

[View the reports.](#)

For further information, please contact:

Angelique Kalam

Head: Sustainable Investment Practices

Tel: 021 659 5483

Email: angeliquek@futuregrowth.co.za

