

## **Engagement Policy**

### **Description**

Aeon Investment Management's engagement policy entails details on the types of engagements we have, the process of engagements and the number of interactions held with company management concerning Environmental, Social and Corporate Governance (ESG) issues. By engaging with company management, we alert them to ESG factors which they should consider in future, should they not be aware of certain risk factors as a result of ESG infractions. Note that at Aeon IM we do not primarily use ESG factors to make an investment decision but rather to aid our investment decisions. At Aeon IM, we prioritise collaborative engagements per our exposure, impact to materiality exposure of shares we hold and the shares we might hold in future. We will define specific objectives for their engagement activities and will monitor the actions the companies take following the engagement.

### **Types of Engagements**

Aeon Investment Management has three types of engagements namely; (1) Staff Engagements, (2) Collaborative Engagements and (3) Service Provider Engagements. The reason for interacting on ESG issues is to influence corporate practice and to encourage ESG disclosure with companies.

### **Process for Engagements**

Aeon Investment Management IM will define specific objectives for their engagement activities and will monitor the actions the companies take following the engagement. Engagement with staff, investment managers, service providers and/or companies reflect our commitment to the active management of the companies in which we invest. We do acknowledge that our proxy voting activities indirectly influence corporate behaviour, however, we do find meeting with management via attending AGM's (Annual General Meeting) to be more effective in making management as well as other shareholders aware of our issues with a company's operations.

We do make use independent service providers to engage with companies on our behalf although, where necessary, we will utilise research from external experts to help us understand the issues in more detail.

At Aeon Investment Management, we believe that engagements with staff, companies and/ or other investment managers are important as it would aid our investment decision. Engagements with management and/or site visits to understand how a company is positioning itself to manage an ESG issue can support our decision to invest, divest or reweight a position. Engaging can also help us to make other investors aware of certain issues that may affect our required rate of return.

### Newsletter

As at November 2015 we initiated a newsletter. The aim of this newsletter is to make our investment performance known within the industry (Asset consultants, multi managers, retirement fund trustees etc.) and among our institutional clients. It is also to highlight our ESG activities and Aeon Investment Management news-related content. It is part of our marketing and branding initiative to raise awareness and brand association to lift our company profile.

As at January 2016, Aeon Investment Management started sending this newsletter to our retail clients as well. We added more detail relating to the Aeon Balanced Fund because all our retail clients are invested in this fund.

Aeon Investment Management intends sending this newsletter communication at least twice a year, and on an ad-hoc basis as and when news flow arises.

### Public Policy

Asief Mohamed, the Chief Investment Officer (CIO) for Aeon Investment Management offers submissions and proposals to parliament in relation to economic, social and governance issues through his involvement in organisations like the Association of Black Securities and Investment Professionals (ABSIP) and the Financial Services Charter Council (FSC). The focus of these proposals is the encouragement of inclusive economic growth, job creation and transformation. Aeon Investment Management believes that by commenting on policies, attending investment management conferences, AGMs and corporate events, we can

influence public policy by raising issues that are hampering ethical behaviour and that can encourage disclosure by companies.

### Transparency

Aeon Investment Management discloses to its clients and/ or beneficiaries annually an ESG Engagement Review to summarise our work. This specifically reports on our ESG Engagement activities. The work summarises the number of engagements, specific goals of the engagement, an assessment of the current status and the outcomes that have been achieved from the engagement. On a bi-annual basis we will be sending out a newsletter to our institutional and retail clients. On a quarterly basis, we will publish our updated proxy vote summary on our website at this [link](#).

**Asief Mohamed**