



All Weather Capital Crisa 2 Statement



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All Weather Capital: Crisa 2 Statement

At All Weather Capital, we believe that investing is not just a financial act, but a social responsibility. As investment managers — and custodians of our clients' capital — we are committed to delivering sustainable monetary returns while advancing the broader interests of all stakeholders in the South African economy.

We acknowledge that the environment in which we operate is constantly evolving. Challenges such as climate change, inequality, governance failures, and systemic risks demand that capital is deployed responsibly, inclusively, and with long-term resilience in mind. To this end, we embrace the Code for Responsible Investing in South Africa (CRISA 2) as a guiding framework in our investment philosophy.

By acting responsibly, we can meet CRISA 2' four main outcomes of:

- **Positive Impact:** Through responsible investing, it is possible to generate sustainable financial returns while making measurable contributions to society. Engagement with boards and management on ESG issues helps drive long-term positive outcomes for the economy, environment, and communities.
- **Inclusion:** Applying the principles of CRISA 2 supports a more inclusive society and economy. Inclusive investment practices across environmental, social, and governance dimensions enable sustainable development and help address systemic inequalities.
- **Innovation:** Embracing new tools, data, and approaches allows for more effective ESG integration, and the identification of long-term opportunities aligned with responsible investment principles.
- **Resilience:** By anticipating change and embedding adaptability into investment practices, it is possible to remain aligned with long-term goals and values, even in uncertain or volatile environments.

All Weather Capital has adopted the following actions in line with the five principles of CRISA 2:

Principle 1: Investors should be at the forefront of the integration of Environmental, Social and Governance Factors into its investment style and its investment process:

- In line with our style-agnostic investment philosophy, All Weather Capital takes a pragmatic and integrated approach to ESG. Environmental, Social, and Governance (ESG) factors are embedded into our valuation process through a structured

Responsible Investing Framework. Our internally generated ESG framework produces an ESG rating on each of our investee and this rating is included in the valuation process by either adjusting the discount rate or the valuation multiple, while being cognisant of the materiality of the ESG factors.

- We view ESG policy as a critical part of our investment process. While we have specific professionals focused on ESG disclosure and reporting, the full investment team is actively involved in generating ideas for enhancing ESG integration across the portfolio. This collective involvement strengthens our internal ESG capability and aligns with our commitment to shared accountability.
- Our ESG efforts are supported by regular engagements with company stakeholders, where we interrogate ESG policies, progress, and disclosures. In addition, we have built customised ESG frameworks for each investee company, allowing us to assess, monitor, and rate the ESG risks of investee companies in our portfolio.
- We are cognisant that companies with weak governance or unsustainable environmental and social practices face elevated risks, including regulatory fines, reputational harm, poor stock performance, or even failure in severe cases. Our ESG assessments are therefore not only principled but also risk aware.
- A resolute ESG team leads our ESG monitoring and engagement efforts, with oversight by the Head of Research, ensuring that ESG considerations remain embedded in every investment decision.

Principle 2: Investment managers should constantly be at the forefront of diligent stewardship:

- All Weather Capital is—and has always been—an active steward of client capital. We view stewardship not as a standalone initiative but as a fundamental part of how we invest, ensuring that our long-term interests are aligned with those of our clients and society at large.
- Our stewardship practices include:
 - Active and considered proxy voting, guided by a documented policy that ensures alignment with ESG and governance principles.
 - Ongoing, long-term engagements with company boards and executive teams to promote accountability and sustainable business practices.
 - A focus on ensuring that the companies we invest in are well-managed, forward-thinking, and acting in the best interests of shareholders and broader stakeholders.
 - We also adhere to global best practices, drawing on the King IV Report on Corporate Governance, the CFA Institute Code of Ethics and Standards of Professional Conduct, and being signatories of both the United Nations Principles for Responsible Investment (UN PRI) and CRISA 2.

- By integrating stewardship into our investment process, we ensure that capital is allocated and managed in a way that fosters long-term value creation and mitigates systemic risks.

Principle 3: In the management of clients' monies, we acknowledge that if we have capacity, we should continuously collaborate with other investment professions to build and promote responsible investing in the industry:

- We recognise that the success of responsible investing also depends on collaboration across the investment industry. All Weather aims to engage with other asset managers, asset owners, and stakeholders to advance the principles of responsible investing. Collaboration is facilitated through being members of the UNPRI, CA100+ as well as taking part in RI events in the industries. All Weather aims to be members of industry groups that support RI to ensure continuous collaboration with like-minded investment professionals and promote RI in the industry.
- All Weather Capital contributes to industry development through a graduate programme, which has helped launch sixteen investment professionals into the industry to date. This initiative not only builds internal ability but also promotes the development of the next generation of ESG-aware investment managers.
- Our team includes CFA Charter holders and qualified Chartered Accountants (CA(SA)), enabling us to keep high ethical standards and technical excellence in the execution of our investment responsibilities. We also regularly take part in dialogues with peer firms and industry bodies to support a more robust, ethical, and ESG-conscious investment ecosystem.

Principle 4: Money managers have a responsibility to have sound governance and manage conflict of interests responsible:

Internally, All Weather Capital adheres to strong corporate governance:

- The firm is governed by a Board of 5 Directors, the majority of whom are non-executive and independent.
- A Treating Customers Fairly (TCF) Policy is in place, underscoring the firm's ethical obligations to clients.
- Conflicts of interest are carefully watched and governed by a formal Conflicts of Interest Policy.

Principle 5: Transparency

All Weather Capital recognises that transparency is foundational to building trust with stakeholders and meeting the expectations set out in CRISA 2. We are committed to making our responsible investment approach visible and understandable to all stakeholders, thereby reinforcing our accountability and role as stewards of capital.

To meet CRISA 2's transparency requirements, All Weather Capital has made the following documentation available either via its website or upon request:

- **Responsible Investing Policy:** This document outlines our philosophy and process for integrating ESG considerations into our investment approach. It shows our commitment to identifying material ESG risks and opportunities across all asset classes and incorporating these insights into our investment decision-making.
- **Proxy Voting Policy:** We believe that voting is a critical tool for active ownership. This policy explains our principles for voting on shareholder resolutions and director elections, including how we seek to influence corporate behaviour in alignment with long-term value creation and ESG performance.
- **Promotion of Access to Information Act (PAIA) Manual:** In accordance with South African legislation, our PAIA manual provides guidelines for stakeholders to access company information, reflecting our dedication to openness and legal compliance.
- **Conflicts of Interest Policy:** Maintaining the integrity of our investment decisions is paramount. This policy outlines the procedures in place to identify, manage, and disclose conflicts of interest. It is designed to ensure that all decisions are made in the best interests of our clients and in a manner consistent with our fiduciary responsibilities.
- **Quarterly Proxy Voting Summary:** These reports provide detailed insights into how we have exercised our voting rights across our holdings. By publishing these reports, we ensure that stakeholders can track our engagement efforts and assess whether our proxy voting behaviour aligns with our Responsible Investing Policy and stewardship obligations.

Together, these disclosures provide clear visibility into our ESG practices and responsible investment framework. They help clients and stakeholders understand not only what we do, but how and why we do it. More than just static documents, they form part of an evolving commitment to continuous improvement and ongoing dialogue with the market and investee companies.

In line with CRISA's emphasis on accountability, stewardship, and transparency, we continuously review and update these documents to reflect developments in ESG standards, market expectations, and regulatory requirements. By doing so, we strive to maintain a best-in-class responsible investment approach that is both credible and measurable.